

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

MINUTES OF AUGUST 17, 2006
COMMISSION MEETING

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairman Shelton called the meeting to order at 10:04 p.m., and asked everyone to stand for the Pledge of Allegiance.

2. Roll Call of Commissioners.

Roll Call of Commissioners was taken with Chairman Shelton and Commissioners Cruz and Vuksich present.

Special Order of Business – 10:00 A.M.

6. Application for State Gambling License Including All Associated Applicants and Endorsees (Pursuant to Business and Professions Code section 19851):
John Schireck, Sole Proprietor

Senior Legal Counsel Bolz presented Item 6 to the Commission for its consideration of John Schireck's application for a state gambling license.

Paul Justi, attorney for John Schireck, presented comments to the Commission including the following: Mr. Schirek is the successor in interest of the Outpost Casino through the recovery of the premises of the Outpost Casino gambling establishment; by the failure of Mr. Luciano to meet the contract condition to secure a state gambling license; the decision of the Bankruptcy Trustee not to assume Mr. Luciano's lease with Mr. Schireck, and the Trustee's decision to abandon the personal property of Mr. Luciano.

David Fried, attorney for Lamar Wilkinson, presented comments to the Commission in opposition to Mr. Schireck being issued a state gambling license. Mr. Fried's comments included the following: Mr. Wilkinson is the successor in interest of the Outpost Casino,

having purchased the rights to Mr. Luciano's state gambling license from the Bankruptcy Trustee. Mr. Scherick is neither an heir nor a buyer of Mr. Luciano's business, and control of the premises does not entitle Mr. Schireck to a license.

The Commission directed staff to prepare a memorandum responding to the Commission's following questions:

1. Is the provisional license previously issued to Mr. Luciano to operate a cardroom in the City of San Ramon still valid?
2. Did the Bankruptcy Court have the authority to transfer the right to the provisional license?

Chairman Shelton moved to continue Commission's consideration on Item 6 to a future Commission meeting when the Commission can come back having been provided with the answers requested of staff. Commissioner Cruz seconded the motion, which unanimously carried in a vote by roll call with Chairman Shelton and Commissioner Cruz and Vuksich voting yes.

The Table of Contents of the administrative record concerning Mr. Luciano's former state gambling license is incorporated into the minutes as Attachment A. The Table of Contents was made available at the meeting and some of the contents records were presented.

At 12:04 P.M. Chairman Shelton announced that the Commission would recess and would reconvene at 1:30 P.M.

Regular Order of Business – 1:30 P.M.

Chairman Shelton called the meeting back to order at 1:30 P.M. with Commissioners Cruz and Vuksich present.

4. Tribal-State Gaming Compact Gaming Device License Draw (Compact Section 4.3.2.2)

Acting Deputy Director Lechner presented the results of the August 16, 2006, preliminary Joint Tribal-State Gaming Compact Device License Draw meeting to the Commission for its consideration, and approval of issuing gaming device licenses under Tribal-State Gaming Compact section 4.3.2.2, to the eligible tribes that are to be awarded gaming devices licenses in the current draw. Acting Deputy Director Lechner indicated that 50 surrendered licenses were made available at the draw. Acting Deputy Director Lechner further indicated that notice of the gaming device license draw was sent to all compacted tribes on June 26, 2006, and that the notice included a final filling date (July 28, 2006) for acceptance by the Commission of applications from tribes wanting to participate in the draw. Acting Deputy Director Lechner indicated that staff

recommends the Commission allocate and award 25 gaming device licenses to the Augustine Band of Cahuilla Mission Indians and 25 licenses to the Jackson Rancheria. Upon motion of Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

5. Applications for State Gambling License Including All Associated Applicants and Endorsees (Pursuant to Business and Professions Code section 19851):

A. **Club One Casino:** Club One, Inc.

Deputy Director Ciau indicated that staff concurs with the Division's recommendation to approve George Sarantos' application for a state gambling license; deny the application for a state gambling license for Club One Casino Inc.; and deny Elaine Long's application for a state gambling license. Deputy Director Ciau indicated that the Commission has received a written request for an evidentiary hearing for Club One Casino and the representative for Elaine Long is present at the meeting.

Kevin Lewis, designated agent for Elaine Long, presented comments to the Commission concerning Ms. Long's application and requested that the Commission postpone consideration of Ms. Long's application for several months pending completion of a sales transaction of Ms. Long's shares in Club One Casino.

Chairman Shelton moved to adopt in part staff's recommendation to approve George Sarantos' application for a state gambling license; and to schedule an evidentiary hearing for Elaine Long and the Club One Casino for 10:00 A.M., August 31, 2006, unless staff of the Division are not able to get the paper work done in time to serve timely notices. Commissioner Cruz seconded the motion, which unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes.

B. **Diamond Jim's Casino:** Wizard Gaming, Inc., Corporation

- i. **Zephyr Inter Vivos Trust**
- ii. **George Hardie, Jr., Beneficiary/Settlor**
- iii. **Emily Cuicchi, Shareholder and Trustee**
- iv. **George Deitch, Shareholder**
- v. **Sigifredo Revuelta, Shareholder**
- vi. **Margarita Revuelta, Community Property Interest Holder**
- vii. **Darold Shirwo, Shareholder**

Deputy Director Ciau indicated that staff concurs with the Division's recommends to approve renewal of the state gambling license for the remaining period of the license from September 1 through September 31, 2006 for Diamond Jim's Casino, Item 5.B., to include Zephyr Inter Vivos Trust, George Hardie, Jr., Emily Cuicchi, George Deitch, Sigifredo Revuelta, Margarita Revuelta, and Darold Shirwo. Deputy Director Ciau

further indicated that staff also recommends that the license be conditioned that Ms. Jennifer Hardie submit an application for a state gambling license as part of the Trust.

Chander Joshi, presented comments in response to Commissioner Cruz's inquiries regarding loan transactions of share holders.

Emily Cuicchi presented comments regarding the frustrating and long process of applying for a state gambling license indicating that this application has been pending for six years and she feels that she has been diligent in responding to the concerns of both the Division and Commission.

Commissioner Cruz directed staff to provide him with the entire contents of the Division's file for Diamond Jim's Casino. The Commission tabled its consideration on the application to the September 7, 2006 Commission meeting.

C. Garlic City Club: Ky P. Phuon, Sole Proprietor

Deputy Director Ciau indicated that staff concurs with the Division's recommendation to approve the initial state gambling license for Garlic City Club, Item 5.C., through August 31, 2007 contingent upon payment of \$1250 for table fees.

Ky Phuon, responded to Commissioner Cruz's inquires concerning the establishments hours of operation and indicated that he plans to retain individuals employed by the previous owner. Upon motion of Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

D. Pastime Cardroom: Vernon and Mona Lemings, Sole Proprietorship

Deputy Director Ciau indicated that staff concurs with the Division's recommendation to approve the application for a state gambling license for the period of September 1, 2006 through August 31, 2007 for Pastime Cardroom, Item 5.D., with the following conditions:

- 1. Applicants shall maintain accounting books and records that include the recording and dating of all financial transactions of the cardroom to a set of bookkeeping records. These recordings should include all transactions related to revenues, expenses, assets, liabilities, owner equity, and retained earnings.*
- 2. Applicants shall submit to the Commission quarterly reports in the form of financial statements that detail all financial transactions of the gambling establishment. These reports are to be compiled by a certified public accountant licensed in California. The quarterly period shall be three months and shall start with the quarter beginning April 1, 2006.*

Upon motion of Commissioner Cruz, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

6. Applications for Renewal of State Gambling License Including All Associated Applicants and Endorsees: (Pursuant to Business and Professions Code section 19876):

A. **El Resbalon:** Marcos Cabrera, Sole Proprietor

Deputy Director Ciau indicated that staff requests that the Commission extend the state gambling license for El Resbalon, Item 6.A., from September 1, 2006 through October 31, 2006 to allow staff time to prepare a report to the Commission for its consideration of the application. Upon motion of Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

B. **Empire Sportsmen Association:** Empire Sportsmen's Association, Non-Profit Corporation

Deputy Director Ciau indicated that staff requests that the Commission extend the state gambling license for Empire Sportsmen Association, Item 6.B., from September 1, 2006 through September 30, 2006 to allow staff time to prepare a report to the Commission for its consideration of the application. Upon motion of Commissioner Cruz, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

C. **Golden West Casino:** Kern County Associates, Limited Partnership

Deputy Director Ciau indicated that staff requests that the Commission approve the remaining term of the state gambling license through March 31, 2007 for Golden West Casino, Item 6.C. Upon motion of Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission extended the state gambling license for Golden West Casino through October 31, 2006, to allow staff time to provide responses to Commissioner Cruz's concerns.

D. La Fuerza: Eusebio Rodriquez, Sole Proprietor

Deputy Director Ciau indicated that staff concurs with the Division's recommendation to approve renewal of the state gambling license from September 1, 2006 through August 31, 2007 for La Fuerza, Item 6.D. Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

E. Livermore Casino: Sidney Ahn, Sole Proprietor

Deputy Director Ciau indicated that staff concurs with the Division's recommendation to approve renewal of the state gambling license through October 31, 2007 for Livermore Casino, Item 6.E. Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission approved an extension of the state gambling license through October 31, 2006 to allow staff time to provide the Commission with information concerning the net income of the gambling establishment.

F. Ocean's Eleven Casino: Ocean's Eleven Casino, a General Partnership

Deputy Director Ciau indicated that staff concurs with the Division's recommendation to approve renewal of the state gambling license for the remaining term of the license through November 30, 2006 for Ocean's Eleven Casino, Item 6.F., including all associated applicants and endorsees as indicated in Attachment B to these minutes. Commissioner Vuksich moved to approve a renewal of the state gambling license through November 30, 2006 with a condition on the license that *the lessor file an application with the Commission for licensure*, Chairman Shelton seconded the motion, which unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes. Chairman Shelton further directed staff to notify both Walter Lack and Robert Carter by letter that their prior investment in a gambling establishment in the state of Washington was in violation of the Gambling Control Act.

7. Request for Transfer of Shares (Pursuant to Business and Professions Code section 19904):

Lucky Chances Casino: Lucky Chances, Inc. – Rommel Medina and Ruell Medina, Shareholders

Chief Counsel Rickards presented to the Commission staff's recommendation for approval of the request for transfer of shares of Lucky Chances Casino to Rommel Medina and Ruell Medina. Upon motion of Commissioner Vuksich, seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Chairman

Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

8. Applications for Key Employee License (Pursuant to Business and Professions Code section 19854):

- A. Angie's Poker Club: **McGuire, Phillip**
- B. Bicycle Casino: **Byrd, Michael**
- C. Clovis 500 Club: **Dockins, James; Ferretti, Edward; Sarantos, Christopher**
- D. Hustler Casino: **Wong, Jeanne**
- E. Lucky Chances Casino: **Robinson, Robert; Spooner, Joseph; Van Loon, Arthur**
- F. Lucky Derby Casino: **Crowe, William; Saechao, San Kuen**
- G. Pastime Cardroom: **Kirchhofner, Isabelita**
- H. The 101 Casino: **Bundesen, Bill**

Deputy Director Ciau indicated that staff recommends approval of the applications for a key employee license for Item 8.A. through Item 8.H. Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

I. Diamond Jim's Casino: **Burgum, Robert Leroy**

Deputy Director Ciau indicated that the Division of Gambling Control recommends denial of Robert Leroy Burgum's application for a key employee license based on Business and Professions Code section 19859 (b).

Robert Burgum presented comments to the Commission concerning the fact that he had provided false information on his application because he had misunderstood the question pertaining to bookkeeping.

Norm Pierce, Division of Gambling Control, confirmed that the reason for the Division's recommendation for denial was because Mr. Burgum had provided false information on his application pertaining to the question whether he had ever been involved in bookmaking.

Chairman Shelton moved to approve Mr. Burgum's application for a key employee license. Commissioner Cruz seconded the motion, which unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes.

9. Applications for Work Permit (Pursuant to Business and Professions Code section 19912):

A. Sundowner Cardroom: **Castaneda, Raymond**

Deputy Director Ciau indicated that staff recommends that the Commission grant Mr. Castaneda's request for an evidentiary hearing and set aside denial of the work permit application pending the outcome of the hearing. Deputy Director Ciau explained that the Commission had previously denied Mr. Castaneda's application, however staff had received a request by mail for an evidentiary hearing following the Commission's prior action and the postmark on the envelope indicates that the request was timely. Upon motion of Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

10. Request to Remove Work Permit Condition (Pursuant to Business and Professions Code section 19824(b)):

The River Cardroom: **Chavez, Leandro**

Deputy Director Ciau indicated that staff recommends that the Commission grant Leandro Chavez's request to remove the condition from his work permit. Upon motion of Commissioner Vuksich, seconded by Chairman Shelton and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

11. Proposed Withdrawal of the TPPPS Registration Application (Pursuant to Business and Professions Code section 19869):

A. Certified Players, Inc.:

Abad, Romeo	Herbst, Eduardo
Piksa, Izabela	Abramian, Karlet
Hor, Meatona	Pleyto, Jessar
Braswell, Laura	Hor, Thida
Plong, Diana	Bui, Loanne
Hua, Hoa	Polson, Sophea
Cao, Hui Fen	Huang, Peter
Polson, Sophea	Cauley, Carey
Ji, Min	Prum, Kevin
Chan, Daisy	Kang, Eang
San, Phi	Chan, Sangha
Karnsomport, Boonnak	Sar, Sophy
Chan, Yuet	Khaw, Victor
Sim, Sophea	Chantavith, Chumpoj
La, Nhung	Sin, Yany
Chau, Bruce	Labao, Ellery
Son, Nee	Chen, Gou

Lam, Boi	Sun, Samphy
Chen, Wan	Lau, Jeng
Tang, Harry	Chen, Xiang
Lay, Minh	Teab, Sophary
Chey, Sokunthea	Le, Donald
Ton Nu, Van Huyen	Chhin, Ly
Leoni, Raymond	Tran, Karyna
Chhoeun, Sy Kim	Liu, Terri
Tran, Tammy	Chong, Yen
Lo, Kwok	Tran, Vien
Christ, Athanasois	Lobendino, Eddie
Truong, Lam	Chow, Wai Kit
Lock, Chan	Vasquez, Dora
Dade, Deborah	Lonh, Kolap
Vong, Korng	Dai, Quoc
Lu, Connie	Vong, Nheth
Deza, Iona	Luong, Van
Vy, Malay	Diaz, Karin
Meas, Cynthia	Walters, Kade
Diaz, Karina	Mith, Zor
Wang, Michelle	Eang, Cheng
Muy, Bunny	Wong, Judy
Eang, Socheata	Nazari, Meesak
Wong, Samantha	Em, Vannak
Ngo, Paul	Xing, Shan Mei
English, Mark	Nguyen, Sonny
Yang, Tau	Escobar, Luis
Nguyen, Tina	Yau, Amy
Esmaili, Sako	Ork, Samantha
Yi, Allen	Fuentes, Jose
Osburn, Mark	Yim, Yany
Gieng, George	Ouch, Raymond
Yu, Jimmy	Gonzales, Cris
Oung, Mathais	Yung, Kun Young
Hall, Billy	Pel, Mally
Zeng, Nelson	Hang, Duc
Phommathep, Jeanne	Heinemann, Daniel
Pich, Sophan	
B. Pacific Palace, Inc.:	
Chen, Hong	Wu, Danny
Liu, Daniel	Ren, JiaJie
Huang, Yao	
C. Paul Napier, Sole Proprietor:	
McCaullay, Robert	
D. Progressive Gaming Group, Inc.:	

Ancheta, Melvin	Park, Jason
Arriaza, Cesar	Qian, Liqin
Chan, Sze Man	Ray, Ry
Kar, Chanveary	Ruiz, Mario
Kemp, Paul	Shen, Qing
Khou, Josef	Siv, Sitha
Kingelsmith, Justin	Thai, Bonnie
Kwok, Johnson	Tran, Vinh
Lam, Tsu Yao	Trinh, Anthony
Mac, Xan	Truong, Meng Sui
Nguyen, Tuan	Voong, Nhi
Pak, Sairon	Xue, Jen Feng

At the request of staff, the Commission tabled Item 11.A. through 11.D.

12. Application for Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.5):

Inspire Technology, LLC: Troy DeFrees-Parrott, Owner/Managing Member

Deputy Director Ciau indicated that staff recommends that the Commission approve the application for Tribal-State Compact Gaming Resource Supplier Finding of Suitability for Inspire Technology, LLC, Item 12. Upon motion of Commission Cruz, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

13. Application for Renewal of Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.5):

Innovations in Native-American Gaming, Inc.: Mark Hamilton Jones, President

Deputy Director Ciau indicated that staff recommends that the Commission approve the application for renewal of Tribal-State Compact Gaming Resource Supplier Finding of Suitability for Innovations in Native-American Gaming, Inc., 13. Upon motion of Commission Cruz, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the Commission adopted the staff recommendation.

CONSENT CALENDAR ITEMS:

14. Applications for Tribal-State Compact Key Employee Finding of Suitability Initials:
(Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.4):
- C. Agua Caliente Band of Cahuilla Indians of the Agua Caliente Reservation
 – Agua Caliente Casino: **Coppola, Anthony; Jones, Harry;**
Thomason, James
 - D. Augustine Band of Cahuilla Mission Indians of the Augustine Reservation -
 Augustine Casino: **Terrones, Ruby**
 - E. Alturas Indian Rancheria – Desert Rose Casino: **Schadler, Carrie**
 - F. Barona Band of Mission Indians of the Barona Reservation - Barona
 Valley Ranch Resort and Casino: **Reibe, Aaron; Sansome, Duane;**
Walker, Ofelia
 - G. Bear River Band of the Rohnerville Rancheria – Bear River Casino:
Iverson, Kristopher **Moore, Jeanne**
 - H. Blue Lake Rancheria – Blue Lake Casino: **Green, Fabian;**
Striegel, Michael
 - I. Cabazon Band of Mission Indians - Fantasy Springs Resort Casino:
Callahan Jr., Joseph **Estrada, Maria**
Hanlon, Arthur **Hormiotis, Elaine**
Tilton, Amy
 - J. Cahuilla Band of Mission Indians – Cahuilla Creek Casino Resort:
Waldie, Davis
 - K. Dry Creek Band of Pomo Indians of California – River Rock Casino:
Cardona, Roland
 - L. Jackson Rancheria of Me-Wuk Indians of California - Jackson Rancheria
 Casino, Hotel, and Conference Center:
Hand, Mickey **Jones, Donna**
Keeling, David **Myers, Fred**
Orlando, Brian **Tomberlin, Claudia**
Youngblood, Charles
 - M. Middletown Rancheria of Pomo Indians of California - Twin Pine Casino:
Johnston, Johanna **Lopper, Robin**
 - N. Morongo Band of Cahuilla Mission Indians of the Morongo Reservation -
 Casino Morongo: **Sapanero, Gerrard; Sweeney, Peter**
 - O. Pala Band of Luiseno Mission Indians of the Pala Reservation - Pala
 Casino:
Docherty, Greg **Nickell, Amit**
Spencer, Tommy
 - P. Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation -
 Pechanga Gaming Center:
Cruz, Loreta **Henning, Sharil**
James, John **Ko, Brian**
Oung, Soriya **Peragallo, Michael**

- Sansome, Anthony**
- Q. Picayune Rancheria of the Chukchansi Indians - Chukchansi Gold Resort and Casino:
Miller, Michael **Pannell, Jordan**
- R. Pit River Tribe – Pit River Casino: **Avelar, Michael**
- S. Redding Rancheria – Win-River Casino: **Alcala III, Roy;**
Knottnerus, Dyani
- T. Rincon Band of Mission Indians - Harrah's Rincon Casino & Resort:
Adams, Michael **Johnson, Olin**
Nagata, Steven **Terwilliger, Colleen**
- U. Rumsey Indian Rancheria of Wintun Indians of California - Cache Creek Casino Resort:
Sandidge, Heather **Williams, Steven**
- V. San Pasqual Band of Diegueno Mission Indians of California - Valley View Casino:
Arredondo-Diaz **Granillo, Angelina**
Duquette, Andrew **Roosa, James**
- W. Santa Rosa Rancheria – The Palace Indian Gaming Center:
Channing, Grant **Day, Katie**
Miller, Annette
- X. Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation - Chumash Casino Resort:
Degenhart, Phillip **Galbois, Guy**
Green, George **Nelms, Charles**
Owens, Eric **Palacios, Antonio**
Palato, Larry **Smathers, Aaron**
Vasquez, Veronica
- Y. Soboba Band of Luiseno Indians – Soboba Casino: **Neely, John;**
Rieu, Donald
- Z. Sycuan Band of Diegueno Mission Indians of California – Sycuan Casino and Resort:
Mincey, Erika **Murray, William**
Santos, Yzrael **Tam, Alan**
Twamley, Sarah
- AA. Table Mountain Rancheria of California - Table Mountain Casino:
Be, Johnny **Fortune Jr., Augustine**
Johnson, Dominic **Pierce, Brett**
Raynor, Lucas **Serpa, Jeffrey**
Sperske, Anthony **Thompson, Charles**
Tripp, Antuan
- BB. Tule River Indian Tribe of the Tule River Reservation – Eagle Mountain Casino: **Larsen, Nicola**
- CC. Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria of California – Black Oak Casino: **Locke, Patricia**
- DD. United Auburn Indian Community of the Auburn Rancheria of California -

Thunder Valley Casino: **Bustos, Eric; Chantrirack, Somith;
Hoey, Garrett**

EE. Viejas (Baron Long) Group of Capitan Grande Band of Mission Indians of
the Viejas Reservation – Viejas Casino & Turf Club:

Daylo, Lisa

Kem, Johnny

Weaver, Dionde

Eisele, Kenneth

Ung, Melinda

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

PUBLIC COMMENT

There were no comments during this portion of the meeting.

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) that required discussions.

ADOURNMENT

Upon motion to adjourn the meeting by Commissioner Cruz, seconded by Commissioner Vuksich and unanimously carried in a roll call vote, with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, the meeting adjourned at 2:57 p.m.

TABLE OF CONTENTS

ITEM #	<u>1996</u>	
1	May 13, 1996	Security Agreement/Form UCC-1 re Outpost Casino and Sports Center)
2	July 16, 1996	Commercial Lease Agreement ("premises described as 2251 San Ramon Boulevard, San Ramon, California. . . .)
3	July 19, 1996	Business Purchase Agreement, Outpost Saloon and Casino: (1) liquor license, furnishings, equipment, logo, chips and for subject business opportunity; (2) first right to purchase real property, (3) lease of land and most of building.
4	July 25, 1996	From Mark Luciano to Debbie Dunn (change in down payment and purchase price, Outpost Casino & Sports Center)
5	August 16, 1996	from John Schireck to Debbie Dunn (agrees to close business and re-apply for a license if Luciano defaults on the loan from J.S.)
6	August 16, 1996	Business Purchase Agreement, Outpost Saloon and Casino: (1) liquor license, furnishings, equipment, logo, chips and for subject business opportunity; (2) first right to purchase real property, (3) lease of land and most of building.
7	August 16, 1996	Commercial Lease Agreement ("premises described as 2251 San Ramon Boulevard, San Ramon, California. . . .)
8	Undated	Bill of Sale for fixtures, equipment and other business assets of Outpost Casino and Sports Center
9	Undated	Buyer's Estimated Statement (Outpost Casino and Sports Center) Escrow number 01-922715-PO
10	October 127, 1996	Amendment to Commercial Lease Agreement dated August 16, 1996
11	October 27, 1996	Addendum No. 2 to Purchase Agreement
12	December 10, 1996	Buyer's Closing Statement
13	<u>1997</u> July 10, 1997	Toni Garner, DGC, to John Schireck (registration expired by operation of law)
14	<u>1999</u> November 9, 1999	City Counsel Staff Report – Adoption of Ordinance

Municipal Code requiring voter approval for issuance of a new cardroom

- 15 November 23, 1999 City Counsel Staff Report – Adoption of Ordinance
Municipal Code requiring voter approval for issuance of a new cardroom

- 16 2001
February 20, 2001 Sacramento Superior Court minute order granting writ of mandate against the state in *Luciano v. California Department of Justice*

PRIVILEGED & CONFIDENTIAL RECORDS (EVID. CODE § 1040; BUS. & PROF. CODE §§ 19819 & 19821)

- 17 July 3, 2001 From Harlan Goodson to Robert Traverso, Division's recommendation to deny Luciano's request for a state gambling license with attachments: Division's Background Investigation Report

- 18 PRIVILEGED (EVID. CODE § 1040)
July 10, 2001 Email – Larry Newman to Cara Podesto (pre-denial meeting)

- 19 PRIVILEGED (EVID. CODE § 1040)
July 11, 2001 From Gary Qualset to Harlan Goodson (pre-denial hearing)

- 20 PRIVILEGED (EVID. CODE § 1040)
July 11, 2001 Email – Larry Newman to Cara Podesto (pre-denial meeting)

- 21 August 20, 2001 Editorial “*Outpost Casino's owner wins verdict only,*” Alameda Times Star

- 22 PRIVILEGED (EVID. CODE § 1040)
October 10, 2001 From Harlan Goodson to Gary Qualset (Denial of State Gambling License)

- 23 December 10, 2001 From Mark Luciano to Gary Qualset (request to renew provisional license with attached copy of check for \$3600 – table fees)

- 24 PRIVILEGED (EVID. CODE § 1040)
December 12, 2001 From Gary Qualset to Harlan Goodson (Transmittal of Table Fees for Outpost Casino)

- 25 PRIVILEGED (EVID. CODE § 1040)
December 19, 2001 Harlan Goodson to Gary Qualset (Division has extended the provisional license with attached copy of Certificate to Operate Outpost Casino effective January 1, 2002 – December 31, 2002)

2002

- 26 January 9, 2002 From Mark Luciano to Gary Qualset (clarification of fee schedule for 2002) with attachments:
1. November 29, 2001 Notice from the Department of Justice concerning extension of provisional license
 2. Excerpts from the Gambling Control Act
 3. December 10, 2002 letter to Gary Qualset from Mark Luciano
 4. Outpost Casino's income statement
- 27 January 14, 2002 ATTORNEY CLIENT PRIVILEGE (EVID. CODE § 954)
From Joel Primes to Gary Qualset (recommendation to deny Mr. Luciano's request for a state gambling license)
- 28 January 17, 2002 PRIVILEGED (EVID. CODE § 1040)
Email: Michael McPeters to Cara Podesto (Outpost Casino status)
- 29 January 17, 2002 PRIVILEGED (EVID. CODE § 1040)
Email: Cara Podesto to Michael McPeters (fee schedule for 2002)
- 30 January 17, 2002 PRIVILEGED (EVID. CODE § 1040)
Email: Michael McPeters to Cara Podesto (fee schedule for 2002)
- 31 January 25, 2002 Herb Bolz to Mark Luciano (Notice of Division's recommendation to deny application for state gambling license)
- 32 January 31, 2002 Christopher Lucas to Commission Licensing and Compliance Section (request for evidentiary hearing)
- 33 February 4, 2002 PRIVILEGED (EVID. CODE § 1040)
Email: Cara Podesto to Herb Bolz (receipt of request for evidentiary hearing)
- 34 February 5, 2002 PRIVILEGED (EVID. CODE § 1040)
Email: Cara Podesto to Michael McPeters (receipt of request for evidentiary hearing)
- 35 February 13, 2002 Gary Qualset to Mark Luciano (Annual Table Fees for Outpost Casino) with attachments:
1. November 29, 2001 Notice from the Department of Justice concerning extension of provisional license
 2. Excerpts from the Gambling Control Act
 3. December 10, 2002 letter to Gary Qualset from Mark Luciano

4. Outpost Casino's income statement

- 36 February 14, 2002 Gary Qualset to Christopher Lucas (acknowledgement of receipt of request for evidentiary hearing)
- 37 February 19, 2002 Christopher Lucas to Gary Qualset (response to February 14, 2002 letter)
- 38 July 14, 2002 Mark Luciano to Greg Sobodash (Division requested information)
With Attachments:
1. Response to Division questions
2. Game Rules – Omaha Hi-lo “8 or Better”
3. Hold 'Em
- 39 PRIVILEGED (EVID. CODE § 1040)
December 16, 2002 Gary Qualset to Harlan Goodson (Transmittal of Annual Table Fees for Outpost Casino)
- 2003**
- 40 January 1, 2003 Certificate to Operate Outpost Casino
- 41 January 2, 2003 Office of Administrative Hearings to Division of Gambling Control (Transmittal form for Administrative Hearing Case No. S02-01) with attachments: 1. Proposed Decision
2. Agency Order of Adoption
3. Exhibits – copies of exhibits are not included as part of this record, but are included in the administrative record for Case No. S02-01
- 42 PRIVILEGED (EVID. CODE § 1040)
January 22, 2003 Email: John Spittler to Pete Melnicoe (Proposed Decision)
- 43 March 13, 2003 Proof of Service of ALJ's proposed decision to Christopher Lucas
- 44 March 13, 2003 Christopher Lucas to Peter Melnicoe (Continuance of Commission final decision at Commission meeting)
- 45 PRIVILEGED (EVID. CODE § 1040)
March 14, 2003 Email: Gregory Sobodash to Samuel Dudkiewicz and Michael McPeters (Outpost Casino table fees)
- 46 CONFIDENTIAL RECORDS (BUS. & PROF. CODE 19819 & 19821)
March 19, 2003 Staff summary recommendation for issuance of state gambling license- March 19, 2003 Commission meeting

- 47 PRIVILEGED (EVID. CODE § 1040)
March 19, 2003 Cover memo from Cara Podesto to Commissioners with attachment of proposed decision
- ATTORNEY CLIENT PRIVILEGE (EVID. CODE § 954)
- 48 March 28, 2003 Memo from John Spittler to Pete Melnicoe
- PRIVILEGED (EVID. CODE § 1040)
- 49 April 4, 2003 Email: Susanne George to Anthony York and Christina Byrnes (Tri-Valley Herald Editorial -- Police shutdown city's only card room after owner's license expires)
- ATTORNEY CLIENT PRIVILEGE (EVID. CODE § 954)
- 50 April 7, 2003 Memo from Pete Melnicoe to Commissioners requesting action on the ALJ proposed decision with attachments:
1. Ballot
 2. ALJ's proposed decision
 3. Staff summary recommendation against issuance of state gambling license
 4. March 28, 2003 memo from John Spittler to Pete Melnicoe
- 51 April 5, 2003 Vote cast by ballot from Commissioner Arlo E. Smith
- 52 April 8, 2003 Vote cast by ballot from Commissioner J.K. Sasaki
- 53 April 9, 2003 Vote cast by ballot from Chairman John Hensley
- 54 April 11, 2003 Vote cast by ballot from Commissioner Michael Palmer
- 55 April 14, 2003 Peter Melnicoe to Mark Luciano (notice of the Commission's action to reject the ALJ's proposed decision)
- PRIVILEGED (EVID. CODE § 1040)
- 56 April 15, 2003 Email: Cara Podesto to Pete Melnicoe, Gary Qualset, Richard DeCuir (John Schireck's request for a state gambling license application)
- 57 April 17, 2003 Bankruptcy Proceedings: Mark Luciano's Statement Of Non-Appearance On Order Granting Relief From Automatic Stay
- 58 April 18, 2003 Bankruptcy Proceedings: Court Order Granting Relief From Automatic Stay
- 59 May 29, 2003 Default Judgment (Contra Costa County Superior Court) in *Schireck*

v. Mark Luciano dba the Outpost Casino Sports Bar and Restaurant
terminating the lease and awarding past due rent, costs, and attorney
fees to Scherick.

PRIVILEGED (EVID. CODE § 1040)

60 July 18, 2003 Memo from Joel Primes to Richard DeCuir (proposed decision)

PRIVILEGED (EVID. CODE § 1040)

61 July 2003 Memo from Pete Melnicoe to Joel Primes notice of the Commissions
denial of Luciano's application for a state gambling license

PRIVILEGED (EVID. CODE § 1040)

62 July 21, 2003 Memo from Gary Qualset to Bob Lytle (transmittal of state gambling
license application for Outpost Casino with attachments: A.
application, B. copies of check from Outpost Casino for application
and investigation fees)

63 July 23, 2003 Commission meeting minutes of July 23, 2003

CONFIDENTIAL RECORDS (BUS. & PROF. CODE 19819 & 19821)

64 July 23, 2003 Staff summary recommendation for issuance of state gambling
license

65 July 31, 2003 Gary Qualset to Mark Luciano (notice of Commission action on July
23, 2003)

PRIVILEGED (EVID. CODE § 1040)

66 July 31, 2003 Email: Rachele Davies to Sue Wallace re New court date for Luciano

PRIVILEGED (EVID. CODE § 1040)

67 August 1, 2003 Samuel Dudkiewicz to Richard DeCuir (Transmittal of state
gambling license for Outpost Casino)

68 August 1, 2003 Bankruptcy Proceedings: Notice of Withdrawal of Motion

PRIVILEGED (EVID. CODE § 1040)

69 August 4, 2003 Email: Aaron Wong to Malou Roeder (New court date for Luciano)

PRIVILEGED (EVID. CODE § 1040)

70 August 15, 2003 Email: Alaina Pliske to Cara Podesto (Refund)

71 August 19, 2003 Gary Qualset to John Schireck (returned application)

72 August 19, 2003 Memo from Nancy Bither to Brian Thomas (Request for refund –
John Schireck, Outpost Casino)

- 73 August 29, 2003 Certified Mail to Mark Luciano returned not deliverable as addressed
- 74 November 26, 2003 Paul Justi to Gary Qualset (John Schriek's application for a state gambling license with attachments: A. August 19 letter of Gary Qualset, B. Sale Agreement between Tevis T. Thompson, Jr. and John Schireck)
- 2004**
- 75 January 6, 2004 Fax from Paul Justi to Lisa Rowell/Commission re sales agreement to be reviewed by Bankruptcy Court (enclosing three-page sales agreement)
- 76 January 8, 2004 Transcript of Bankruptcy Court hearing re Trustee's Motion to Sell Property Free and Clear of Liens to John Schireck (14 pages)
- 77 January 12, 2004 One-page letter from John Schireck to Pete Melincoe [sic] re Bankruptcy Trustee sales agreement and processing of gambling license application, enclosing:
- (1) Front and page copies of cancelled checks (\$500 and \$2500) sent to Commission as part of May 2003 gambling license application (two pages);
 - (2) One-page document dated January 12, 2004, containing reasons for Schireck's contention that he had a security interest in Luciano's (apparently submitted to Bankruptcy Court);
 - (3) One-page fax from Paul Justi to Schireck dated Nov. 19, 2003 concerning superseded 2003 draft sales agreement with Trustee; and
 - (4) Form UCC-1--unsigned security agreement between Schireck and Luciano concerning fixtures (personal property) associated with Outpost Casino & Sports Center (two pages).
- 78 January 15, 2004 Email from Paul Justi to Pete Melnicoe attaching draft "declaration of Peter Melnicoe," concerning the proposed Bankruptcy Court sales agreement with CBSR
- 79 January 15, 2004 Signed Declaration of Peter Melnicoe, dated January 15, 2004
- 80 January 16, 2004 Transcript of Bankruptcy Court re Continued Hearing of Trustee's Motion to Sell Property Free and Clear of Liens to John Schireck; Continued Hearing on Relief from Stay or in the alternative to

Transfer Assets (12 pages)

- 81 January 22, 2004 Letter from John Schireck to Don Braeger (Commission) (cc's to San Ramon city officials) questioning legality of Bankruptcy Court sales agreement with CBSR; stating that per Wilkinson's attorney, the purpose of buying the "existing license" from the Trustee was to transfer the eight authorized tables to Wilkinson's California Grand Cardroom in Pacheco and thus eliminate competition from Schireck in the event Scherick re-opened the Outpost Casino; and requesting City of San Ramon to reinstate Schireck's city license and thus not require voter approval of a new city cardroom license. Encloses an anonymous one-page fax dated January 23, 2004, which states that Wilkinson and Luciano are working together to reopen "the club" and have Luciano operate "the club" under Wilkinson's license.
- 82 January 22, 2004 Letter from John Schireck to Pete Melnicoe (Commission) (cc's to San Ramon city officials). Same content as letter of same date to Don Braeger (see above entry), except has no enclosure.
- 83 January 23, 2004 Fax from David Fried to Commissioners Smith, Sasaki, and Palmer transmitting one-page letter from same sender to same recipients, stating that CBSR/Wilkinson is the successor in interest to Luciano and intends to apply for licensure to San Ramon, and then to the Commission. Quotes July 23, 2003, Commission statement that denial of the license application was subject to reconsideration within six months.
- 84 January 23, 2004 Letter from Paul Justi to Commissioner [sic] Don Braeger and Pete Melnicoe stating that Schireck is the successor in interest to the Outpost and is seeking approval from San Ramon to operate the Outpost as a cardroom; requests either six month extension of period within which successor in interest can obtain local license or consideration of previously submitted application for reinstatement of the Schireck license. Encloses:
1. Bankruptcy Court Order granting relief from automatic stay for unlawful detainer proceedings, dated April 18, 2003.
 2. Statement of Non-appearance on Motion for Relief from Stay by attorney for Luciano, dated April 17, 2003.
 3. Notice of Withdrawal of Motion for Order Extending the Time within which the Trustee may assume or reject unexpired lease or non-residential real property, dated August 1, 2003.
 4. Default Judgment (Contra Costa County Superior Court) in *Schireck v. Mark Luciano dba the Outpost Casino Sports Bar and Restaurant* terminating the lease and awarding past due

rent, costs, and attorney fees to Scherick.

PRIVILEGED ATTORNEY WORK PRODUCT(EVID. CODE § 1040)

- 85 Undated (Feb. 2004?) Unsent, draft letter to Paul Justi, prepared by Commission attorney with attachments
- 86 February 4, 2004 Bankruptcy Court, *In re Mark S. Luciano dba Outpost Casino Sports Bar and Restaurant*, "Order authorizing the trustee to sell property of the bankruptcy estate free and clear of liens, claims, and interests" (four pages), filed February 2, 2004. Includes three-page Sales Agreement between Trustee and CBSR.
- 87 March 24, 2004 Letter from Byron Athan, San Ramon City Attorney, to "Commissioner Braeger" and Pete Melnicoe (1 page), concerning Commission policy that state application cannot be considered until local license is obtained.
- 88 April 12, 2004 Letter from John Schireck to Cara Podesto/Commission, stating that it encloses nine items, five of which were attached to the letter:
1. Default Judgment (Contra Costa County Superior Court) in *Schireck v. Mark Luciano dba the Outpost Casino Sports Bar and Restaurant* terminating the lease and awarding past due rent, costs, and attorney fees to Scherick (dated May 29, 2003)
 2. Letter of January 13, 2004 from John Schireck to Don Braeger, copy to San Ramon officials
 3. Letter of January 22, 2004, from John Schireck to Pete Melnicoe (Commission) (cc's to San Ramon city officials). Same content as letter of same date to Don Braeger (see above entry), except has no enclosure
 4. Letter of March 24, 2004, from Byron Athan, San Ramon City Attorney to Commissioner [sic] Don Braeger and Pete Melnicoe.
 5. Amended Notice of Trustee's Intent to Sell Property of the Estate and Hearing on the Motion of Trustee to Sell Property of the Estate Free and Clear of All Liens to John Scherick, Subject to Overbid, dated December 4, 2003
- 89 April 14, 2004 Letter from John Schireck to Gary Qualset/Commission, stating that it encloses Bankruptcy Court documents mistakenly left out of April 12 package. The ten attachments are listing in the following order:
1. Notice of Trustee's Intent to Sell Property of the Estate and Hearing on Motion of Trustee to Sell Property of the Estate Free and Clear of All Liens to John Schireck, Subject to Overbid. Dated February 9, 2004.

2. Declaration of California Gambling Control Commission Chief Counsel Pete Melnicoe regarding the Sale of the Gambling License. Dated January 16, 2004.
3. Declaration of John Schireck in Opposition to Sale of Liquor and Gaming License to Lamar Wilkinson. Dated January 16, 2004, with attachments.
4. Request for Judicial Notice. Dated January 16, 2004.
5. Supplemental Opposition to Sale of Gaming License. Dated January 16, 2004.
6. Objection to Sale of Liquor and Gaming License to Any Party Other Than John W. Schireck. Dated January 8, 2004.
7. Auction Results Regarding Sale of Licenses. Dated January 6, 2004.
8. Declaration of Tevis T. Thompson, Jr. in Support of Motion of Trustee to Sell Property of the Bankruptcy Estate Free and Clear Of All Liens to John Schireck, Subject to Overbid. Dated January 8, 2003.
9. Motion of Trustee to Sell Property of the Bankruptcy Estate Free and Clear of All Liens to John Schireck, Subject to Overbid. Dated January 8, 2003.
10. Notice of Entry of Order Authorizing the Trustee to Sell Property of the Bankruptcy Estate Free and Clear of Liens and Claims. Dated February 9, 2004.

90 May 26, 2004 One-page application for a State Gambling License for Casino San Ramon from John Scherick

PRIVILEGED & CONFIDENTIAL RECORDS (EVID. CODE § 1040; BUS. & PROF. CODE §§ 19819 & 19821)

91 August 4, 2004 Memorandum from Gary Qualset/Commission to Bob Lytle, Division of Gambling Control, "Transmittal of Application for State Gambling License to John Schireck," with attachments.

92 August 12, 2004 One-page letter from Paul Justi to David Fried (page two of fax transmission for Paul Justi)

PRIVILEGED (EVID. CODE § 1040)

- 93 August 24, 2004 Letter from M. J. Campoy/Division of Gambling Control to Eugene Balonon, Executive Director/Commission concerning "Application for State Gambling License for John Schireck for Outpost Casino."
- 94 August 26, 2004 Fax from John Schireck to Don Braeger/Commission sending letter dated Aug. 25, 2004, asking about status of his application.

PRIVILEGED (EVID. CODE § 1040)

- 95 August 30, 2004 Email message from John Spittler to Cara Podesto

ATTORNEY CLIENT PRIVILEGE (EVID. CODE § 954)

- 96 September 7, 2004 Confidential Legal Memorandum from John Spittler to Cy Rickards, Chief Counsel
- 97 September 9, 2004 Letter from Cara Podesto/Commission to John Schireck (three pages, unnumbered)
- 98 September 21, 2004 Letter from Paul Justi to Cara Podesto/Commission (2 pages), requesting license while applicant is seeking local license
- 99 October 6, 2004 Notice of Trustee's Intent to Compromise Controversy (five pages)
- 100 October 27, 2004 Motion for Order Approving Compromise of Controversy (four pages)
- 101 November 9, 2004 Letter from David Fried to San Ramon City Council, opposing amendment to local ordinance
- 102 November 12, 2004 Fax from Paul Justi to Cara Podesto (Commission), sending page two of letter [missing page one] dated Nov. 1, 2004; September 9 Commission letter to Schireck; and Fried letter of Nov. 9, 2004, to San Ramon City Council
- 103 November 14, 2004 Fax from Paul Justi to Cara Podesto, including:
1. Two-page letter of November 12, 2004 (both pages)
 2. Copy of San Ramon ordinance (one page)
 3. City Council Staff Report dated November 9, 2004 recommending amendment to ordinance and attaching amendment language (three pages)
 4. Letter of September 9, 2004 from Cara Podesto to John Schireck (three pages)
 5. Letter of November 9, 2004, from David Fried to San Ramon City Council (two pages)

- 104 November 22, 2004 Letter from Paul Justi to Eugene Balanon/Commission enclosing
1. City Council Staff Report dated November 9, 2004 recommending amendment to ordinance and attaching amendment language (three pages)
 2. Copy of San Ramon ordinance (one page)
- 105 December 6, 2004 Order Approving Compromise of Controversy (two pages) attaching:
1. Notice of Trustee's Intent to Compromise Controversy (five pages)
 2. Motion for Order Approving Compromise of Controversy (four pages)

ATTORNEY CLIENT PRIVILEGE (EVID. CODE § 954)

- 106 December 13, 2004 Email message from John Spittler to Cy Rickards
- 107 December 17, 2004 Fax from David Fried to Cy Rickards including
1. City Council Staff Report dated November 9, 2004 recommending amendment to ordinance and attaching amendment language (three pages)
 2. Letter dated March 24, 2004, from Byron Athan, San Ramon City Attorney, to "Commissioner Braeger" and Pete Melnicoe (1 page), concerning Commission policy that state application cannot be considered until local license is obtained.

PRIVILEGED (EVID. CODE § 1040)

3. Draft of Dec. 20, 2004 Memorandum from David Fried to San Ramon City Council. [Draft privileged per Evidence Code section 1040.]
- 108 December 17, 2004 Fax from David Fried to Cy Rickards including
1. San Ramon City Council Agenda date Dec. 20, 2004 (three pages)
 2. City Council Staff Report dated Dec. 20, 2004 (three pages)
- 109 December 20, 2004 memo from David Fried to San Ramon City Council (attached to March 5, 2005 letter)
- 110 December 24, 2004 Letter from Paul Justi to Sy Rickarts [sic] and John Spittler concerning San Ramon ordinance and Commission's position that Scherick application could not be considered until local license had been obtained.
- 111 December 27, 2004 Email from Melody Lucas/Commission to John Spittler/Commission containing text of Dec. 25, 2004 article "Ex-Casino Owner Must Play His Cards Right," from Contra Costa Times

2005

- 112 January 3, 2005 from Cy Rickards to Paul Justi (Scherick's application for a state gambling license)
- 113 January 14, 2005 David Fried to Cy Rickards (cover letter with attachments:
1. December 20, 2004 Memo from David Fried to San Ramon City Council
2. Excerpts from the Gambling Control Act
3. Article regarding Luciano/Schireck litigation
4. Decision of the Administrative Law Judge on Luciano's license
5. Bankruptcy Court order selling the licenses to CSBR (sic) Partners
6. Schireck's acknowledgement that he has no secured claim
7. 1999 City legislative materials regarding §B1-54
- 114 February 2, 2005 Byron Athan, City of San Ramon, to Cy Rickards (Schireck has filed an application for a cardroom license has been filed with the City) with attachment of Ordinance No. 368 of the City of San Ramon
- 115 February 4, 2005 John Spittler to Paul Justi (Request for Mr. Justi's legal analysis supporting Mr. Schireck's application)
- 116 February 8, 2005 Fax transmittal from David Fried to Cy Rickards with attachments:
1. December 29, 2004 correspondence of R.M. Bonnifield to Byron D. Athan, Esq.
2. copy of notice of meeting agenda, public hearings and official notices posted on website for City of San Ramon
3. transmittal confirmation report
- 117 February 9, 2005 Fax transmittal from Cy Rickards to David Fried sending Byron Athan's February 2, 2005 letter and attachment
- 118 March 1, 2005 from Paul Justi to Cyrus Rickards Mr. Justi's analysis on reinstatement of the Outpost's license with exhibits:
1. Business purchase agreement
2. Commercial lease agreement
3. Cost judgment in favor of John Schireck against Mark Luciano
4. Order granting relief from bankruptcy stay
5. Statement of non-appearance on motion for relief from stay file by Luciano bankruptcy counsel
6. State Court Judgment voiding lease

7. Notice of withdrawal of motion for order extending time within which trustee may assume or reject lease
8. Minutes of July 23, 2003 Commission meeting
9. August 19, 2003 correspondence from Gary Qualset
10. Declaration of Commission's Chief Counsel Pete Melnicoe
11. Sale agreement purporting to transfer gaming license
12. Transcript of 1/8/04 bankruptcy court hearing
13. Transcript of 1/16/04 bankruptcy court hearing
14. 1/23/04 letter from Schireck legal counsel requesting extension of time for reconsideration of denial of Luciano
15. 9/1/04 letter from Gambling Control Commission licensing section manager
16. Copy of Luciano license
17. 4/4/00 California Bill analysis of AB 1416
18. 5/3/00 California bill analysis of AB 1416
19. 7/5/00 California bill analysis of AB 1416
20. 8/30/00 California bill analysis of AB 1416
21. Affidavit of Rodney Blonien
22. Restraining order obtained by Schireck against Luciano

119 March 8, 2005

from David Fried to John Spittler with attachments:

1. December 20, 2004 memo of David Fried to San Ramon City Counsel
2. Notice of Entry of Order Authorizing the Trustee to sell Property of the Bankruptcy Estate free and Clear of Liens, Claims and Interest
3. Copy of February 29, 2005 facsimile transmittal from David Fried to Cy Rickards
4. December 29, 2004 correspondence of R.M. Bonnifield to Byron D. Athan, Esq.
5. copy of notice of meeting agenda, public hearings and official notices posted on website for City of San Ramon
6. message confirmation report

120 March 15, 2005

from Paul Justi to John Spittler (request for copies of any materials submitted concerning moratorium prevision)

121 March 16, 2005

from Cy Rickards to Paul Justi/David Fried (request each provide the other with copies of future correspondence to the Commission)

122 April 12, 2005

Fax transmittal from San Ramon Police Department to John Spittler sending article from San Ramon Valley Times

123 April 14, 2005

Fax transmittal from Sue, San Ramon Police Department, to John

Spittler and Aaron Wong sending San Ramon Valley Times article concerning Outpost Casino and advising of incorrect statements in article.

- 124 April 15, 2005 from John Spittler to Paul Justi sending copy of March 8, 2005 letter and enclosures from Mr. Fried to John Spittler
- 125 July 5, 2005 from David Fried to John Spittler/Cy Rickards with attachments:
1. Department of Justice Letter dated July 10, 1997
 2. Sale Order dated February 3, 2004
 3. Compromise of Controversy dated December 6, 2004

ATTORNEY CLIENT PRIVILEGE (EVID. CODE § 954)

- 126 July 7, 2005 Memo from Cy Rickards to Eugene Balonon (recommendation concerning Outpost Casino and attached introduction and chronology)
- 127 July 14, 2005 from Cy Rickards to Paul Justi to notify that Mr. Schireck may submit his application for a state gambling license
- 128 August 3, 2005 Paul Justi to Cyrus Rickards concerning the status of the submitted application of Mr. Schireck

PRIVILEGED (EVID. CODE § 1040)

- 129 August 3, 2005 John Spittler to Bob Lytle (Transmittal with attachments:
1. application for state gambling license
 2. supplemental information
 3. Rickard's July 14, 2005 letter to Paul Justi
 4. copy of two checks dated totaling \$3,000
 5. copy of check dated 5/26/04, for \$500

PRIVILEGED (EVID. CODE § 1040)

- 130 November 2, 2005 Email: Rickards to Podesto forwarding copy of Rickard's email to Norm Pierce regarding Schireck's application

2006

PRIVILEGED & CONFIDENTIAL RECORDS ((EVID. CODE § 1040; BUS. & PROF. CODE 19819 & 19821)

- 131 January 12, 2006 from Cara Podesto to Bob Lytle (transmitting key employee application of Allen Dias for Outpost; related to Schireck application) [one page application is public info; supplemental information form is confidential]
- 132 January 26, 2006 from Paul Justi (John Schireck) to Cy Rickards, enclosing: (1) Sept. 9, 2004 letter from Cara Podesto to John Schireck; (2) Dec. 24, 2004 letter from Paul Justi to Sy [sic] Rickards; and (3) July 14, 2005 letter

from Cyrus Rickards to Paul Justi.

- 133 February 1, 2006 from John Schireck to Norm Pierce, copy to Steven Giorgi, enclosing March 2004 letter from Byron Athan to Commissioner [sic] Don Braeger

CONFIDENTIAL RECORDS (BUS. & PROF. CODE 19819 & 19821)

- 134 March 23, 2006 DGC investigative report on John and Sandra Schireck (Deborah Dunn to Teresa Cia), with attachments (labeled "Application State Gambling License for Outpost Casino San Ramon/#388)

- 135 March 23, 2006 from Chris Kuhner (Trustee Tevis T. Thompson) to Dean Shelton & Bob Lytle

CONFIDENTIAL RECORDS (BUS. & PROF. CODE 19819 & 19821)

- 136 March 24, 2006 DGC report on key employee application from Allen Dias

- 137 April 25, 2006 from David Fried (CSBR Partners) to Cy Rickards (1 page)

PRIVILEGED (EVID. CODE § 1040)

- 138 May 16, 2006 Email from Anthony York to Herb Bolz and Cy Rickards

- 139 May 23, 2006 Fax from David Fried to Herb Bolz (cover sheet only, was no enclosure)

- 140 May 24, 2006 Email from Herb Bolz to Paul Justi, David M. Fried, and Chris Kuhner attaching HB letter of May 24, 2006 (3 pages, plus 17 Questions to Attorneys document, also 3 pages)

- 141 May 25, 2006 Fax to Byron Athan sending HB letter of May 24, 2006 (3 pages, plus 17 Questions to Attorneys document, also 3 pages)

- 142 May 26, 2006 Fax from Byron Athan sending San Ramon cardroom ordinance; two-page excerpt from Bankruptcy Court hearing re Trustee's Motion to Sell Property; and Declaration of California Gambling Control Commission Chief Counsel Pete Melnicoe re Sale of Gaming License

- 143 May 26, 2006 Fax from David Fried sending one-page letter dated May 26, 2006 (asking to inspect publicly available portions of the Schireck application record and asking for confirmation of two aspects of Commission practice)

- 144 May 26, 2006 Mailed copy of DF letter of May 26, 2006 [see entry above]

ATTORNEY CLIENT PRIVILEGE (EVID. CODE § 954)

- 145 May 30, 2006 Email: Cy Rickards to Herb Bolz (San Ramon Cardroom – City's perspective)
- 146 May 31, 2006 Email from Byron Athan to HB attaching two-page May 31, 2006 letter from BA to HB, answering Question No. 17
- 147 May 31, 2006 Fax sending copy of BA letter of May 31, 2006
- 148 May 31, 2006 Mailed copy of BA letter of May 31, 2006
- 149 June 2, 2006 Letter from Paul Justi to Herbert Bolz (1 page+ 2 attachments – Bankruptcy Court hearings of January 8, 2004, 14 pages; hearing of January 16, 2004, 12 pages)
- 150 June 2, 2006 Fax transmittal sending letter from Paul Justi to Herbert Bolz (1 page+ 2 attachments –Bankruptcy Court hearings of January 8, 2004, 14 pages; hearing of January 16, 2004, 12 pages)
- 151 June 4, 2006 Email and fax transmitting letter from Herb Bolz to David Fried (2 pages + one page Schireck app.), cc to Justi, Athan, and Kuhner, answering questions re "Commission practice" in Fried letter of May 26, 2006
- 152 June 5, 2006 One page letter from Lamar V. Wilkinson to Terresa A. Ciau enclosing (1) gambling license application, (2) court-approved sales agreement, and (3) assignment from CBSR Partners to Lamar Wilkinson.
- 153 June 5, 2006 Two-page letter from David Fried to Dorothy Cooper (Division of Gambling Control) concerning allegations of Mark Luciano concerning application of John Schireck, enclosing declaration by Richard A. Saso, CPA; Seller's Estimated Escrow Statement; and Hannon v. State, a decision of the New Jersey Casino Control Commission.
- 154 June 7, 2006 Email from HB to David Fried concerning faxed documents (Athan letter of May 31, 2006; transcript excerpt; Justi's letter of June 2, 2006, including two transcripts)
- 155 June 7, 2006 letter from Paul Justi to Herb Bolz, eight pages, addressing the Seventeen Questions, enclosing 20 exhibits in a binder (as listed by Mr. Justi):
1. Business Purchase Agreement
 2. Commercial Lease Agreement

3. Temporary Certificate to Operate
4. Relief from Automatic Stay to Pursue Eviction Action
5. State Court Judgment Voiding Luciano Lease
6. Minutes of July 23, 2003, Commission Meeting Denying Luciano Application
7. November 14, 2000, Cease and Desist Order from Director Harlan Goodson
8. Order Staying and Overturning Cease and Desist Order
9. Declaration ordered by Bankruptcy Court to be filed by Principals of CBSR Partners, identifying Lamar Wilkinson as real party in interest
10. Transcript of January 8, 2004, Hearing on Schireck Objections to CBSR Partners/California Grand Transaction
11. Transcript of January 16, 2004 Hearing on Schireck Objections to CBSR Partners/California Grand Transaction
12. Notice of Entry of Order Re: CBSR Partners/California Grand Transaction, including Purposed Sale Agreement
13. Letter from CBSR Partners/California Grand counsel to counsel for The Outpost Re: Leasing Outpost Premises
14. Restraining Order Entered Against Mark Luciano
15. Declaration of Former General Counsel Pete Melnicoe in Bankruptcy Proceeding Noting Non-Transferability of Gaming License
16. Notice of Trustee's Intent to Abandon Personal Property Located at the Outpost
17. March 1, 2005, Correspondence To General Counsel Cyrus Rickards Re: License
18. February 9, 2006, Correspondence to John Schireck from City of San Ramon noting Possible Exercise of Eminent Domain Power
19. March 24, 2004, Letter from City of San Ramon City Attorney Byron Athan Stating "I do not know any reason why Mr. Schireck would be denied a City license if a State license had been issued."
20. March 28, 2003, Notice from City of San Ramon to Mark Luciano Re: Expiration of City License

156 June 8, 2006

Letter from David Fried to Herb Bolz, 13 pages, addressing the Seventeen Questions, enclosing 17 exhibits in a binder (as listed by Mr. Fried):

1. Purchase and Sale Agreement between Schireck and Luciano--August 16, 1996
2. Lease between Schireck and Luciano--August 16, 1996

3. Luciano's provisional gambling registration--
October 2, 1996
4. Cancellation of Schireck's gambling registration--
July 10, 1997
5. Gambling Control Act, SB 8, §62--October 11, 1997
6. Luciano's provisional gambling license--January 1, 2003
7. Commission decision on Luciano's license application--
July 23, 2003
8. Transcript of Commission hearing--July 23, 2003
9. Commission letter regarding new San Ramon license--
August 19, 2003
10. Transcript of Bankruptcy Court hearing--January 16, 2004
11. Bankruptcy Court Sale Order--February 3, 2004
12. Compromise of Controversy--October 6, 2004
13. Trustee's Abandonment of certain personal property--
April 21, 2005
14. City of San Ramon, Crow Canyon Plan--April 25, 2006
15. *Gambling in the Golden State 1998 Forward*--
May 2006
16. Division Memo re active licenses or applications--
June 2, 2006
17. Commission Letter--June 4, 2006

- 157 June 13, 2006 One-page letter from Paul Justi to Cyrus Rickards concerning continuing hearing to August 17, 2006.
- 158 June 13, 2006 Letter from Paul Justi to Herb Bolz (4 pages, 2 page attachment) [rebuttal per schedule set by Commission]
- 159 June 13, 2006 from David Fried to Herb Bolz (5 pages) [rebuttal per schedule set by Commission]
- 160 PRIVILEGED (EVID. CODE § 1040)
June 13, 2006 Fax from HB to Debbie McLaughlin sending June 13 Justi letter
- 161 June 14, 2006 Two-page letter from Terresa A. Ciau to Lamar Wilkinson concerning his gambling license application
- 162 June 19, 2006 One page letter from David Fried to Paul Justi (cc to HB) concerning interaction with school located near proposed cardroom site
- 163 June 27, 2006 One page letter from David Fried to HB and Paul Justi concerning upcoming absence and alternative contact
- 164 June 28, 2006 One page letter from David Fried to Terresa A. Ciau concerning

processing of Wilkinson application

165 ATTORNEY CLIENT PRIVILEGE (EVID. CODE § 954)

June 30, 2006

One page memorandum from Terresa A. Ciau to Cy Rickards
concerning processing of Wilkinson application and of review of
[sale agreement] transaction

Shareholders and Key Employees of Ocean's Eleven Casino

Ocean's 11 Casino, Inc.

Walter J. Lack
Barbara Lack
Haig Kelegian, Sr.
Haig Kelegian, Jr.
Mark Kelegian
Robert F. Moyer
Don Wilcox

North County Gaming, Inc.

Robert H. Carter
Sandra Carter
David Carter
Daniel J. Dreger
Margie Ellsworth
Deborah Hunt

Key Employees

Kathleen Elmstrom – Controller
Gary Bondy – Shift Supervisor
Joshua Kerrigan – Shift Supervisor
Eric Hoffman – Shift Supervisor
Craig Sadowski – Shift Supervisor – on the Aug. 3, 2006, agenda