

California Gambling Control Commission  
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**MINUTES OF February 22, 2007  
COMMISSION MEETING**

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**OPEN SESSION**

1. Call to Order and Pledge of Allegiance.

Chairman Shelton called the meeting to order at 1:30 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, Shimazu, and Vuksich present.

3. Approval of Minutes of January 24, 2007 Commission Meeting.

Upon motion of Commissioner Vuksich, seconded by Commissioner Cruz and carried in a vote by roll call with Chairman Shelton and Commissioners Cruz and Vuksich voting yes, Commissioner Shimazu abstaining, the Commission approved the Commission meeting minutes for January 24, 2007.

4. Requests for Approval of Sale of Existing Gambling Establishment (Pursuant to Business and Professions Code section 19824(c)):
  - A. Aldo's Cardroom

The Commission tabled Item 4.A.

- B. Don Juan Club and Casino

Senior Legal Counsel Bolz indicated that staff recommends that the Commission approve the purchase agreement for Don Juan Club and Casino, Item 4.B. Upon motion of Commissioner Cruz, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

### C. Klondike Casino

Staff Counsel Hoganson indicated that staff recommends that the Commission approve the purchase agreement for Klondike Casino, Item 4.C. Upon motion of Commissioner Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, 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. Garden City Casino: Garden City, Inc.

Deputy Director Ciau indicated that staff recommends that the Commission approve the initial state gambling license from March 1, 2007 to February 28, 2008 for Garden City Casino, Item 5.A., with the following conditions applied to the license:

- *The corporation must submit amended articles of incorporation reflecting the change in ownership structure within 120 days of licensure.*
- *Irene Pestana shall provide all the required documentation to the complete her application for a state gambling license. Garden City Inc. shall make available to either the Division or the Commission, upon request, copies of any Audit Committee meeting minutes or reports, internal control documents, and Compliance Committee meeting minutes or reports maintained as required by the gaming licenses issued by the San Jose Police Department Gaming Control Division.*
- *The owner shall abide by the conditions 1-15 placed on the locally issued individual stockholder license and the conditions 1-5 placed on the locally issued individual key employee license.*

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

### B. Lucky Chances Casino: Lucky Chances, Inc.

The Commission tabled Item 5.B.

6. Applications for Renewal of State Gambling License Including All Associated Applicants and Endorsees (Pursuant to Business and Professions Code section 19876):
  - A. Commerce Casino: California Commerce Club, Inc., California Corporation

Deputy Director Ciau indicated that staff recommends that the Commission approve the state gambling for Commerce Casino, Item 6.A., for the period of March 1 through December 31, 2007, including the shareholders and key employees listed on Attachment A to these minutes, and with the following condition applied to the license:

*The license is conditioned upon the local gambling ordinance coming into compliance with the Gambling Control Act (Business and Professions Code section 19860(a)(4)) within 12 months of issuance/renewal.*

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

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

Deputy Director Ciau indicated that staff recommends that the Commission extend the renewal license for six months from March 1 through August 31, 2007 for Empire Sportsmen's Association, Item 6.B., with the following conditions:

- *The license is conditioned upon the local gambling establishment coming into compliance with the Gambling Control Act (Bus. & Prof. Code § 19860(a)(4)) within 12 months of renewal.*

*Licensee shall, at Licensee's cost and expense, do the following:*

- *Within 30 days, provide to the Division and Commission a list showing the names, address(es) and telephone number(s) of at least two Certified Public Accountants who are duly licensed and in good standing in the State of California and, by virtue of their experience in auditing non-profit entities, are acceptable to the Division for the purpose of conducting, at the direction of the Division, a review and inspection of Licensee's books and records, including Licensee's income tax returns, as well as those of its officers and directors.*
- *Authorize, direct, and empower a Certified Public Accountant selected by Division and Commission from the list provided to them by Licensee to meet with representatives of the Division from time to time and as requested, to cooperate fully and timely with the Division in conducting a review and inspection of Licensee's books and records including its income tax returns, as well as those of its officers and directors in accordance with the instructions and protocol set for the by Division and to render to Division a timely written report specifying in detail the results of the review and inspection of the books and records.*

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

C. Ocean View Card Room: Veronica Allard, Sole Proprietor

Deputy Director Ciau indicated that staff recommends that the Commission approve the state gambling for Ocean View Card Room, Item 6.C., for the period of March 1, 2007 through February 28, 2008, including James Smith as key employee. Upon motion of Commissioner Vuksich, seconded by Commissioner Cruz and unanimously carried in a

vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

D. Palomar Card Club: A General Partnership

Deputy Director Ciau indicated that staff recommends that the Commission approve the state gambling for Palomar Card Club, Item 6.D., for the period of March 1, 2007 through February 28, 2008, with Robert Cloper, Donald and Susan Staats, partners, and Jonathan Salem, Tom Trung Tran, and William Juroff as key employees. Deputy Director Ciau further indicated that staff also recommends the condition previously placed on the license concerning payment of the annual table fees be removed, and the following condition be placed on the license:

*The license is conditioned upon the local gambling ordinance coming into compliance with the Gambling Control Act (Business and Professions Code section 19860(a)(4)) within 12 months of issuance/renewal.*

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

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

- A. Casino Marysville: Li, Katie; Phong, Peter
- B. Napa Valley Casino: Smolin, Arkady
- C. Palomar Card Club: Salem, Naseem

Deputy Director Ciau indicated that staff recommends that the Commission approve the applications for a key employee license for the applicants listed in Item 7.A. through 7.C. Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu and Vuksich voting yes, the Commission adopted the staff recommendation.

8. Application for Key Employee License – Request for Withdrawal With Prejudice (Pursuant to Business and Professions Code section 19869):  
Crystal Casino and Hotel: Yang, Michael

Deputy Director Ciau indicated that staff recommends that the Commission approve the request for withdrawal, with prejudice, of the application for a key employee license for the Michael Yang, Item 8. Upon motion of Commissioner Vuksich, seconded by Chairman Shelton and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu and Vuksich voting yes, the Commission adopted the staff recommendation.

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

A. Empire Sportsmen's Association: Seth, Chharvy; Thach, Siphon

Deputy Director Ciau indicated that staff recommends that the Commission approve Chharvy Seth's application for a work permit for 150-days, and staff also recommends that the Commission approve Siphon Thach's application for a work permit. Upon motion of Commissioner Cruz, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

B. Gold Rush Gaming Parlor: Kondoleon, Nicholas

C. Lake Bowl Cardroom: Dotson, Anthony

D. Napa Valley Casino: Crawford, Jacob; Davis, Todd; Young, Nicole

E. The 101 Casino: Mey, William

F. Merced Poker Room: Silva, Yer

Deputy Director Ciau indicated that staff recommends that the Commission approve the applications for a work permit for the applicants listed in Item 9.A. through 9.F. Upon motion of Commissioner Cruz, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

10. Requests for Additional Permanent Authorized Tables (Pursuant to California Code of Regulations, Title 4, section 12359):

Axtion Jaxson Card Room

Deputy Director Ciau indicated that staff recommends that the Commission approve the request for five additional tables for a total of eight tables authorized on the license for Axtion Jaxson Card Room, Item 10. Upon motion of Commissioner Shimazu seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

11. Applications for Tribal-State Compact Key Employee Finding of Suitability – Request For Withdrawal with Prejudice (Pursuant to Business and Professions Code section 19869):

A. Paiute-Shoshone Indians of the Bishop Community of the Bishop Colony-Paiute Palace Casino:

Spratt, Clarence

Robinson, Michael

B. Sycuan Band of Diegueno Mission Indians – Sycuan Casino and Resort:  
Keomeas, Phirak

Deputy Director Ciau indicated that staff recommends that the Commission approve, without prejudice, the requests for withdrawal of the applications for Tribal-State Compact Key Employee Finding of Suitability for the individuals listed in agenda items 11.A. and 11.B. Upon motion of Commissioner Vuksich Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman

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

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

Atronic Americas, LLC:

Gauselmann, Paul

Lauer, Michael

Gauselmann, Michael

Deputy Director Ciau indicated that staff recommends that the Commission approve a finding of suitability for Atronic Americas, LLC. Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

13. Applications for Tribal-State Compact Gaming Resource Supplier Finding of Suitability – Principals Only (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.5):

Gasser Chair Company, Inc.: Mihin, Evelyn

Deputy Director Ciau indicated that staff recommends that the Commission approve a finding of suitability for Evelyn Mihin. Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

14. Application for Tribal-State Compact Gaming Resource Supplier Finding of Suitability – Request for Withdrawal Without Prejudice (Pursuant to Business and Professions Code section 19869):

Advanced Electronic Systems, Inc.:

Advanced Electronic Systems, Inc.

Brendel, Kristine

Walla, Eric

Brendel, James

Carty, Brian

Deputy Director Ciau indicated that staff recommends that the Commission approve, without prejudice, the requests for withdrawal of the applications for Tribal-State Compact Gaming Resource Supplier Finding of Suitability for Advanced Electronic Systems, Inc. Upon motion of Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

15. Applications to Convert Gambling Business Registration to a License (Pursuant to Business and Professions Code section 19953 and California Code of Regulations, Title 4, section 12233):

Premier Player Providers, Inc.: Qutob, Nasser

Deputy Director Ciau indicated that staff recommends that the Commission approve the applications to convert gambling business registration to a license for Nasser Qutob. Upon motion of Commissioner Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

16. Applications to Convert Third Party Proposition Player Services (TPPPS) Registration to a License (Pursuant to Business and Professions Code section 19984 and California Code of Regulations, Title 4, section 12218):

A. JMJ Gaming, Inc.: Hodges, James

B. Premier Player Providers, Inc.: Qutob, Nasser

Deputy Director Ciau indicated that staff recommends that the Commission approve the applications to convert TPPPS registration to a license for JMJ Gaming, Inc., Item 16.A. and Premier Player Providers, Inc., Item 16.B. Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

17. Proposed Withdrawal of the Request to Convert Third Party Proposition Player Services Registration to a License (Pursuant to Business and Professions Code section 19984 and California Code of Regulations, section 12218.5):

Certified Players, Inc.:

Gardea, Crystal

Napolitano, Elaine

Heinemann, Johnny

Xiong, Kou

Deputy Director Ciau indicated that staff concurs with the Division's recommendation to allow the withdrawal of the applications for conversion for Certified Players, Inc.: Crystal Gardea, Johnny Heinemann, Elaine Napolitano and Kou Xiong. Upon motion of Commissioner Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

18. Two Year License Renewal for Gambling Establishments and Associated Endorsees (Pursuant to Business and Professions Code, section 19876) - Informational Item

Deputy Director Ciau indicated that the Commission will be implementing a two-year renewal cycle for gambling establishments (entities and business structures) and associated endorsees (owners, shareholders, key employees). The Commission will be working with the Division to start issuing two-year renewal licenses for the gambling establishments that expire in August or September 2006. This will ensure that workload

is distributed evenly over a two-year period (2009 and 2010) as well as allow for a steady stream of revenue annually.

19. Proposed 2007 Rulemaking Calendar (Regulation Changes)

Senior Legal Counsel Bolz presented the proposed 2007 Rulemaking Calendar for submission to the Office of Administrative Law. A copy of the staff proposed 2007 Rulemaking Calendar is incorporated into the minutes as Attachment B.

**CONSENT CALENDAR**

20. Applications for Renewal Work Permit (Authority Pursuant to Business and Professions Code section 19870):

Poker Flats Casino: Horton, Mark

21. Applications for Tribal-State Compact Key Employee Finding of Suitability Initials (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

- A. Agua Caliente Band of Cahuilla Indians – Agua Caliente Spa and Hotel:
  - Garcia, Sulema
  - Mollova, Vessela
  - Pappas, Scott
- B. Augustine Band of Mission Indians – Augustine Casino:
  - Hurtado, Hector
  - Lobdell, Matthew
  - Smith, Ben
- C. Bear River Band of the Rohnerville Rancheria – Bear River Casino:
  - Dobereiner, LaVerne
  - Sandoval, Hector
- D. Blue Lake Rancheria – Blue Lake Casino:
  - Simmons, John
- E. Cabazon Band of Mission Indians – Fantasy Springs Casino:
  - Gabbard, Charles
  - Sawyer, Janis
  - Tang, Peter
- F. Cachil DeHe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria – Colusa Casino and Bingo:
  - Hicks, Nancy
- G. Campo Band of Diegueno Mission – Golden Acorn Casino and Travel Center:
  - Ciotti, Lisa
  - Sanchez, Joseph
- H. Chemehuevi Indian Tribe of the Chemehuevi Reservation – Havasu Landing Resort and Casino:
  - Day, Susan
- I. Dry Creek Rancheria Band of Pomo Indians of California – River Rock Casino:
  - McKay-Laiwa, Anthony
  - Singharath, Tiarra
  - Waters, Robin
- J. Hopland Band of Pomo Indians of the Hopland Rancheria – Sho-Ka-Wah Casino:
  - Ford, Ted
- K. Morongo Band of Cahuilla Indians of the Morongo Reservation – Casino Morongo:
  - Gibbs, Thomas
  - Gutierrez, Lou







**CLOSED SESSION:**

Chairman Shelton announced that the Commission would not adjourn to closed session.

**ADOURNMENT**

Upon motion to adjourn the meeting by Commissioner Cruz, seconded by Commissioner Shimazu and unanimously carried in a roll call vote, with Chairman Shelton and Commissioners Cruz, Shimazu, and Vuksich voting yes, the meeting adjourned at 2:25 p.m.