

California Gambling Control Commission
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**MINUTES OF JULY 12, 2007
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairman Shelton called the meeting to order at 1:32 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, Commissioners Cruz, Shimazu, and Vuksich present.

3. Approval of Commission Meeting Minutes:
 - A. May 31, 2007

Chairman Shelton indicated that Commission approves the minutes of meetings May 31, 2007, with the changes indicated, See attachment A. Upon motion of Commissioner Cruz, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton, Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the Meeting Minutes.

4. Revenue Sharing Trust Fund Preliminary Report for Distribution to Eligible Recipient Indian Tribes for Quarter Ending June 30, 2007:

Deputy Director Richard Ross presented the Distribution Report. No votes were required for this item.

5. Request for Approval of Loan (Pursuant to Business and Professions Code section 19901 and 19904):
Club One Casino Inc.

Item is rescheduled for the July 26th, 2007 meeting.

6. Request for Approval of Sale of Existing Gambling Establishment (Pursuant to Business and Professions Code section 19824(c)):
A. Brooks Oceana Cardroom

Staff Counsel Adeniyi Ayoade indicated that staff recommends that the Commission approve the sale of the existing gambling establishment. 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.

B. Gold Rush Gaming Parlor and Saloon

Staff Counsel Adeniyi Ayoade, indicated that staff recommends that the Commission approve the sale of the existing gambling establishment, with the following conditions:

- Seller/Buyer shall modify the escrow instructions to instruct the Escrow Agent to immediately and with priority over all other claims, including buyer's proceeds, hold from the purchase amount, the sum of \$34,000 to be used to satisfy the balance of seller's \$37,500 fine incurred as a result of the Disciplinary Order issued by the California Gambling Control Commission, pursuant to stipulated settlement agreement, on February 8, 2007. The Escrow Agent shall ensure the balance is paid to the Division of Gambling Control of the California Department of Justice on or before of close of escrow.
- Seller/Buyer shall provide proof of such modification of the escrow instructions to the Commission not later than five (5) business days from the date of Commission approval of the sales agreement. Failure to provide such proof will invalidate such approval.
- Until escrow closes, Seller is required to comply with the above referenced Disciplinary Order, including the requirement that she make timely payments on the balance of the \$37,500 fine. Pursuant to the conditions of that Disciplinary Order, failure to make such payments causes the entire \$75,000 fine to become immediately due and payable.
- Buyer/Seller shall provide written acknowledgement of this contingency and agreement that the escrow instructions shall be changed to accommodate the payment of the balance of the entire \$75,000 fine, should that contingency occur. Such written acknowledgement and agreement shall be provided to the Commission within five (5) business days of Commission approval of the sales agreement.

Scott Bartosh spoke on behalf of the buyer. David Moore addressed the Commission and was directed to meet with Chief Counsel Cy Rickards after the meeting. Upon motion of Commissioner Shimazu, 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, with conditions.

C. Turlock Poker Room

Staff Counsel Heather Hoganson indicated that staff recommends that the Commission approve the sale of the gambling establishment. 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.

7: Applications for Approval for State Gambling License Including All Associated Applicants and Endorsees (Pursuant to Business and Professions Code section 19876):

A: Golden West Casino: Kern County Associates, A Limited Partnership:

- i. Jimmie J. Icardo & Marjorie M. Icardo Trust
- ii. Gary Icardo, Trustee

Deputy Director Ciau recommended that the Commission approve the State Gambling License for the Jimmie J. Icardo & Marjorie M. Icardo Trust, as well as Gary Icardo as its Trustee for the remainder of the gambling establishment's licensing period, August, 1 2007 through March 31, 2008. Commissioner Cruz added the following condition: "If Gary Icardo is unwilling or unable to serve as trustee then no money is to be distributed until a successor trustee is licensed." Upon motion of Commissioner Cruz, Seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton, Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation with the added condition.

B: The Bicycle Casino: The Bicycle Casino, Limited Partnership: Pamela Ayers, Community Property Interest Holder

Deputy Director Ciau recommended that the Commission approve Pamela Ayers as a Community Property Interest holder for the remainder of the gambling establishment's licensing period, August 1, 2007 through December 31, 2007, with the following condition.

- Within 90 days of approval as a Community Property Interest Holder Mrs. Ayres must submit an application for a state gambling license for the Ayres Family Revocable Trust and an application for a state gambling license as a trustee of the Trust.

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

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

A. Black Sheep Casino Company: Noel A. Paulson, Jr., Sole Proprietor

Deputy Director Ciau recommended that the Commission approve the renewal application for the period of August 1, 2007 through July 31, 2008.

B. Casino Marysville, Sau Phong, Sole Proprietor

Deputy Director Ciau recommended that the Commission approve the renewal application for the period of August 1, 2007 through July 31, 2008 with the following Key Employees and Condition:

- Key Employees: Sara Phong, Peter Phong and Katie Li
- Condition: Only four (4) gaming tables can be utilized until the local ordinance is amended to authorize additional tables.

C. Golden State Casino: Keith Hoang, Sole Proprietor

Deputy Director Ciau recommended that the Commission approve the renewal application for the period of August 1, 2007 through July 31, 2008 with Moua Vang as a Key Employee.

D. Lucky Derby Casino: Point Walker, Inc., A California Corporation

Deputy Director Ciau recommended that the Commission approve the renewal application for the period of August 1, 2007 through November 30, 2007 with the following shareholders Kermit Schayltz (President), Sandra Schayltz (Community Property Interest Holder, Leo Chu (Chief Financial Officer and Secretary), Ivy Chu (Community Property Interest Holder). Staff is only requesting approval for four (4) months awaiting outcome of an administrative matter.

E. Outlaws Card Parlor: Alfred and Dora Brown, Sole Proprietorship

Deputy Director Ciau recommended that the Commission approve the renewal application for the period of August 1, 2007 through July 31, 2008.

F. Phoenix Casino and Lounge: Phoenix Casino and Lounge, Inc., A California Corporation.

Deputy Director Ciau recommended that the Commission approve the renewal application for the period of August 1, 2007 through July 31, 2008, with the following shareholder and key employees and to remove the current condition on the license since it had been met:

- Shareholder: Jack Cunningham (President/Secretary/Treasurer/Director)
- Key Employees: Ronald Dreith, Trey Lay, Steven Sands, and Cuong Thich
- Condition Removal: The applicant shall only operate eight tables until the City of Citrus Heights amends its local ordinance to reflect nine tables. The applicant shall notify the Commission upon approval of the amended local

ordinance allowing nine tables, send a signed copy of the local ordinance to the Commission, and reconcile any additional fees with the Commission before utilizing said table.

G. The Silver Fox: The Silver F. Inc., A California Corporation

Deputy Director Ciau recommended that the Commission approve the renewal application for the period of August 1, 2007 through July 31, 2008, with the following shareholders and key employees and to add the following condition on the license:

- Shareholders: Kenneth Worsham (President, CFO, and Secretary) and Shirley Worsham (Community Property Interest Holder)
- Key Employees: Anita Chu, Terris Hancock, Andy Lac, Pierre Nguyen, Shelley Robbins, Jack Rubsam, and Ly Saechao.
- Condition: Mr. Worsham must submit completed financial statements within six months of approval of the state gambling license.

Upon motion of Chairman Shelton, Seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Chairman Shelton, Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendations for Agenda Items 8, A through G.

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

Deputy Director Ciau recommended that the Commission approve for the key employee license for items 9A through 9E listed on the agenda.

- A. Bay 101: Frank Caruso
- B. Lucky Chances Casino: Lida Chatman
- C. Napa Valley Casino: Terry Farmer
- D. The 101 Casino: Barry Mok; Nicole Provolt
- E. The Bicycle Casino: Ming Chin

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

10: Applications for Key Employee License – Request for Withdrawal Without Prejudice (Pursuant to Business and Professions Code section 19869):

- A. Duffy's Card Room and Casino: David Hurley; Pedro Perez
- B. Golden West Casino: Christina Blanton
- C. Mortimer's Card Room: Christopher Reulman

Deputy Director Ciau recommended that the Commission approve the requests for withdrawal of the key employee applications without prejudice for item 10A through 10C listed on the agenda. Upon motion of Chairman Shelton, Seconded by Commissioner

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

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

A. Limelight Cardroom: Peter Mikacich, Sole Proprietor

Deputy Director Ciau recommended that the Commission approve the request for two (2) additional Permanent Authorized Tables for a total of nine (9) tables. Upon motion of Commissioner Shimazu, Seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton, Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

B. Hustler Casino: El Dorado Enterprises, Inc

Deputy Director Ciau recommended that the Commission approve the request for three (3) Additional Permanent Authorized Tables for a total of eighty-nine (89) tables. Upon motion of Commissioner Shimazu, Seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Chairman Shelton, Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

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

- A. Empire Sportsmen's Association:
 - i. Erickson Eang
 - ii. Gary Silva
- B. Lake Bowl Cardroom: Jacqueline Bolyan
- C. Merced Poker Room: Foo Yang
- D. Napa Valley Casino: Erika Kennington
- E. Poker Flats Casino: San Saelee
- F. River Card Room: Hyung Lee
- G. The 101 Casino: Alexandra Johnson

Deputy Director Ciau recommended that the Commission approve items 12A through 12G. Upon motion of Chairman Shelton, Seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton, Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

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

Merced Poker Room: Paul Silva

Deputy Director Ciau recommended that the Commission remove the following condition:

- Condition: Mr. Silva must provide certified documentation of his completion of court ordered anger management classes and that the pending charge of PC section 273.5(a) has been dismissed.

Mr. Silva has complied with the condition and the charges were dismissed.

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

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

HCAL Corporation:

- i. Eileen Moore
- ii. Scott Wiegand

Deputy Director Ciau recommended that the Commission approve the request to withdraw the applications without prejudice. Upon motion of Commissioner Vuksich, Seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton, Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

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

Pacific Palace, Inc.: Jie Song

Deputy Director Ciau recommended that the Commission approve the application to convert from a registration to a license. Upon motion of Commissioner Shimazu, Seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Chairman Shelton, Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

CONSENT CALENDAR

Deputy Director Ciau recommended that the Commission approve the Consent Calendar agenda items 16 through 18, with exception to Item 16 R, which will be addressed on the July 26, 2007 meeting. Upon motion of Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Commissioners Cruz, Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

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

- A. Club San Rafael: Ronald Massetti
- B. Lake Bowl Cardroom: Sokhamara Men

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| Michael Hern | David Maruna | Kevin Parent |
| Rosie Parsons | Soweto Rembert | Lynzee Rodriguez |
| Dodjie Soliva | Lynly Tuendemann | Linette Young |
- R. Santa Rosa Indian Community of the Santa Rosa Rancheria – Tachi Palace Hotel and Casino:
- | | | |
|---------------------|----------------|--------------|
| Garret Ebendick | James Gallaway | Joey Jackson |
| Chiem Keomanivong | Wayne Lantz | Katherine Le |
| Richard Lobdell | Brenda Malott | Puth Or |
| Visavakone Rasavong | Chio Saechao | |
- S. Soboba Band of Luiseno Indians- Soboba Casino:
- | | | |
|--------------|-----------------|----------------|
| Shawn Benson | Kristina Hakola | Amanda Tomasek |
|--------------|-----------------|----------------|
- T. Sycuan Band of Diegueno Mission Indians – Sycuan Casino: Yuthy Luy
- U. Table Mountain Rancheria – Table Mountain Casino:
- | | |
|-------------|---------------|
| Choon Chong | Juan Salmeron |
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- V. Tule River Indian Tribe of the Tule River Reservation – Eagle Mountain Casino:
Cipriano Ortega, Jr.
- W. Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria – Black Oak Casino:
Pamela Bash
- X. Twenty-Nine Palms Band of Mission Indians – Spotlight 29 Casino: Norma Morales
- Y. United Auburn Indian Community of the Auburn Rancheria – Thunder Valley Casino:
Teddy Kernan
18. Applications for Tribal-State Compact Key Employee Finding of Suitability Renewals: (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.4):
- A. Agua Caliente Band of Cahuilla Indians – Agua Caliente Casino: Wallace Phipps
- B. Alturas Rancheria – Desert Rose Casino:
- | | |
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| Dorothy Jones | James Walston |
|---------------|---------------|
- C. Augustine Band of Mission Indians – Augustine Casino:
- | | |
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| Martin Gonzalez | Rose Ann Hamilton |
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- D. Cher-Ae-Heights Indian Community of the Trinidad Rancheria – Cher-Ae-Heights Casino:
- | | | |
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| Joey Douangdao | William Martin II | William Mills |
| Lorelle Strouss | | |
- E. Coyote Valley Band of Pomo Indians – Coyote Valley Shodakai Casino: Willie Hendry
- F. Dry Creek Rancheria Band of Pomo Indians – River Rock Casino:
- | | |
|-----------|---------------------------|
| Cathy Fay | Kimberly McDonough-Harvey |
|-----------|---------------------------|
- G. Elk Valley Rancheria – Elk Valley Casino: Mandie Buckskin
- H. Middletown Rancheria Band of Pomo Indians – Twin Pine Casino:
- | | |
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| Johanna Johnston | Robin Looper |
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- I. Morongo Band of Cahuilla Indians of the Morongo Reservation – Morongo Casino Resort & Spa:
- | | | |
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| Robert Armstrong | Adam Feliciano | Thomas Gibbs |
| Eric Johnson | Tammy Klier | Patricia Miller |
| Karl Neumann | David Nickolaus | Alexander Padick |
| Danette Perrotta | | |

Lynn Parmentier	Mei Saechao	Awang Saephan
Roy Talangbayan	Michael Yang	Sony Vann
Kevin Vong		
V. Viejas Band of Kumeyaay Indians - Viejas Casino and Turf Club:		
Marty Beck	Leslie Busch	Saray Chum
Angelina Gaitan	Janelle McKenna	Keith Pakish
Nelson Truong	Keith Wright	

PUBLIC COMMENT

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

ADOURNMENT

Upon motion to adjourn the meeting by Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a roll call vote, with Commissioners Cruz, Shimazu, and Vuksich voting yes, the meeting adjourned at 2:03 p.m.