

California Gambling Control Commission
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**MINUTES OF AUGUST 23, 2007
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairman Dean 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 Dean Shelton and Commissioners Stephanie Shimazu, and Alexa Vuksich present.

3. Approval of Commission Meeting Minutes:
 - A. July 26, 2007

Upon motion of Commissioner Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton, Commissioners Shimazu, and Vuksich voting yes, the Commission approved the meeting minutes for July 26, 2007.

4. Applications for Renewal of State Gambling License Including All Associated Applicants and Endorsees (Pursuant to Business and Professions Code section 19876):
 - A. Cap's Saloon: Cap's Enterprises, Inc.

Deputy Director Ciau recommended that the application for renewal of a state gambling license not be approved. After discussions involving the Commission, Robert Tabor, counsel for the prospective purchasers of the cardroom and attorney Robert J. Pia, escrow holder and representative of the seller, during which Mr. Pia requested that the Commission accept a letter from the Mayor of Salinas in favor of keeping the cardroom in operation (Attachment A.), Mr. Pia requested a hearing on the recommended denial.

Chairman Shelton granted a hearing, directing Mr. Pia to confer with the Chief Counsel concerning dates.

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

Deputy Director Ciau recommended the Commission approve the current license for the remainder of the licensing period, September 1, 2007 through November 30, 2007 with the following conditions:

Conditions:

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

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

2. 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 the 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.
3. 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 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 forth by Division, and to render to Division timely a written report specifying in detail the results of the review and inspection of books and records.

Chief Counsel Rickards made a comment stating that condition 3, first sentence, be modified saying "selected" be replaced by "approved", and it be changed to "Division and Commission staff."

Upon motion of Commissioner Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation, as modified by the Chief Counsel's suggested language.

C. Hawaiian Gardens Casino: Hawaiian Gardens Casino Inc., A California Corporation.

Deputy Director Ciau recommended that the Commission approve the renewal application for a two-year renewal cycle for the period from September 1, 2007 through November 30, 2008 with Irving and Cherna Moskowitz as owners and sole shareholders

and with the key employees listed in the Commissioners reports. The list of key employees is included as Attachment B.

Keith Sharp, counsel for Hawaiian Gardens addressed questions from Commissioner Vuksich, indicating that the value of the three leases was based on appraisals of the properties done in 1997, and further indicating that the cardroom was the largest employer in the area, with approximately 1800 employees.

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

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

Deputy Director Ciau recommended the Commission approve the renewal application of the owners and key employee for the period of September 1, 2007 through November 30, 2008, with the following key employee and to continue their current three conditions.

Key Employee: Isabelita Kirchofner

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, 2007. The due dates are as follows: September 30, 2007, December 30, 2007, March 30, 2008 and June 30, 2008.
3. Applicant must submit an approved Emergency and Evacuation Plan within 60 days of approval

Commissioner Vuksich suggested that the following condition be added:

If the gambling establishment does not meet the due dates stated in condition 2, the gambling establishment license will be returned to the Commission for further action.

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

5. Requests for Additional Permanent Authorized Tables (Pursuant to California Code of Regulations, Title 4, section 12359):
Lake Elsinore Hotel and Casino

Deputy Director Ciau recommended the Commission approve the request for four additional authorized Permanent tables for a total of 18 tables with the following condition.

Condition: The gambling establishment cannot add the four tables until the Commission has approved a state gambling license for the gambling establishment.

Deputy Director Ciau indicated that the cardroom currently holds a provisional gambling license and the application for a regular gambling license is being processed by the Division, and is expected to be completed by the end of the year. Chairman Shelton recommended the item be tabled until the establishment has been approved for the regular state gambling license.

Commissioners Shimazu and Vuksich both agreed to table the item for this meeting, and present it in a future meeting.

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

- A. Lake Bowl Cardroom: Scott Muchow
- B. Lucky Lady Casino: Michael Penn
- C. Mortimer's Card Room: George Freese

Deputy Director Ciau recommended approval of the initial applications for Key Employee license for the applicants listed as agenda items 6A – 6C.

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

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

- A. Central Coast Casino – Grover Beach:
 - i. John Dell'Armo
 - ii. Muy Luy
- B. Empire Sportsmen's Association:
 - i. Mark Greenblatt
 - ii. Haiy Kho
 - iii. Thu Phan
 - iv. Dieu Tran
 - v. Richard Yue
- C. Gold Rush Gaming Parlor: Marci Hovanski
- D. Merced Poker Room:
 - i. Wei Huang
 - ii. Mai Lao
- E. Napa Valley Casino:
 - i. Daniel Aguirre
 - ii. James Craig
 - iii. Bobby Huang
 - iv. Kevin Janas

F. The 101 Casino:

- i. Anthony Armanini
- ii. Megan Farnham
- iii. Agustin Garcia

Deputy Director Ciau recommended the Commission approve the initial applications for work permits for the applicants listed as agenda items 7A - 7F.

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

8. Applications 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., A California Corporation:

- i. Innovations in Native-American Gaming, Inc.
- ii. Mark Jones

Deputy Director Ciau recommended that the Commission extend the current finding of suitability for two months from September 1, 2007 through October 31, 2007, to allow the Division time to complete the background investigation and Commission staff to review the Division's recommendation.

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

Consent Calendar

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

- A. Caesar's Club: Ignacio Alvarez-Cavadas
- B. Central Coast Casino -- Grover Beach:
 - i. Yu Yu Li
 - ii. Robert Maxwell
 - iii. Joanne Tsai
- C. Club San Rafael:
 - i. Johnathan Douglas
 - ii. Caitlin Smith
- D. Empire Sportsmen's Association: Hai Nguyen
- E. Lake Bowl Cardroom:
 - i. Jessica Carter
 - ii. Michael Clingman
- F. Napa Valley Casino:
 - i. Alexander Clark
 - ii. Vong Roemun
- G. The 101 Casino: Elenita Howson

10. 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 Casino: Kathleen Finnegan
- B. Augustine Band of Cahuilla Indians -- Augustine Casino:
 - Robert Cortez
 - Angie Lam
- C. Bear River Band of Rohnerville Rancheria -- Bear River Casino: Jason Preyer
- D. Blue Lake Rancheria -- Blue Lake Casino: Dustin Boyd
- E. Cabazon Band of Mission Indians -- Fantasy Springs Casino: Laura De Leon
- F. Hopland Band of Pomo Indians of the Hopland Rancheria -- Sho-Ka-Wah Casino: David Diaz

- G. Morongo Band of Cahuilla Indians of the Morongo Reservation – Morongo Casino Resort & Spa:
Michael Bigham
- H. Pala Band of Mission Indians – Pala Casino: Dana Bomer
- I. Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation – Pechanga Resort and Casino:
Geoffrey Greenwood Sharon Hooton Hyder Jaffer
Siamphone Xayasomroth
- J. Picayune Rancheria of the Chukchansi Indians – Chukchansi Gold Resort and Casino:
Vanhnaly Phommahasay
- K. Rincon Band of Luiseno Indians – Harrah's Rincon:
Michael Beech Sandra Britton Somphone Phiakao
- L. San Manuel Band of Serrano Mission Indians of the San Manuel Reservation – San Manuel Indian Bingo and Casino:
Daniel Lyles Ashwin Patel Keam Seang
- M. San Pasqual Band of Diegueno Mission Indians – Valley View Casino:
Albert Cope Kimberly Du Jenny Monteforte
Joseph Navarro
- N. Santa Rosa Indian Community of the Santa Rosa Rancheria – Tachi Palace Hotel and Casino:
Kristopher Gerleman Zenaida Rogge
- O. Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation – Chumash Casino:
Anna Escarcega Linda Nielsen
- P. Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria – Black Oak Casino:
Heather Wandersee
- Q. Twenty-Nine Palms Band of Mission Indians – Spotlight 29 Casino:
John Leathers Lazarus Smith
- R. United Auburn Indian Community of the Auburn Rancheria – Thunder Valley Casino:
Minnie Nguyen Vicky Saechao May Saetum

11. 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: JoAnn Fowler
- B. Augustine Band of Cahuilla Indians – Augustine Casino:
Yesenia Aguilera Amabeli Iglesias Michael Oaks
Patricia Reyes Sandra Rodriguez Jacqueline Underwood
- C. Bear River Band of Rohnerville Rancheria – Bear River Casino: John McGinnis
- D. Big Valley Band of Pomo Indians of the Big Valley Rancheria – Konocti Vista Casino:
Damien Wickard
- E. Cachil DeHe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria – Colusa Casino and Bingo:
John Fossett Harjinder Singh
- F. Elk Valley Rancheria – Elk Valley Casino:
Randy Cooper David Hernandez Kimberly Pittser
- G. Middletown Rancheria Band of Pomo Indians – Twin Pine Casino:
Kenneth Lemon
- H. Morongo Band of Cahuilla Indians of the Morongo Reservation – Morongo Casino Resort & Spa:
Maria Anguiano Howard Cao Norena Castro
Alan Ferrante Clay Mills Jovita Monk
Vickie Nash Micheal Neal Edith Rufe
Seth Schultz Peter Sweeney

- I. Paiute-Shoshone Indians of the Bishop Community of the Bishop Colony – Paiute Palace Casino: Thomas Cheshire
- J. Pala Band of Mission Indians – Pala Casino:
Helen Banister-Clow Todd Benjamin Charles Clow
- K. Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation – Pechanga Resort and Casino: Carl Pule, Jr.
- L. Rincon Band of Luiseno Indians – Harrah's Rincon: Kevin Malone
- M. Rumsey Indian Rancheria of Wintun Indians – Cache Creek Casino Resort:
Allison Khon Narin Khon Jeffery Little
Debra Major
- N. San Manuel Band of Serrano Mission Indians of the San Manuel Reservation – San Manuel Indian Bingo and Casino:
Ashenafi Alemu Daemonne Davis Joseph DesRosiers
David Maruna Janice Mayorga Matthew Mullen
Russell Newcomer Leah Roz-Wilson Michael Shaw
Ruel Soliva
- O. San Pasqual Band of Diegueno Mission Indians – Valley View Casino:
Mike Caputto Armando Martinez, Jr.
- P. Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation – Chumash Casino:
Virgilio Ando Adam Eckelhoff Verlin Hill
- Q. Smith River Rancheria – Lucky 7 Casino:
Diane Fournier Terry Westrick
- R. Soboba Band of Luiseno Indians- Soboba Casino: Carole Bennett
- S. Tule River Indian Tribe of the Tule River Reservation – Eagle Mountain Casino:
Adam Manson Paul Manuel
- T. Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria – Black Oak Casino:
Mark Azevedo Michael Bundesen
- U. Twenty-Nine Palms Band of Mission Indians – Spotlight 29 Casino:
Juan Arroyo Karla Bickle James Caudill, III
Karen Cordova Patricia Ferguson Mary Johnson
Rena Salgado Thomas Sedlock Osvaldo Soliz
Earl Thomas, Jr. Angela Villarreal Charles Whittaker
- V. United Auburn Indian Community of the Auburn Rancheria – Thunder Valley Casino:
Robert Angus Susan George Arthur Munoz
Saan Saeteurn Chou Yang
- W. Viejas Band of Kumeyaay Indians - Viejas Casino and Turf Club:
Jennifer Bryant Alphonse Bassene Luis Carsajal
Christopher Diosdado Louise Esselman Kevin Gray
Sean Monfort Janis Neal Joseph Olivieri, Jr.
Johnny Phan Jo Ann Restko Sharie Rose Soriano
Angela Tedesco

Deputy Director Ciau recommended that the Commission approve Consent Calendar agenda items 9 through 11. Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Commissioners Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation.

PUBLIC COMMENT

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

CLOSED SESSION

There was no closed session.

ADJOURNMENT

Upon motion to adjourn the meeting by Commissioner Shimazu, seconded by Commissioner Vuksich and carried in a roll call vote, with Chairman Shelton, Commissioners Shimazu, and Vuksich voting yes, the meeting adjourned at 2:10 p.m.

JUN-07-2007 10:53

CITY OF SALINAS

F.01



City of Salinas

OFFICE OF THE MAYOR

200 Lincoln Avenue Salinas, California 93801

(831) 758-7201 Fax (831) 758-7368

June 5, 2007

California Gambling Control Commission
2399 Gateway Oaks Drive
Suite 100
Sacramento, CA 95833-4231

Re: Sale or Transfer of Cap's Saloon Card Room License (State of California)

Dear Commissioners:

The purpose of this letter is to request your assistance in ensuring that a State of California card room license is maintained in the City of Salinas. As governed by appropriate State law, this may involve facilitating the sale or transfer of the existing State of California gambling (card room) license held by Cap's Saloon to a new owner. Cap's Saloon is a gaming establishment currently owned by Jose Gonzales-Curiel, located at 12 W. Gabilan Street in the City of Salinas, California.

The City of Salinas revoked the city issued card room permit for Cap's Saloon effective June 5, 2007. After considering a number of violations of applicable provisions of the City's Card room Ordinance (Salinas City Code Chapter 6, Article IV) at Cap's, as well as the history of criminal conduct perpetrated in or about Cap's, Salinas Police Chief Daniel Ortega revoked Cap's card room permit on December 8, 2006. The Police Chief's decision was appealed to the City Council and affirmed following public hearings held on May 15 and May 22, 2007. The revocation decision is effective June 5, 2007. A copy of the resolution stating the basis for the City Council's decision is attached to this letter for your reference.

Additionally, the City Council directed Staff to prepare a letter to the State of California Gambling Commission and the California Department of Justice, Division of Gambling Control, expressing the City's interest, notwithstanding the Cap's permit revocation, in maintaining a card room in the City of Salinas.

Thank you for your assistance in ensuring that a card room business, under a new ownership, be maintained in our City.

Sincerely,

Dennis Donohue
MAYOR

Enclosure

cc: Teresa Ciau, Deputy Director, Licensing Division
California Department of Justice, Division of Gambling Control
Lina Thomas, Licensing Analyst
California Department of Justice, Division of Gambling Control
City Manager
City Attorney
Chief of Police

TOTAL P. 07

Hawaiian Gardens Casino

Key Employees

Newton Acevedo – Casino Supervisor
Gus Ayashi – Casino Shift Supervisor
Michael Blanchino – Shift Supervisor
Thomas Chiang – Shift Manager
Ricky Covello – Shift Manager
Nicholas Ferrante – Shift Manager
Jessica Gonzalez - Associate General Counsel
Nancy Grout – Relief Shift Manager
Hadi Hadj-Atry – Casino Shift Manager
Phillip Hewitt – Quality Control Manager
Richard Hunt – Cage Operations Manager

Gary Kobayashi – Shift Supervisor
David Lewis Sr. – Supervisor
Peter Lydon – Food and Beverage Director
David Moskowitz – Assistant to the President
Jalinda Pushea - Finance Accounting Manager
Robert Riley – VIP Poker Host
Ronald Sarabi – General Manager
Charles Skula – Director of Security Operations
Richard Tilley - Shift Supervisor
Jenifer Walker – Director of Finance
Caria Watts – Human Resource Manager
Marc Weinreich – Shift Supervisor