

California Gambling Control Commission
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**MINUTES OF SEPTEMBER 20, 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 led everyone in 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. August 23, 2007

Upon motion of Chairman Shelton, 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 August 23, 2007.

4. Application for Approval for State Gambling License Including All Associated Applicants and Endorsees (Pursuant to Business and Professions Code section 19851):
 - A. Klondike Casino: T&T Gaming, LLC

Deputy Director Terri Ciau indicated that staff recommended the Commission approve the initial state gambling license applications for T&T Gaming, LLC, Thomas Bruner, and Robert Thomson for the period of October 1, 2007 through May 31, 2009 and three (3) new additional tables for a total of five (5) tables. Staff also recommended that the following condition be removed and a new condition be added.

- Remove the following condition:

This 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.

- Add the following condition:

This license is conditioned upon the local gambling ordinance coming into compliance with the Gambling Control Act (Business and Professions Code section 19860(a)(4)) by March 31, 2008.

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 adopted the staff recommendation.

- B. The Black Sheep Casino Company: Teresa Paulson, Community Property Interest Holder.

Deputy Director Ciau indicated that staff recommended the Commission approve Teresa Paulson as a Community Property Interest holder for the remainder of the gambling establishment's licensing period, October 1, 2007 through July 31, 2008.

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.

5. Application for Approval for State Gambling License Including All Associated Applicants and Endorsees – Request for Withdrawal Without Prejudice (Pursuant to Business and Professions Code section 19869):

Gold Rush Gaming Parlor:

Cal-Pac Group, Inc.

Cal-Pac Grass Valley, LLC

Frank Rimkus

Raphael Cohen

Deputy Director Ciau indicated that staff recommended that the Commission approve the request to withdraw without prejudice. Upon approval of this item, the Division will release unused background deposits.

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.

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

- A. Central Coast Casino – Grover Beach: David Sterns and Theresa Stearns, Sole Proprietorship.

Deputy Director Ciau indicated that staff recommended that the Commission approve the renewal of the state gambling license for the remainder of its licensure period, October 1, 2007 through June 30, 2008 with the following condition:

- Condition: A Shareholder or a key employee must be in the gambling establishment during operating hours.

Commissioner Shimazu and Chairman Shelton had concerns regarding repeated violations. The Division was asked to follow up to ensure that the violations had been corrected and report back to the Commission within 60 days.

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

B. Diamond Jim's: Wizard Gaming, Inc.

Deputy Director Ciau indicated that staff recommended the Commission approve the renewal of Diamond Jim's state gambling license for the period October 1, 2007 through January 31, 2009, with the following shareholders and key employees and to remove the condition on their license.

- Shareholders:
Emily Cuicchi – Vice President/Treasurer, Richard Levinson- President/Secretary, Sharyn Levinson – CPI, Zephyr Inter Vivos Trust, George Hardie, Jr. – Beneficiary, Emily Cuicchi – Trustee, George Deitch, Sigifredo Revuelta, Margarita Revuelta – CPI, and Darold Shirwo
- Key Employee(s):
Patrick Berry, Robert Burgum and Panu Suwanjinda
- Condition Removal:
"This 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."

Explanation: the local ordinance was amended on July 24, 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 adopted the staff recommendation.

C. Gold Rush Gaming Parlor: Susan Barrows, Sole Proprietor

Deputy Director Terri Ciau indicated that staff recommended the Commission approve the renewal of Gold Rush Gaming Parlor's state gambling license for the period February 8, 2007 through February 29, 2008 and remove the following conditions. Deputy Director Ciau confirmed with Chief Counsel Cy Rickards that the renewal could be approved with or without the conditions.

1. The Licensee or licensed key employee must be present during all times that games are in process.
2. The Licensee will submit all application for State Gambling License, Key Employee, and work permits in a timely manner, i.e., by required due dates.
3. The applicant will submit Bi-Annual Reports by the required due dates.
4. Cease and desist extension of credit, which is prohibited by local ordinance.
5. Maintain sufficient funding to cover Bad Beat Jackpots and High Hand Bonuses as required and have those records available to the Division upon request.
6. Comply with ongoing requests from Division with regard to accounting records, enabling the Division to complete a financial audit.
7. Owner to refrain from gambling in the establishment unless she has a key employee on duty to supervise staff and make discretionary decisions as they arise.
8. Comply with all accounting, labor, and taxation requirements as required and requested by State and Federal Agencies. Those Agencies include but should not be limited to EDD, IRS, FTB and CA Department of Insurance.
9. Cooperate with local law enforcement agencies on any criminal investigations associated with the operation of the gambling establishment.
10. Owner and employees are not to use house funds to gamble in the establishment.

Commissioner Vuksich and Chairman Shelton requested updates from the new owner within 60 days regarding the progress in transfer of ownership and licensing.

Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton, Commissioners

Shimazu, and Vuksich voting yes, the Commission adopted the staff recommendation with the conditions.

D. Hemphill's Card Room: Estate of Billy L. Long, Sole Proprietor

Deputy Director Ciau indicated that staff had revised the recommendation to the Commission to extend the current license from one month to two months to allow the gambling establishment an opportunity to submit a renewal application and associated fees.

Deputy Director Ciau indicated that the estate was recently closed so there was a question regarding the status of the license. In addition, the status of the proposed new owner was not clear. Chief Counsel Cy Rickards recommended that the license be extended until November 30, 2007 to allow sufficient time to determine the status of the license and the proposed new owner.

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 to extend the cardroom license until November 30, 2007.

E. Lake Bowl Cardroom: Waldemar Dreher, Sole Proprietor

Deputy Director Ciau indicated that staff recommended the Commission approve the renewal of the gambling establishment for the period October 1, 2007 through February 28, 2009 with the following key employees and conditions:

- Key Employees: Kevin Corso, Daniel Dreher, Jeremy Dreher, Matthew Fries, Kevin Kindlespire, Scott Muchow, and Monica Schoenfelder
- Conditions:
 1. The gambling establishment will not offer for play any games or gaming activities unless they are specifically approved in writing by the Division of Gambling Control.
 2. The owner or a key employee must be on site at all times during the hours the cardroom is in operation.

Commissioner Shimazu stated that this establishment was in violation, understood that there was miscommunication, and encouraged the establishment to contact the Division in the future regarding proper procedures. Chairman Shelton asked that the Division ensure all matters are resolved.

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

F. Normandie Casino: The Normandie Club, A General Partnership

Deputy Director Ciau indicated that staff recommended the Commission approve the renewal of the gambling establishment for the remainder of its licensure period, October 1, 2007 through May 31, 2008 with the following shareholders and key employees.

- Shareholders: Estate of Mary Miller, Gregory Miller – Partner, Stephen Miller – Partner, Lawrence Miller – partner, and Russell Miller, Jr. – Partner
- Key Employees: Karlo Deza, Randolph Fuentes, Richard Lugo, John McIntyre, Prasert Pettaveporndej, and Peter Tulik

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.

G. Royal Flush Casino: Adolfo Martinez, Sole Proprietor

Deputy Director Ciau indicated that staff recommended the Commission approve the renewal of the gambling establishment for the period of November 1, 2007 through March 31, 2009.

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.

H. The Mint: James Podergois, Sole Proprietorship

Deputy Director Ciau indicated that staff recommended the Commission extend the current gambling license for four (4) additional months, October 1, 2007 through January 31, 2008 to allow the Division to do a site visit of new location.

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 adopted the staff recommendation.

I. The Nineteenth Hole: 19th Hole, a General Partnership

Deputy Director Ciau indicated that staff recommended the Commission approve the renewal of the gambling establishment for the period October 1, 2007 through February 28, 2009, with the following shareholders, key employee and condition:

- Shareholders: Edward Beaudin – Partner, Lawrence Merlini– Partner, and Stephen Scudero– Partner
- Key Employee: Brian Klarman
- Condition: This 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 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 adopted the staff recommendation.

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

- A. Capitol Casino: Tony Le
- B. Casino Marysville: Va Phong
- C. Hustler Casino: Alonzo Johnson
- D. Limelight Cardroom:
 - i. Judy Chin
 - ii. Matthew Gougé
 - iii. Dennis Wade
- E. Lucky Chances Casino:
 - i. Marvin Dawson
 - ii. Manjit Singh
- F. Ocean's Eleven Casino: Sam Uribe
- G. The River Card Room: Jessica Raznikov-Clein

Deputy Director Ciau indicated that staff recommended the Commission approve Items 7A through 7G.

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.

8. Applications for Renewal of Key Employee License (Pursuant to Business and Professions Code section 19876):

The Bicycle Casino: James Wang

Deputy Director Ciau indicated that staff recommended the Commission extend the key employee license for the remainder of the gambling establishment's licensing period (October 1, 2007 through December 31, 2007) and revise the current condition:

- Current Condition: Mr. Wang must notify the Commission, in writing, prior to accepting employment at any other gambling establishment.
- Proposed Condition: Mr. Wang cannot work in any gambling establishment until the Commission is notified of the outcome of the court proceedings.

Chairman Shelton requested research be conducted regarding suspension of licenses with similar situations.

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.

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

- A. Brooks Oceana Cardroom: Aniciello Canlas
- B. Napa Valley Casino: Michael Singleton

Deputy Director Ciau indicated that staff recommended the Commission approve Items 9A through 9B.

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.

10. Applications for Work Permit – Request for Withdrawal Without Prejudice (Pursuant to Business and Professions Code section 19869):

- Old Cayucos Tavern: David Cantu

Deputy Director Ciau indicated that staff recommended that the Commission allow Mr. Cantu to withdraw his application without prejudice.

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 adopted the staff recommendation.

11. Applications for Work Permit – Request for Withdrawal With Prejudice (Pursuant to Business and Professions Code section 19869):

- Gold Rush Gaming Parlor: Deneen Colucci

Deputy Director Ciau indicated that staff recommended the Commission allow Ms. Colucci to withdraw her applications with prejudice.

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.

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

- A. American Gaming & Electronics, Inc.: Wells-Gardner Electronics Corporation

Deputy Director Ciau indicated that staff recommended the Commission approve the application for the remainder of the suitability period, September 20, 2007 through January 31, 2008.

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 adopted the staff recommendation.

B. NRT Technology Corporation:

- i. Dominet Corporation
- ii. John A. Dominelli
- iii. Raymond Deffner
- iv. Teresa Orr

Deputy Director Ciau indicated that staff recommended the Commission approve the application for the period of September 20, 2007 through April 30, 2009.

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.

13. 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)

JCM American Corporation:

- i. Akiyoshi Isoi
- ii. Japan Cash Machine Company, Ltd.
- iii. Toshizumi Kitamori
- iv. Yojiro Kamihigashi

Deputy Director Ciau indicated that staff recommended that the Commission approve the renewal application for the period of November 1, 2007 through July 31, 2009.

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.

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

- A. Tule River Indian Tribe of the Tule River Reservation – Eagle Mountain Casino: Charles Farmer

Deputy Director Ciau indicated that staff recommended the Commission approve the Finding of Suitability application as a Tribal Key Employee.

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.

- B. Bear River Band of the Rohnerville Rancheria – Bear River Casino:
Leslie Bowie

Deputy Director Ciau indicated that staff recommended the Commission deny the application for a Finding of Suitability as a Tribal Key Employee.

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.