

CALIFORNIA GAMBLING CONTROL COMMISSION
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Department of Consumer Affairs
Hearing Room
1625 North Market Blvd.
Sacramento, CA 95834

**MINUTES OF JULY 10, 2008
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Acting Chairman Shimazu called the meeting to order at 10:05 a.m., and asked everyone to stand for the Pledge of Allegiance.

2. Roll Call of Commissioners.

Roll Call of Commissioners was taken with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich present.

3. Approval of Commission Meeting Minutes:
 - A. May 28, 2008

Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call, with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes, the Commission adopted the May 28, 2008 Commission meeting minutes.

4. Request for Amended Transfer of Shares (Pursuant to Business and Professions Code section 19904): Celebrity Casinos, Inc: Crystal Casino and Hotel

Chief Counsel Matteucci indicated that staff recommended that the Commission approve the amended transfer of ownership request for Celebrity Casino, Inc., stating that this was an amendment to the transfer of shares approved by the Commission on May 8, 2008. Upon motion of Commissioner Vuksich, seconded by Commissioner Schmidt and unanimously carried in a vote by roll call with Acting Chairman Shimazu and

Commissioners Schmidt and Vuksich voting yes the Commission approved the staff recommendation.

5. Request for Approval of Sale of Existing Gambling Establishment (Pursuant to Business and Professions Code section 19824(c)):

S & K Cardroom: Otho Smith, Current Owner-Licensee/Seller
Johnny Lee, Buyer

Chief Counsel Matteucci indicated that staff recommended that the Commission approve the sale of the existing gambling establishment S & K Cardroom to Johnny Lee with the following two conditions:

1. *Seller shall instruct the escrow agent to pay the \$9,000 fine and costs or any remaining balance there of from proceeds of the pending sale of this cardroom per the stipulated settlement agreement and disciplinary order dated September 26, 2007.*
2. *The seller shall provide the name address and telephone number of the escrow agent to the Commission within five calendar days of the appointment of the escrow agent by the parties.*

Norm Pierce, Bureau Gambling Control, responded to concerns raised by Commissioner Vuksich regarding follow-up on the stipulated settlement agreement.

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

6. Application for Approval for Initial State Gambling License Including All Associated Applicants and Endorsees (Pursuant to Business and Professions Code section 19851):

A. Commerce Casino: California Commerce Club, Inc.

i. Federico Family Trust

Salvatore Federico – Trustee, Trustor and Beneficiary of the Federico Family Trust

Laura Federico – Trustee, Trustor and Beneficiary of the Federico Family Trust

Lucia Ibosh – Trustee of the Federico Family Trust

ii. Selma Massman Trust

Selma Massman – Trustee, Trustor and Beneficiary of the Selma Massman Trust

Deputy Director Ciau indicated that staff recommended that the Commission approve the initial applications for the Trusts and applicants as endorsees on the state gambling license for Commerce Casino, Item 6.A.

Francis Asuncion, Bureau of Gambling Control, responded to questions raised by Commissioner Vuksich concerning the market value of the Selma Massman Trust.

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

- B. Diamond Jim's Casino: Wizard Gaming, Inc.
George Deitch, Trustee of the Zephyr Inter Vivos Trust

Item 6.B. was tabled.

- 7. Applications for Renewal of State Gambling License Including All Associated Applicants and Endorsees (Pursuant to Business and Professions Code section 19876):
 - A. Golden State Casino – Keith Hoang, Sole Proprietor

Deputy Director Ciau indicated that staff recommended that the Commission approve the renewal license for the licensure period of August 1, 2008 through June 30, 2010 for Golden State Casino, Item 7.A. Commissioner Schmidt moved to approve the renewal license for 12 months. Commissioner Vuksich seconded the motion, which unanimously carried in a vote by roll with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes.

- B. Merced Poker Room – Her Xiong, Sole Proprietor

Deputy Director Ciau indicated that staff recommended that the Commission approve the renewal license for the period August 1, 2008 through April 30, 2010 for Merced Poker Room, Item 7.B., with key employee Seng Yang, and removal of the following 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)(4)) within 12 months of issuance/renewal.*
2. *The owner must submit a key employee application by July 31, 2007.*

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

- C. Poker Flats Casino – Terry Vargas, Sole Proprietor

Deputy Director Ciau indicated that staff recommended that the Commission approve an extension of the renewal license for the period of August 1, 2008 through October 31, 2008, for Poker Flats Casino, Item 7.C., with key employee Misty Alonzo. Deputy Director Ciau further indicated that staff also recommended the removal of three conditions, and placement of one new condition as listed in Attachment A of the minutes.

Dorothy Cooper, Bureau of Gambling Control, responded to the Commission's question of when financial statements are due indicating that they are due 120 days from the beginning of the calendar year.

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

- D. Silver Fox – The Silver F., Inc.
 - Kenneth Worsham, President/CFO/Secretary
 - Shirley Worsham, Community Property Interest Holder

Deputy Director Ciau indicated that staff recommended that the Commission approve the renewal application for licensure for the period August 1, 2008 through July 31, 2010 for Silver Fox, Item 7.D., with the shareholders and following key employees: Bettina Felix, Shelley Robbins, Jack Rubsam, and Stefanie Fay Saechao. Deputy Director Ciau further indicated that staff recommended removal of the condition: *Mr. Worsham must submit completed financial statements within six months of approval of the state gambling license.* Upon motion of Commissioner Schmidt, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes the Commission approved the staff recommendation.

- 8. Request to Remove Condition from State Gambling License (Pursuant to Business and Professions Code section 19824(b)):
 - Palomar Card Club – Palomar Club, General Partnership

Deputy Director Ciau indicated that staff recommended that the Commission approve removal of 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.* Upon motion of Commissioner Vuksich, seconded by Commissioner Schmidt and unanimously carried in a vote by roll call with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes the Commission approved the staff recommendation.

- 9. Requests for Additional Permanent Authorized Tables (Pursuant to California Code of Regulations, Title 4, section 12359):
 - A. Palomar Card Club - Palomar Card Club, General Partnership

Deputy Director Ciau indicated that staff recommended that the Commission approve the request to add two additional tables for a total of nine tables authorized on the license for Palomar Card Club, Item 9.A. Upon motion of Commissioner Vuksich, seconded by Commissioner Schmidt and unanimously carried in a vote by roll call with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes the Commission approved the staff recommendation.

B. Diamond Jim's Casino - Wizard Gaming, Inc.

Deputy Director Ciau indicated that staff recommended that the Commission approve the request to add five additional tables for a total of 26 tables authorized on the license for Diamond Jim's Casino, Item 9.B. Upon motion of Commissioner Schmidt, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes the Commission approved the staff recommendation.

10. Applications for Initial Key Employee Portable License (Pursuant to Business and Professions Code section 19854(d)):
- A. Ruth Harkins
 - B. Geno Sirhan
 - C. Lee Sartain
 - D. Fred Plummer
 - E. Juanita Nelson

Licensing Manager Littleton indicated that staff recommended that the Commission approve the applications for personal key employee licenses for the individuals listed in Items 10.A. through 10.E. Upon motion of Acting Chairman Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes the Commission approved the staff recommendation.

11. Applications to Convert Gambling Business Player Registration to a License (Pursuant to Business and Professions Code section 19853 and California Code of Regulations, Title 4, section 12233):
Premier Player Providers, Inc.: Pisey Keo

Licensing Manager Littleton indicated that staff recommended that the Commission approve the application to convert gambling business player registration to a license for Premier Player Providers, Inc., Item 11. Upon motion of Commissioner Vuksich, seconded by Commissioner Schmidt and unanimously carried in a vote by roll call with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes the Commission approved the staff recommendation.

12. Applications to Convert Third Party Provider of Proposition Services, (TPPPS) Owner Registration to a License (Pursuant to Business and Professions Code section 19984 and California Code of Regulations, Title 4, section 12218):
Lucky Star Gaming, Inc.: May Liang, President/Treasurer/Secretary/Director

Licensing Manager Littleton indicated that staff recommended that the Commission approve the application to convert TPPPS owner registration to a license for Lucky Star Gaming, Inc., Item 12.

The Commission took no action on Item 12. The Commission tabled the matter to a future date and requested that May Liang attend that meeting to address questions by the Commission.

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

- A. BJ Gaming, Inc.: Aldric Baquiran Sang Anh Chu Maria Quizon
Dave Ramos Katarzyna Vasiloudis
- B. Chips Gaming Services, Inc.: Hua Cheng
- C. Lucky Star Gaming, Inc.: Bao Chen Phally El Wan Huang
Tao Jiang Sik Leung Guang Liang
Ling Liang Wei Liang Chu Tam
Hua Zhou Wen Zhou
- D. Pacific Gaming Services, Inc.: Helen Wang Carmelita Taylor Mary Trujillo
- E. Pacific Palace, Inc.: Yu Chen Yao Fu Shenping Huang
Yingxi Li Yu Li Srey Ou
Kuyly Pich Yuan Yuan Jia Zheng
Shi Zhong Mei Zhou
- F. Premier Player Providers, Inc.: Pisey Keo

The Commission tabled its consideration of Item 13.C.

Licensing Manager Littleton indicated that staff recommended that the Commission approve the applications to convert TPPPS registration to a license for items 13.A., 13.B. and 13.D. through 13.F. Upon motion of Commissioner Vuksich, seconded by Commissioner Schmidt and unanimously carried in a vote by roll call with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes the Commission approved the staff recommendation.

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

Network Management Group, Inc.:

Gregory Allen	Robert Barahona	Stephanie Baritzal
Carmelo Bondoc	Brenda Buford	Monisha Bullock
Adrian Caldera	Peterson Cazeau	Ka Hang Chan
Howard Cohen	Derek Crabbe	Arthur Dansker
Kambiz Darian	Ansuman Das	Diana Dayrit
Nicholas Dent	Romy Dorasamy	Jesse Ellison
Darasy Esio	Jeb Everhart	Jesse Fernandez
Francisco Franco	Terry Frazier	Marshall Golden
Rene Gomez	Cristina Gonzalez	Bryant Grant
Clifton Hall	Jesse Head	Candace Hines
Man Hoang	Anthony Hughes-Candler	Cesar Ibarra
Sabrina Johnson	Christopher Kawakami	Catherine Kuhl
Oai Lam	Vincent Lyons	Mark Martini
Blener Mayhew	Gerald McFarland	Randy Mellow
Andrea Morgan	Kevin Murry	Ryan Nido
Eddie Ocampo	Natalie Ochoa	Eric Olay
Kyung Pak	Sergio Paz	Paula Pedroso

Vanh Phun	William Phung	Anastacia Porcari
David Rahimian	Tyler Rice	Carlo Rivera
Mark Rogers	Rigoberto Rubio	Nick Saechao
Ghia Simbulan	Hannah Sisk	Anrey Soto
Branko Sretenovic	Jose Sy-Quia, Jr.	Richard Stephan
Jamie Stevens	Arthur Ting	Diego Trinidad
Matthew Watts	Jamin Willoughby	Charles Woods
Senait Yemane	Dimitri Zagoroff	David Zeux

Licensing Manager Littleton indicated that staff recommended approval, without prejudice, of the request for withdrawal of the application to convert TPPPS registration to a license for Network Management Group, Inc., Item 14. Upon motion of Commissioner Vuksich, seconded by Commissioner Schmidt and unanimously carried in a vote by roll call with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes the Commission approved the staff recommendation.

15. 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):

Shuffle Master, Inc. – Publicly Traded Corporation (Minnesota)

Mark Yoseloff – CEO/Chairman of the Board

Paul C. Meyer – President/COO/Secretary

Garry Saunders – Outside Director

Louis Castle, II – Outside Director

Licensing Manager Littleton indicated that staff recommended that the Commission approve the application for renewal of Tribal-State Compact Gaming Resource Supplier finding of suitability for Shuffle Master, Inc., Item 15. Upon motion of Commissioner Vuksich, seconded by Acting Chairman Shimazu and unanimously carried in a vote by roll call with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes the Commission approved the staff recommendation.

CONSENT CALENDAR ITEMS:

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

The 101 Casino: Ryan Phillips

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

A. Poker Flats Casino: Martin Espinoza, Daniel Pena, Glendell Sutter

B. The 101 Casino: Florena Chavez

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

A. Cachil DeHe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria – Colusa Casino and Bingo: Luis Orozco, Gerald Towan

- B. Jackson Rancheria Band of Miwok Indians – Jackson Rancheria Casino and Hotel:
Chumno Phen San Saechao Canaphi Samael
 - C. Pala Band of Mission Indians – Pala Casino:
Saeed Hashemi Isra Tuchinda
 - D. Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation – Casino Pauma: Raymond Balisi
 - E. Rumsey Indian Rancheria of Wintun Indians – Cache Creek Casino Resort:
Jay Vang
 - F. Torres-Martinez Band of Cahuilla Indians – Red Earth Casino:
Anthony Paneris Kevin Parker
19. Applications for Renewal Tribal-State Compact Key Employee Finding of Suitability (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.4):
- A. Alturas Rancheria – Desert Rose Casino: Raland Millard
 - B. Augustine Band of Cahuilla Indians – Augustine Casino:
Katrina Gent Mark Pickering
 - C. Barona Band of Mission Indians – Barona Valley Ranch Resort:
Patricia Bauder Marilyn Geronimo
 - D. Berry Creek Rancheria of Maidu Indians – Gold Country Casino:
Heather Nydell John Silva Richard Wilson
 - E. Cachil DeHe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria – Colusa Casino and Bingo: Michael Williams
 - F. Chemehuevi Indian Tribe of the Chemehuevi Reservation – Havasu Landing Resort and Casino: Mervin Smith
 - G. Hopland Band of Pomo Indians of the Hopland Rancheria – Sho-Ka-Wah Casino:
Dawn Chance
 - H. Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation – Casino Pauma:
Joseph Collins Jacqueline Luu Arthur Malecki
Peter Pham Jorge Ramirez Steve Ramuno
 - I. Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation – Pechanga Resort and Casino:
Luxie Le Steven Miller Rodolfo Reyes
Medhat Saad
 - J. Picayune Rancheria of the Chukchansi Indians – Chukchansi Gold Resort and Casino: Luis Gutierrez
 - K. Redding Rancheria – Win-River Casino: Teresa Romero
 - L. Rincon Band of Luiseno Indians – Harrah's Rincon:
Joseph Amago Joseph Faggart Erwin Pruitt
 - M. Santa Rosa Indian Community of the Santa Rosa Rancheria – Tachi Palace Hotel and Casino: Shannon Souza
 - N. Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation – Chumash Casino: John Vinluan
 - O. Sherwood Valley Rancheria of Pomo Indians – Black Bart Casino:
Rhonda McClellan
 - P. Soboba Band of Luiseno Indians- Soboba Casino: William Overcash
 - Q. Sycuan Band of Diegueno Mission Indians – Sycuan Casino:

Derek Dreis

Roger Hagoriles

Alden Harris

Daniel Rice

R. Tule River Indian Tribe of the Tule River Reservation – Eagle Mountain Casino:

Joseph Rodriguez

S. United Auburn Indian Community of the Auburn Rancheria – Thunder Valley

Casino: John Jackson Andrew Nelson

T. Viejas Band of Kumeyaay Indians - Viejas Casino and Turf Club:

Salah Attiyeh

Jared Davis

Frederick Garbani

Katherine Johnson

Martha Nguyen

Stephen Svien

Eric Tinderholt

Manager Tina Littleton indicated that staff recommended that the Commission approve Consent Calendar Items 16 through 19. Upon motion of Commission Schmidt, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes, the Commission adopted the staff recommendation.

PUBLIC COMMENT

Chander Joshi, Diamond Jim's Casino, thanked both the Bureau and Commission staff for quickly processing Diamond Jim's Casino's request for additional tables.

Evelyn Matteucci, Commission Chief Counsel, announced that Commission Counsel Adeniyi "Wale" Ayoade was leaving the Commission to go to the Commission on State Mandates. Chief Counsel Matteucci stated that Mr. Ayoade was a valued staff member and would be greatly missed by the Commission.

ADJOURNMENT

Upon motion to adjourn the meeting by Commissioner Vuksich, seconded by Commissioner Schmidt and unanimously carried in a roll call vote, with Acting Chairman Shimazu and Commissioners Schmidt and Vuksich voting yes, the meeting adjourned at 10:43 a.m.

Agenda Item 7C: Poker Flats Casino

Remove Conditions:

1. A key employee application must be submitted within 60 days following approval of the renewal state gambling license.
2. Financial statements must be submitted within 30 days following approval of the renewal state gambling license.
3. 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.

Place Condition:

1. Poker Flats Casino must submit their 2007 financial statements prior to October 31, 2008, to the Bureau of Gambling Control, Audits Division as well as the California Gambling Control Commission.