

CALIFORNIA GAMBLING CONTROL COMMISSION
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SACRAMENTO, CA 95833
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Department of Consumer Affairs
Hearing Room
1625 North Market Blvd.
Sacramento, CA 95834

**MINUTES OF JULY 24, 2008
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Acting Chairman Vuksich 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 Vukisch and Commissioners Schmidt and Shimazu present.

3. Approval of Commission Meeting Minutes:
 - A. June 26, 2008

No action was taken by the Commission to approve the June 26, 2008 minutes. The Commission directed staff to revise the minutes to include a summary of the discussion that took place regarding the Lucky Chances Casino.

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

- A. Delta Casino, Downtown: Delta C, Limited Partnership – Delta CM, Inc., General Partner

Tigran Marcarian – President/Treasurer/Secretary

Fazel Mostashari – Limited Partner Chant Manoukian – Limited Partner

George Aslanian – Limited Partner Beatrice Ackelbein – Limited Partner

Deputy Director Ciau indicated that staff recommended that the Commission approve the initial application with the shareholders that are listed on the agenda for the period of July 24, 2008, through April 30, 2010, as well as the removal of the conditions listed in Attachment A of the minutes.

In addition to the initial staff recommendation, Chief Counsel Metteucci presented the following comments for the Commission to consider.

There have been concerns raised as to whether this license should have a condition placed on it that Moe Mostashari, brother of Fazel Mostashari apply for and receive a gambling license, or that the Commission require Mr. Mostashari to undergo licensing or a finding of suitability pursuant to Section 19853(a)(6) of the Gambling Control Act.

Staff recommends that the Delta C LP license should be conditioned on Moe Mostashari, brother of Fazel Mostashari, applying for a finding of suitability pursuant to Section 19853(a)(6) of the Gambling Control Act. The Commission retains the power under section 19853 to order Mr. Mostashari to apply for a license or finding of suitability. (Subsection (a)(6) provides that "the Commission by order may require every person who, in the judgment of the commission, has the power to exercise a significant influence over the gambling operation" to apply for a FOS or a license.)

The Commission staff initially concluded that a substantial basis had not been shown for applying for a finding of suitability under 19853 to direct Mr. Mostashari to apply. However, upon further review, staff believes there are enough questions raised as to the relationship with the partnership or a financial interest in the partnership or the cardroom such there is a substantial basis that would justify the condition and recommends that Mr. Mostashari apply within 90 days of today.

Since Mr. Mostashari was not previously notified of this condition staff recommends that he be notified of the condition in writing within the next 10 days and that if he objects to applying for the finding of suitability, that his objection be agendized as soon as possible.

Tigran Marcarian and Fazel Mostashari presented comments to the Commission concerning the proposed condition regarding Moe Mostashari. Mr. Marcarian informed the Commission that Moe Mostashari only owned 35% of the real estate and therefore could have no influence on the cardroom operations. Mr. Marcarian further informed the Commission that Moe Mostashari recently communicated with him that he wanted to sell his share of the real estate and as a result his 35% interest in the real estate will be liquidated within 30 days. The purchasers were Fazel Mostashari and Nader Tafty.

Following discussion that took place among the Commission and Mr. Marcarian staff presented the following amended recommendation:

Approve the application for initial state gambling license of Delta C, Limited Partnership and all associated applicants and endorsees, except for Fazel Mostashari for the period

of July 24, 2008 through April 30, 2010, on the condition that the three following transactions are completed within 90 days:

1. *Submit for Commission review a request to approve the transfer to Nader Tafty of 30 of the 49 shares of Delta CM, Inc. currently held by Fazel Mostashari.*
2. *Transfer 26 of the 35 shares of Delta RE, LLC currently held by Moe Mostashari to Fazel Mostashari; transfer the remaining nine shares to Nader Tafty.*
3. *Submit a state gambling license application for Nader Tafty to be a gambling establishment owner.*

Extend the temporary state gambling license for Fazel Mostashari for 90 days with the same three conditions listed above and in Attachment A.

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

4. Request for Transfer of Shares (Pursuant to Business and Professions Code section 19904):
Delta Casino, Downtown: Delta CM, Inc., General Partner of Delta C, Limited Partnership

Chief Counsel Metteucci indicated that the request for transfer of the shares from 50% each to 51% for Mr. Marcarian and 49% for Mr. Mostashari came after the actual transfer was made and stated that Business and Professions Code section 19904 provides that the purported sale, assignment, transfer, pledge or other disposition of any security issued by a corporation that holds a gambling license is void unless approved in advance by the Commission.

Chief Counsel Metteucci presented five options for the Commissioners to consider:

OPTIONS:

1. Approve the request.
2. Disapprove the request, directing the parties to unwind the transaction and then resubmit the request.
3. Approve the request, but ask the Bureau to determine if disciplinary action should be taken against the parties.
4. Approve the request, on the condition that the parties agree to a stipulated settlement concerning the violation of Business and Professions Code section 19904 in which they pay a fine of \$1000.
5. Approve the request, admonishing the parties to review the Gambling Control Act ("Act") and its implementing regulations and to exercise greater care in the future to observe legal requirements.

Chief Counsel Metteucci indicated that staff recommended approval of the transfer of shares in Delta CM Inc, General Partner of Delta C, Limited Partnership, with Mr. Marcarian to hold 51% of the shares and Mr. Mostashari to hold 49% on the condition that the parties agree to a stipulated settlement concerning the violation of Business and Professions Code section 19904 in which they pay a fine of \$1000.

Tigran Marcarian indicated that he agreed to the condition of a stipulated settlement and payment of a \$1000 fine.

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

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

Delta Club Cardroom: Delta Club Partnership, General Partnership

Tony Lee, Current Owner-Licensee/(Seller)

Michael Lee, Current Owner-Licensee/(Seller)

Tigran Marcarian, (Buyer)

Senior Legal Counsel Bolz indicated that staff recommended approval of the sale of the existing gambling establishment Delta Club Cardroom from the sellers Tony Lee and Michael Lee to Tigran Marcarian. Upon motion of Commissioner Shimazu, seconded by Commissioner Schmidt and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission adopted 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):

B. Delta Club Cardroom: Delta C, Limited Partnership – Delta CM, Inc., General Partner

Tigran Marcarian – President/Treasurer/Secretary

Fazel Mostashari – Limited Partner Chant Manoukian – Limited Partner

George Aslanian – Limited Partner Beatrice Ackelbein – Limited Partner

Deputy Director Ciau indicated that staff recommended that the Commission approve the initial application and all associated applicants and endorsees for the period of August 1, 2008, through March 31, 2010.

Acting Chairman Vuksich moved to adopt the staff recommendation and Commissioner Shimazu seconded the motion.

Following discussion that took place among the Commission, Commission staff, and Mr. Marcarian staff presented the following amended recommendation:

Approve the application for initial state gambling license of Delta C, Limited Partnership and all associated applicants and endorsees, except for Fazel Mostashari for the period of August 1, 2008, through March 31, 2010, on the condition that the three following transactions are completed within 90 days:

1. *Submit for Commission review a request to approve the transfer to Nader Tafty of 30 of the 49 shares of Delta CM, Inc. currently held by Fazel Mostashari.*
2. *Transfer 26 of the 35 shares of Delta RE, LLC currently held by Moe Mostashari to Fazel Mostashari; transfer the remaining nine shares to Nader Tafty.*
3. *Submit a state gambling license application for Nader Tafty to be a gambling establishment owner.*

Approve a 90-day temporary state gambling license for Fazel Mostashari with the same three conditions listed above and in Attachment A.

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

C. Golden West Casino: Kern County Associates, Limited Partnership
The John and Shirley Thomas Family Trust - Shirley Thomas –
Trustor/Beneficiary

Deputy Director Ciau indicated that staff recommended that the Commission approve the initial application for Shirley Thomas to be endorsed on the state gambling license as Trustor/Beneficiary. Staff also recommends the removal of the following condition and the revision of an existing condition:

Remove Condition:

If the application for state gambling license for the John and Shirley Thomas Family Trust is denied, then JLJ2D shall comply with the requirements of Business and Professions Code section 19882. This condition has been met.

Revised Condition:

Shirley Thomas, Trustor & Beneficiary of the John and Shirley Thomas Family Trust, may not take part in the management or control of Golden West Casino operations.

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

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

- A. Artichoke Joe's Casino: Artichoke Joe's, Inc.
Dennis Sammut – President, Treasurer, Director
Karen Sammut

Helen Sammut Living Trust – Helen Sammut, Trustee
Sally Ann Johnson Stock Trust – Sally Johnson, Trustee
Michael J. Sammut AJ Stock Trust – Karen Sammut, Trustee

Deputy Director Ciau indicated that staff recommended that the Commission approve the renewal license for Artichoke Joes, Item 7.A., for the period of August 1, 2008 through June 30, 2010 with the shareholders listed on the agenda and the key employees listed in Attachment B of the minutes. Staff also recommended that the three existing conditions be continued. Upon motion of Commissioner Schmidt, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission approved the staff recommendation.

B. Black Sheep Casino Company: Noel Paulson, Jr., Sole Proprietor
Teresa Paulson, Community Property Interest

Deputy Director Ciau indicated that staff recommended that the Commission approve the renewal license for Black Sheep Casino, Item 7.B., for the period of August 1, 2008, through November 30, 2009, with key employee Scott Jackson. Upon motion of Acting Chairman Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission approved the staff recommendation.

C. Casino Marysville: Sau Phong, Sole Proprietor

Deputy Director Ciau indicated that staff recommended that the Commission approve the renewal license for Casino Marysville, Item 7.C., for the period of August 1, 2008, through December 31, 2009, with the following key employees: Sara Phong, Peter Phong, Va Phong, and Katie Li. Staff also recommended that the following condition be removed: *Only four gaming tables can be utilized until the local ordinance is amended to authorize additional tables.* Upon motion of Commissioner Shimazu, seconded by Acting Chairman Vuksich and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission approved the staff recommendation.

D. Outlaw's Card Parlour: Alfred and Dora Brown, Sole Proprietorship

Deputy Director Ciau indicated that staff recommended that the Commission approve the renewal license for Outlaw's Card Parlour, Item 7.D., for the period of August 1, 2008, through July 31, 2010, to include Alfred and Dora Brown as Sole Proprietors. Upon motion of Commissioner Schmidt, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission approved the staff recommendation.

- E. Empire Sportsmen's Association: Empire Sportsmen's Association, a Non-Profit Corporation
Gary Baird – Corporate Officer
Debra Baird – Corporate Officer

Deputy Director Ciau indicated that staff recommended that the Commission approve a one-month extension of the renewal license for Empire Sportsmen's Association, Item 7.E., for the period of August 1, 2008 through August 31, 2008, to allow Commission staff time to complete their report. Upon motion of Commissioner Schmidt, seconded by Acting Chairman Vuksich and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission approved the staff recommendation.

- F. Lucky Derby Casino: Point Walker, Inc.
Kermit Schayltz, President
Leo Chu, CFO/Secretary
Sandra Schayltz, Community Property Interest Holder
Ivy Chu, Community Property Interest Holder

Deputy Director Ciau indicated that staff recommended that the Commission approve an extension of the renewal license for Lucky Derby Casino, Item 7.F., for the period of August 1, 2008, through October 31, 2008, including the key employees listed in Attachment C of the minutes and with the following condition:

Lucky Derby Casino must submit their 2007 financial statements, prior to the expiration date of the extended licensure period, to the Bureau of Gambling Control, Audits Division, as well as the California Gambling Control Commission.

Kermit Schultz, Lucky Derby Casino, responded to Commissioner Schmidt's questions concerning the submission of financial statements.

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

- G. Phoenix Casino and Lounge: Phoenix Casino and Lounge, Inc.
Jack Cunningham, President/Treasurer/Secretary

Deputy Director Ciau indicated that staff recommended that the Commission approve the renewal license for Phoenix Casino and Lounge, Item 7.G., for the period of August 1, 2008, through May 31, 2010, with the key employees listed in Attachment D of the minutes. Upon motion of Acting Chairman Vukisch, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission approved the staff recommendation.

call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission approved the staff recommendation.

11. 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):

- A. Innovations in Native-American Gaming, Inc. – California Corporation
Mark Hamilton Jones, President

Licensing Manager Littleton indicated that staff recommended that the Commission extend the current finding of suitability for Innovations in Native-American Gaming, Inc. for the period of August 1, 2008, through August 31, 2008, to allow Commission staff time to complete their report. Upon motion of Commissioner Shimazu, seconded by Commissioner Schmidt and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission approved the staff recommendation.

- B. Inspire Technology, LLC - Troy DeFrees-Parrot, Owner/Managing Member

Licensing Manager Littleton indicated that staff recommended that the Commission approve the renewal application for a finding of suitability for Inspire Technology, LLC for the period of September 1, 2008, through August 31, 2010. Upon motion of Commissioner Shimazu, seconded by Commissioner Schmidt and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission approved the staff recommendation.

12. Application for Tribal-State Compact Gaming Resource Supplier Finding of Suitability – Request to Withdraw (Pursuant to Business and Professions Code section 19869):

- A. Eagle Gaming Corporation
Eagle Gaming Corporation Valerie Spicer, President,
Richard Hill, Chairman/VP
Douglas Wise, CEO Michael Dreitzer, Secretary
- B. Global Cash Access, Inc.
Karim Maskatiya, Director and Co-Chairman
- C. Paltronics, Inc.
Vaughn Place, Vice-President Bradley Johnson, Vice-President
Terry Trobiani, COO
- D. Shuffle Master, Inc.: James Nelson, Outside Director

Licensing Manager Littleton indicated that staff recommended that the Commission approve, without prejudice, the request for withdrawal of the applications for Tribal-State Compact Gaming Resource Supplier finding of suitability for Item 12.A. through 12.D. Upon motion of Acting Chairman Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission approved the staff recommendation.

13. Applications for Initial Tribal-State Compact Key Employee Finding of Suitability (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.4):
Twin Pine Casino - Middletown Rancheria Band of Pomo Indians: Stacy Selvey

Licensing Manager Littleton indicated that Stacy Selvey's application has been abandoned and no further action was required by the Commission.

14. Applications for Initial Tribal-State Compact Key Employee Finding of Suitability – Request to Withdraw (Pursuant to Business and Professions Code section 19869):
- A. Agua Caliente Casino – Agua Caliente Band of Cahuilla Indians:
Sabrina Freeman Ana Salas-Keto
 - B. Augustine Casino – Augustine Band of Cahuilla Indians:
Gerald Johnson Michael Moran
 - C. Blue Lake Casino – Blue Lake Rancheria: Sandra Pack
 - D. Jackson Rancheria Casino and Hotel – Jackson Rancheria: Breanna Guerrero
 - ~~E. Pala Casino – Pala Band of Mission Indians: Gregory Kramer~~
 - F. Pechanga Resort and Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Darrell Barber Michelle Embree Jimmy Ha
Seung Shin
 - G. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians: Brian Mitchell
 - H. Win-River Casino – Redding Rancheria: Christian Greenwood Trent Pietila
 - I. Valley View Casino – San Pasqual Band of Diegueno Mission Indians:
Eileen Cruz Ladda Phommysouk
 - J. Soboba Casino – Soboba Band of Luiseno Indians: Donald Rieu
 - K. Eagle Mountain Casino – Tule River Indian Tribe: Rudy Sierra

Licensing Manager Littleton stated that Item 14.E. was being tabled by staff and then indicated that staff recommended that the Commission approve the application for initial Tribal-State Compact key employee finding of suitability for the individual applicants listed in Items 14.A. through 14.D. and 14.F. through 14.K. Upon motion of Acting Chairman Vuksich, seconded by Commissioner Schmidt and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes the Commission approved the staff recommendation.

CONSENT CALENDAR ITEMS:

15. Applications for Initial Work Permit (Pursuant to Business and Professions Code section 19912):
Central Coast Casino (GB): Chun-Fai Cheung
16. Applications for Renewal Work Permit (Authority Pursuant to Business and Professions Code section 19870):
- A. Ceasar's Club: Abel Melgoza Ramirez
 - B. Club San Rafael: Heather Jennings
 - C. Empire Sportsmen's Association: Luong Nguyen

- D. Outlaws Card Parlour: Charlene Moore
- E. River Card Room: Rose Blanda Leandro Chavez

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

- A. Fantasy Springs Casino – Cabazon Band of Mission Indians: David Uriarte
- B. Jackson Rancheria Casino and Hotel – Jackson Rancheria Band of Miwok Indians: Nicholas Rheault
- C. Twin Pine Casino – Middletown Rancheria Band of Pomo Indians:
Ricky Behrendsen Beverly Mulalley
- D. Pala Casino – Pala Band of Mission Indians: Linda Roberts
- E. Pechanga Resort and Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Dale Delgado Jr. Jamie Glassman Pathama Tuntakit
- F. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
Onechanh Robert Williams
Phakonekham
- G. Cache Creek Casino Resort – Rumsey Indian Rancheria of Wintun Indians:
Hang Le
- H. Valley View Casino – San Pasqual Band of Diegueno Mission Indians: Borzu Shahryari
- I. Santa Ysabel Casino – Santa Ysabel Band of Diegueno Mission Indians:
Charles Bauman
- J. Sycuan Casino – Sycuan Band of Diegueno Mission Indians: Mitchell Carter
- K. Red Earth Casino – Torres-Martinez Band of Cahuilla Indians:
James Nuckles Robert Privott Andrew Rivera
Keith Senior Nigel White
- L. Eagle Mountain Casino – Tule River Indian Tribe of the Tule River Reservation:
Adriana Nieto Sounthone Phaphon
- M. Spotlight 29 Casino – Twenty-Nine Palms Band of Mission Indians:
Guadalupe Ayon Jerri Sodaro

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

- A. Agua Caliente Casino – Agua Caliente Band of Cahuilla Indians: Timothy Stroud
- B. Blue Lake Casino – Blue Lake Rancheria: Mandi Lewis
- C. Colusa Casino and Bingo – Cachil DeHe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:
Sharon Kazena Raquel Ramos Yer Vang
Michael Wilkerson
- D. Cher-Ae-Heights Casino – Cher-Ae-Heights Indian Community of the Trinidad Rancheria:
Valdis Egle Jonathan Loas
- E. Morongo Casino Resort and Spa– Morongo Band of Cahuilla Indians of the Morongo Reservation:
Stevan Boal Jeffrey Cimino Bill Do

- | | | | |
|----|---|--------------------|--------------------|
| | Frank Glansdorp | Joanna Holden | Lawrence Yard |
| F. | Pala Casino– Pala Band of Mission Indians: | | |
| | Anthony Cerovich | Gulfield Jones | Greg Leung |
| | Robert Newell | Brian Turk | Christine Urban |
| G. | Pechanga Resort and Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation: | | |
| | Summer Cripe | Robert Latham | Laura Paoletto |
| | Robert Pitts | Jeanie Rose | Gary Smith |
| | Margaret Walden | Kenneth White | Cody Wright |
| H. | Harrah's Rincon – Rincon Band of Luiseno Indians: | | |
| | Richard Davis | Nhatnam | |
| | | Nguyen | |
| I. | Cache Creek Casino Resort – Rumsey Indian Rancheria of Wintun Indians: | | |
| | Kenneth Behney Jr. | Kacey Chao | Brenda Cucuenco |
| | Raymond De Los Angeles | Darren Delatorre | Nancy Dizon |
| | Ronel Dizon | Tracy Dovel | Thomas Inphay |
| | Kathleen Jackson | Edward Leonzon | Jonathan Longshore |
| | Joseph Magbitang | Lisa Mak | Josephine Nakayama |
| | Danny Nguyen | Alan Pfeiffer | Jay Pham |
| | Soukinda Phothong | Johann Pichlmaier | Chan Saelee |
| | Vidara Sisophon | Steven Wallace | |
| J. | Valley View Casino – San Pasqual Band of Diegueno Mission Indians: | | |
| | Mitra Bakhtiari | Deanna Marks | Ramona Ochoa |
| | Randy Reedy | Joseph Tripp | |
| K. | Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria: David Garcia | | |
| L. | Diamond Mountain Casino – Susanville Indian Rancheria: Robert Nay | | |
| M. | Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria: | | |
| | Stephanie Holm | Richard Ward | |
| N. | Viejas Casino and Turf Club - Viejas Band of Kumeyaay Indians: | | |
| | Kathleen Brown | Habib George | Susan Kampmueller |
| | Robert McCowin | Gabriela Rodriguez | Darlene Spillar |

19. Revenue Sharing Trust Fund Final Report for Distribution to Eligible Recipient Indian Tribes for Quarter Ending June 30, 2008 - Quarterly License Revenue Received and Shortfall.

Licensing Manager Littleton indicated that staff recommended that the Commission approve Consent Calendar Items 15 through 19. Upon motion of Commission Shimazu, seconded by Acting Chairman Vuksich and unanimously carried in a vote by roll call with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes, the Commission adopted the staff recommendation.

A copy of the *Revenue Sharing Trust Fund Final Report for Distribution to Eligible Recipient Indian Tribes for Quarter Ending June 30, 2008 - Quarterly License Revenue Received and Shortfall* is incorporated into the minutes as Attachment E.

PUBLIC COMMENT

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

ADJOURNMENT

Upon motion to adjourn the meeting by Commissioner Shimazu, seconded by Commissioner Schmidt and unanimously carried in a roll call vote, with Acting Chairman Vuksich and Commissioners Schmidt and Shimazu voting yes, the meeting adjourned at 11:20 a.m.

Agenda Item 6A – Delta Casino, downtown: Delta C, LP**Remove the following conditions:**

1. Applicants will have the financial review portion of the background investigation conducted by an independent accounting firm in cooperation with and subject to the approval by the Division.
2. This temporary initial license is effective beginning on the date that escrow closes and expires six months from that date.
3. Issuance of a temporary license does not obligate the Commission to grant a permanent license. Issuance of a temporary license does not create a vested right in the holder to either extension of the temporary license or to a regular license.
4. Issuance of this temporary license does not in any way change the legal requirement that the applicant bears the burden of establishing that he/she is suitable pursuant to Business and Professions (B&P) Code section 19856(a) for a regular license.
5. Issuance of this temporary license does not change the license qualification requirements of the Gambling Control Act, including but not limited to B&P Code sections 19856, 19857, 19858, and 19859.
6. The applicant has pending applications for regular state gambling licenses. A regular license may or may not be issued, depending upon the results of the complete background investigation and upon the conduct of the applicant and its employees during the term of the temporary license.
7. If, during the term of the temporary license, the Executive Director determines that any particular applicant is disqualified for any of the reasons set forth in B&P Code section 19859, the Executive Director shall prepare an order to show cause why that applicant's temporary license should not be cancelled, which shall be considered at the first available noticed Commission meeting. The applicant may address the Commission by way of an oral statement at the noticed Commission meeting and/or may submit documents in support of the temporary licensure not less than five days prior to the meeting. The applicant may request an evidentiary hearing either in writing not less than five days prior to the meeting or at the meeting itself.
8. If, during the term of the temporary license, the Executive Director determines that any particular applicant may have violated one or more of the conditions under which the temporary license was issued, the Executive Director shall prepare an order to show cause why that applicant's temporary license should not be cancelled, which shall be considered at the first available noticed Commission meeting. The applicant may address the Commission by way of an oral statement at the noticed Commission meeting and/or may submit documents in support of the temporary licensure not less than five days prior to the meeting. Either in writing not less than five days prior to the meeting or at the meeting itself, the applicant may request an evidentiary hearing.
9. All applications for those individuals desiring to work for Saigon Casino, LP as key employees shall be submitted within 30 days of the date of issuance of the temporary license.
10. Saigon Casino, LP shall report to the Commission within ten days the name of any person who furnishes any services or any property to the gambling enterprise under any arrangement whereby that person receives payments based on earnings, profits, or receipts from controlled gambling.
11. The Commission is relying on the applicant's agreement and acknowledgement that the applicant shall make no argument challenging the validity of the foregoing conditions in any future proceedings concerning this temporary license.

Agenda Item 7A - Artichoke Joe's Casino – Key Employees

Landon Bachman
Kenneth Brennan
Weylin Fong
Robert Kleiber
Richard Lamboy
Brian McCandless
Jeffrey Morena
Kai Ng
Samantha Sengthit
David Seward
Douglas Speir
Michael Sullivan
Randolph Torres
James Vonasek
Joe Willson

Agenda Item 7F – Lucky Derby Casino

Key Employees:

Roger G. Ankenbauer
Leslie M. Boyer
William M. Crowe
Dennis L. Glasco
Roger K. Sadauskas
San K. Saechao
Donald K. Schayltz

Agenda Item 7G – Phoenix Casino and Lounge

Key Employees:

Ronald D. Dreith
Leonard S. Getzler
Timothy W. Hamrick
Allan P. Mendoza
Steven K. Sands
Jeff R. Sardella
Cuong K. Thich
Dan K. Thich

CALIFORNIA GAMBLING CONTROL COMMISSION

Address: 2399 Gateway Oaks Drive, Suite 100 • Sacramento, CA 95833-4231
 Phone: (916) 263-0700 • FAX: (916) 263-0499



DATE: July 24, 2008

Agenda Item # _____

TO: Gambling Control Commission

FROM: Richard Ross, Deputy Director
Compliance DivisionSUBJECT: Revenue Sharing Trust Fund Report of Distribution of Funds to Non-Compact Tribes (Eligible Recipient Indian Tribes) for the Quarter Ended June 30, 2008

All eligible tribes will receive a total of \$275,000.00, which consists of \$119,911.72 from license fees and interest income and \$155,088.28 from shortfall funds that have been transferred into RSTF from SDF as shown in Exhibit 1. The quarterly amount of the shortfall in payments to all eligible recipient Indian tribes for the quarter totals \$11,011,267.88. A portion of the interest earned is allocated to previously approved distributions held in RSTF on behalf of one (1) tribe in the amount of \$26,753.09.

The total amount of quarterly license fee payments and interest received into the RSTF for the quarterly period ended June 30, 2008, is approximately \$8.54 million. License fees approximate \$8.1 million and interest of \$447,383.32 was received in April 2008. A listing of the amount of revenue received from each Compact Tribe is attached as Exhibit 3. The receipts are equally distributed to the seventy-one (71)* tribes listed in Exhibit 1 as eligible Non-Compact recipient tribes (pending receipt of outstanding eligibility certification forms, if any).

At the end of the calendar quarter, the amount of outstanding license fee payments due into the RSTF from two (2) tribes was \$238,537.50. If the total license fee payments due at the end of this quarter had been paid into the RSTF, each recipient tribe would have received \$3,359.68 in additional RSTF money with this quarter's distribution in lieu of an equal amount of SDF transferred shortfall funds. Total outstanding and due license fee payments for the quarter ended June 30, 2008, are summarized in Table 1 below:

Indian Gaming Revenue Sharing Trust Fund License Fee Payment Aging Schedule as of June 30, 2008		
Quarter(s) in Arrears	Number of Tribes	Amount of License Fees Due
1	2	238,537.50
Totals	2	\$238,537.50

A fund condition statement for the RSTF through June 30, 2008, for the fiscal year 2007-08 is attached as Exhibit 2.

* Distribution to California Valley Miwok Tribe is withheld pending resolution of tribal leadership dispute.

Exhibit 1

Revenue Sharing Trust Fund Distribution

Total Amount of Distribution for the Quarter Ended June 30, 2008

	Eligible Recipient Indian Tribe	Quarterly Distribution from Revenue Received	Quarterly Shortfall	Total Potential Quarterly Distribution
1	Alluras Indian Rancheria	\$119,911.72	\$155,088.28	\$275,000.00
2	Bear River Band of the Rohnerville Rancheria	119,911.72	155,088.28	275,000.00
3	Benton Paiute Reservation	119,911.72	155,088.28	275,000.00
4	Big Lagoon Rancheria	119,911.72	155,088.28	275,000.00
5	Big Pine Reservation	119,911.72	155,088.28	275,000.00
6	Big Sandy Rancheria	119,911.72	155,088.28	275,000.00
7	Bishop Paiute Tribe	119,911.72	155,088.28	275,000.00
8	Bridgeport Paiute Indian Colony	119,911.72	155,088.28	275,000.00
9	Buena Vista Rancheria	119,911.72	155,088.28	275,000.00
10	Cahto Indian Tribe of Laytonville Rancheria	119,911.72	155,088.28	275,000.00
11	Cahuilla Band of Mission Indians	119,911.72	155,088.28	275,000.00
12	California Valley Miwok Tribe *	119,911.72	155,088.28	275,000.00
13	Cedarville Rancheria	119,911.72	155,088.28	275,000.00
14	Chemehuevi Indian Tribe	119,911.72	155,088.28	275,000.00
15	Cher-Ae Heights Indian Community	119,911.72	155,088.28	275,000.00
16	Chicken Ranch Rancheria	119,911.72	155,088.28	275,000.00
17	Cloverdale Rancheria	119,911.72	155,088.28	275,000.00
18	Cold Springs Rancheria	119,911.72	155,088.28	275,000.00
19	Colorado River Indian Tribes	119,911.72	155,088.28	275,000.00
20	Cortina Rancheria	119,911.72	155,088.28	275,000.00
21	Coyote Valley Band of Pomo Indians	119,911.72	155,088.28	275,000.00
22	Death Valley Timbi-Sha Shoshone Tribe	119,911.72	155,088.28	275,000.00
23	Elem Indian Colony	119,911.72	155,088.28	275,000.00
24	Elk Valley Rancheria	119,911.72	155,088.28	275,000.00
25	Enterprise Rancheria	119,911.72	155,088.28	275,000.00
26	Ewilaapaayp Band of Kumeyaay Indians	119,911.72	155,088.28	275,000.00
27	Federated Indians of Graton Rancheria	119,911.72	155,088.28	275,000.00
28	Fort Bidwell Indian Community	119,911.72	155,088.28	275,000.00
29	Fort Independence Reservation	119,911.72	155,088.28	275,000.00
30	Fort Mojave Indian Tribe	119,911.72	155,088.28	275,000.00
31	Greenville Rancheria	119,911.72	155,088.28	275,000.00
32	Grindstone Rancheria	119,911.72	155,088.28	275,000.00
33	Guidiville Rancheria	119,911.72	155,088.28	275,000.00
34	Habematolei Pomo of Upper Lake	119,911.72	155,088.28	275,000.00
35	Hoopa Valley Tribe	119,911.72	155,088.28	275,000.00
36	Inaja-Cosmit Mission Indians	119,911.72	155,088.28	275,000.00

Exhibit 1

Revenue Sharing Trust Fund Distribution

Total Amount of Distribution for the Quarter Ended June 30, 2008

	Eligible Recipient Indian Tribe	Quarterly Distribution from Revenue Received	Quarterly Shortfall	Total Potential Quarterly Distribution
37	Ione Band of Miwok Indians	119,911.72	155,088.28	275,000.00
38	Jamul Indian Village	119,911.72	155,088.28	275,000.00
39	Karuk Tribe of California	119,911.72	155,088.28	275,000.00
40	La Jolla Band of Mission Indians	119,911.72	155,088.28	275,000.00
41	La Posta Band of Mission Indians	119,911.72	155,088.28	275,000.00
42	Lone Pine Reservation	119,911.72	155,088.28	275,000.00
43	Los Coyotes Band of Cahuilla Indians	119,911.72	155,088.28	275,000.00
44	Lower Lake Rancheria	119,911.72	155,088.28	275,000.00
45	Lytton Rancheria	119,911.72	155,088.28	275,000.00
46	Manchester Point Arena Rancheria	119,911.72	155,088.28	275,000.00
47	Manzanita Mission Indians	119,911.72	155,088.28	275,000.00
48	Mechoopda Indian Tribe	119,911.72	155,088.28	275,000.00
49	Mesa Grande Mission Indians	119,911.72	155,088.28	275,000.00
50	Northfork Rancheria	119,911.72	155,088.28	275,000.00
51	Pinoleville Reservation	119,911.72	155,088.28	275,000.00
52	Pit River Tribe	119,911.72	155,088.28	275,000.00
53	Potter Valley Rancheria	119,911.72	155,088.28	275,000.00
54	Quartz Valley Indian Community	119,911.72	155,088.28	275,000.00
55	Quechan Tribe of Fort Yuma	119,911.72	155,088.28	275,000.00
56	Ramona Mission Indians	119,911.72	155,088.28	275,000.00
57	Redwood Valley Rancheria	119,911.72	155,088.28	275,000.00
58	Resighini Rancheria	119,911.72	155,088.28	275,000.00
59	Round Valley Indian Tribe	119,911.72	155,088.28	275,000.00
60	Santa Rosa Band of Cahuilla Mission Indians	119,911.72	155,088.28	275,000.00
61	Santa Ysabel Mission Indians	119,911.72	155,088.28	275,000.00
62	Scotts Valley Band of Pomo Indians	119,911.72	155,088.28	275,000.00
63	Sherwood Valley Pomo Indians	119,911.72	155,088.28	275,000.00
64	Shingle Springs Rancheria	119,911.72	155,088.28	275,000.00
65	Smith River Rancheria	119,911.72	155,088.28	275,000.00
66	Stewarts Point Rancheria	119,911.72	155,088.28	275,000.00
67	Susanville Indian Rancheria	119,911.72	155,088.28	275,000.00
68	Table Bluff Reservation	119,911.72	155,088.28	275,000.00
69	Torrez-Martinez Mission Indians	119,911.72	155,088.28	275,000.00
70	Washoe Tribe of Nevada & California	119,911.72	155,088.28	275,000.00
71	Yurok Tribe of the Yurok Reservation	119,911.72	155,088.28	275,000.00
	Total	\$8,513,732.12	\$11,011,267.88	\$19,525,000.00

* Distribution to California valley Miwok Tribe is withheld pending resolution of tribal leadership dispute

EXHIBIT 2

CALIFORNIA GAMBLING CONTROL COMMISSION
 0366 - INDIAN GAMING REVENUE SHARING TRUST FUND
 FUND CONDITION STATEMENT
 For the Fiscal Year ended June 30, 2008
 Cash Basis

BEGINNING BALANCE	\$	27,301,142.52
REVENUES AND TRANSFERS		
Revenues		
150300 Income from surplus money investments		1,636,433.40
216900 License fees held in trust		30,597,624.62
Transfer from the SDF to the RSTF for shortfall per Item 0855-111-0367, Budget Act of 2007		46,200,000.00
		<hr/>
Totals. Revenues	\$	<u>78,434,058.02</u>
Totals. Resources	\$	105,735,200.54
EXPENDITURES		
Disbursements:		
Distribution	\$	<u>77,000,000.00</u>
Totals. Expenditures	\$	<u>77,000,000.00</u>
FUND BALANCE, prior to distribution	\$	28,735,200.54
Pending distribution		19,250,000.00
Previously approved disbursements held on behalf of the California Valley MiWok Tribe pending resolution of tribal leadership dispute		3,813,001.99
Interest due to tribe ¹		226,333.09
Assembly Bill No. 673 (Chapter 210, Statutes of 2003) and Government Code Section 12012.90 reserve pending resolution		<u>275,000.00</u>
FUND BALANCE, after distribution	\$	<u>5,170,865.46</u>

Footnotes:

1. Accrued interest on previously held distributions in the amount of \$226,333.09 as of Quarter Ending June 30, 2008 for California Valley Miwok Tribe pending distribution.

Exhibit 3

Revenue Sharing Trust Fund Distribution

Amount of Revenue from Each Compact Tribe Received by the Commission for the Fiscal Year Ending June 30, 2008

	Compact Tribe	Revenue Received Fiscal Year to Date	Revenue Received Inception to Date
1	Agua Caliente Band of Cahuilla Indians	\$493,796.95	\$5,327,953.20
2	Alturas Indian Rancheria	0.00	375,000.00
3	Augustine Band of Mission Indians	0.00	562,500.00
4	Barona Band of Mission Indians	736,350.00	5,799,512.77
5	Bear River Band of the Rohnerville Rancheria	0.00	0.00
6	Berry Creek Rancheria	27,570.68	645,070.68
7	Big Sandy Rancheria	0.00	0.00 ¹
8	Big Valley Rancheria	0.00	500,000.00
9	Bishop Paiute Tribe	0.00	0.00
10	Blue Lake Rancheria	62,500.00	500,000.00
11	Buena Vista Rancheria	0.00	0.00 ¹
12	Cabazon Band of Mission Indians	1,211,750.00	7,709,004.55
13	Cahto Indian Tribe of the Laytonville Rancheria	0.00	0.00
14	Cahuilla Band of Mission Indians	0.00	125,000.00
15	Campo Band of Diegueno Mission Indians	0.00	500,000.00
16	Chemehuevi Indian Tribe	0.00	0.00 ¹
17	Cher-Ae Heights Indian Community	0.00	0.00
18	Chicken Ranch Rancheria	0.00	0.00
19	Colusa Rancheria	0.00	403,750.00
20	Dry Creek Rancheria	1,335,000.00	10,848,246.58
21	Elem Indian Colony	0.00	0.00
22	Elk Valley Rancheria	0.00	62,500.00
23	Ewiiapaayp Band of Kumeyaay Indians	0.00	2,437,433.22
24	Hoop Valley Tribe	0.00	0.00
25	Hopland Band of Pomo Indians	163,350.00	2,782,966.24
26	Jackson Rancheria	991,750.00	6,040,816.36
27	Jamul Indian Village	0.00	0.00
28	La Jolla Band of Luiseno Indians	0.00	0.00
29	Manchester Point Arena Rancheria	0.00	0.00
30	Manzanita Band of Mission Indians	0.00	0.00
31	Middletown Rancheria	0.00	322,500.00
32	Mooretown Rancheria	215,599.68	1,177,613.38
33	Morongo Band of Mission Indians	0.00	497,300.00
34	Pala Band of Mission Indians	2,000,000.00	20,375,896.37
35	Paskenta Band of Nomlaki Indians	0.00	528,750.00
36	Pauma/Yuma Band of Mission Indians	143,202.56	1,556,852.17
37	Pechanga Band of Luiseno Mission	544,389.49	2,506,120.11

Exhibit 3**Revenue Sharing Trust Fund Distribution****Amount of Revenue from Each Compact Tribe Received by the Commission for the Fiscal Year Ending June 30, 2008**

	Compact Tribe	Revenue Received Fiscal Year to Date	Revenue Received Inception to Date
38	Picayune Rancheria	1,955,000.00	15,912,719.18
39	Pit River Tribe	0.00	0.00
40	Quechan Indian Nation	0.00	0.00
41	Redding Rancheria	189,522.64	877,022.64
42	Resighini Rancheria	0.00	0.00
43	Rincon Band of Mission Indians	1,335,000.00	11,070,746.58
44	Robinson Rancheria	0.00	275,000.00
45	Rumsey Rancheria	2,000,000.00	11,137,524.18
46	San Manuel Band of Mission Indians	897,642.62	7,298,240.43
47	San Pasqual Band of Diegueno Indians	1,280,400.00	9,782,381.91
48	Santa Rosa Indian Community	2,544,300.00	20,675,051.51
49	Santa Ynez Band of Chumash Indians	1,315,500.00	10,689,789.04
50	Sherwood Valley Rancheria	0.00	0.00
51	Shingle Springs Rancheria	93,750.00	1,332,500.00
52	Smith River Rancheria	0.00	0.00
53	Soboba Band of Mission Indians	865,050.00	6,453,880.59
54	Susanville Indian Rancheria	0.00	0.00
55	Sycuan Band of Mission Indians	2,339,850.00	19,013,685.21
56	Table Mountain Rancheria	1,169,250.00	9,501,357.53
57	Tule River Reservation	1,026,900.00	5,977,824.04
58	Tuolumne Rancheria	281,700.00	1,317,847.81
59	Twenty-Nine Palms Band of Mission Indians	1,378,500.00	11,201,728.77
60	United Auburn Indian Community	2,000,000.00	12,950,312.20
61	Viejas Band of Mission Indians	2,000,000.00	9,694,230.34
	Totals	30,597,624.62	236,746,627.59
	Interest	1,636,433.40	7,561,800.56
	Grand Totals	\$32,234,058.02	\$244,308,428.15

Footnotes

- 1 Prepayment receipts were returned to payor tribes for the return of unused putative gaming device licenses issued by Sides Accountancy Corporation. Licenses in equal number were issued by the Commission on September 5, 2002 resulting in \$2,137,500 in prepayment fees to the Fund.