

California Gambling Control Commission

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**MINUTES OF APRIL 8, 2009
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairman Dean Shelton called the meeting to order at 10:02 a.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 Alexandra Vuksich present.

3. Approval of Commission Meeting Minutes for: March 12, 2009

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 approved the meeting minutes for March 12, 2009.

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

- A. The Bicycle Casino: The Bicycle Casino, L.P.

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve the renewal application for the state gambling license for the period of May 1, 2009 through April 30, 2011, while removing the existing condition.

Commissioner Vuksich questioned the increase in the number of calls for service and requested that the Commission be provided with comparison data from one reporting period to the next.

Joy Harn, Attorney for The Bicycle Casino, indicated that they are very proactive regarding security; however, there was an increase in calls for service. She commented that the increase is representative of the Los Angeles area in this economy. Ms. Harn agreed to work with the Bureau of Gambling Control to provide the Commission with the requested comparison data.

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 approved the staff recommendation.

B. Comstock Card Room: Joseph and Monica Melech, Sole Proprietors

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve the renewal state gambling license for the period of May 1, 2009, through April 30, 2011. Upon motion of Commissioner Shimazu, 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 approved the staff recommendation.

C. Gloria's Lounge and Casino: Gloria Gutierrez, Sole Proprietor

Deputy Director Tina Littleton indicated that staff recommended that the Commission extend the renewal state gambling license from May 1, 2009 through October 31, 2009 and continue with the following existing condition:

Chip account statements must be submitted quarterly.

Chris Davis Licensing Manager at Bureau of Gambling Control indicated that the audit staff reviewed the chip account and found it to be in order. Therefore, the Bureau recommended that the condition be removed.

Commissioner Vuksich requested clarification regarding the note on the property and how payment was made to Ray and Mary Philpot.

Deputy Director Littleton indicated that according to the report that Mr. and Mrs. Gutierrez and Ms. Rogers did receive a loan from Mr. and Mrs. Atkins to pay off the loan that was owed to the Philpots.

Chris Davis Licensing Manager at Bureau of Gambling Control concurred with Deputy Director Littleton.

Commissioner Vuksich asked if it was secured by the deed and if the Bureau had proper documents supporting that transaction such as a promissory note.

Chris Davis Licensing Manager at Bureau of Gambling Control indicated that she was unsure if they had evidence of that transaction.

Commission Shimazu indicated she was not clear if Ms. Rogers was equally responsible for the loan that Mr. and Mrs. Gutierrez appear to be using for purposes other than intended.

Chris Davis Licensing Manager at Bureau of Gambling Control indicated that when they do a renewal they don't do an in-depth financial analysis. They would have to get a supplemental application and collect more fees to do the research if that is what the Commission recommends.

Chairman Shelton indicated that the Bureau does not do an in-depth analysis on a renewal when there is no suspicion on their part to do so; but, if the Commission would like the research done then the Commission needs to give the Bureau time to complete it.

Chairman Shelton moved to approve the staff's recommendation to remove the existing condition and add the following two new conditions:

1. *Applicant will submit a copy(s) of the promissory note (or loan agreement) reflecting the mortgage information involving the gambling establishment.*
2. *Applicant will submit to the Bureau all transactional documents that will clearly establish the business relationship between the applicant and all property owners.*

The motion was seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes.

5. Applications for Initial Key Employee Personal Portable License (Pursuant to Business and Professions Code section 19854(d)):
- A. Areli Silva Baca
 - B. Anthony Cilibrasi
 - C. James Tarby
 - D. Angela Young

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended that the Commission approve the applications for key employee personal portable licenses as listed in Item 5 A - D. Commission staff has reviewed the Bureau's reports and concurs with their recommendations.

Chairman Shelton indicated he had concerns that Mr. Cilibrasi's financial status indicates a gambling problem.

Chairman Shelton moved to approve the recommendation by the Bureau of Gambling Control for the individuals in Items 5A, 5C and 5D. The motion was seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes.

Chairman Shelton wanted to know if Mr. Cilibrasi heard his concerns and if he thought the Commission should have any reason to be concerned.

Anthony Cilibrasi indicated there was no reason for the Commission to be concerned. His financial situation occurred when he was young. He further indicated that he currently has a payment plan and has settled most of his debt.

Chairman Shelton moved to approve the recommendation by the Bureau of Gambling Control for Item 5B Anthony Cilibrasi. The motion was seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes.

6. Applications for Key Employee License – Request to Withdraw (Pursuant to Business and Professions Code section 19869):
Jonathan Douglas

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve the applicant's request to withdraw without prejudice. Upon motion of Commissioner Shimazu, 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 approved the staff recommendation.

7. Applications to Convert Gambling Business Owner Registration to a License (Pursuant to Business and Professions Code section 19853 and California Code of Regulations, Title 4, section 12233):

Gaming Fund Group, Inc.: Shahla Pourmohamad-Shariloo, Owner/Member, Game Source, LLC - **TABLED**

8. Applications to Convert Third Party Provider of Proposition Services Owner Registration to a License (Pursuant to Business and Professions Code section 19984 and California Code of Regulations, Title 4, section 12218):

Gaming Fund Group, Inc.: Shahla Pourmohamad-Shariloo, Owner/Member, Game Source, LLC - **TABLED**

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended that the Commission approve the applications to convert owner registrations to licenses for the applicant in Items 7 and 8. Commission staff has reviewed the Bureau's reports and concurs with their recommendations.

Discussion commenced regarding the lack of supporting documentation for the gifts, loans and investment returns ultimately ending with the Commissioners and the Chairman concurring to table items 7 and 8.

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

A. Certified Players, Inc.: George Stalis

B. Network Management Group, Inc.:

Jordan Capps	Charles Corpus	Lisa Deville
Jason Fiedler	Danielle Garcia	Marshall Golden
Jose Pazmino Mantilla	Juliette Mares	Christina Muirhead
Sandra Ramirez	Song Ruan	Yen Saechao
Brian Salter	Alison Shepherd	Rihana Smith
Yolanda Smith	Khanh Thai	Tiep Tran

Myra Villegas Xiaochang Wang Michael Yabes Elan Yaden
C. Pacific Palace, Inc.: NingNing Ge Kevin Som Lam Truong Sim Yim

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended that the Commission approve the applications to convert player registrations to licenses for the applicants in Items 9 A - C. Commission staff has reviewed the Bureau's reports and concurs with their recommendations.

Chairman Shelton moved to approve the recommendation by the Bureau of Gambling Control for Item 9A. The motion was seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes.

Chairman Shelton expressed concerns regarding Yolanda Smith, Item 9B, and her failure to disclose a conviction on her application. Chairman Shelton indicated that is causing a lot of extra work for the Bureau and the Commission and it's the applicant's responsibility to make the declarations required in the application.

David Tierney Designated Agent indicated he agreed with the Chairman's comments. Mr. Tierney further indicated that when this type of information is brought to their attention they do move to terminate.

Chris Davis Licensing Manager Bureau of Gambling Control indicated they do have a policy allowing the applicant to amend their application

Chairman Shelton moved to approve the recommendation by the Bureau of Gambling Control for Items 9B and 9C. The motion was seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes.

10. Applications for Request to Convert Third Party Proposition Supervisor Registration to a License – Request to Withdraw (Pursuant to Business and Professions Code section 19984 and California Code of Regulations, Title 4, section 12218):
- A. Pacific Gaming Services, LLC: Mostafa Nematbakhsh
 - B. Red Dog Partners, Inc.: Ruben Padilla

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve the applicants in Items 10 A and B, application for requests to withdraw without prejudice. 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 approved the staff recommendation.

11. Applications for Initial Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.5):
Gemaco, Inc.: GemGroup, Inc.

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended that the Commission approve the initial finding of suitability application. Commission staff has reviewed the Bureau's report and concurs with their recommendation. Upon motion of Commissioner Shimazu, 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 approved the recommendation provided by the Bureau of Gambling Control.

12. Request for Interim Approval of Bingo Card-Minding Devices (Title 4 CCR section 12482)
E-Max Gaming Systems: E-Max Gaming Unit - Model #HH750V1R07; Software Version: V2.9.E-5.

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve the bingo card-minding device for the period of April 8, 2009 through April 30, 2010 with the following conditions:

- (1) An interim approval shall be valid for one year from the date it is granted by the Commission or until regulations specifying additional criteria for card-minding devices become effective, whichever is later.*
- (2) An interim approval does not obligate the Commission to grant a regular approval and does not create a vested right in the holder to either an extension of the interim approval or to the granting of a subsequent regular approval.*
- (3) An interim approval does not in any way change the legal requirement that the applicant bears the burden of establishing that a specific device complies with all of the provisions of paragraphs (1) and (2) of subdivision (p) of section 326.5 of the Penal Code.*
- (4) Issuance of an interim approval concerning a specific card-minding device has no bearing on the question of whether the manufacturer of the device, or any affiliated person, will qualify for issuance of any Commission permit, registration, or license. Any interim approval will be cancelled in the event that the manufacturer of the device is subsequently determined to be ineligible for licensure.*
- (5) If, during the term of an interim approval, it is determined that any particular card-minding device is not qualified for approval, the Executive Director shall prepare an order to show cause why that device's interim approval should not be cancelled. The manufacturer of the device shall be given at least 30 days to respond in writing. After receipt of the manufacturer's response, the matter shall be set for consideration at a noticed Commission meeting. The manufacturer may address the Commission by way of an oral statement at the Commission meeting and, either in writing not less than ten days prior to the meeting or at the meeting itself, may request an evidentiary hearing.*
- (6) Any card-minding device and its designated software version that possess an automatic daubing capability shall have that capability disabled.*

Upon motion of Commissioner Shimazu, 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 approved the staff recommendation.

CONSENT CALENDAR ITEMS:

(Items on the consent calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed, in which case it will be discussed separately at a later point in the meeting.)

13. Applications for Initial Work Permit (Pursuant to Business and Professions Code section 19912):
 - A. Gold Rush Gaming Parlor: Eric Low
 - B. The 101 Casino: Justo Laos Ashton Lisieur

14. Applications for Renewal Work Permit (Authority Pursuant to Business and Professions Code section 19870):
 - A. Club San Rafael: Ronald Massetti
 - B. Empire Sportsmen Association: Leaksmy Hin Bounthom Vannavong
 - C. Napa Valley: Kimberly Anderson Francisco Garcia Mark Kreuziger See Yang
 - D. Poker Flats Casino: Sean Phan
 - E. The 101 Casino: Michelle Chavez

15. Applications for Initial 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:
Teresita Sarte
 - B. Barona Valley Ranch Resort - Barona Band of Mission Indians:
Roy Brown Michael Gannon Jennifer Wandersee
 - C. Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:
Christina Grimm Mary Miller David Moscoe
 - D. Blue Lake Casino - Blue Lake Rancheria:
Sarah Georgeson Edward Olson
 - E. Cache Creek Casino Resort – Rumsey Indian Rancheria of Wintun Indians:
Kevin Coen- **Tabled**
 - F. Casino Pauma – Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation:
Thomas Kesterson, Jr.
 - G. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
Ronald Brooks Nicholas Grube
 - H. Chumash Casino – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Steven Allen- **Tabled** Serena El Senoussi Brandy Franco
 - I. Colusa Casino and Bingo – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:

- Alfredo Cuevas
- J. Coyote Valley Casino - Coyote Valley Band of Pomo Indians:
 Sophia John Phyllis Loehr Elizabeth Medina
 Peggy Mitchell Jessica Rojas
- K. Fantasy Springs Casino – Cabazon Band of Mission Indians:
 Darryl Dragon- **Tabled**
- L. Harrah's Rincon – Rincon Band of Luiseno Indians:
 Carlos Gutierrez Melvin Roberts
- M. Jackson Rancheria Hotel & Casino – Jackson Rancheria Band of Miwuk Indians:
 Nicole Bidwell Sharon Conner Michelle Haley
 Deborah Pannell Soi Soulyalangsy
- N. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:
 Thomas Mueller-**Tabled** Thomas Ward
- O. Pala Casino – Pala Band of Mission Indians:
 Carlos Castro Charlie Kimble Matthew Thorsen
 Jesse Way
- P. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:
 Thomas Green Kucheng Hu
- Q. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission Indians of the San Manuel Reservation:
 Jason Lim Timothy McLaughlin
- R. Sycuan Casino - Sycuan Band of Diegueno Mission Indians:
 Siu Chu
- S. Tachi Palace Hotel & Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria
 Raul Hernandez, Jr.
- T. Thunder Valley Casino - United Auburn Indian Community of the Auburn Rancheria:
 David Sullivan
- U. Twin Pine Casino – Middletown Rancheria Band of Pomo Indians:
 Jamie Haugan
- V. Valley View Casino – San Pasqual Band of Digueno Mission Indians:
 Tuan Bui Andrew Fornoff
- W. Win-River Casino – Redding Rancheria:
 Mario Ramirez
16. 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:
 Edrick Pineda
- B. Augustine Casino - Augustine Band of Cahuilla Mission Indians:
 Sokha Seng
- C. Barona Valley Ranch Resort - Barona Band of Mission Indians:
 Deborah Bravo Delia Camarero Manuel Garcia
 Danielle Jones Joshua Keyser Charles Shenefield

- D. Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:
Pamela Bash Mitchell Goldstein
- E. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
John Soares
- F. Desert Rose Casino – Alturas Rancheria:
Clint Cox
- G. La Posta Casino – La Posta Band of Diegueno Mission Indians of the La Posta Indian Reservation:
James Hill Frederick Raysser
- H. Red Earth Casino – Torres-Martinez Band of Cahuilla Mission Indians:
Monica Aguilar-Rodriguez John Evanoff Juana Garcia
Sandra Kaelberer James Nuckles Anthony Paneris
Kimberly Pedroza Robert Privott
- I. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:
David Santillan
- J. Soboba Casino - Soboba Band of Luiseno Indians:
Carole Bennett
- K. Tachi Palace Hotel & Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:
Garret Ebendick
- L. Twin Pine Casino – Middletown Rancheria Band of Pomo Indians:
Sydney Johnson
- M. Valley View Casino – San Pasqual Band of Digueno Mission Indians:
Pedro Reyna
- N. Win-River Casino – Redding Rancheria:
Robert Graff

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve agenda items 13, 14, 15, and 16.

Chairman Shelton moved to approve the staff's recommendation with the exception of 15E. Kevin Coen, 15H. Steven Allen, 15K. Darryl Dragon, 15N. Thomas Mueller; these items were tabled. The motion was seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes.

PUBLIC COMMENT

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

CLOSED SESSION

There was no Closed Session held.

ADJOURNMENT

Upon motion to adjourn the meeting by Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the meeting adjourned at 10:45 a.m.