

California Gambling Control Commission
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**MINUTES OF AUGUST 27, 2009
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairman Dean Shelton called the meeting to order at 10:01 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: July 23, 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 July 23, 2009.

4. Request for Approval of Articles of Incorporation (Pursuant to Business and Professions Code section 19881):
Majestic Properties, Inc.: Larry Flynt, Shareholder

Staff Counsel Jesica Pandika indicated that the staff recommended that the Commission approve the original and amended Articles of Incorporation for Majestic Properties Inc. Legal staff has reviewed the original and amended Articles of Incorporation and found that they are in compliance with the California Gambling Control Act.

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.

5. State Gambling License of Candelario Salas (Sole Proprietor - La Primavera Pool Hall and Café): Determination Whether the State Gambling License Should be Deemed Surrendered and the Commission Order Immediate Closure of the Premises (Pursuant to Business and Professions Code Sections 19876(e) and 19877)

La Primavera Pool Hall and Café: Candelario Salas, Sole Proprietor

Deputy Director Tina Littleton indicated that the renewal application and fees were received on August 26, 2009. Ms. Littleton further indicated that the renewal application could be placed on the September 9, 2009, agenda for Commission consideration to extend the state gambling license at that time to afford the Bureau of Gambling Control time to complete its renewal background investigation.

Ms. Virginia Salas addressed the Commissioners to provide an explanation as to the reasons for the delays in submitting this information.

The item was moved to the September 9, 2009 agenda and no further action was taken.

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

- A. Hustler Casino: Majestic Properties, Inc.
Larry Flynt, Shareholder

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve the initial state gambling license to be endorsed on Hustler Casino's state gambling license for the period of August 27, 2009 through May 31, 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

- B. Wine Country Casino and Restaurant: Lodi Cardroom, Inc.*

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended that the Commission approve the initial state gambling license for Lodi Cardroom, Inc. Staff has reviewed the Bureau's report and concurs with their recommendation and recommended that the Commission approve the license for the period of August 27, 2009 through August 31, 2011 and remove the following existing conditions:

1. *The temporary initial license takes effect on the date that the Commission approves the request and expires August 31, 2009. If more time is needed to complete the background process, then the temporary state gambling license can be extended for an appropriate amount of time after consultation with the Bureau.*

2. 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.
3. Issuance of this temporary license does not in any way change the legal requirement that the applicant bears the burden of establishing that s/he is suitable pursuant to Section 19856(a) for a regular license.
4. Issuance of this temporary license does not change the license qualification requirements of the Gambling Control Act, including but not limited to Sections 19856, 19857, 19858, and 19859.
5. The applicant has an application pending for a regular state gambling license. 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.
6. 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 Business and Professions 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. Either in writing not less than five days prior to the meeting or at the meeting itself, the applicant may request an evidentiary hearing.
7. 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.

Both Commissioner Vuksich and Commissioner Shimazu respectively, sought clarification from Mr. Thomas Newton regarding financial matters.

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.

7. Applications for Renewal of State Gambling Licenses Including All Associated Applicants and Endorsees (Pursuant to Business and Professions Code section 19876):
 - A. Empire Sportsmen's Association: Non Profit Corporation
Gary Baird, President Debra Baird, Vice President

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve the renewal state gambling license application for the period of September 1, 2009 through August 31, 2011 continuing with the following two conditions:

1. *A schedule of all charitable contributions shall be submitted with the next renewal application, and any charities which support the purpose for which the organization was formed (advancing the interest, activity, and participation of its members and the community in general in sports of all (types) shall be indicated.*
2. *Any loans from Empire Sportsmen's Association to Gary Baird shall be disclosed to the Commission within 10 days of disbursement.*

Commissioner Vuksich questioned Keith Sharp on the how the corporation was formed and to confirm their Board of Directors membership and frequency of Board meetings.

Keith Sharp, representing Empire Sportsmen's Association clarified that Empire is a non-profit corporation; however, is not tax exempt. The local ordinance requires a gambling establishment to be a non-profit corporation. Mr. Sharp further indicated that the Board of Directors is Gary and Debra Baird and they meet on an "as needed basis". In addition, he requested that the conditions be removed from their license as they have been compliant and the conditions no longer serve a useful purpose.

Commission Vuksich expressed her desire that the local jurisdiction revise their ordinance to remove the requirement of the non-profit status.

Chairman Shelton moved to approve the renewal state gambling license for the period of September 1, 2009 through August 31, 2011, including the removal of the conditions. 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.

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

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve the renewal state gambling license application for the period of September 1, 2009 through December 31, 2009 continuing with the existing condition as follows:

Beginning on January 15, 2009, and continuing on the 15th day of each month thereafter, Ms. Barrows must provide written notification to the Commission outlining her attempts, steps, and efforts to sell the gambling establishment business.

Chairman Shelton moved to approve the renewal state gambling license for the period of September 1, 2009 through August 31, 2011 continuing with the existing condition. 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.

8. Requests for Additional Permanent Authorized Tables (Pursuant to California Code of Regulations, Title 4, section 12359):

- A. Empire Sportsmen's Association: Non Profit Corporation
Gary Baird, President Debra Baird, Vice President

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended that the Commission approve the request to add 3 additional permanent tables for a total of 8 tables. Staff has reviewed the Bureau's report and concurs with their recommendation.

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 approved the staff recommendation.

- B. Wine Country Casino and Restaurant: Lodi Cardroom, Inc.*

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended that the Commission approve the request to add 3 additional permanent tables for a total of 11 tables. Staff has reviewed the Bureau's report and concurs with their recommendation.

Upon motion of 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 Commission approved the staff recommendation.

9. Applications for Initial Key Employee Portable Personal Licenses (Pursuant to Business and Professions Code section 19854(d)):

- A. Chris Bryant

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve the initial key employee portable personal license application for Chris Bryant. Mr. Bryant addressed the Commissioners and responded to questions concerning the status of his child support payments.

Commission Vuksich expressed concern of the implications in approving a Key Employee Portable Personal License without current employment at a cardroom. She asked staff to prepare research and prepare an analysis on this issue.

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.

- B. Kenneth English - **TABLED**

Upon consensus, the Commissioners tabled this item until Mr. English could be present.

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

Oceana Cardroom: Sherwin Pilalia

Deputy Director Tina Littleton indicated that the applicant had submitted a written request for an Evidentiary Hearing; therefore, no action was taken on this item.

11. Application to Convert Gambling Business Supervisor 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.: Timothy McCoy

12. Applications to Convert Third Party Proposition Supervisor / Player Registrations to Licenses (Pursuant to Business and Professions Code section 19984 and California Code of Regulations, Title 4, section 12218):

A. Gaming Fund Group, Inc.:

Supervisor: Timothy McCoy

Players: Allan Kwong Haiyan Li Jones Liu Jonald Ray Padigus
Xiao Zhang

B. Lucky Star Gaming, Inc.:

Supervisors: Shu Lau Hung Li

C. Network Management Group, Inc.:

Supervisors: Orion Bollinger Joseph Castillo Benedick Castro

Janice Divina Jose Hidalgo, Jr. Mey Saepanh

Players: Myleen Acosta Irin Agulan Shaun Coulter

Nicholas Davies Joseph Paul Gozum Perry Laude

Raymond Leung Timothy McMorrow Jose Paola Naynes, Jr.

Nguyet Nguyen Berlino Nunag Lauren Sagar

Jackie Silapasay

D. Pacific Gaming Services, LLC:

Supervisor: Sokunthear Khin

Licensing Manager Marianne Estes indicated that the Bureau of Gambling Control recommended that the Commission approve the applications to convert registrations to licenses for the applicants in Items 11 and 12A through 12 D. Commission staff has reviewed the Bureau's reports and concurs with their recommendations.

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 approved the staff recommendation.

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

Sycuan Casino-Sycuan Band of Mission Indians: Hien Nguyen

Licensing Manager Marianne Estes indicated that staff recommended that the Commission approve the initial finding of suitability application.

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.

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

A. JCM American Corporation: dba JCM Global

Hikaru Izawa, Director / Senior Operating Officer

Kazuhito Kawase, Director / Senior Operating Officer

Licensing Manager Marianne Estes indicated that the Bureau of Gambling Control recommended that the Commission approve the initial finding of suitability applications. Staff has reviewed the Bureau's reports and concurs with their recommendations; and, recommended that the Commission approve the findings of suitability for the period of August 27, 2009 through July 31, 2011.

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. United States Playing Card Company:

Steven Smith, Chief Financial Officer / Vice President of Finance

Licensing Manager Marianne Estes indicated that the Bureau of Gambling Control recommended that the Commission approve the initial finding of suitability application. Staff has reviewed the Bureau's report and concurs with their recommendation; and, recommended that the Commission approve the finding of suitability for the period of August 27, 2009 through June 30, 2011.

Upon motion of 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 Commission approved the staff recommendation.

CONSENT CALENDAR ITEMS:

15. Applications for Renewal Key Employee Portable Personal License (Pursuant to Business and Professions Code section 19854(d)):

- | | | |
|----------------------|---------------------------|------------------|
| A. Edgar Alley, Jr. | I. Que Huynh | Q.. Victor Ramos |
| B. Richard Boyd, Jr. | J. Ricardo Lugo | R. Linda Silva |
| C. Maile Bridge | K. John McIntyre | S. Kelly Souza |
| D. Karlo Deza | L. Jack Miller | T. Hung Sun |
| E. Paul Ecoffey | M. Michelle Miller | U. BinhTang |
| F. Donald Everitt | N. Robert Oliver | V. Peter Tulik |
| G. Randolph Fuentes | O. Savonn Pek | |
| H. Brandon Gordon | P. Prasert Pattaveporndij | |

16. Applications for Initial Work Permit (Pursuant to Business and Professions Code section 19912):
 A. Empire Sportsmen's Association: Fawzi Inwiya
 B. Lake Bowl Cardroom: Heather Barman
 C. Napa Valley Casino: Bas Pansuntorn
17. Applications for Renewal Work Permit (Authority Pursuant to Business and Professions Code section 19870):
 Napa Valley Casino: Philip Conley
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. Agua Caliente Casino – Agua Caliente Band of Cahuilla Indians:
 Daniel Fleckenstein Scott Sudweeks
- B. Barona Valley Ranch Resort - Barona Band of Mission Indians:
 Dawn Dillon Daniel Hampton Mayra Hernandez
 Bsam Jangeel Teodora Sanchez-Romero Charles Yzaguirre
- C. Cahuilla Creek Casino – Cahuilla Band of Mission Indians of the Cahuilla Reservation:
 Leonardo Pasquarelli
- D. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
 Kaisheng Lin
- E. Jackson Rancheria Hotel & Casino – Jackson Rancheria Band of Miwuk Indians:
 Jessica Enyeart Gabriel Hathorne
- F. Pechanga Resort and Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
 Mary Ables Juan Alfaro Laura Bartshe
 Leo Cozort Joseph Diaz Lorena Olvera
 Norma Rangel Geronima Valderrama Susan Wilkinson
- G. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission Indians of the San Manuel Reservation:
 Christopher Fitzgerald Justin Giese Julie Lewis
 Carol Sudweeks
- H. Santa Ysabel Casino – Santa Ysabel Band of Diegueno Indians:
 Hao Tran
- I. Soboba Casino - Soboba Band of Luiseno Indians:
 Sharon Griffin
- J. Spotlight 29 Casino - Twenty-Nine Palms Band of Mission Indians:
 Antonio Pena
- K. Sycuan Casino - Sycuan Band of Diegueno Mission Indians:
 Qi Chen Gilmore David Sharon Lang
 Kin Lee Eric Lisowski Richard Tuck II
- L. Tachi Palace Hotel & Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:
 Gwen Bresenio
- M. Valley View Casino – San Pasqual Band of Diegueno Mission Indians:

Anthony Backus	Brian Cullen	John Johnston
Tracey Kitt	Gina Peden-Mudrak	Teresa Zamorano

19. Applications for Renewal Tribal Key Employee License – (Pursuant to Business and Professions Code section 19869):

- A. Agua Caliente Casino – Agua Caliente Band of Cahuilla Indians:
- | | | |
|-----------------|-----------------|------------------|
| Keely Alexander | Ruby Capobianco | Jennifer Edwards |
| Candice Gilmore | Jon Hill | Charles Lantz |
| Signe LeBlanc | Lay Leng | Jose Montano |
| Jean Musson | Robin Padick | Wallace Phipps |
| Steven Whitton | | |
- B. Black Bart Casino - Sherwood Valley Rancheria of Pomo Indians:
Mark Azevedo
- C. Casino Pauma – Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation:
Angela Moy
- D. Cher-Ae-Heights Casino – Cher-Ae-Heights Indian Community of the Trinidad Rancheria:
Briana Dominguez
- E. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
- | | | |
|------------------|-----------------|----------------------|
| William Bailey | Tresa Baughman | Nicholas Grube |
| Michael Hard | Monique Jimenez | Jared Kerbow |
| Lorena Lopez | Ignacio Nevarez | Onechanh Phakonekham |
| Suzanne Phillips | Sabrina Weaver | |
- F. Chumash Casino – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
- | | | |
|-----------------|---------------|-----------------|
| Mark Cheli | Debra Cloward | John Dunn |
| Steve Escobedo | Sydney Greer | Patrice Iniguez |
| Jesse Quinionez | Pino Reveles | Jose Reyes III |
| David Wilson | Hoa Wilson | Brian Wold |
- G. Colusa Casino and Bingo – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:
Rajinder Chauhan LeeAnn Hennessy
- H. Desert Rose Casino – Alturas Rancheria:
James Walston
- I. Diamond Mountain Casino – Susanville Indian Reservation:
William Cutler Rollie Emerson
- J. Eagle Mountain Casino – Tule River Indian Tribe of the Tule River Reservation:
Deanna Gonzales Nicola Larsen
- K. Elk Valley Casino – Elk Valley Rancheria:
David Hernandez
- L. Gold Country Casino – Berry Creek Rancheria of Maidu Indians of California:
Christopher Ledgerwood
- M. Harrah's Rincon – Rincon Band of Luiseno Indians:
- | | | |
|-----------------|----------------|-------------------|
| Arthur Ebitner | David Ertley | Augustine Fortune |
| Duke Hoang | Colleen Spence | Jeremy Vigil |
| Juan Villalobos | | |

- N. Konocti Vista Casino – Big Valley Band of Pomo Indians of the Big Valley Rancheria:
Andrew Kalin
- O. La Posta Casino – La Posta Band of Diegueno Mission Indians of the La Posta Indian Reservation:
Janet Powell
- P. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:
Howard Cao Ian Dodd Justin Joslin
Dana Rodriguez Edith Rufe Seth Schultz
Peter Sweeney
- Q. Pala Casino – Pala Band of Mission Indians:
Thafir Alsamarrai John Bejar Todd Benjamin
Justin Hardin Robert Kauler Charles Kettering
Fernando Ortiz, Jr. Janet Pegg John Zastrow
- R. Pechanga Resort and Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Joel Askvig Sandra Clark Zorayda Delos Reyes
Walter Frank Beverly Guccione Shalin Hall
Kimberly Lambert Maximo Mata Birendra Mudbhari
Craig Nelson Douglas Rosson Vuthy Thang
- S. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:
Daniel Coyne Rhonda Fong Anthony McKay-Laiwa
Ray McNabb Theresa Pereira-Oliver Christina Peters
- T. Rolling Hills Casino – Paskenta Band of Nomlaki Indians:
Lori LaGrande
- U. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission Indians of the San Manuel Reservation:
Jose Acosta John Armoush Georgia Cagle
Don Chen Bianca Duran Meltem Graham
Thomas Hedrick Louis Lugo Adrian Nicholas
Terry Raymer Leana Sabala Douglas Strickland
Anthony Truong Lynly Tuendemann
- V. Sho-Ka-Wah Casino – Hopland Band of Pomo Indians of the Hopland Rancheria:
Steven Munos
- W. Soboba Casino - Soboba Band of Luiseno Indians:
Phillip Deanda Cristina Geske Judith Seymour
Kele Slevcove Mark Switzer
- X. Spotlight 29 Casino - Twenty-Nine Palms Band of Mission Indians:
Joe Carrillo Jerri Sodaro
- Y. Thunder Valley Casino - United Auburn Indian Community of the Auburn Rancheria:
So Keo Eric Kim Gerard Lanta
Quan Le Pura Lucas Liowang Saepanh
Tiffany Smith Mathew Stanio Kunthea Stroud
Kuasaypao Thao Bao Vang Irvin Wong
Connie Xabandith

- Z. Twin Pine Casino – Middletown Rancheria Band of Pomo Indians:
Dorothy Adams Christina Driver
- AA. Viejas Casino & Turf Club - Viejas Band of Kumeyaay Indians:
Luis Carbajal Kristen Ojetti
- BB. *Win-River Casino – Redding Rancheria:*
Randall Roberts Anthony Semore

Licensing Manager Marianne Estes indicated that staff recommended that the Commission approve agenda items 15, 16, 17, 18, and 19.

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.

Closed Session:

Chairman Shelton moved the meeting to Closed Session at 10:58 a.m.

Closed Session was held to discuss the following to cases: *Colusa Indian Community v. State of California, et al.*, U. S. Dist. Court, E.D. California (CIV.S-04-2265 2FOD KJM). and *Candace Cates v. Steve Westly, et al.*, San Diego County Superior Court (GIC 821775).

Reconvene to Open Session

Chairman Shelton reconvened the meeting to open session at 11.32 a.m.

PUBLIC COMMENT

The Commission heard comment from Mr. Eugene Ross regarding his experiences with the Bureau of Gambling Control since he initiated a complaint against a cardroom in March of 2009.

ADJOURNMENT

Upon motion to adjourn the meeting by 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 meeting adjourned at 11:40 a.m.