

California Gambling Control Commission

2399 GATEWAY OAKS DRIVE, SUITE 220

SACRAMENTO, CA 95833

(916) 263-0700 FAX (916) 263-0499

www.cgcc.ca.gov

**MINUTES OF JUNE 24, 2010
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 James Shelby and Stephanie Shimazu present.

3. Approval of Commission Meeting Minutes for :

- A. May 6, 2010
- B. May 13, 2010

Deputy Director Tina Littleton requested a revision to the May 6, 2010 draft meeting minutes in page 11, paragraph 2. Ms. Littleton requested the deletion of the word "conversion" and to replace it with "withdrawal request".

Upon motion of Chairman Shelton, seconded by Commissioner Shelby and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shelby and Shimazu voting yes, the Commission approved the revised meeting minutes for May 6, 2010 and the minutes for May 13, 2010.

4. Application for Approval for Initial State Gambling License (Pursuant to Business and Professions Code section 19851& 19852; Title 4 CCR 12342(a)(8) (Form 143)):

Commerce Casino: California Commerce Club, Inc.

- a. Federico Family Trust, Amended and Restated Declaration of Trust
Lucia Ibosh, Trustee Richard Ibosh, Successor Trustee
- b. The Jasmine Mgrdichian Living Trust
John and Hasmik Foundation, Beneficiary

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Deputy Director Tina Littleton indicated that staff recommended the Commission approve the initial state gambling license applications in Items 4a and 4b for endorsement on Commerce Casino's state gambling license.

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

5. Applications for Renewal of State Gambling Licenses (Pursuant to Business and Professions Code section 19876):

A. Artichoke Joe's Casino: Artichoke Joe's, Inc.*

Deputy Director Tina Littleton indicated that staff recommended the Commission approve the renewal state gambling license application for the period of July 1, 2010 through June 30, 2012.

Alan Titus, representing Artichoke Joe's, stated he wanted to make a correction; Artichoke Joe's is not a corporation and the license should not reflect the word "Inc.".

Deputy Director Littleton indicated that she would research this and contact Mr. Titus accordingly.

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

B. Cameo Club: Lewis & Lewis, Inc.

David and Margaret Lewis 1999 Family Trust
Margaret Lewis, Trustee, Trustor, Beneficiary
Estate of Natalie Lewis

Deputy Director Tina Littleton indicated that staff recommended the Commission approve the renewal state gambling license application for the remainder of the licensure period to expire January 31, 2012.

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

C. Ceasar's Club: Jose Alvarez Cahue, Sole Proprietor

Deputy Director Tina Littleton indicated that staff recommended the Commission approve the renewal state gambling license application for the remainder of the licensure period to expire September 30, 2011.

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Robert Knill, Deputy Chief of the Watsonville Police Department, indicated the city would be moving forward with a recommendation to revoke Ceasar's Club special use permit for the current location. The city will be going to the next session of the Planning Commission to submit a report based on irresponsible business practices and a concern for public safety.

Richard Taylor, Designated Agent, indicated he had emailed all the declarations and findings of the Alcohol and Beverage Commission (ABC) to Commission staff.

Chairman Shelton expressed that he was not prepared to approve the renewal of license because he felt this was an establishment that should not be in business.

Commissioner Shimazu expressed concern whether the facts alone of the situation on March 15, 2009 were sufficient to find the licensee unsuitable. Commissioner Shimazu further stated that the Commission was only getting Mr. Cahue's side of the story. The fact that the Alcohol and Beverage Commission did find there was evidence to go ahead with the settlement agreement and revoke the liquor license indicated that perhaps there was something there that should be reviewed by the Commissioners.

Richard Taylor indicated that the law enforcement reports could be obtained by ABC. Mr. Taylor further indicated that he had interviewed and received declarations from all the witnesses, which were provided to the Commission. Mr. Taylor commented the perceived lack of cooperation by Mr. Cahue and the conflicting testimony of whether or not any alcohol was provided to the deceased that evening was the basis of the ABC's findings.

Commissioner Shelby questioned why ABC would revoke the liquor license if there were no issues.

Richard Taylor responded that it was an agreement that Mr. Cahue would not contest the revocation; and, they based that on the testimony which was in the report submitted by the investigating officer. Mr. Cahue was not concerned about keeping the liquor license; he was just concerned about keeping the gambling license.

Chairman Shelton stated that he thought the best thing to do was to refer the renewal application to an administrative hearing.

Chief Legal Counsel Joe Dhillon indicated that there were options the Commissioners could take; one is to move to deny. A denial would give the licensee the opportunity to request an administrative hearing. The other option would be pursuant to Business and Professions code 19825, the Commission could direct the matter to be considered at an administrative hearing.

Commissioner Shelby commented that even if they vote to deny, and he requests an administrative hearing, the license will still continue.

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Chief Legal Counsel Joe Dhillon agreed that that was correct. The business would continue through the administrative process.

Commissioner Shimazu stated she wanted to refer to an administrative hearing because the Commission has the facts but not the evidence about the facts and now there is a settlement agreement.

Chris Davis, Manager from the Bureau of Gambling Control indicated that the Bureau is investigating the matter and will provide the Commission with information when they complete the investigation.

Commissioner Shimazu questioned Ms. Davis if that was the investigation of all the facts surrounding the incident that the ABC took forward.

Ms. Davis indicated the whole situation.

Chairman Shelton clarified that the situation happened March 15, 2009, over a year ago and he still has not been shown any reason to approve the renewal. Chairman Shelton moved to deny the renewal application; however, the motion failed for lack of a second.

Commissioner Shimazu moved to refer the renewal application to an administrative hearing; the motion was seconded by Commissioner Shelby and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shelby and Shimazu voting yes.

D. Deuces Wild Casino: Deuces Wild, Inc.

Robert Brown, President, Secretary, Treasure, Shareholder

Deputy Director Tina Littleton indicated that staff recommended the Commission extend the state gambling license through October 31, 2010.

Robert Tabor, representing Deuces Wild, indicated that they are in agreement with the extension and that they are actively working with both the Bureau and Commission staff to provide all the information they need to expedite the completion of the investigation. Mr. Tabor expressed confidence that the report would be completed soon and Deuces Wild would be on the agenda well before October.

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

E. Jalisco Pool Room: Rafael P. Quiroga, Sole Proprietor

Deputy Director Tina Littleton indicated that staff recommended the Commission approve the renewal state gambling license application for the period of July 1, 2010 through June 30, 2012.

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

F. The Mint: James Podergois: Sole Proprietor

Deputy Director Tina Littleton indicated that staff recommended the Commission extend the state gambling license through September 30, 2010.

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

6. Applications for Initial Key Employee Portable Personal Licenses (Pursuant to Business and Professions Code section 19854(d)):
 - A. Ronald Castro
 - B. Christopher Huang
 - C. Christopher Rolbiecki

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended that the Commission approve the personal key employee license applications in Items 6A through 6C. Staff has received the Bureau's reports and concurred with their recommendations; and, recommended approval through June 30, 2012.

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

7. 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):
VSR Industries, Inc.: Nevada Corporation
 - Leo F. Wright, Chairman of the Board, Shareholder
 - Charles A. DeGregorio, President, Chief Executive Officer, Shareholder
 - Colton L. Vollmann, Vice President, General Manager, Shareholder,
Secretary, Treasurer

Deputy Director Tina Littleton indicated that staff recommended the Commission approve the renewal application for the period of July 1, 2010 through June 30, 2012.

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

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8. Applications for Interim Work Permit for Remote Caller Bingo (Pursuant to Penal Code section 326.3 and Title 4, California Code of Regulations section 12501).
Dominic Salomone

Deputy Director Tina Littleton indicated that staff recommended the Commission approve the interim work permit application for the period of June 24, 2010 through June 30, 2011 with the conditions listed in your report and provided on the back table.

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

9. Application for Interim License for Bingo Equipment Manufacturers and Distributors – Request to Withdraw (Pursuant to Business and Professions Code section 19869 and Title 4, California Code of Regulations section 12492):
Bingo Innovations of California, Inc: Douglas Martins, Director

Deputy Director Tina Littleton indicated that staff recommended the Commission approve the request to withdraw without prejudice.

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

CONSENT CALENDAR ITEMS:

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

A. Kenneth Brennan	H. Samantha Sengthit
B. Weylin Fong	I. David Seward
C. Robert Kleiber	J. Douglas Speit
D. Richard Lamboy	K. Michael Sullivan
E. Brian McCandless	L. Randolph Torres
F. Jeff Morena	M. James Vonasek
G. Kai Ng	N. Joe Willson

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

A. Empire Sportsmen's Association:	Hour Lay		
B. Merced Poker Room:	Yer Silva	Austin Vang	
C. Napa Valley Casino:	Kelly Bershinsky	Brett Christiansen	Todd Siegel
D. Oceana Cardroom:	Jason Bartell		
E. The 101 Casino:	Cui Liang	Attila Lorinczi	Pei Song
	Piyanet Tunsatian		

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

- | | | |
|------------------------|--------------------|----------------------|
| A. Napa Valley Casino: | Arnel Dionisio | Daeng Vilaphonphakdy |
| B. Poker Flats Casino: | Antonio Martin | |
| C. The 101 Casino : | Anna Lis Dalrymple | Nathan Gronenthal |
| | Tot Khem | Daniel Tierney |
| | Tawni Tilden | |

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

- A. Barona Valley Ranch Resort & Casino - Barona Band of Mission Indians:
Michael Asher Donald Lee, Jr.
- B. Cache Creek Casino Resort – Rumsey Indian Rancheria of Wintun Indians:
Robbie Giardino
- C. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
Jessie Brooks Anna Shurrum
- D. Elk Valley Casino – Elk Valley Rancheria:
Randy Cooper
- E. Harrah's Rincon Casino & Resort – Rincon Band of Luiseno Indians:
Thomas Shelton
- F. La Posta Casino – La Posta Band of Diegueno Mission Indians of the La Posta Indian Reservation:
Lucille Dunham Jenney Robles
- G. Pechanga Resort and Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Shawn Driscoll
- H. Sycuan Casino & Resort- Sycuan Band of the Kumeyaay Nation:
Carl Frazier Elizabeth Hinds
- I. Valley View Casino – San Pasqual Band of Diegueno Mission Indians:
Nee Nee Vilaylack

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

- A. Agua Caliente Casino – Agua Caliente Band of Cahuilla Indians:
Michael Dickson Candice Gilmore Christopher Jacobs
Robert McCabe Jean Musson Joseph Varney
- B. Augustine Casino - Augustine Band of Cahuilla Mission Indians:
Jeffrey Bueller Ronald Ingoglia Aleida Vlaovich
- C. Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:
Kelly Bester
- D. Cache Creek Casino Resort – Rumsey Indian Rancheria of Wintun Indians:
Sengmany San Saechao Vidara Sisophon
Luangrath

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- E. Casino Pauma – Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation:
David Keng
- F. Chumash Casino – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Dennis Theiler
- G. Eagle Mountain Casino – Tule River Indian Tribe of the Tule River Reservation:
Anna Alvarado
- H. Harrah's Rincon Casino & Resort – Rincon Band of Luiseno Indians:
Linda Ball Sherilyn Bowdre Aki Matsubara
Christopher North Raymond Sullivan
- I. Jackson Rancheria Hotel & Casino – Jackson Rancheria Band of Miwuk Indians:
Linae Anguzza Dion Carney Huy Dang
John Do Paula Jones David Keeling
Brian Orlando Ou Saefong Kia Vang
- J. Pala Casino – Pala Band of Mission Indians:
Eddie Ho
- K. Pechanga Resort and Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Mohsan Abraham Enrique Appel Jovie Esteves
Luxie Le David Matthews Norma Rangel
Rodolfo Reyes Lilia Simbahan Tony Siordia
Marvin Tiamzon
- L. Rolling Hills Casino – Paskenta Band of Nomlaki Indians:
Dennis Barnes
- M. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission Indians of the San Manuel Reservation:
Robert Jimenez
- N. Tachi Palace Hotel & Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:
Erik Herrin Curtis McCormack
- O. Viejas Casino & Turf Club - Viejas Band of Kumeyaay Indians:
Pepina Leming

Deputy Director Tina Littleton indicated that staff recommended the Commission approve consent calendar items 10, 11, 12, 13, and 14.

Commissioner Shelby expressed his concern regarding a theme that flows through many of the applications on the consent calendar and that is; applicants having issues with alcoholism. Commissioner Shelby further indicated that as a Commissioner he is concerned about public safety and the suitability of applicants who have repeat offenses. Commissioner Shelby stated he has concerns about the industry not showing responsibility for the safety of persons in the gaming industry.

Chairman Shelton indicated that the best way to address the concerns is at a Tribal and/or Cardroom Association meetings.

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

PUBLIC COMMENT

There were no public comments at this time.

ADJOURNMENT

Upon motion of Commissioner Shelby, seconded by Chairman Shelton and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shelby and Shimazu voting yes, the meeting was adjourned at 10:25 a.m.