

California Gambling Control Commission

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**MINUTES OF MAY 31, 2012
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairperson Stephanie Shimazu called the meeting to order at 10:00 a.m., and asked everyone to stand for the Pledge of Allegiance.

2. Roll Call of Commissioners.

Roll Call of Commissioners was taken, with Chairperson Stephanie Shimazu and Commissioners Tiffany Conklin, Lauren Hammond and Richard Schuetz present.

3. Approval of Commission Meeting Minutes for:
April 26, 2012

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the meeting minutes for April 26, 2012.

By concurrence of the Commissioners, Consent Calendar Item 13.B. was continued to a future Commission meeting.

4. Request for Approval of Transfer of Ownership Interest (Pursuant to Business and Professions Code section 19892):

Golden West Casino:

Kern County Associates, L.P.
JLJ2D, Inc., Limited Partner
Estate of John B. Antonino
(Transferor)
John B. and Margaret F. Antonino
Living Trust of 1981 (Transferee)
John C. Antonino,
Trustee/Beneficiary

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Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the transfer of ownership held by the Estate of John B. Antonino, in JLJ2D, Inc., to the John B. and Margaret F. Antonino Living Trust of 1981.

5. Applications for Approval of Initial State Gambling License (Pursuant to Business and Professions Code section 19851):

A. Golden West Casino:

Kern County Associates, L.P.
JLJ2D, Inc., Limited Partner
John B. and Margaret F. Antonino
Living Trust of 1981
John C. Antonino, Trustee/Beneficiary

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the state gambling license through the remaining licensure period of January 31, 2014, the removal of one existing condition, and added a new condition listed below:

Remove Condition:

No person may receive shares from the Estate of John Antonino's percentage of interest of JLJ2D, Inc., until that person has been licensed by the Commission as a shareholder.

New Condition:

Barbara Daniels may not receive shares from John B. and Margaret F. Antonino Living Trust of 1981's percentage of interest of JLJ2D, Inc., until she has been licensed by the Commission as a Trustee/Beneficiary.

B. Paso Robles Central Coast Casino:

PRCCC, Inc.
Donald Ezzell, President, Secretary,
Treasurer, Shareholder

Comments made from:

Donald Ezzell
Frances Asuncion, Bureau of Gambling Control

Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission

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approved the state gambling license through May 31, 2014, removed the existing temporary conditions, and added one new condition listed below:

Remove Conditions:

1. *Provide proof of the close of escrow within ten (10) days of escrow closing.*
2. *Within 60 days of Commission approval, provide a copy of the following to both the Commission and Bureau:
Fictitious Name Statement;
Business License;
Chips in Use Account;
Chart of Accounts; and
Lease*
3. *The temporary initial license takes effect on the date that the Commission approves the request and expires November 30, 2012. 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.*
4. *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.*
5. *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.*
6. *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.*
7. *The applicant has pending an application 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.*
8. *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.*
9. *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*

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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.

New Condition Added:

Within 30 days of Commission approval, provide a copy of the following to the Commission and Bureau:

Executed Lease Agreement;

6. Request for Approval of Additional Permanent Authorized Tables (Pursuant to California Code of Regulations, Title 4, section 12359):
Paso Robles Central Coast Casino: PRCCC, Inc.

Action:

Upon motion of Commissioner Schuetz, seconded by Chairperson Shimazu and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the application for 2 additional permanent tables for Paso Robles Central Coast Casino resulting in a total of 4 authorized tables.

7. Applications for Approval of Renewal of State Gambling Licenses (Pursuant to Business and Professions Code section 19876):
A. Bruce's Bar and Casino: John Curtis Gallo, Sole Proprietor

Comments Made From:

Norm Pierce, Bureau of Gambling Control

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond voting yes and Schuetz voting nay, the Commission approved the renewal of Bruce's Bar and Casino state gambling license through October 31, 2013.

- B. Central Coast Casino, Grover Beach: Central Coast Casino, Grover Beach, Inc.
David Stearns, President, Treasurer,
Shareholder
Theresa Stearns, Secretary,
Community
Property Interest Holder

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission

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approved the renewal state gambling license for Central Coast Casino, Grover Beach through May 31, 2014.

C. Mike's Card Casino: Michael Whiteley, Jr., Sole
Proprietor

Comments Made From:
Frances Asuncion, Bureau of Gambling Control

Action:
Upon motion of Commissioner Schuetz, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission extended the state gambling license for 30 days with the existing condition listed below:

Existing Condition:
By May 31, 2012, Mike's Card Casino must provide evidence to the Bureau and Commission that the violations noted by the Bureau of Gambling Control, as outlined in the December 7, 2011, Letter of Warning, have been remedied.

D. Napa Valley Casino: BVK Gaming, Inc.
Brian Altizer, President, Director,
Shareholder
Von Altizer, Secretary, Director,
Shareholder
Keith Miller, CFO, Director,
Shareholder

Comments Made From:
Brian Altizer
Keith Miller
Norm Pierce, Bureau of Gambling Control

Action:
Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission extended the state gambling license for 30 days, with the condition listed below:

Condition added:
Mr. Miller shall not perform any duties which directly or indirectly involve the financial or operational aspects of the Napa Valley Casino.

E. Phoenix Casino and Lounge: Phoenix Casino and Lounge, Inc.
Jack Cunningham, President,
Treasurer, Secretary, Shareholder

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Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission extended the state gambling license for 30 days.

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

A. Dennis Faz
Through October 31, 2013

B. Murry Gaerlan
Through June 30, 2013

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved initial key employee applications.

9. Request for Approval to Withdraw Application for Work Permit (Pursuant to Business and Professions Code section 19869):

Peter Felipe

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved to withdraw the initial work permit for Peter Felipe **with** prejudice.

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

A. Soboba Band of Luiseno Indians:
Clara Beaver

Comments Made From:

Clara Beaver (via telephone)
Julie Agcaoili, Bureau of Gambling Control

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved Application for Finding of Suitability as a Tribal Key Employee through October 20, 2013.

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- D. Qualified Player Services, LLC
Player: Pamela Nanthavong

At the request of the Commissioners, Item 12.B. Robert Crabtree was removed from the group to be heard separately.

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the conversion applications through May 31, 2014 with the exception of Robert Crabtree.

- 12.B. Certified Network M, Inc.
Player: Robert Crabtree

Comments Made From:

Yolanda Placencia

Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the conversion application through May 31, 2014.

CONSENT CALENDAR ITEMS:

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

- A. Empire Sportsmen's Association: Chamroeun Chao
B. Tres Lounge and Casino: Kyle Kirkland (REMOVED)

14. Application for Approval of Renewal of Third Party Providers of Proposition Player Services/Gambling Business Supervisor/Player Licenses (Pursuant to California CCR, Title 4, sections 12218.8 and 12238):

PT Gaming, LLC:
Supervisor: David Shindle

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

- A. Barona Resort and Casino – Barona Band of Mission Indians:
Rigoberto Martinez
B. Cache Creek Casino Resort – Yocha Dehe Wintun Nation:
Basu Dhakal Francis Moore Jr. Frederick Raysser IV
C. Casino Pauma – Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation:
Christopher McCutcheon

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- D. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
 - Rebecca Martinez Susan Ramos
 - E. Colusa Casino Resort – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:
 - Dannielle Durham Kristen Yeghoian
 - F. Fantasy Springs Resort Casino – Cabazon Band of Mission Indians:
 - Bunnich Chea Mark Lyngaas Ivica Maras
 - Paul Ryan Gene Wu
 - G. Garcia River Casino – Manchester Band of Pomo Indians of the Manchester-Point Arena Rancheria
 - Carl Gonzales
 - H. Jackson Rancheria Casino & Hotel – Jackson Rancheria Band of Miwuk Indians:
 - Rachelle Rasmusson
 - I. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:
 - Tina Lowe David Newman Jr. Timothy Washington II
 - J. Pala Casino Spa Resort – Pala Band of Mission Indians:
 - Thomas Procharchuck Jr. Oscar Saenz
 - K. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
 - Saundra Petersen
 - L. Red Hawk Casino – Shingle Springs Band of Miwok Indians:
 - Arnel Calagui Leonard Steckler Sophea Teap
 - Tai Tran Ernest White Eyes
 - M. Robinson Rancheria Resort & Casino – Robinson Rancheria of Pomo Indians:
 - Michael Hunter Terry Martinez
 - N. Soboba Casino – Soboba Band of Luiseno Indians:
 - Madelyn Figueroa Carissa Hulseley Melani Nacua
 - Juan Perez
 - O. Spotlight 29 Casino – Twenty-Nine Palms Band of Mission Indians:
 - Jorge Beltran Jonimar Davis
 - P. Table Mountain Casino – Table Mountain Rancheria:
 - Outhay Insyarath
 - Q. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria:
 - Jason Aberle Tommy Saepanh
 - R. Twin Pine Casino & Hotel – Middletown Rancheria Band of Pomo Indians:
 - Denise Mallory
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 Resort Spa – Agua Caliente Band of Cahuilla Indians:
 - Christopher Pansoy
 - B. Augustine Casino – Augustine Band of Cahuilla Mission Indians:
 - Alex Cano

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- C. Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:
Janice Anderson Atheena Davis
- D. Blue Lake Casino and Hotel – Blue Lake Rancheria:
Loch Geisen
- E. Cache Creek Casino Resort – Yocha Dehe Wintun Nation:
Hyon Barrilleaux Marcy Cooney Phonsay Houangvilay
Jason Jang Jaekoo Jun Sameth Phon
Karl Thornton Christine Zhou
- F. Cher-Ae-Heights Casino – Cher-Ae-Heights Indian Community of the Trinidad Rancheria:
Jeremy Muhleck
- G. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
John Soares
- H. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Fernando Medina
- I. Colusa Casino Resort – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:
Daniel Dudley
- J. Eagle Mountain Casino – Tule River Indian Tribe of the Tule River Reservation:
Juan Santoyo
- K. Harrah's Rincon Casino & Resort – Rincon Band of Luiseno Indians:
James Davie John Erickson Randall Gray
James Long Christopher North Kathryn Pinzon
Joanie Schmitz Jeff Stoneking Raymond Sullivan
Alvin Tengson Kimberly Wiebe
- L. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:
Lena Ford
- M. Pala Casino Spa Resort – Pala Band of Mission Indians:
Jessica Bruns Dylene Cordial Eddie Ho
- N. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:
Joshua Mitchell
- O. Rolling Hills Casino – Paskenta Band of Nomlaki Indians:
Arthur Felix Mary Fox Mary Rosas
- P. Sho-Ka-Wah Casino – Hopland Band of Pomo Indians of the Hopland Rancheria:
James Chittaphong
- Q. Table Mountain Casino – Table Mountain Rancheria:
Kenichi Meyer
- R. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria:
John Barber Kimberly Bradshaw Jarrett Canion
Courtney Emry Donald Hobson Long Nguyen
Joseph Perry Hue Vang

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- S. Twin Pine Casino & Hotel – Middletown Rancheria Band of Pomo Indians:
Dustin Solmonson
- T. Valley View Casino & Hotel – San Pasqual Band of Diegueno Mission Indians:
Mitra Bakhtiari Joy Jose Randy Reedy
- U. Win-River Casino – Redding Rancheria:
Jessica Franks Johnathan Powers Mario Ramirez

Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the Consent Calendar items 13 through 16.

BREAK **11:15 AM**

CALL TO ORDER 1:43 PM

17. Tribal-State Gaming Compact Gaming Device License Draw (Pursuant to Tribal-State Gaming Compact section 4.3.2.2)

Commission staff reported that a license draw was requested and scheduled but no requests for licenses were received by the Commission. Therefore, no action was taken on this item.

18. Consideration of Final Adoption of Amended Uniform Tribal Gaming Regulation CGCC-8 (Tribal-State Gaming Compact Section 8.4.1)

Upon a motion by Chairperson Shimazu, seconded by Commissioner Hammond, unanimously carried in a roll call vote with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved as a final regulation, effective May 31, 2012, under compact section 8.4.1 the amended version of CGCC-8 attached to the agenda which had been previously approved by this Commission as a proposed regulation and forwarded to and approved by the Tribal State Association.

19. Tribal-State Gaming General Fund Audit of Shingle Springs Band of Miwok Indians, Shingle Springs Rancheria (Verona Tract) pursuant to Amended Compact section 4.3.1 (Government Code section 11126.4; Compact Section 7.4.3.)

Discussion of this item was deferred to closed session based on the need to preserve the confidentiality of the tribal financial information .

PUBLIC COMMENT:

None

CLOSED SESSION:

1. Litigation: (Government Code section 11126(e)):
 - A. *California Valley Miwok Tribe v. The California Gambling Control Commission*; San Diego County Superior Court (37-2008-00075326-CU-CO-CTL).
 - B. *Candace Cates v. Steve Westly, et al.*, San Diego County Superior Court (GIC 821775).
 - C. *San Pasqual Band of Mission Indians v. State of California, et al.*, U.S. Dist. Court, S.D. California (06CV0988 LAB AJB).
 - D. *Pauma Band of Luiseno Mission Indians v. Gambling Control Commission; and Arnold Schwarzenegger*, U.S. Dist. Court S. D. California (09 CV01955 LAB AJB)
 - E. *Timothy Eugene Stroud v. California Gambling Control Commission*, San Luis Obispo County Superior Court (CV100082).
 - F. *San Pasqual Band of Mission Indians v. State of California, et al.*, Los Angeles County Superior Court (BC431469)
 - G. *Bingo Innovations of California, Inc. v. California Gambling Control Commission*, Sacramento County Superior Court (34-2012-80001139)

2. Discussion of Tribal-State Gaming General Fund Audit of Shingle Springs Band of Miwok Indians, Shingle Springs Rancheria (Verona Tract) pursuant to Amended Compact section 4.3.1 (Government Code section 1126.4; Compact Section 7.4.3.)

Reconvene at 1:43 pm

2. Discussion of Tribal-State Gaming General Fund Audit of Shingle Springs Band of Miwok Indians, Shingle Springs Rancheria (Verona Tract) pursuant to Amended Compact section 4.3.1 (Government Code section 1126.4; Compact Section 7.4.3.)

Action:

This item was for discussion purposes only, no action was taken.

ADJOURNMENT 1:44 PM