

**California Gambling Control Commission**  
2399 GATEWAY OAKS DRIVE, SUITE 220  
SACRAMENTO, CA 95833  
(916) 263-0700 FAX (916) 263-0499  
[www.cgcc.ca.gov](http://www.cgcc.ca.gov)

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**MINUTES OF SEPTEMBER 27, 2012  
COMMISSION MEETING**

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**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:
  - A. August 27, 2012
  - B. August 29, 2012
  - C. August 30, 2012

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 approved the minutes for the August 27, 2012, August 29, 2012 and August 30, 2012 Commission Meetings.

By concurrence of the Commissioners, Item No. 5, Hollywood Park Casino was continued to the October 25, 2012 Commission Meeting.

4. Request for Approval of Transfer of Ownership Interest (Pursuant to Business and Professions Code sections 19824(c) and 19892):

The Bicycle Casino:

The Bicycle Casino, L.P.  
Thomas and Shirley Kunisaki, Limited  
Partners  
(Transferor)  
Shirley Kunisaki, Limited Partner  
(Transferee)

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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 transfer of interest held jointly by Thomas and Shirley Kunisaki to Shirley Kunisaki, as an individual owner. This action will remove Thomas Kunisaki as an endorsee on the Bicycle Casino state gambling license.

5. Request for Approval of Settlement Agreement Regarding Lease Termination in Lieu of Unlawful Detainer Between Hollywood Park Casino Company, Inc. and Century Gaming Management, Inc. (Business and Professions Code sections 19824(c) and 19901):

Hollywood Park Casino:

Century Gaming Management, Inc.  
Leo Chu, Shareholder  
Ivy Chu, Shareholder

This item was continued to the October 25, 2012 Commission Meeting.

6. Approval of Loan Document (Pursuant to Business and Professions Code sections 19824(c) and 19901):

Club One Casino:

Club One Acquisitions Corporation

Comments Received From:

Robert Tabor  
Kyle Kirkland

Public Comment Received From:

Stephen Cornwell

Action:

Upon motion of Commissioner Schuetz, seconded by Chairperson Shimazu and carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, and Schuetz voting yes, and Commissioner Hammond voting no, the Commission approved the Loan Purchase Agreement between Fortress Value Recovery Fund I LLC and KMGI, Inc.

7. Application for Approval of Initial State Gambling License (Pursuant to Business and Professions Code sections 19850, 19851, 19852(a), and CCR, Title 4, section 12342):

The Deuce Lounge and Casino:

GLCR, Inc.  
Kyle Kirkland, President, Shareholder  
Dana Messina, Secretary, Treasurer,  
Shareholder

Comments Received From:

Kyle Kirkland  
Robert Tabor  
Audra Opdyke, Bureau of Gambling Control

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Public Comments Received From:  
Stephen Cornwell

Action:

Upon motion of Chairperson Shimazu, 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 extended the temporary state gambling license for The Deuce Lounge and Casino for a 60-day period through November 30, 2012.

8. Application for Approval of Renewal of State Gambling Licenses (Pursuant to Business and Professions Code section 19876 and CCR, Title 4, section 12345):

Lucky Derby Casino:

Point Walker, Inc.

Kermit Schayltz, President

Leo Chu, Vice President, Chief Financial  
Officer, Secretary

Sandra Schayltz, Community Property  
Interest Holder

Ivy Chu, 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 extended the renewal state gambling license for a five-month period through February 28, 2013.

9. Applications for Approval of Initial Key Employee Portable Personal Licenses (Pursuant to Business and Professions Code section 19854 and CCR, Title 4, section 12350):

Action:

A. Sandra Barker  
Through October 31, 2013

B. Matthew Fredborg  
Through June 30, 2013

C. Jesse Crawford  
Through January 31, 2013

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 key employee applications for items 9.A. through 9.C.

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Commissioner Conklin recommended that the licensing applications be reviewed for possible revision to capture dual employment between cardroom and third party proposition player services employees.

10. Application for Approval of Renewal Key Employee Portable Personal License (Pursuant to Business and Professions Code section 19854 and CCR, Title 4, section 12351):

Mason White

Comments Received From:

Mason White

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 approved the renewal application for Mason White through September 30, 2014 with the existing condition as modified and noted below:

Existing Condition:

*Beginning October 1, 2010, and every 180 days thereafter, Mr. White must submit to the Commission and the Bureau a written update concerning the issue of the outstanding delinquent credit accounts currently in collections.*

Modified Condition:

*Beginning October 1, 2012, and every 180 days thereafter, Mr. White must submit to the Bureau of Gambling Control a written update with proof of payment concerning the issue of the outstanding delinquent credit accounts currently in collections.*

11. Applications for Approval of Renewal of Third Party Provider of Proposition Services/Gambling Business Licenses (Pursuant to CCR, Title 4, sections 12218.8 and 12238):

A. CB Certified Banker, Inc.:

Tam Luu, President, Secretary, Treasurer,  
Shareholder and Director

Comments Received From:

Audra Opdyke, Bureau of Gambling Control

Action:

Upon motion of Commissioner Hammond, 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 Third-Party Proposition Player Services and Gambling Business License for a 60-day period through November 30, 2012.

B. Gaming Fund Group, Inc.:

William Schipani, President, Treasurer,  
Secretary Shareholder  
David Chau, Vice President  
Game Source, LLC\*

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### 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 Third-Party Proposition Player Services License for a 90-day period through December 31, 2012 continuing with the existing conditions noted below:

1. *Gaming Fund Group, Inc. will not provide third-party proposition player services to, or operate as a gambling business at S&S Gaming dba Club Caribe until S&S Gaming, Inc. has repaid in full all outstanding loans owed to Gaming Fund Group, Inc. and/or Game Source, LLC.*
2. *Gaming Fund Group, Inc. and Game Source, LLC will provide a copy of the reconveyance to the Commission and Bureau when S&S Gaming, Inc. has repaid in full the loans owed to Gaming Fund Group, Inc. and Game Source, LLC.*
3. *Any future involvement between Gaming Fund Group, Inc. and James Aiello's or TAJA Enterprises or any other gaming business relationship with James Aiello be approved in advance by the Commission.*
4. *Gaming Fund Group, Inc. shall not allow TAJA Enterprises to have any influence or control over Gaming Fund Group, Inc. operations.*
5. *Any further negotiations by Gaming Fund Group, Inc. with TAJA Enterprises shall be conducted with Tom Artle or whoever is the managing member of TAJA Enterprises, and not involve James Aiello in any manner.*

### Conditions on Game Source, LLC's Endorsement:

1. *Game Source, LLC shall submit to the Commission and Bureau quarterly reports of investor holding within 30 days of the end of each quarter. The Commission reserves the right to request documentation regarding any additional investments based on these quarterly reports.*
  2. *Tony Pourmohamad shall submit to the Commission evidence of quarterly payments made to repay the promissory note between himself and Houshang Pourmohamad with 15 days of payment.*
  3. *No Game Source, LLC member shall accept any loans or monetary gifts from Houshang and Marilyn Pourmohamad for the purpose of increasing their investment in Game Source, LLC.*
12. Applications for Approval of Renewal of Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.5):

A. Casinfo, LLC:

Casinfo, Inc., Affiliate  
Gary Kuipers, President, Owner  
Pilar Davalos-Lince, Secretary, Treasurer,  
Owner

### Comments Received From:

Gary Kuipers

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### Action:

Upon motion of Commissioner Schuetz, 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 renewal of Finding of Suitability as a Gaming Resource Supplier for the period of October 1, 2012 through September 30, 2014, and removal of the existing conditions noted below:

- 1) *No later than April 15, 2012, a set of financial statements shall be prepared by a licensed independent Certified Public Accountant and presented to the Bureau and Commission for the year ended December 31, 2011, and all backup supporting documentation must be made available for review upon request.*
- 2) *Upon a Finding of Suitability, documentation submitted by Casinfo, LLC as evidence of a transaction's propriety shall consist of original, third party documents and invoices.*
- 3) *All new and future contracts and agreements, including verbal, must be formalized in writing.*
- 4) *No later than April 15, 2012, provide details in writing of all ongoing verbal contracts and agreements.*

B. GameTech International, Inc.:

Scott Shackelton, Director  
Andrew Robinson, Chief Financial Officer,  
Treasurer and Senior Vice President  
Donald Whitaker, Director  
Richard Fedor, Sr., Shareholder

### Comments Made From:

Patrick Crawford

Norm Pierce, Bureau of Gambling Control

Robert Burgess, Bureau of Gambling Control (via telephone)

### 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 Finding of Suitability for a 90-day period. The extension is valid through December 31, 2013.

### 13. Review and Consideration of Approval of Technical Standards Submitted by San Manuel Gaming Commission (Pursuant to Tribal State Gaming Compact section 7.5(a)(ii))

### Comments Received From:

Norman Des Rosiers

### Action:

Upon motion of Commissioner Conklin, seconded by Chairperson Shimazu and carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, and Hammond voting yes, and Commissioner Schuetz voting no, the Commission

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approved the Technical Standards submitted by San Manuel Gaming Commission with the name change from California Technical Standards to San Manuel Technical Standards.

**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.)*

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

- |                        |                    |
|------------------------|--------------------|
| A. Napa Valley Casino: | Tai Nguyen         |
| B. Oceana Cardroom:    | Arthur Castro, Jr. |

**15. Applications for Approval of Renewal Work Permit (Pursuant to Business and Professions Code section 19912):**

- |                                    |                  |                |
|------------------------------------|------------------|----------------|
| A. Empire Sportsmen's Association: | Lucy You         |                |
| B. Lake Bowl Card Room:            | Sandy Kasinowicz |                |
| C. Merced Poker Room:              | Sor Xiong        |                |
| D. Napa Valley Casino:             | Randall Kirkwood | Jing Jing Li   |
| E. Oceana Cardroom:                | Stephan Sowell   |                |
| F. Outlaws Card Parlour:           | Seakngim Song    |                |
| G. Poker Flats Casino:             | Martin Espinoza  |                |
| H. The 101 Casino:                 | Sheree Kelly     | Barry Mok      |
|                                    | Somboune Singkeo | Marie Stafford |
|                                    | Lei Xie          |                |
| I. Towers Casino:                  | Rodney Lewis     | Steven Milani  |
|                                    | Anthony Minasian | Patricia Unger |
| J. Ven-A-Mexico:                   | Maria Esparza    |                |

**16. Applications 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):**

- |                             |              |
|-----------------------------|--------------|
| A. Gaming Fund Group, Inc.: |              |
| Supervisor:                 | Raymond Lee  |
| Player:                     | Shui Chow    |
| B. PT Gaming, LLC:          |              |
| Player:                     | Hugo Serrano |

**17. 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. Agua Caliente Casino Resort Spa – Agua Caliente Band of Cahuilla Indians: |                   |
| Robert Cain  | Fernando Martinez |
| B. Barona Resort and Casino – Barona Band of Mission Indians:                |                   |
| Bruce Lowder   |                   |
| C. Bear River Casino – Bear River Band of the Rohnerville Rancheria:         |                   |
| Rachel Mason   | Jena Miyata       |
|  | Loren Pelley      |

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- D. Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:  
Robert Morales
- E. Cache Creek Casino Resort – Yocha Dehe Wintun Nation:  
Phillip Baiz Ty Hang Edgardo Mercado  
Vasosen Phommachack Maihoua Thao
- F. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:  
Jeffrey Bateman Connie Bessinger Maria Chia
- G. Coyote Valley Casino – Coyote Valley Reservation:  
Daniel Crouch Randal Gamble
- H. Fantasy Springs Resort Casino – Cabazon Band of Mission Indians:  
Carrie Hopkins Francisco Olmeda
- I. Harrah's Rincon Casino & Resort – Rincon Band of Luiseno Indians:  
Brian Lewis
- J. Jackson Rancheria Casino & Hotel – Jackson Rancheria Band of Miwok Indians:  
Randall Holland Colleen McCarthy
- K. Konocti Vista Casino – Big Valley Band of Pomo Indians of the Big Valley Rancheria:  
Raul Rojas
- L. La Posta Casino – La Posta Band of Diegueno Mission Indians of the La Posta Indian Reservation:  
Brian Laatz
- M. Mono Wind Casino – Big Sandy Rancheria Band of Western Mono Indians of California:  
Krystle Hare
- N. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:  
Adam Feliciano Nalin Shukla
- O. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:  
Jennifer Sims
- P. Red Hawk Casino – Shingle Springs Band of Miwok Indians:  
Nadja Grimes
- Q. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:  
Della Barker Jorge Gutierrez Tanya Lopez  
Ana Ramirez Aaron Want
- R. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission Indians of the San Manuel Reservation:  
Robert Baptista Jr.
- S. Soboba Casino – Soboba Band of Luiseno Indians:  
Rebecca Bucholzer Amanda Weaver
- T. Spotlight 29 Casino – Twenty-Nine Palms Band of Mission Indians:  
Anthony  
Dimatulac
- U. Sycuan Casino & Resort – Sycuan Band of the Kumeyaay Nation:  
Kevin Lang
- V. Table Mountain Casino – Table Mountain Rancheria:

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- Anne Do                      Roman Reyes                      Jalani Simon  
W. Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:  
    Nancy Cervantes      Peggy Edwards  
X. Twin Pine Casino & Hotel – Middletown Rancheria Band of Pomo Indians:  
    Austen Dow

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

- A. Augustine Casino – Augustine Band of Cahuilla Mission Indians:  
    Marty Heathershaw  
B. Cache Creek Casino Resort – Yocha Dehe Wintun Nation:  
    Laurence Cellucci              Path Reach              Aaron Simmons  
    Randall Takemoto              Alvin Zayas  
C. Casino Pauma – Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation:  
    Hong Bui  
D. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:  
    Jerry Lee                      Joseph Shafer  
E. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:  
    William Christen              Philip Degenhart              Gail Garcia  
    Norman Hays              Maudia Henderson              David Lake  
    Steven Salazar              Guadalupe Seja              Benjamin Zitello  
F. Colusa Casino Resort – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:  
    Ivan Paniagua  
G. Desert Rose Casino – Alturas Rancheria:  
    Deborah Reynolds  
H. Jackson Rancheria Casino & Hotel – Jackson Rancheria Band of Miwok Indians:  
    Deborah Ruggles      John Turney  
I. Red Hawk Casino – Shingle Springs Band of Miwok Indians:  
    William Banta              Anna Dybiec              Mark Goodwin  
    Kenneth Kallman  
J. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission Indians of the San Manuel Reservation:  
    Javier Amaya              Otis Andrews              David Collins  
    Christopher Fowler              DeShawn Holloway              Ruben Lechuga  
    Tara Magee              Paul Martinez              Tommy Nguyen  
    Tracey Ramos              Stephen Rodriguez              Alisa Winston  
    Warren Yang  
K. Soboba Casino – Soboba Band of Luiseno Indians:  
    Sherry Harbour              Arturo Loza  
L. Spotlight 29 Casino – Twenty-Nine Palms Band of Mission Indians:  
    Jonimar Davis              Rosa Esparza  
M. Sycuan Casino & Resort – Sycuan Band of the Kumeyaay Nation:  
    Robert Bulster              Tramaine Cooper              Rene De Ocampo  
    Roger Hagoriles              Louella Kesling              Milagros Logan

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Trung Phan  
Terri Wild

Wendy Reeve

Marilou Tonnaer

N. Table Mountain Casino – Table Mountain Rancheria:

Joshua Logan Jimmy Yang

O. Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:

Putheavy Hunt Chy Keomanivong

P. Win-River Casino – Redding Rancheria:

Michael Barnes Christopher DeCamp

Action:

Upon motion of Commissioner Hammond, seconded by Chairperson Shimazu and carried in a vote by roll call with Chairperson Shimazu and Commissioners Hammond and Schuetz voting yes with Commissioner Conklin absent for the vote, the Commission approved Consent Calendar items 14 through 18.

**PUBLIC COMMENT:**

None.

**CLOSED SESSION: 12:40 p.m.**

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)
- H. *Yavapai-Apache Nation v. Iipay Nation of Santa Ysabel*, Sacramento County Superior Court, Case No. 34-2012-001197 27
- I. *In Re: Santa Ysabel Resort and Casino*, United States Bankruptcy Court, Southern District of California, Bankruptcy No. 12-09415-PB11.
- J. *Iipay Nation of Santa Ysabel v. California Gambling Control Commission*, U.S. Dist. Court, S.D. California (12CV1876BENRBB).

**RECONVENE TO OPEN SESSION: 12:45 p.m.**

Chairperson Shimazu reported that in closed session the Commissioners received an update on Item J and no action was taken.

**PUBLIC COMMENT:**

None.

**ADJOURNMENT:**

Chairperson Shimazu adjourned the Commission Meeting at 12:46 p.m.