

California Gambling Control Commission
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**MINUTES OF OCTOBER 11, 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 and Richard Schuetz present. Commissioner Lauren Hammond was not present.

Chairperson Shimazu welcomed and introduced both Wayne Quint, Jr., newly appointed Bureau Chief of the Bureau of Gambling Control and Stacey Luna-Baxter, new Assistant Bureau Chief of the Bureau of Gambling Control. Chairperson Shimazu also thanked Marty Horan, Assistant Bureau Chief, Bureau of Gambling Control for his service as Acting Bureau Chief.

3. Approval of Commission Meeting Minutes for:
 - A. September 6, 2012
 - B. September 13, 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 and Schuetz voting yes, the Commission approved the meeting minutes for the September 6, 2012 and September 13, 2012 Commission Meetings.

By concurrence of the Commissioners, Item No. 9.A, California Gaming Consultants – Hong Lu – was removed from the Agenda as he is no longer employed with the company. Item No. 15.K, Pala Casino Spa Resort – Carol Burke – was continued to a future Commission Meeting.

4. Approval to Amend Condition(s) on State Gambling License (Pursuant to Business and Professions Code section 19824(b)):

Casino M8trix: Garden City, Inc.
Eric Swallow, CFO, Secretary, Shareholder
Lunardi Family Living Trust, Shareholder
Peter Lunardi, CEO, Trustee
Jeanine Lunardi, Trustee

Comments Received From:

Bob Lytle

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 and Schuetz voting yes, the Commission approved the update to the state gambling license of Garden City, Inc., dba Casino M8trix to reflect the state and local conditions as noted below:

Existing Conditions:

- 1) *The owners shall abide by the conditions 1-15 placed on the locally issued individual stockholder license.*
- 2) *Prior to the issuance of a State Gambling License certificate, approval must be obtained from the local jurisdiction for the city required gaming licenses and cardroom permits.*
- 3) *Controlled gaming on the 8th floor is not authorized until specifically approved by the local jurisdiction and upon written notification from the Bureau of Gambling Control to the Commission that the cardroom is in compliance with all applicable regulations.*

Removed Condition:

Prior to the issuance of a State Gambling License certificate, approval must be obtained from the local jurisdiction for the city required gaming licenses and cardroom permits.

Modified Condition/Retained Condition:

- 1) *The owners shall abide by all the conditions on the individual stockholder license(s) and landowner license as issued by the local jurisdiction.*
- 2) *Controlled gaming on the 8th floor is not authorized until specifically approved by the local jurisdiction and upon written notification from the Bureau of Gambling Control to the Commission that the cardroom is in compliance with all applicable regulations.*

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5. Request to Surrender State Gambling License (Pursuant to California Code of Regulations, Title 4, section 12347):

Royal Flush Casino: Adolfo Martinez, Sole Proprietor

Comments Received From:

Adolfo Martinez (via telephone)

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 and Schuetz voting yes, the Commission approved to accept the surrender of the state gambling license for Royal Flush Casino effective October 11, 2012.

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

Palomar Card Club: A General Partnership
Donald Staats, Partner
Susan Staats, Partner

Comments Made From:

Audra Opdyke, Bureau of Gambling Control

Marty Horan, Bureau of Gambling Control

Keith Sharp

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 and Schuetz voting yes, the Commission approved the application for 2 additional permanent tables for the Palomar Card Club resulting in a total of 11 authorized permanent tables.

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

A. David Levine

B. Barbara Stout

Comments Received From:

Audra Opdyke, Bureau of Gambling Control

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 and Schuetz voting yes, the Commission approved the initial key employee applications valid through October 31, 2013.

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

A. Scott Fiedler

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 and Schuetz voting yes, the Commission approved the renewal key employee application for Scott Fiedler valid through October 31, 2014.

B. Su Kim

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 and Schuetz voting yes, the Commission approved the renewal key employee application for Su Kim valid through October 31, 2014 with the existing condition as modified below:

Existing Condition:

Beginning May 1, 2012, and every 90 days thereafter, Ms. Kim must submit to the California Gambling Control Commission, a written update on the status of the outstanding balance owed to CitiFinancial.

Modified Condition:

Beginning November 1, 2012, and every 90 days thereafter, Ms. Kim must submit to the Bureau of Gambling Control, a written update on the status of the outstanding balance owed to CitiFinancial/Midland MCM.

9. Applications for Approval of Conversion of Third-Party Providers of Proposition Player Services /Gambling Business Supervisor/Player Registrations to Licenses (Pursuant to Business and Professions Code section 19984 and CCR, Title 4, sections 12218 and 12233):

A. California Gaming Consultants:

Players: Brennan Jones Hong Lu - **Removed**

B. PT Gaming, LLC:

Player: Sabrina Harfouche

Supervisor: James Phan

C. Pacific Gaming Services, LLC:

Supervisor: Thamer Gorgees

D. Qualified Player Services, LLC:

Player: Priscilla Francia

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 and Schuetz voting yes, the Commission approved the conversion applications valid through October 31, 2014.

10. Consideration and Adoption of Modified Regulation Text to Address Partial Disapproval by the Office of Administrative Law, OAL File No. 2012-0731-02 S: Minimum Internal Control Standards (MICS) for Gambling Establishments – Gambling Floor Operations and House Rules (Amend Title 4, CCR, Section 12391(a)(2))

Action:

Upon motion of Commissioner Conklin, seconded by Chairperson Shimazu and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin and Schuetz voting yes, the Commission approved the adoption of and filing with the Office of Administrative Law the modified text of section 12391 (a)(2), subject to there being no substantive comments received during the required 15-day written comment period; and delegated to the Chairperson and Executive Director the authority to determine whether any 15-day comment is substantive.

CONSENT CALENDAR ITEMS:

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

- A. Robert McCaullay
- B. Kristen Salisbury
- C. John Silveira
- D. Johnny Soto
- E. Deborah Welch
- F. Ramy Zakaria

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

- A. Nineteenth Hole: Curt Mieczkowski
- B. Sundowner Cardroom: Virath Kiaosouvath
- C. The 101 Casino: Florena Chavez Adam Kelly Alan Scott
Larry Rawson Stanley Xenos Carol Yee

13. Applications for Approval of Renewal of Third Party Providers of Proposition Player Services/Gambling Business Supervisor/Player Licenses (Pursuant to Business and Professions Code section 19984 and CCR, Title 4, sections 12218.8 and 12238):

- A. Pacific Gaming Services, LLC:
Player: Donna McCloud
- B. PT Gaming, LLC:
Players: Alexander Chen Ryan Huntington Lai Lin
Tian Shou Yin

14. 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:
Frances Peoples

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- B. Cher-Ae-Heights Casino – Cher-Ae-Heights Indian Community of the Trinidad Rancheria:
Deon Metzger
- C. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
Nicole Nichols
- D. Harrah's Rincon Casino & Resort – Rincon Band of Luiseno Indians:
Revan Jebrail
- E. Konocti Vista Casino – Big Valley Band of Pomo Indians of the Big Valley Rancheria:
Aaron Borba Steven Young-Fisher
- F. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Roger Clemens
- G. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission Indians of the San Manuel Reservation:
Anna Nip
- H. Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:
Katie Day Cynthia Donez Markliviem Espiritu
Joaquin Garcia Jr. Rickelle Stockton

15. 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. Agua Caliente Casino Resort Spa – Agua Caliente Band of Cahuilla Indians:
Janet Agbayani Leslie Bingham Warren Chard II
David DeLaFuente William Duke Mayra Fernandez
Elizabeth Gonzales Max Ross Michael Russ
Lisa Stepp Deanna Stevens Michael Wohlenberg
Gene Yang
- B. Augustine Casino – Augustine Band of Cahuilla Mission Indians:
Janette Kelley Chris Seiple
- C. Blue Lake Casino and Hotel – Blue Lake Rancheria:
Spencer Leebolt
- D. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
Ignacio Nevarez Roberto Roldan Jr. Jasson Schwettman
- E. Diamond Mountain Casino and Hotel – Susanville Indian Reservation:
Jacob Fogal
- F. Feather Falls Casino & Lodge – Mooretown Rancheria of Maidu Indians:
Ronald Cody
- G. Harrah's Rincon Casino & Resort – Rincon Band of Luiseno Indians:
Lisa Arellano Judy Smith
- H. Jackson Rancheria Casino & Hotel – Jackson Rancheria Band of Miwuk Indians:
Donald Brown Jr. Marianne Fussell Marty Goldman
David Memmer Sonja Tul
- I. Lucky Bear Casino – Hoopa Valley Tribe:

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- Tyson Dempewolf
- J. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:
Duane Sansome
- K. Pala Casino Spa Resort – Pala Band of Mission Indians:
Carolyn Burke - Continued Savo Kikanovic Denise Montoya
Rupertson Robles
- L. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Josefina Bautista Paul Carranza Jr. Rolimar Castilian
Michael Coltharp Huseyin Dincer Salina Dong
Shawn Driscoll Deborah Greco John Hyllested
David Kao Phuong Khounphithack John Lindholm
Maria Lischin Nancy Martin Fructuoso Parel III
Cynthia Pina Valerie Pinocci Charles Rich
Dolores Silva Noor Sultani
- M. Red Earth Casino – Torres-Martinez Band of Cahuilla Mission Indians:
Nader Alaraj Roland Dannenhauer Wayne Wallace
- N. Red Hawk Casino – Shingle Springs Band of Miwok Indians:
Justin Cody Christopher Mouton Marylou Patterson
- O. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:
Michael Galluzzi George Rojas Renee Schinkowsky
- P. Sherwood Valley Rancheria Casino – Sherwood Valley Rancheria of Pomo Indians of California:
Joyce Crader Bambi Eubanks
- Q. Soboba Casino – Soboba Band of Luiseno Indians:
Kimberly Jiron Kari McCracken Mark Switzer
Donald White Dawn Zurcher
- R. Table Mountain Casino – Table Mountain Rancheria:
Seuythavinh Lokeomanivong Christa Regier Michael Smith
- S. Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:
Melissa Monroy Toud Saechao Mai Xiong
- T. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria:
Barbara Clark-Hazel Daniel Ernst Gerald Glenn
Brian Hughes Mitchell Kornfield George Ninh
Ann Peer May Saelee Ouko Saeteun
Linda Saevang
- U. Twin Pine Casino & Hotel – Middletown Rancheria Band of Pomo Indians:
Susan Knowles Sheryl Messer-Jones
- V. Viejas Casino – Viejas Band of Kumeyaay Indians:
Traci Allen Habib George Susan Kampmueller
Cynthia Sottero Nick Thieng
- W. Win-River Casino – Redding Rancheria:
Richard Villapudua

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 and Schuetz voting yes, the Commission approved Consent Calendar items 11 through 15.

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)
 - 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).

PUBLIC COMMENT:

None.

ADJOURNMENT:

Chairperson Shimazu adjourned the Commission Meeting at 10:30 a.m.