

**California Gambling Control Commission**  
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**MINUTES OF NOVEMBER 8, 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:  
October 11, 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 meeting minutes for the October 11, 2012 Commission Meeting.

By concurrence of the Commissioners, agenda Item No. 5 was taken out of order and heard before Item No. 4.

5. Request for Approval of Transfer of Shares (Pursuant to Business and Professions Code section 19892):

Ocean's Eleven Casino:

Ocean's Eleven Casino, a General Partnership  
Ocean's 11 Casino, Inc., Partner  
Walter Lack, Shareholder (Transferor)  
Haig Kelegian, Sr., Shareholder (Transferee)  
Mark Kelegian, Shareholder (Transferee)

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 Purchase Agreement to facilitate the transfer of shares within Ocean's 11 Casino, Inc. from Walter Lack to Haig Kelegian, Sr. and Mark Kelegian.

4. Request for Approval to Remove Condition(s) from State Gambling License (Pursuant to Business and Professions Code section 19824(b)):

Diamond Jim's Casino:                      Wizard Gaming, Inc.  
    Zephyr Inter Vivos Trust  
    George Hardie, Jr., Beneficiary

Prior to discussion of this item, Commissioner Schuetz recused himself from deliberations of this matter and left the room during the entire discussion.

Comments Received From:

Tracey Buck-Walsh  
David Bass  
Nicholas Van-Brunt  
George Hardie, Sr.  
George Hardie, Jr. (via telephone)

Action:

Upon motion of Commissioner Hammond, 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 recused, the Commission removed the following conditions from George Hardie, Jr.'s state gambling license:

*Mr. Hardie, Jr. will have no significant input, influence, or control over any aspect of the business or affairs of the gambling establishment including, but not limited to, the following:*

- 1. Mr. Hardie Jr. shall not review documents relating to the gambling establishment and its operations.*
- 2. Mr. Hardie Jr. shall have no input on contracts relating to the gambling establishment.*
- 3. Mr. Hardie Jr. shall not make or have input on personnel decisions relating to the gambling establishment.*
- 4. Mr. Hardie Jr. shall not have input on the termination or appointment of Wizard Gaming, Inc.'s directors or officers.*

*Notwithstanding anything to the contrary in the conditions of March 26, 2009, and, consistent with the condition imposed on January 27, 2011, provided that Mr. Hardie, Jr. will not have any direct input or involvement in the management of Wizard Gaming, Inc. ("Wizard"), Mr. Hardie, Jr. is not prohibited by these conditions from discussing with Trustee of the Zephyr Inter Vivos Trust (Trust), Joseph Etienne ("Mr. Etienne"), issues necessary to the representation of the Trust and/or Mr. Hardie Jr.'s interest in mediation arising out of a dispute involving Wizard.*

5. Request for Approval of Transfer of Shares (Pursuant to Business and Professions Code section 19892):

Ocean's Eleven Casino:

Ocean's Eleven Casino, a General Partnership  
Ocean's 11 Casino, Inc., Partner  
Walter Lack, Shareholder (Transferor)  
Haig Kelegian, Sr., Shareholder (Transferee)  
Mark Kelegian, Shareholder (Transferee)

(This item was heard before Item 4).

6. 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. Jeremy Cancio

Comments Received From:

Elijah Zuniga

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 key employee application through May 31, 2013 with the condition noted below:

*Beginning December 1, 2012, and every 90 days thereafter, Mr. Cancio must submit to the Bureau of Gambling Control a written update showing proof of any payments and negotiations for the accounts in collections and charge off status.*

B. Evan Dango

By concurrence of the Commissioners, this item was continued to a future Commission Meeting in order to ensure his attendance.

C. Daniel Evans

Through August 31, 2013.

D. Hovannes Guzelian

Through October 31, 2013.

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 key employee applications for items 6.C. and 6.D.

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

By concurrence of the Commissioners, this item was postponed to be heard following Item 10.

8. Request for Approval to Withdraw Application for Key Employee Portable Personal License(Pursuant to Business and Professions Code section 19869):  
Metin Lus

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 request to withdraw the key employee license application for Metin Lus, **without prejudice**.

9. Application for Approval of Initial Work Permit (Pursuant to Business and Professions Code section 19912):  
Nineteenth Hole: John Donellan, Jr.

Comments Received From:  
John Donellan, Jr.

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 initial work permit through October 31, 2013.

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

CB Certified Banker, Inc.: Tam Luu, President, Secretary, Treasurer, Shareholder and Director

Comments Received From:  
Keith Sharp  
Tam Luu

Action:

Upon motion of Chairperson Shimazu, seconded by Commissioner Conklin 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 approved the renewal license application valid through September 30, 2014 with conditions noted below:

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- 1) *No later than January 1, 2013, Licensee shall provide the Bureau with a plan or explanation of how CB Certified Banker, Inc. will ensure that potential employees or new hires that have not received their Third Party Proposition Player Services or Gambling Business badges will be precluded from entered the gaming floor.*
- 2) *Beginning with the January 2013 through March 2013 quarter, Licensee shall provide quarterly reports to the Bureau within 15 days of the quarter-ending. The quarterly reports should include:*
  - *A listing of any training provided to CB Certified Banker, Inc.'s employees on compliance and gaming laws and regulations, including the names of attendees, dates of training, and any materials used.*
  - *A copy of the current compliance checklist used by the outside compliance expert retained by CB Certified Banker, Inc., including the dates and locations on which the checklist was used by the expert.*
  - *A summary of the complete findings and observations of any reports prepared by the outside compliance expert retained by CB Certified Banker, Inc.*
  - *A summary of any corrective actions taken by Licensee in response to any findings of the outside compliance expert retained by CB Certified Banker, Inc.*
- 3) *Licensee shall submit requests for payment of annual fees on an installment basis timely in order for the requests to be considered. Any requests received after the deadline will not be granted. Furthermore, untimely installment payments will result in the loss of the payment plan privilege*
7. Application for Approval of Renewal Key Employee Portable Personal License (Pursuant to Business and Professions Code section 19854 and CCR, Title 4, section 12351):  
Hyuk Sung

Comments Received From:  
Hyuk Sung (via telephone)

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 renewal key employee application through November 30, 2014 continuing with the existing condition as amended and noted below:

**Amended Condition:**

*Beginning January 1, 2013, and every 180 days thereafter, Mr. Sung must submit to the Bureau of Gambling Control a written update concerning outstanding delinquent credit accounts, and the repayment of financial obligations owed to the Internal Revenue Service and Franchise Tax Board.*

11. Application 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):

Mega Gaming, LLC:

Supervisor: Vay Si San

Comments Received From:

Norm Pierce, Bureau of Gambling Control  
Vay Si San

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 conversion application through November 30, 2014.

12. Application 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):

Meczka Marketing/Research/Consulting, Inc.:

Michael Meczka, President, Chief  
Executive Officer, Director and  
Sole Shareholder

Dona Browne, Vice President, Chief  
Financial Officer, Treasurer and  
Corporate Secretary

Comments Received From:

Norm Pierce, Bureau of Gambling Control

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 Meczka Marketing/Research/Consulting, Inc. and its principals, for the period of December 1, 2012 through November 30, 2014.

13. 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. Paiute Palace Casino - Bishop Paiute Tribe:

William MacDonald

Comments Received From:

William MacDonald

Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and

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Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the finding of suitability application through May 27, 2013.

B. Picayune Rancheria of Chukchansi Indians of California:  
Dilene Jackson

Comments Received From:  
Dilene Jackson

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 denied the finding of suitability application for Ms. Jackson.

C. Sho-Ka-Wah Casino - Hopland Band of Pomo Indians:  
John O'Neill

Comments Received From:  
John O'Neill

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 finding of suitability application through February 16, 2014.

### **CONSENT CALENDAR ITEMS:**

#### **14. 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. Gus Ayashi	M. Brenda Hill
B. Michael Bianchino	N. Richard Hunt
C. Ernest Carreira	O. Camille Johnson
D. Thomas Chiang	P. Gary Kobayashi
E. Rick Covello	Q. Peter Lydon
F. Richard Danisi	R. Robert Riley
G. Minoo Etesami	S. Ron Sarabi
H. Nicholas Ferrente	T. Richard Tilley
I. Rebecca Gray	U. Robert Velasquez
J. Nancy Grout	V. Jenifer Walker
K. Hadi Hadj-Atri	W. Marc Weinreich
L. Phillip Hewitt	

#### **15. Application for Approval of Initial Work Permit (Pursuant to Business and Professions Code section 19912):**

Napa Valley Casino: William Marsden

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

A. Napa Valley Casino:	Vernita Mabingnay	Renato Racela	Teresa Vandal
B. The 101 Casino:	Laura Burgess	William Mey	Simon Sun
C. Towers Casino:	Angie Salveson	Jamie Williams	

17. 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. Pacific Gaming Services, LLC:		
Supervisor:	Mostafa Nematbakhsh	
B. PT Gaming, LLC:		
Supervisors:	Jon-Paul Barbier	Michael Hartley
	Jorge Melendez Gomez	
Players:	Tito Mancera, Jr.	Nicole Marino
	Jazmin Murillo	Munirath Prum
	Lon Saechao	Sha Song

18. 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:
  - Ralph Kato
  - Domenic Mancini
  - Shyenne Samor
- B. Barona Resort and Casino – Barona Band of Mission Indians:
  - Mark Aschenbrener
  - Sharon Call
  - Taylor Darnall
  - Eric Gardiola
  - Johnnie Ramirez
- C. Cache Creek Casino Resort – Yocha Dehe Wintun Nation:
  - Vanessa Azevedo
  - Priscilla Bagalay
  - Resa Prum
  - Lo Saevang
  - Chitra Shrestha
  - Susan Thompson
  - Maybelyn Villagonzalo
- D. Coyote Valley Casino – Coyote Valley Reservation:
  - Victoria Large
  - Pedro Mendoza
  - Peggi Mitchell
  - Maria Rodriguez
- E. Elk Valley Casino – Elk Valley Rancheria:
  - Deirdre McGray
- F. Fantasy Springs Resort Casino – Cabazon Band of Mission Indians:
  - James Malia Jr.
- G. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:
  - John Currin III
- H. Pala Casino Spa Resort – Pala Band of Mission Indians:
  - Jarrold Stanek
- I. Quechan Casino Resort – Quechan Tribe of the Fort Yuma Indian Reservation:
  - Charles Bickel
- J. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:
  - Debra Tedeschi
- K. Sho-Ka-Wah Casino – Hopland Band of Pomo Indians:
  - Erika Alcazar
- L. Sycuan Casino & Resort – Sycuan Band of the Kumeyaay Nation:
  - Virginia Sanchez



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

Valerie Cardoza      Velia Curiel      Joylyn Hathaway  
Jeffrey Underwood

N. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria:

Michelle Roeber

O. Twin Pine Casino & Hotel – Middletown Rancheria Band of Pomo Indians:

Linda Dwillis

P. Viejas Casino – Viejas Band of Kumeyaay Indians:

Paul Murphy      Christopher Nickeson

19. 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:

William Caronna      Sophia Chang      Fernando Martinez  
Roberta Martinez      Karen Woodruff

B. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:

Armando Franco

C. Colusa Casino Resort – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:

Brianna Garcia

D. Eagle Mountain Casino – Tule River Indian Tribe of the Tule River Reservation:

Rose Gonzalez      Eric O'Neil

E. La Posta Casino – La Posta Band of Diegueno Mission Indians of the La Posta Indian Reservation:

Michael Gorczynski

F. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:

Dennis Cooper      Jason Kendrick      Roxanne Shenah  
Chou Vang

G. Pala Casino Spa Resort – Pala Band of Mission Indians:

Magda Charron      Qi Da      Mark Williamson

H. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:

Allan Aromin	Bruce Bobal	Yu Chen
Phorn Em	Linda Gonzales	Francois Grassy
Victorina Gulla	Ayman Hanna	Erik Hardcastle
Jayne Hauck	Sarah Kenyon	Cynthia Maciel
Nenita McElree	Charles Morrison	Darlene Owen
Sam Phommounivong	Lloyd Rapay	Jose Sanchez
Shiela Sardilla	Angela Spillman	George Vaughter Jr.
Susan Wilkinson	Wai Wong	

I. Red Hawk Casino – Shingle Springs Band of Miwok Indians:

Iwona Castro

J. Soboba Casino – Soboba Band of Luiseno Indians:

Jeffrey Campbell      Jason Cozart

K. Table Mountain Casino – Table Mountain Rancheria:

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Michael Garcia

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

Uriel Guerra                      Khamthong Sophabmixay

- M. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria:

Mae Cooley	Donald Davis	Thomas Dean
Julio Mayhew	Tung Nguyen	Gerrit Ongers
Steve Saechao	Youngmi Seo	Wayne Woods

- N. Viejas Casino – Viejas Band of Kumeyaay Indians:  
Robert McCowin

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 Consent Calendar items 14 through 19.

**CLOSED SESSION: 12:06 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).
  - K. *Richard Jonathan Scott v. California Gambling Control Commission*, Sacramento County Superior Court (34-2012-80001292)

**RECONVENE TO OPEN SESSION: 1:01 p.m.**

Chairperson Shimazu reported that in closed session, discussion ensued for Item 1.E. and 1.K and guidance was provided to Counsel and no formal action was taken by the Commissioners.

**PUBLIC COMMENT:**

None.

**ADJOURNMENT:**

Chairperson Shimazu adjourned the Commission Meeting at 1:02 p.m.