

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 JANUARY 24, 2013
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairman Lopes 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 Chairman Richard Lopes and Commissioners Tiffany Conklin, Lauren Hammond and Richard Schuetz present.

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

A. Diamond Jim's Casino: Wizard Gaming, Inc.

Prior to discussion of this item, Commissioner Schuetz provided an explanation regarding his previous recusal of deliberations concerning Diamond Jim's Casino heard at the November 8, 2012 Commission Meeting and basis for his decision to not recuse himself from the current matter pertaining to Diamond Jim's Casino.

Comments Received From:

David Bass

Audra Opdyke, Bureau of Gambling Control

Public Comment:

Joseph Etienne

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal state gambling license application for the licensure period February 1, 2013 through January 31, 2015 continuing with the existing condition as amended and noted below:

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Amended Condition:

Wizard Gaming, Inc. shall provide the Bureau of Gambling Control with a written report every 120 days regarding its efforts to resolve all outstanding disputes among the licensees and demonstrates a plan of action to operate Diamond Jim's in a manner which complies with the Gambling Control Act.

B. S & K Cardroom:

Otho Smith, Sole Proprietor

Comments Received From:

Otho Smith, via telephone

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal state gambling license application through January 31, 2015 with the condition as noted below:

Prior to opening for business Mr. Otho Smith, owner-licensee of S & K Cardroom, must submit the following documentation to the Bureau:

Cardroom Supplemental Information for State Gambling License Rev. 4/08 (BGC-APP-015C) reflecting the new address of the gambling establishment, copy of the business license issued by the City of Eureka, written approval of the Patron Safety and Security Plan from the City of Eureka Chief of Police, and a complete Emergency and Evacuation Plan, including approval from the responsible local authority.

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

A. John Buys

Comments Received From:

John Buys

Stacey Luna-Baxter, Bureau of Gambling Control

With concurrence of the Commissioners, this item was extended for a 60-day period to allow the Bureau of Gambling Control to provide additional information to the Commission with respect to the circumstances associated with the criminal history of Mr. Buys.

B. Glenn Lew

Comments Received From:

Glenn Lew

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Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the initial key employee application through August 31, 2013.

5. Application for Approval of Renewal of Third Party Provider of Proposition Services/Gambling Business Licenses (Pursuant to Business and Professions Code section 19984; CCR, Title 4, sections 12218.8 and 12238):

Certified Players, Inc.: Phillip H. LeBlanc and Patricia Ann LeBlanc
Revocable Living Trust, Shareholder
Patricia LeBlanc, President, Secretary, Treasurer,
Second Trustee and Beneficiary
Phillip LeBlanc, First Trustee and Beneficiary
Michael LeBlanc, Shareholder

Comments Received From:

Patricia LeBlanc
Michael LeBlanc, via telephone
Stacey Luna-Baxter, Bureau of Gambling Control

Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal third party proposition player services applications for the remainder of their regular licensure period valid through October 31, 2014.

6. 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; CCR, Title 4, sections 12218 and 12233):

PT Gaming, LLC:
Players: Allan Ly Valencia McCraw Kevin Murry
Edwina Springfield

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the conversion applications for PT Gaming, LLC players valid through January 31, 2015.

7. 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):

TCS John Huxley America, Inc.

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Comments Received From:

Mariel Giletto, via telephone

Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal of Finding of Suitability as a Gaming Resource Supplier for TCS John Huxley America, Inc. and its principals, for the period of February 1, 2013 through January 31, 2015.

8. Request for Approval to Withdraw Application of Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Pursuant to Business and Professions Code section 19869):

Cadillac Jack, Inc.

Comments Received From:

John Maloney

Harlan Goodson

Stacey Luna-Baxter, Bureau of Gambling Control

Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Conklin and carried in a vote by roll call with Chairman Lopes and Commissioners Conklin and Schuetz voting yes and Commissioner Hammond abstaining, the Commission took the following action:

1. Cadillac Jack, Inc. – No action taken as the request to withdraw was rescinded.
2. Nailsea Holdings, Inc. – Approved the request to withdraw **without prejudice**.
3. Smart Games Hungary Kft – Approved the request to withdraw **without prejudice**.
4. Cadillac Jack Holding LLC – Approved the request to withdraw **without prejudice**.
5. CJ Holding LLC – Approved the request to withdraw **without prejudice**.
6. Oleg Boyko - Approved the request to withdraw **without prejudice**.
7. Eugene Chayevsky - Approved the request to withdraw **without prejudice**.
8. Gregg Schatzmann – Approved the request to withdraw **without prejudice**.
9. Serguei Kouzmine - Approved the request to withdraw **without prejudice**.

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

A. Leon Bernardi

Comments Received From:

Leon Bernardi

James Parker, Bureau of Gambling Control

Action:

Upon motion of Chairman Lopes, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission extended the renewal key employee license for a 90-day period to allow the Bureau of Gambling Control's Compliance and Enforcement Section (CES) to complete its investigation regarding Mr. Bernardi's employment history and to monitor ongoing litigation between Mr. Bernardi and his previous employer Club One Casino.

B. Frank Calamia

Comments Received From:

Stacey Luna-Baxter, Bureau of Gambling Control

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal key employee application through January 31, 2015.

C. David Simon

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal key employee application for the licensure period of February 1, 2013 through January 31, 2015 continuing with the existing condition as amended and noted below:

Amended Condition:

Beginning February 1, 2013, and every 180 days thereafter, Mr. Simon must submit to the Bureau of Gambling Control a written update concerning the issue of outstanding credit accounts currently in collection.

10. Revenue Sharing Trust Fund Final Report for Distribution to Eligible Recipient Indian Tribes for Quarter Ending December 31, 2012– Quarterly License Revenue Received and Shortfall

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the Revenue Sharing Trust Fund Distributions which include allocating but withholding distributions to the California Valley Miwok Tribe and Lipay Nation of Santa Ysabel.

11. Consideration and Approval of the Commission's 2013 Rulemaking Calendar for Publication in the California Regulatory Notice Register. (Government Code section 11017.6)

Action:

Upon motion of Commissioner Conklin, seconded by Chairman Lopes and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the Commission's 2013 Rulemaking Calendar for filing with the Office of Administrative Law and publication in the California Regulatory Notice Register.

12. Adoption of Resolution Concerning Delegation of Authority in Rulemaking (Government Code sections 11343(g), 11346.1(h), and 11347)

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the Resolution, effective January 24, 2013, delegating Chairman Richard Lopes the authority to perform rulemaking activities.

CONSENT CALENDAR ITEMS:

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

- A. Michael Bogosian
- B. Jesse Crawford
- C. Jeremy Neuman

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

The Deuce Lounge and Casino: Chris Rolbiecki

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

The 101 Casino: Nichole Bettencourt

16. 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; CCR, Title 4, sections 12218.8 and 12238):

- A. California Gaming Consultants:
 - Player: Jennifer Vinlove
- B. CB Certified Banker, Inc.:
 - Player: Joey Muniz

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- C. Gaming Fund Group Inc.:
Player: Jennifer Huynh
- D. PT Gaming, LLC:
Supervisors: Ki Hong Phong Le
Player: Leo Anthony Corpuz

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:
Eric Darancette Iwona Stallworth
- B. Augustine Casino – Augustine Band of Cahuilla Mission Indians:
Terri Bologna Carl Dipilla Alicia Michel
- C. Barona Resort and Casino – Barona Band of Mission Indians:
Jacob Arena Israel Corona Cuauhtemoc Rivera II
Brian Swanson
- D. Bear River Casino – Bear River Band of the Rohnerville Rancheria:
Lori Barcelos Justin Sanders
- E. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Clifford Chapman II
- F. Harrah's Rincon Casino & Resort – Rincon Band of Luiseno Indians:
Victoria Takahashi
- G. Lucky 7 Casino – Smith River Reservation:
Kenneth Francis Jr.
- H. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:
Eric Avila Bonnie Morris
- I. Pala Casino Spa Resort – Pala Band of Mission Indians:
Michelle Zayas
- J. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Elroy Best Donna Horne Liza O'Connor
Brian Togubat Elijah West III
- K. Quechan Casino Resort – Quechan Tribe of the Fort Yuma Indian Reservation:
Charles Escalanti Yesenia Jackson
- L. Red Hawk Casino – Shingle Springs Band of Miwok Indians:
Jennifer Emery Jeffrey Matthews Alfred Reyes
Sayfong Sayavong
- M. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission Indians of the San Manuel Reservation:
Paul Hoffman
- N. Sho-Ka-Wah Casino – Hopland Band of Pomo Indians:
Joshua Simon
- O. Sycuan Casino & Resort – Sycuan Band of the Kumeyaay Nation:
Jeffrey Bueller Nicole Martin

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- P. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria:
Jeremy Skrypek
- Q. Valley View Casino & Hotel – San Pasqual Band of Diegueno Mission Indians:
Ibzan Rivera

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. Agua Caliente Casino Resort Spa – Agua Caliente Band of Cahuilla Indians:
Kim Bond Edward Hansberry Maria Cristina Santos
Scott Sudweeks Joseph Thomas Jerry Velasquez
Blasa Wohlenberg
- B. Augustine Casino – Augustine Band of Cahuilla Mission Indians:
Oscar Garcia Leonel Posada Patricia Reyes
Sandra Rodriguez
- C. Barona Resort and Casino – Barona Band of Mission Indians:
Gabriel Kitchen Robin Liggett Robert McDonald
Michael Murphy Chinh Nguyen
- D. Bear River Casino – Bear River Band of the Rohnerville Rancheria:
Ryan McDonnell Nigel Smith
- E. Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:
Sonia Archer Pamela Bash Falisha Matheny
Joseph Ryan
- F. Casino Pauma – Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation:
Jonathan Cline Lorena Cook Richard Galvan
Michael Jochim Robert Weiser
- G. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
Trevor Davies Ben Valverde
- H. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Monica Beebe Vincent Deluna Belinda Miranda
Larry Palato
- I. Colusa Casino Resort – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:
Michael Stamps
- J. Coyote Valley Casino – Coyote Valley Reservation:
Darrell Harrison
- K. Harrah's Rincon Casino & Resort – Rincon Band of Luiseno Indians:
Revan Jebrail
- L. Jackson Rancheria Casino & Hotel – Jackson Rancheria Band of Miwuk Indians:
Gloria Adkins Carmelita Albiani Mark Encke
Gina Frias Randall Holland Lidia Judson
Carlota Lucas Robert Mackenberg Russell Montgomery

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- Leslie Nielsen Dara Pol San Saechao
Craig Swartz Donna Thompson
- M. Lucky 7 Casino – Smith River Reservation:
Diane Fournier
- N. Mono Wind Casino – Big Sandy Rancheria of Western Mono Indians of California:
Timothy Rose
- O. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:
Teresa Price Kelvin Rosson
- P. Pala Casino Spa Resort – Pala Band of Mission Indians:
Elaine Martinez Joseph Talarico
- Q. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
William Ball Richard Carmichael Suda Charusarn
Joselen Chavez Kevin Grushewsky Yvonne Hunter
Klinton Kueter Rudy Lopez Thomas Mitchell
Thu-Huong Nguyen Alona Roberts Merari Seller
- R. Quechan Casino Resort – Quechan Tribe of the Fort Yuma Indian Reservation:
William Billingsley Christopher Duran Keeny Escalanti Jr.
Peggy Jefferson Charles Montague Angel Sanchez
Kristina Sanchez Tasha Thomas
- S. Robinson Rancheria Resort & Casino – Robinson Rancheria Band of Pomo Indians:
Darlene Crabtree
- T. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission Indians of the San Manuel Reservation:
James Bagwell Setthaporn Buranahiran Sandra Cassidy
Jeffrey Durling Alfredo Guzman Kristi Hampton
Suwisa Keaotamai Manuel Reyes Rachel Woods
- U. Sho-Ka-Wah Casino – Hopland Band of Pomo Indians:
Serenity Miller
- V. Soboba Casino – Soboba Band of Luiseno Indians:
Christopher Cook John Neely
- W. Table Mountain Casino – Table Mountain Rancheria:
Oscar Salcedo
- X. Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:
Tyler Aragon Lisa McGhee Melissa Monroy
- Y. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria:
Robert Angus Michelle Ansley Consorcio Digal
John Elledge Leslie Kelly Somegnot Khanthathin
Tiffany Lam Daniel Martz Felipe Masangya
Kachreh Nava Hoa Vu Clark Wood
Sam You

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- Z. Valley View Casino & Hotel – San Pasqual Band of Diegueno Mission Indians:
Robert Anaya Anthony Kelly Guillermo Medina
Jody Warring Aaron Wright
- AA. Viejas Casino – Viejas Band of Kumeyaay Indians:
Manuel Aponte Routthy Khoun Dianne Newman

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved Consent Calendar items 13 through 18.

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. *In Re: Santa Ysabel Resort and Casino*, United States Bankruptcy Court, Southern District of California, Bankruptcy No. 12-09415-PB11.
 - I. *Iipay Nation of Santa Ysabel v. California Gambling Control Commission*, U.S. Dist. Court, S.D. California (12CV1876BENRBB).
 - J. *Richard Jonathan Scott v. California Gambling Control Commission*, Sacramento County Superior Court (34-2012-80001292)

PUBLIC COMMENT:

None.

ADJOURNMENT:

Chairman Lopes adjourned the Commission Meeting at 11:05 AM.