

**California Gambling Control Commission**  
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**MINUTES OF SEPTEMBER 11, 2013  
COMMISSION MEETING**

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**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 followed by a moment of silence in remembrance of those who lost their lives on 9/11.

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. Consideration of Request to Apply for Reinstatement of License (Business and Professions Code sections 19824 and 19963):  
Richard Jonathan Scott (Casino Chico)

Comments Received From:  
Robert McWhorter

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 voting no, the Commission approved Mr. Scott's request to apply for reinstatement of his state gambling license.

4. Request for Approval of Stock Purchase Agreement (Pursuant to Business and Professions Code section 19904):  
Gaming Fund Group, Inc.:

Gaming Fund Group, Inc.  
William Schipani, President, Secretary, Treasurer,  
Director, Shareholder (Seller)  
DC Acquisitions, Inc.  
David Chau, Shareholder (Buyer)

Comments Received From:  
Keith Sharp  
David Chau

Commission Meeting Minutes of September 11, 2013

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 Stock Purchase Agreement.

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

Club One Casino, Inc.:	Club One Acquisition Corporation Kyle Kirkland, President, Shareholder Dana Messina, Chief Financial Officer, Shareholder Haig Kelegian, Sr., Shareholder George Sarantos, Shareholder
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Comments Received From:

Kyle Kirkland  
Stacey Luna-Baxter, Bureau of Gambling Control

Public Comment:

George Sarantos  
Stephen Cornwell

No Action:

A motion was introduced by Commissioner Conklin, seconded by Commissioner Schuetz to approve the renewal state gambling license application for Club One Casino, Inc. valid through June 30, 2015 with the following proposed condition:

Proposed Condition:

*Effective October 1, 2013, and every 60 days thereafter, Mr. Kirkland and Mr. Messina shall provide the Bureau of Gambling Control with a litigation summary involving Club One Casino, Inc.*

This motion was subsequently withdrawn by Commissioner Conklin.

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Schuetz and carried in a vote by roll call with Chairman Lopes and Commissioners Conklin and Schuetz voting yes and Commissioner Hammond abstaining, the Commission approved the renewal state gambling license application for Club One Casino, Inc. valid through June 30, 2015 with the condition noted below:

*Effective October 1, 2013, and every quarter thereafter, Mr. Kirkland and Mr. Messina shall provide the Bureau of Gambling Control with a litigation summary involving Club One Casino, Inc.*

6. Applications for Approval of Renewal of State Gambling Licenses (Pursuant to Business and Professions Code section 19876; CCR, Title 4 section 12345):
  - A. Stipulated Settlement; Decision and Order in Matter of the Statement of Issues Against:  
Haig Kelegian, Jr., shareholder, Crystal Casino & Hotel (BGC Case No. BGC-HQ2011-00007AL)
  - B. Stipulated Settlement; Decision and Order in the Matter of the Statement of Issues Against:  
Haig Kelegian, Jr., partner, Ocean's Eleven Casino (BGC Case No. BGC-HQ2011-0001)

Comments Received From:

Craig Renetzky, via telephone  
Ron Diedrich, Department of Justice

This item was heard in Closed Session.

**CLOSED SESSION Convened at 10:55 AM**

**Prior to discussion of this item, Chairman Lopes recused himself from deliberations of this matter.**

- I. Deliberation of Decisions (Government Code section 11126(c)(3)):
  - A. Stipulated Settlement; Decision and Order in Matter of the Statement of Issues Against:  
Haig Kelegian, Jr., shareholder, Crystal Casino & Hotel (BGC Case No. BGC-HQ2011- 00007AL)
  - B. Stipulated Settlement; Decision and Order in the Matter of the Statement of Issues Against:  
Haig Kelegian, Jr., partner, Ocean's Eleven Casino (BGC Case No. BGC-HQ2011-0001)
- II. Hearing Deliberations Pursuant to Government Code Section 11126(c)(3):
  - A. Application For Renewal Of State Gambling License: Palomar Card Club, a General Partnership, d.b.a. Palomar Card Club, Donald Staats, Partner, Susan Staats, CGCC Case No. 2012-0314-2
  - B. Application For Initial State Gambling License: University Heights Associates, LLC, Naseem Salem, Member, Adel Salem, Member, CGCC Case No. 2012-0314-4
  - C. Application For Renewal Of Key Employee Personal License: Naseem Salem, CGCC Case No. 2012-0314-3

**RECONVENE TO OPEN SESSION at 11:15 AM**

Commissioner Conklin reported that Closed Session item I. A. & B. was discussed and the Commissioners unanimously rejected the proposed Stipulated Settlements regarding Haig Kelegian, Jr.

**PUBLIC COMMENT:**

None.

**ADJOURNMENT:**

Commissioner Conklin adjourned the Commission Meeting at 11:16 AM.