

California Gambling Control Commission
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**MINUTES OF SEPTEMBER 24, 2015
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairman Evans 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 Jim Evans and Commissioners Tiffany Conklin and Lauren Hammond present.

Chairman Evans announced that the Governor has appointed two new Commissioners, Trang To and Roger Dunstan. They will be starting in the coming weeks. Chairman Evans also announced that the 1:30 agenda item for the Bagley Keene act is to be rescheduled to another date.

3. Approval of Commission Meeting Minutes for:
August 27, 2015

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin and Hammond voting yes; the Commission approved the minutes for the August 27, 2015, Commission Meeting.

4. Consideration of Sale of Interests (Pursuant to Business and Professions Code section 19892):

The Bicycle Casino:

The Bicycle Casino, L.P.
Robert Gilbert (Seller)
Carter LCP Partnership, L.P. (Buyer)
Leo Chu (Buyer)

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairman Evans and Commissioners

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Conklin and Hammond voting yes; the Commission approved the Sale of Interest with the conditions noted below:

1. *The Transferees shall provide to the Commission, with a copy to the Bureau, within 15 days after the transfer that the certificate evidencing the interest transferred is legended in accordance with the provisions of Business and Professions Code section 19892, subdivision (d).*
2. *The Transferees shall provide to the Commission, with a copy to the Bureau, within 15 days after the closing that the certificates evidencing the interest include the following legend:*

THIS CERTIFICATE REPRESENTS AN INTEREST IN A PARTNERSHIP THAT HOLDS A GAMBLING LICENSE PURSUANT TO THE LAWS OF THE STATE OF CALIFORNIA. THE INTEREST MAY NOT BE TRANSFERRED, ASSIGNED, SOLD, PLEDGED, OR DISPOSED OF WITHOUT THE PRIOR APPROVAL OF THE CALIFORNIA GAMBLING CONTROL COMMISSION.

3. *The Transferees shall provide to the Commission, with a copy to the Bureau, within 15 days after each transfer that the parties made no material changes to the transactions and the transactions were substantially the same as approved by the Commission.*
5. Applications for Consideration of Renewal of State Gambling Licenses (Pursuant to Business and Professions Code sections 19850, 19852 and 19876; CCR, Title 4, section 12345):
 - A. Clovis 500 Club: Louis Sarantos Jr., Sole Proprietor
George Sarantos, Financial Interest Holder

Comments Received From:

Stacey Luna-Baxter, Assistant Bureau Chief, Bureau of Gambling Control
Keith Sharp, Designated Agent

Keith Sharp, Designated Agent, Clovis 500, had a correction on the second page of the Joint Venture Agreement he had provided to the Bureau and Commission. The second page of the document for the relocation was written as 6-12-15, and should be 6-12-12.

For the record, Commissioner Conklin disclosed that she knew Randall Sayre, but did not have a friendship with him.

PUBLIC COMMENT:

Randall Sayre, Gaming Consultant

A summary of Mr. Sayre's comments pertain to his concern regarding the stability of the regulatory environment of Clovis 500 Club. In particular, transactions, contracts and loans were not being reported appropriately. Chairman Evans stopped

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Mr. Sayre's and advised him that there was a motion on the floor to send the application to an evidentiary hearing that was reasonably likely to pass and in order to protect the rights of the licensee; he would have to wait to provide his comments at the APA evidentiary hearing.

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin and Hammond voting yes; the Commission referred the Application for Consideration of Renewal State Gambling License to an APA evidentiary hearing to be consolidated with the filed accusation and issue Clovis 500 Cub an Interim Renewal License valid through September 30, 2017.

B. Lucky Chances Casino: Lucky Chances, Inc.
Rommel Medina, Chief Executive Officer,
Chairman, Director, and Shareholder
Ruell Medina, Chief Financial Officer,
President, Secretary, Director, and
Shareholder
Rene and Mila Medina 2009 Irrevocable Blind
Trust Agreement, Financial Interest Holder
Mariano Gueco, Trustee

Comments Received From:

Stacey Luna-Baxter, Assistant Bureau Chief, Bureau of Gambling Control

PUBLIC COMMENT:

Reverend James Butler, California Coalition Against Gaming Expansion
A summary of Reverend Butler's comments pertain to the Reverend's concern about the established conditions for Lucky Chances Casino. Reverend Butler stated he feels Lucky Chances Casino should not be issued an Interim 2-year license. Instead, he suggested they be given a Temporary License for 45-days with conditions.

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin and Hammond voting yes; the Commission referred the Application for Consideration of Renewal State Gambling License to an APA evidentiary hearing to be consolidated with the filed accusation and issue Lucky Chances Casino an Interim Renewal License valid through September 30, 2017, continuing with the existing conditions noted below:

- 1. Rene Medina shall be prohibited from entering, being present in, or in any way patronizing (a) the areas within Lucky Chances Casino in which controlled gambling is conducted and (b) any other areas related to the gambling operation, such as count and surveillance rooms, including all of the 2nd floor.*

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2. *All future shareholders, corporate officers, key employees, and work permit holders shall be informed of the prohibition (as identified in condition number one) by the General Manager within three business days of their start date and shall maintain a record of this notification while they are affiliated with the cardroom*
3. *Ruell Medina and Rommell Medina, licensed as shareholders in Lucky Chances, Inc. shall each be individually responsible for ensuring that all conditions placed on the Lucky Chances license are fully complied with, including but not limited to duties placed upon the General Manager.*
4. *If Rene Medina is observed at any time by any employee entering, or being present in, (a) the areas within Lucky Chances Casino in which controlled gambling is conducted or (2) any other areas related to the gambling operation, such as count and surveillance rooms, including all of the 2nd floor, the General Manager or manager in charge shall within 30 minutes telephone (1) the California Gambling Control Commission (Commission), and (2) the Department of Justice, Bureau of Gambling Control (Bureau). The call to the Commission shall be made to the Executive Director at (916) 263-0700. The call to the Bureau shall be made to the Bureau Chief at (916) 227-2377.*
5. *Any communication between Rene Medina and any shareholder or employee of Lucky Chances concerning the operation of the Lucky Chances card room business shall be disclosed to the Executive Director and to the Bureau Chief within one business day of the communication. This disclosure requirement applies to both oral and written communications. This disclosure must be made in writing. The General Manager shall maintain records documenting each disclosure for four years following the disclosure.*

By concurrence of the Commissioners, the following agenda items 6. A., 6. B., and 6.C. were considered simultaneously.

6. Applications for Consideration of Initial Portable Personal Key Employee License (Pursuant to Business and Professions Code section 19854; CCR Title 4, section 12350):
 - A. Julianna Smith
 - B. Steven Taing
 - C. Ryan Woodson

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin and Hammond voting yes; the Commission approved the Initial Applications through the dates listed in their reports.

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

Charles McCormick Jr.

Comments Received From:

Charles McCormick Jr., via telephone

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin and Hammond voting yes; the Commission referred the Application for Consideration of Renewal Personal Key Employee License to a GCA evidentiary hearing and issue Charles McCormick Jr. an Interim Renewal License valid through September 30, 2017.

8. Application for Consideration of Initial Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.5):

Lightning Slot Machines, LLC: Lightning Gaming, Inc.

Donald Caldwell, Director, Shareholder

Brian Haveson, Director, Chief Executive Officer,
Secretary, Treasurer

Christopher Strano, President

Frederick Tecce, Director, Shareholder

Comments Received From:

Stacey Luna-Baxter, Assistant Bureau Chief, Bureau of Gambling Control

Victoria Wharton, Compliance Manager, via telephone

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin and Hammond voting yes; the Commission approved the Initial Application through September 30, 2017.

CONSENT CALENDAR ITEMS:

9. Applications for Consideration of Initial Work Permit (Pursuant to Business and Professions Code section 19912; CCR, Title 4, section 12104):

A. Napa Valley Casino:

Vipheaviny Nov

B. Parkwest Casino Sonoma:

Jon Ardell

James Valencia

10. Applications for Consideration of Conversion of Third-Party Providers of Proposition Player Services Player Registrations to Licenses (Pursuant to Business and Professions Code section 19984; CCR, Title 4, section 12218):

Arise, LLC:

Players:

Kia Her

Linda Edmonds

11. Applications for Consideration of Initial Tribal-State Compact Key Employee Finding 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:
Dennis Alvarado
 - B. Barona Resort and Casino - Barona Group of Capitan Grande Band of Mission Indians:
Mirishahe Idrizi Leticia Medina
 - C. Black Oak Casino - Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:
Jennifer Bonilla Mark Rippee
 - D. Cache Creek Casino Resort - Yocha Dehe Wintun Nation:
Wylie Ross
 - E. Casino Pauma - Pauma Band of Luiseno Mission Indians of the Pauma & Yuima Reservation:
Nolan Duprey Chad Schofield
 - F. Chumash Casino Resort - Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Alexander Sanchez
 - G. Eagle Mountain Casino - Tule River Indian Tribe of the Tule River Reservation:
Tou Cha
 - H. Fantasy Springs Resort Casino - Cabazon Band of Mission Indians:
Diana Miranda
 - I. Harrah's Resort Southern California - Rincon Band of Luiseno Mission Indians of the Rincon Reservation:
Thomas Mendenhall
 - J. Konocti Vista Casino - Big Valley Band of Pomo Indians of the Big Valley Rancheria:
Castor Rapisura
 - K. Morongo Casino Resort and Spa - Morongo Band of Mission Indians:
Jon Hill
 - L. Pala Casino Spa Resort - Pala Band of Luiseno Mission Indians of the Pala Reservation:
Kienan Laitinen
 - M. Pechanga Resort & Casino - Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Ernesto Armendariz Michael Bromley Te Inthilath
Mike Namvong Nick Sannella
 - N. Quechan Casino Resort - Quechan Tribe of the Fort Yuma Indian Reservation:
Tony Hernandez Blanca Leyva
 - O. Red Hawk Casino - Shingle Springs Band of Miwok Indians, Shingle Springs Rancheria:
Patricia Hawkins Cheng Saechao Mickey Souvanthong
 - P. Spa Resort Casino - Agua Caliente Band of Cahuilla Indians:
Kevin O'Neill
 - Q. Table Mountain Casino - Table Mountain Rancheria:
Patricia Bartsch Anthony Catanesi Thippachan Chantharath
Gregory Dean Krystle Hollingsworth

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- R. Tachi Palace Hotel and Casino - Santa Rosa Indian Community:
Vincent Vue Fue Yang
 - S. Thunder Valley Casino Resort - United Auburn Indian Community of the Auburn Rancheria:
Koo Yang
 - T. Twin Pine Casino & Hotel - Middletown Rancheria of Pomo Indians:
Carmen Hurtado
 - U. Viejas Casino and Resort - Viejas Group of Capitan Grande Band of Mission Indians of the Viejas Reservation:
Mark Moussa
 - V. Win-River Casino - Redding Rancheria:
Shane Brown
12. Applications for Consideration of Renewal Tribal-State Compact Key Employee Finding 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 Jeliza Castro Mayra Fernandez
Frances Peoples Max Ross
 - B. Barona Resort and Casino - Barona Group of Capitan Grande Band of Mission Indians:
Trevor Bailey Brian Doerr Abraham Farhat
Greg Guerrero Liliana Madrigal Karter McMurry
Somphong Souksavath
 - C. Bear River Casino Hotel - Bear River Band of the Rohnerville Rancheria:
Catherine Churchill Margaret McGinnis
 - D. Blue Lake Casino and Hotel - Blue Lake Rancheria:
Jami Hatton Bradley Johnson Leia Schultz
 - E. Colusa Casino Resort - Cachil DeHe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:
Miguel Diaz Deniz
 - F. Havasu Landing Resort & Casino - Chemehuevi Indian Tribe of the Chemehuevi Reservation:
Archana Aliyar
 - G. Jackson Rancheria Casino & Hotel - Jackson Rancheria of Me-Wuk Indians:
William Prinz
 - H. Lucky 7 Casino - Smith River Rancheria:
Ryan Moore
 - I. Morongo Casino Resort and Spa - Morongo Band of Mission Indians:
Nathan Anderson Carl Rathke
 - J. Paiute Palace Casino - Bishop Paiute Tribe:
Michelle Castendra
 - K. Red Earth Casino - Torres Martinez Desert Cahuilla Indians:
Valentin Castano
 - L. Red Hawk Casino - Shingle Springs Band of Miwok Indians, Shingle Springs Rancheria:
Denise Jones

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- M. San Manuel Indian Bingo and Casino - San Manuel Band of Mission Indians:
Francisco Aguirre A. Lisa Craddock Kristi Galindo
Robin Graham Joseph Julian Christy Ngo
Juana Tinoco-Gonzalez Roxanna Villegas
- N. Soboba Casino - Soboba Band of Luiseno Indians:
Kevin Coen
- O. Spa Resort Casino - Agua Caliente Band of Cahuilla Indians:
Damir Gegic Walter Hyde Hailey Randle
Lisa Stepp
- P. Spotlight 29 Casino - Twenty-Nine Palms Band of Mission Indians:
Richard Reyes
- Q. Table Mountain Casino - Table Mountain Rancheria:
Manuel Rivera Jennifer Sanchez Jay Shapiro
Patrick Vargas
- R. Tachi Palace Hotel and Casino - Santa Rosa Indian Community:
Maria Flores Carolina Hernandez Anthony Jauregui
Donna Longacre
- S. Thunder Valley Casino Resort - United Auburn Indian Community of the Auburn Rancheria:
Stephanie Kerr Pa Nhia Yang
- T. Viejas Casino and Resort - Viejas Group of Capitan Grande Band of Mission Indians of the Viejas Reservation:
John Ngo Rudolph Pena Jr. Joshua Westwood
- U. Win-River Casino - Redding Rancheria:
Jessica Davis Shelley Fahsholtz Kathleen Nunez

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin, and Hammond voting yes; the Commission approved the Consent Calendar Items 9 through 12.

PUBLIC COMMENT:

None.

CLOSED SESSION DISCLOSURE:

Prior to holding Closed Session, Chief Counsel disclosed that the Commissioners would be updated in Closed Session on items I. F and I. G. No further information was provided.

CLOSED SESSION:

I. Litigation: (Government Code section 11126(e)):

- A. *Pauma Band of Luiseno Mission Indians v. Gambling Control Commission; and Arnold Schwarzenegger*, U.S. Dist. Court S. D. California (09 CV01955 LAB AJB)
- B. *San Pasqual Band of Mission Indians v. State of California, et al.*, Los Angeles County Superior Court (BC431469)

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- C. *Bingo Innovations of California, Inc. v. California Gambling Control Commission*, Sacramento County Superior Court (34-2012-80001139)
 - D. *Robert Saucier, et al. v. California Gambling Control Commission*, Sacramento County Superior Court (34-2013-80001594)
 - E. *Stand Up For California, et al. v. State of California, et al.*, Madera County Superior Court (MCV062850)
 - F. *California Valley Miwok Tribe v. California Gambling Control Commission et al.*; US District Court, Southern District California (15 CV 0622 AJB JLB)
 - G. *California Valley Miwok Tribe v. The California Gambling Control Commission*; Court of Appeal of the State of California, Fourth Appellate District, Division One (D0645271), San Diego County Superior Court (37-2008-00075326-CU-CO-CTL)
- II. Hearing Deliberations Pursuant to Government Code Section 11126(c)(3):
- A. In the Matter of the Application for Approval of Initial Key Employee Portable Personal License for Steph Stapornkul, (CGCC-2014-0626-8E)
- III. Personnel Matters (Government Code section 11126(a)(1): Business and Professions Code section 19816(a))

ADJOURNMENT:

Chairman Evans adjourned the Commission Meeting at 10:31 a.m.