

California Gambling Control Commission
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**MINUTES OF JANUARY 25, 2018
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, Commissioner Paula LaBrie, and Commissioner Trang To present.

3. Approval of Commission Meeting Minutes for:
 - A. December 7, 2017 - Commission Meeting
 - B. January 4, 2018 - GCA Hearing

Action:

Upon motion of Commissioner LaBrie, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Commission Meeting Minutes for December 7, 2017, and the January 4, 2018 GCA Hearing.

4. Revenue Sharing Trust Fund Final Report for Distribution to Eligible Recipient Indian Tribes for Quarter Ending December 31, 2017, Quarterly License Revenue Received and Shortfall (Pursuant to Government Code section 12012.75)

Action:

Upon motion of Commissioner To, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the distribution payments.

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5. Consideration of Renewal of State Gambling License (Pursuant to Business and Professions Code sections 19850, 19852, and 19876; CCR, Title 4, sections 12054 and 12345):

C. Cameo Club:

Lewis & Lewis, Inc.

David and Margaret Lewis 1999 Family Trust
Shareholder

Margaret Lewis, Director, Trustee, Trustor,
Beneficiary

Natalie J. Lewis Survivor's Trust, Shareholder

David Ryan Lewis, Chief Executive Chief
Financial Officer, Director, Beneficiary

Brooke Lewis-Siemers, Vice President, Secretary,
Director, Beneficiary

Action:

Upon motion of Commissioner LaBrie, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved a 90-day extension through April 30, 2018, to allow the Bureau sufficient amount of time to provide a report, and Commission Staff adequate time to prepare the matter for agenda, with the existing conditions noted below:

- 1. No person(s) may receive shares of stock in the Natalie J. Lewis Survivor's Trust until that person(s) has received a state gambling license by the Commission.*
- 2. Owners of the Cameo Club must submit to the Bureau of Gambling Control with copies to the Commission, copies of all current stock certificates for the David and Margaret Lewis 1999 Family Trust and the Natalie J. Lewis Survivor's Trust within 30 days of approval.*

B. Casino 99:

Angela Harris, Sole Proprietor

Gary Harris, Community Property Interest Holder

Comments received From:

Stan Seiff, Designated Agent, in person

Action:

Upon motion of Commissioner LaBrie, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved a 60-day extension through March 31, 2018, to allow additional time to prepare the matter for an agenda.

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C. Golden West Casino: Kern County Associates, L.P.

Comments Received From:

Frances Asuncion, Department of Justice Administrator (DOJA) II, Bureau of Gambling Control, in person

Commissioner LaBrie asked the Bureau if they needed additional time for review on this item.

DOJA II Asuncion responded that the Bureau has reviewed the additional agreements, and does not require additional time for review.

Action:

Upon motion of Commissioner LaBrie, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Renewal License through January 31, 2020.

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

Chief Counsel Vlaanderen announced that he and Staff Counsel Russell Johnson have related litigation and to avoid any possible ex parte communication on the licensing issue are excluding themselves from advice and the meeting room while the item is being discussed.

Comments Received From:

Jarhett Blonien, Attorney/Designated Agent, in person
Frances Asuncion, DOJA II, Bureau of Gambling Control, in person
Robert McWhorter, Attorney, on behalf of Lucky Chances, in person

Commissioner To inquired regarding the costs associated with advertising, and asked Designated Agent Jarhett Blonien for his perspective.

Mr. Blonien responded by stating that since Lucky Chances Casino, a 60-table cardroom, is the largest cardroom in Northern California, the amount expended for advertising is a small percentage in relation to the size and location of the cardroom. Further, Mr. Blonien added that advertising fees around this location are extremely high.

Mr. McWhorter noted his position regarding the new proposed conditions and referenced correspondence sent to the Commission regarding this matter.

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Action:

Upon motion of Commissioner To, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Renewal License through January 31, 2020.

6. Consideration of A) Initial Portable Key Employee License: and, B) Renewal Portable Key Employee License Pursuant to Business and Professions Code section 19854, CCR Title 4 Sections 12054, 12350, and 12351):
A. Tom Bowling

Comments Received From:

Tom Bowling, in person

Jim Parrinello, Attorney/Designated Agent, in person

Frances Asuncion, DOJA II, Bureau of Gambling Control, in person

Chairman Evans asked the Bureau what their plans are if this application is sent to evidentiary hearing.

DOJA II Asuncion responded that the Bureau is working with the Cardroom representatives to find an individual that meets the criteria that is outlined in the Emergency Order. Further, DOJA II Asuncion also noted that the Bureau does not presently have someone selected to replace Mr. Bowling as an independent manager if Mr. Bowling's Key Employee License is referred to a GCA evidentiary hearing.

Mr. Parrinello stated that he is working with the Bureau and has several possible candidates for independent manager replacements if Mr. Bowling is referred to an evidentiary hearing. Mr. Parrinello provided a brief history of Mr. Bowling's employment and requested the Commission approve Mr. Bowling's Initial Key Employee License.

Mr. Bowling provided a chronology of his 45-year career in the gaming industry. Mr. Bowling admitted that when he was asked about a civil court case which occurred ten years ago, he did not answer some of the questions correctly. Mr. Bowling stated he was surprised his license was recommended to be referred to an evidentiary hearing due to these inaccuracies. In conclusion, Mr. Bowling reiterated that he answered the questions to the best of his knowledge with no intention to deceive.

Action:

Upon motion of Commissioner To, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission referred the Initial License to a GCA evidentiary hearing.

B. Tom Bowling

No action required on this item as this Initial Key Employee License application was referred to evidentiary hearing.

7. Consideration of Initial Portable Personal Key Employee License (Pursuant to Business and Professions Code section 19854; CCR, Title 4, sections 12054 and 12350):

Michael Love

Comments Received From:

Michael Love, in person

Commissioner LaBrie asked Mr. Love if he understood the condition to be placed on his license. Mr. Love confirmed that he understood the condition.

Action:

Upon motion of Commissioner LaBrie, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Initial License through June 30, 2018, with the condition noted below:

Beginning February 1, 2018, and every 180 days thereafter, Michael Love must provide updates to the Bureau of Gambling Control regarding proof of payments made in accordance with the established payment plans and outstanding collection accounts.

8. Consideration of Initial Work Permit (Pursuant to Business and Professions Code section 19912; CCR, Title 4, sections 12054 and 12104):

Poker Flats Casino:

Antonio Martin

Action:

Upon motion of Commissioner LaBrie, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Initial Work Permit through June 30, 2019.

9. Consideration of Renewal Work Permit (Pursuant to Business and Professions Code section 19912; CCR, Title 4, sections 12054 and 12104):

Empire Sportsmen's Association:

Nicole Sukut

Comments Received From:

Nicole Sukut, via telephone

Commissioner LaBrie asked Nicole Sukut if she understood the condition to be placed on her Work Permit if her application were to be approved. Ms. Sukut confirmed that she understood the condition.

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Action:

Upon motion of Commissioner LaBrie, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Renewal Work Permit through January 31, 2020, with the condition noted below:

Beginning March 1, 2018, and every 90 days thereafter, Ms. Sukut must provide the Bureau of Gambling Control updates to resolve her outstanding Failure to Appear and court accounts until resolved.

10. Consideration of Conversion of Third-Party Providers of Proposition Player Services Registrations to License (Pursuant to Business and Professions Code section 19984; CCR, Title 4, sections 12054 and 12218):

A. Infinity Gaming, LLC:

Player: Rosendo Tabasa

Comments Received From:

Rosendo Tabasa, in person

Action:

Upon motion of Chairman Evans, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Conversion License through January 31, 2020.

B. Knighted Ventures, LLC:

Players: i) Celeste Tuioti-Mariner

Action:

Upon motion of Chairman Evans, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Conversion License through January 31, 2020.

ii) Stace Woodward

Comments Received From:

Stace Woodward, via telephone

Lisa Wardall, DOJA II, Bureau of Gambling Control, in person

Commissioner To asked the Bureau if Stace Woodward has paid his fines in full as he stated he would.

DOJA II, Lisa Wardall stated that Mr. Woodward has not made any payments on his debt since September 2016.

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Commissioner LaBrie asked Mr. Woodward if he understood the condition to be placed on his license if his application were to be approved. Mr. Woodward confirmed that he understood the condition.

Commissioner LaBrie asked Mr. Woodward if there was a reason he hasn't made any payments since 2016. Mr. Woodward explained that he was unaware of the outstanding payments owed until May 2017.

Action:

Upon motion of Commissioner LaBrie, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Conversion License through January 31, 2020 with the condition noted below:

Beginning March 2018, and every 90 days thereafter, Stace Woodward must provide the Bureau proof of ongoing efforts to satisfy his outstanding Failure to Appear and outstanding court fines until resolved.

11. Consideration of Tribal-State Compact Renewal Finding of Suitability as a Gaming Resource Supplier (Pursuant to the Tribal-State Gaming Compact, section 6.4.5):
American Gaming and Electronics, Inc.: AG&E Holdings, Inc., Parent Company

Comments Received From:

Lloyd Levenson, Counsel for American Gaming and Electronics, Inc., via telephone
Mysty Trejo, DOJA II, Bureau of Gambling Control

Chairman Evans asked if everything to move forward with this item was received.

DOJA II Trejo confirmed everything was received.

Action:

Upon motion of Chairman Evans, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Renewal Finding of Suitability through January 31, 2020.

12. Consideration of Initial Tribal-State Compact Key Employee Finding of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

A. Barona Resort & Casino – Barona Group of Capitan Grande Band of Mission Indians of the Barona Reservation:
Cristian Gonzalez

Action:

Upon motion of Commissioner To, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Initial Finding of Suitability through November 4, 2019 with the condition noted below:

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Every 180 days, Mr. Gonzalez must provide the Commission and the Bureau with Proof of payments documenting efforts to resolve his outstanding Student Loan accounts

- B. Graton Resort & Casino – Federated Indians of Graton Rancheria:
Cassandra Elliott

Comments Received From:

Cassandra Elliott, via telephone

Commissioner To asked Ms. Elliott if she understood the condition to be placed on her Finding of Suitability. Ms. Elliott confirmed she understood the condition.

Action:

Upon motion of Commissioner To, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Initial Finding of Suitability through April 22, 2019 with the condition noted below:

Every 180 days, Ms. Elliott must provide the Commission and the Bureau with proof of payments documenting efforts to resolve her collection accounts.

- C. Soboba Casino – Soboba Band of Luiseno Indians:
Walter Morales

Comments Received From:

Walter Morales, via telephone

Chairman Evans asked Mr. Morales if he understood the condition to be placed on his Finding of Suitability. Mr. Morales confirmed that he understood the condition.

Action:

Upon motion of Chairman Evans, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Initial License through September 6, 2019 with the condition noted below:

Beginning March 1, 2018 and every 180 days, Mr. Morales must provide the Bureau with proof of payments documenting efforts to satisfy his outstanding Key Bank account until resolved.

- D. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria of California:
Jacob Rocke

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Action:

Upon motion of Chairman Evans, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Initial Finding of Suitability through January 1, 2019.

E. Viejas Casino & Resort – Viejas Band of Kumeyaay Indians:
Jason Deapen

Action:

Upon motion of Chairman Evans, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved the Initial Finding of Suitability through July 31, 2018 with the condition noted below:

Beginning February 2018, and every 180 days thereafter, Mr. Deapen must provide the Commission and the Bureau with documentation evidencing proof of efforts to satisfy his bankruptcy until resolved.

13. Application for Approval of Renewal of State Gambling License (Pursuant to Business and Professions Code section 19876; CCR, Title 4, section 12345); Consideration of Stipulated Settlement: Decision and Order In the Matter of the Second Amended Accusation and Statement of Issues
Against Michael A. Whiteley, Jr., sole proprietor doing business as Mike's Card Casino (OAH No. 2016070163, BGC Case No. BGC-HQ2016-00001AC)

Comments Received From:

Todd Vlaanderen, Chief Counsel, Gambling Control Commission, in person
Ron Diedrich, Deputy Attorney General, Indian & Gaming Law Section, in person

Chief Counsel Todd Vlaanderen gave a brief history of what led to the stipulated settlement.

Deputy Attorney General Diedrich stated that the Bureau has recently been and will continue to be more active in visiting the cardroom. Deputy Attorney General Diedrich affirmed he does not believe it is necessary to have an independent manager onsite during the interim period.

DOJA II Asuncion confirmed the Bureau will continue to monitor the cardroom.

CONSENT CALENDAR ITEMS:

14. Consideration of Initial Work Permit (Pursuant to Business and Professions Code section 19912; CCR, Title 4, sections 12054 and 12104):
A. Napa Valley Casino: Sheena Brown-Thompson
B. Parkwest Casino Sonoma: Gary Bickford Micheal Hader

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Samantha Boughner Tolga Tirpan

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

Isaiah Allen

18. 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:

Daniel Clinard Alan Ferrante Wipa Fryer

Christopher Jacobs Michelle Luna Carolina Magdael

B. Barona Resort and Casino - Barona Group of Capitan Grande Band of Mission Indians:

Matthew Buggert Israel Corona Eric Gardiola

Pearl Mugisha Rodney Salazar

C. Cache Creek Casino Resort - Yocha Dehe Wintun Nation:

Tessa Gudino Felybituin Harlan Dilip Paudel

D. Chicken Ranch Casino - Chicken Ranch Rancheria of Me-Wuk Indians:

Susan Hatcher

E. Chukchansi Gold Resort and Casino - Picayune Rancheria of Chukchansi Indians:

Somphith Boutarath Jessica Hutchens Lisa Welch

F. Chumash Casino Resort - Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:

Jesus Barron Lori Broder David Cabrera

Ervin Cruz Halise Ekmen-Powell Paul Gularte

Saul Ortega John Vinluan

G. Colusa Casino Resort - Cachil DeHe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:

Jose Gonzalez Jr

H. Eagle Mountain Casino - Tule River Indian Tribe of the Tule River Reservation:

Stanley Santos

I. Morongo Casino Resort and Spa - Morongo Band of Mission Indians:

Thanh Huong Ayala Timothy Monaghan John Sanchez Jr.

J. Pala Casino Spa and Resort - Pala Band of Luiseno Mission Indians of the Pala Reservation:

Sherry Lambert

K. Spa Resort Casino - Agua Caliente Band of Cahuilla Indians:

Bienvenida Agbayani-Yahut Paulita Agresor

Maria Cobos Susan Fletcher Paul Toft

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

Sonexay Vobouxasinh

Action:

Upon motion of Commissioner To, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, and Commissioner To voting yes; the Commission approved Consent Calendar items 14 through 18.

CLOSED SESSION DISCLOSURE:

Prior to holding Closed Session, Chief Counsel Vlaanderen disclosed that the Commissioners would meet in Closed Session on item II. F. Consideration of Stipulated Settlement: Decision and Order In the Matter of the Second Amended Accusation and Statement of Issues Against Michael A. Whiteley, Jr., sole proprietor doing business as Mike's Card Casino (OAH No. 2016070163, BGC Case No. BGC-HQ2016-00001AC).

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA:

None.

CLOSED SESSION: Approximately 11:00 AM

- I. Litigation (Government Code section 11126(e)):
 - A. *Robert Saucier, et al. v. California Gambling Control Commission*, Sacramento County Superior Court (34-2013-80001594)
 - B. *Stand Up For California, et al. v. State of California, et al.*, Madera County Superior Court (MCV062850)
 - C. *Eric G. Swallow v. California Gambling Control Commission*, Sacramento County Superior Court (34-2016-800002402)
 - D. *Garden City, Inc. v. Eric Swallow*, Sacramento County Superior Court (34-2016-00198132)
 - E. *Lucky Chances, Inc. v. California Gambling Control Commission*, Sacramento County Superior Court (34-2017-80002549)
 - F. *Rene Medina v. Xavier Becerra, Jim Evans, et al.*; United States District Court, Northern District of California (17-cv-03293 KAW)
 - G. *California Valley Miwok Tribe v. California Gambling Control Commission et al.*; San Diego County Superior Court (37-2017-00050038-MU-CO-CTL)

- II. Hearing Deliberations Pursuant to Government Code Section 11126(c)(3):
 - A. In the Matter of the Application for Approval of Initial Work Permit for Daniel Mathew Thomas, (CGCC-2017-0608-7B)
 - B. In the Matter of the Application for Approval of Third-Party Proposition Player Services License for Joshua Daniel Betancur, (CGCC-2017-0622-11F)
 - C. In the Matter of the Application for Approval of Tribal Key Employee Finding of Suitability for Tony Grant Corkhill, (CGCC-2017-0828-14D1)
 - D. In the Matter of the Application for Approval of Initial Key Employee License for Callaye Strauss, (CGCC-2017-0713-7G)
 - E. In the Matter of the Application for Approval of Third-Party Proposition Player Services License for Monita Chan (CGCC-2017-0209-9), and the Application for Third-Party Proposition Player Services Registration for Monita Chan (GCADS-TPPL-018807)
 - F. Consideration of Stipulated Settlement: Decision and Order In the Matter of the Second Amended Accusation and Statement of Issues Against Michael A. Whiteley, Jr., sole proprietor doing business as Mike's Card Casino (OAH No. 2016070163, BGC Case No. BGC-HQ2016-00001AC)

RECONVENE TO OPEN SESSION:

At 11:06 AM the meeting reconvened to open session. Chairman Evans announced that the Commissioners approved the settlement for Michael A. Whiteley, Jr., sole proprietor doing business as Mike's Card Casino.

Commissioner LaBrie noted that she is uncomfortable that there will not be an independent person at the cardroom, and hopes that there will be frequent visits from the Bureau. Chairman Evans stated that Commissioner LaBrie speaks for all of the Commissioners.

ADJOURNMENT:

Chairman Evans adjourned the Commission Meeting at 11:07 AM.