

**California Gambling Control Commission**  
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**MINUTES OF OCTOBER 10, 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.

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. Approval of Commission Meeting Minutes for:
  - A. September 11, 2013
  - B. September 12, 2013
  - C. September 17, 2013 – GCA Hearing

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 minutes for the September 11, 2013, September 12, 2013 Commission Meetings, and September 17, 2013 GCA Hearing.

By concurrence of the Commissioners, Item 13.A. Fantasy Springs Resort Casino - Cesiree Dubroc was removed from the Agenda as she is no longer employed with the Casino.

4. Request for Approval of Members for Selection to the Gaming Policy Advisory Committee (Pursuant to Business and Professions Code section 19817):

Comments Received From:

James Smith  
Brent Meyer  
Leonard Powell  
Jesse Crawford  
Kermit Schayltz

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Action:

Upon motion of Commissioner Conklin, 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 recommended applicants for appointment to the Commission's Gaming Policy Advisory Committee (GPAC) as follows:

Stacey Luna Baxter, Bureau of Gambling Control Representative  
Robert Jacobson, Problem Gambling Representative  
Darrell Meirs, Third Party Provider Representative  
Joy Harn, Gambling Representative (>25 tables)  
James Smith, Gambling Representative (>25 tables)  
Jesse Crawford, Gambling Representative (<25 tables)  
Kermit Schayltz, Gambling Representative (<25 tables)  
Brent Meyer, Law Enforcement Representative  
Leonard Powell, Professional Accounting Background Representative  
Frank Louie, General Public Representative

5. Approval of Amended and Restated Credit Agreement (Pursuant to Business and Professions Code sections 19824(c) and 19904):

Hustler Casino: El Dorado Enterprises, Inc.  
Larry Flynt Revocable Trust, Shareholder  
Larry Flynt, Trustee, Trustor, Beneficiary  
Majestic Properties, Inc., Landlord

Comments Received From:

Keith Sharp  
Christopher Woodward  
Thomas Candy  
William Torngren, Department of Justice

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 approved the following documents, including changes to section 8.5 as noted below:

1. Amended and Restated Credit Agreement
2. Assignment and Irrevocable Stock Power
3. Leasehold and Fee Deed of Trust, Security Agreement, Financing Statement, Fixture Filing and Assignment of Leases, Rents, Casino Revenue, and Security Deposits.
4. Security Agreement
5. Stock Pledge Agreement

8.5 of Amended and Restated Credit Agreement

*Notwithstanding any other provision of this Agreement or any similar provisions in any other Loan Document, any sale, assignment, grant of any participation, or transfer by or to a wholly-owned subsidiary, division, or affiliate of Fortress*

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*Investment Group LLC (“FIG”), Drawbridge Special Opportunities Fund LP, or Lender or any fund managed by FIG or a wholly-owned affiliate of FIG shall not require the Commission’s prior approval. The Parties expressly understand and acknowledge that this provision does not relieve or otherwise excuse Borrower’s duty to inform the Commission and the Bureau of such sale, assignment, grant of participation, or transfer.*

6. 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 Chmielewski

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 initial key employee license application valid through July 31, 2014.

B. Lance Kawamura

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 license application valid through October 31, 2015.

C. Peter Nairn

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 initial key employee license application valid through April 30, 2014.

D. Andrew Wang

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 license application valid through August 31, 2014.

E. Janice Vanderwilt

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

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approved the initial key employee license application valid through February 28, 2014.

F. Yelena Vaysberg

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 initial key employee license application valid through December 31, 2013.

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

A. Peter Schneider

Comments Received From:

Peter Schneider, via telephone

Action:

Upon motion of Chairman Lopes 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 license application for the licensure period of November 1, 2013 through October 31, 2015, amending the existing condition noted below:

*Beginning November 1, 2013, and every 90 days thereafter, Mr. Schneider must submit to the Bureau of Gambling Control (Bureau) a written update for the account in collections regarding Student Loans.*

B. Fiaui Tofa

Comments Received From:

Fiaui Tofa

Action:

Upon motion of Chairman Lopes, 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 license application for the licensure period of November 1, 2013 through October 31, 2015, continuing with the existing condition noted below:

*Beginning November 1, 2013 and every 180 days thereafter Mr. Tofa will provide to the Bureau of Gambling Control evidence of payment to the Internal Revenue Service and Franchise Tax Board.*

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

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A. Empire Sportsmen's Association: Francisco Monares

Comments Received From:  
Francisco Monares

Action:

Upon motion of Chairman Lopes, 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 referred the initial work permit application to evidentiary hearing.

B. Merced Poker Room: Eddie Vargas Vichai Yang

Comments Received From:  
Eddie Vargas, via telephone

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 initial work permit application valid through February 28, 2014.

Vichai Yang - Merced Poker Room:

Comments Received From:  
Vichai Yang  
Stacey Luna-Baxter, Bureau of Gambling Control

No action was taken by the Commission at this time with the understanding that the Bureau of Gambling Control will provide additional information to the Commission with respect to Mr. Yang's criminal history.

C. The 101 Casino: Brandon Campbell Stephen Costaglio

Comments Received From:  
Brandon Campbell, via telephone

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 work permit application valid through August 31, 2015.

Stephen Costaglio, The 101 Casino:

Comments Received From:  
Stephen Costaglio

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Action:

Upon motion of Chairman Lopes, 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 work permit application valid through April 30, 2015.

9. 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: Krystal Dirossa James Hansen Simon Medina

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 valid through October 31, 2015.

10. Request for Approval to Withdraw Applications to Convert Third Party Providers of Proposition Player Services/Gambling Business Registration to a License (Pursuant to Business and Professions Code section 19984 and CCR, Title 4, sections 12218 and 12234):

A. Acme Player Services, LLC:

Victor S. Pankey, Member

B. Bo Bo Go, Inc.:

Bo Bo Go, Inc.

Francis So

Kiu Wong

C. Se7en Castles, LLC:

Se7en Castles, LLC

Daniel Lukban (**heard separately**)

Matthew Sturgeon

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, approved the requests to withdraw applications to convert third party proposition registrations to licenses, **without prejudice**.

David Lukban - Se7en Castles, LLC:

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairman Lopes and Commissioners Conklin, Hammond and Schuetz voting yes, approved the request to withdraw the application to convert third party proposition registrations to licenses, **without prejudice**.

11. Request for Approval to Withdraw Applications to Convert Third Party Proposition Supervisor Registration to a License (Pursuant to Business and Professions Code section 19984 and CCR, Title 4, section 12218.5):

A. Acme Player Services, LLC:

Supervisors: LeRon Atmore Michael Brown

B. Valley Gaming Services:

Supervisors: Nick Saechao Gregory Spillman

Action:

Upon motion of Commissioner Conklin, 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 requests to withdraw applications to convert third party proposition supervisor registrations to licenses, **without prejudice**.

12. Cancellation of Regular Third-Party Player Registration (Pursuant to CCR, Title 4, section 12205):

PT Gaming, LLC:

Player: Roger Chavez

Action:

Upon motion of Chairman Lopes, 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 cancelled the third party player registration for Mr. Chavez.

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. Fantasy Springs Resort Casino – Cabazon Band of Mission Indians  
Cesiree Dubroc

No action required as Ms. Dubroc is no longer employed.

B. Paiute Palace Casino – Bishop Paiute Tribe  
Dennis Holland

Comments Received From:

Dennis Holland

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 approved the initial finding of suitability application valid through June 11, 2014.

**CONSENT CALENDAR ITEMS:**

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

- |                          |                            |
|--------------------------|----------------------------|
| A. Sandra Barker         | K. Piyasook Lee            |
| B. Marin Cicu            | L. David Levine            |
| C. Steven Eisenberg      | M. Jacob Lopez             |
| D. Sualoa Faasulu        | N. Veronica Marquez-Zeller |
| E. Joseph Fagundes       | O. Roberto Pena            |
| F. Patricia Fall         | P. James Smith             |
| G. Dennis Faz            | Q. Barbara Stout           |
| H. David Fried           | R. Kirk Verdun             |
| I. Hovannes Guzelian     | S. Frengkyanto Wirawan     |
| J. Ignacio Jauregui, Jr. | T. Juanita Wright          |

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

- |                                    |                |                  |
|------------------------------------|----------------|------------------|
| A. Empire Sportsmen's Association: | Piseth Edth    | Kateryna Ivanova |
| B. Oceana Cardroom:                | Timothy Chang  |                  |
| C. The 101 Casino:                 | Nicole Eddy    | Andrew Holstedt  |
|                                    | Vandamme Lau   | Daniel Stewart   |
|                                    | Candice Walker | Elvis William    |

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

- |                                    |                  |                     |
|------------------------------------|------------------|---------------------|
| A. Empire Sportsmen's Association: | Katherina Chun   | Leandro Padilla, II |
| B. Merced Poker Room:              | Arctica Yang     |                     |
| C. Napa Valley Casino:             | Qiulan Deng      | Michael Singleton   |
| D. Poker Flats Casino:             | Sai Saechao      |                     |
| E. Sundowner Cardroom:             | Tiffany Alvarado |                     |
| F. The 101 Casino:                 | Jose Hernandez   | Melinda Palmer      |

17. 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. Banc, LLC:<br>Supervisor:              | Clifton Hall      |                 |
| B. Certified Network M, Inc.:<br>Players: | Nhung La          | Kim Quon        |
|   | Eric Thang        | Sophary Teab    |
|   | Vanna Ton         |                 |
| C. Gaming Fund Group, Inc.:<br>Players:   | Samantha Amoroso  | Karla Marquez   |
|   | Jimmy Toch        |                 |
| D. PT Gaming, LLC:<br>Supervisors:        | Lou Chee Her      | Andrew Reynolds |
| Player:                                   | Warren Williamson |                 |



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:  
Jared Ocampo
  - B. Cache Creek Casino Resort – Yocha Dehe Wintun Nation:  
Min Jian                      Manuel Lay                      Xiaona Li  
Larick Liang                      Blong Thao
  - C. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:  
Kelly Watkins
  - D. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:  
Joselito Efono                      Eduardo Medina Herrera                      Michael Norris, II
  - E. Coyote Valley Casino – Coyote Valley Band of Pomo Indians of California:  
William Strandvold
  - F. Konocti Vista Casino – Big Valley Band of Pomo Indians of the Big Valley Rancheria:  
Jeffrey Crawford
  - G. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:  
Sara Barron
  - H. Santa Ysabel Casino – Santa Ysabel Band of Digueno Indians:  
Wael Ahad                      Sharron Osuna
  - I. Soboba Casino – Soboba Band of Luiseno Indians:  
Candy Stout
  - J. Spotlight 29 Casino – Twenty-Nine Palms Band of Mission Indians:  
Susan Fletcher
  - K. Sycuan Casino & Resort – Sycuan Band of the Kumeyaay Nation:  
Kiersten McCaigue                      David Schleicher                      Brian Werner, Jr.
  - L. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria:  
Wilbert Hernandez                      Tanya Kirkpatrick
  - M. Twin Pine Casino & Hotel – Middletown Rancheria Band of Pomo Indians:  
Kyle Taber
  - N. Win-River Casino – Redding Rancheria:  
Timothy Barry
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:  
Maureen Fazio                      Ramona Grinager                      Frances Peoples  
Michael Wohlenber
  - B. Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:  
Kurt Foster                      Sandra Hornback                      Laura Neher
  - C. Blue Cache Creek Casino Resort – Yocha Dehe Wintun Nation:  
Allison Khon                      Narin Khon                      Derick Nakayama  
Maihoua Thao

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D. Cher-Ae-Heights Casino – Cher-Ae-Heights Indian Community of the Trinidad Rancheria:

Jeb Balsley Rachael Gleaton

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

Steven Bravo Roger Dacuycuy Patrick Fritz  
Julian Mondragon II Jarad Nogle Benjamin Schaub  
Diana Worsley

F. Elk Valley Casino – Elk Valley Rancheria:

Deirdre McGray

G. Fantasy Springs Resort Casino – Cabazon Band of Mission Indians:

Roy Arias Kimberly Boeckholt Joseph Cavaliere  
Tessa Charles Bunnich Chea Jay Chesterton  
Louis Crescenzo Angelica Espinoza Dulce Fernandez  
Monica Flores Michael Hennig John Kubisty  
Kathleen leVasseur Ivica Maras Patricia Martinez  
Michele Montana Rungthip Nungkhiangjan Stephen Oskiera  
Paul Pilch David Rexroth James Rounsavall  
April Ryan Paul Ryan Lyn Sabac  
Ana Salas Keto Ben Smith-Newman Randall Smith  
Mark Steffes Deana Tuckson Axel VanDerVelden  
David Voros Gene Wu

H. Feather Falls Casino & Lodge – Mooretown Rancheria of Maidu Indians:

Peter Davis Andrew Durocher

I. Harrah's Rincon Casino & Resort – Rincon Band of Luiseno Indians:

Eric Garwood Annette Padgett

J. Jackson Rancheria Casino & Hotel – Jackson Rancheria Band of Miwuk Indians:

Javier Ramos Matthew Truett

K. Konocti Vista Casino – Big Valley Band of Pomo Indians of the Big Valley Rancheria:

Aaron Borba

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

Nathan Anderson Eli Granados Richie Inthasone

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

Mark Feldthusen Mai Nguyen Gabriel Saballa  
Erich Strafeldas Emerito Grime Tomaneng Lee Underwood  
Dennis Zamora

N. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:

Joshua Callahan Tiarra Jauregui William Rogers

O. Soboba Casino – Soboba Band of Luiseno Indians:

Clara Beaver Abiegail Medel

P. Spotlight 29 Casino – Twenty-Nine Palms Band of Mission Indians:

Ana Brianchesco Luis Cervantes Edilmundo Flores  
Richard Reyes

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

Ivan Au Anthony Galindez Jayson Hadley  
Joshua Hambly Masumi Kamio Khieng Lenh

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- Eduardo Pais            Meuy Saelee  
R. Valley View Casino & Hotel – San Pasqual Band of Diegueno Mission Indians:  
    Ryan Bemiller            Bruce Howard            Todd Jackson  
S. Viejas Casino – Viejas Band of Kumeyaay Indians:  
    Jeff Cicero                Gerald Dickerson

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 approved Consent Calendar items 14 through 19.

**PUBLIC COMMENT:**

None.

**CLOSED SESSION:** None.

- 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)
  - C. *Bingo Innovations of California, Inc. v. California Gambling Control Commission*, Sacramento County Superior Court (34-2012-80001139)
  - D. *Yavapai Apache Nation v. Iipay Nation of Santa Ysabel, the State of California, and the California Gambling Control Commission*, Sacramento County Superior Court (34-2012-001199727)
  - E. *Robert Saucier, et al. v. California Gambling Control Commission*, Sacramento County Superior Court (34-2013-80001594)
- II. Hearing Deliberations Pursuant to Government Code Section 11126(c)(3):  
IN THE MATTER OF THE APPLICATION FOR APPROVAL OF INITIAL KEY EMPLOYEE PORTABLE PERSONAL LICENSE FOR CRAIG OGASAWARA, CGCC CASE NO. 2013-03211

**ADJOURNMENT:**

Chairman Lopes adjourned the Commission Meeting at 11:16 AM.