

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 JUNE 27, 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.

Chairman Lopes acknowledged and thanked Marty Horan, Assistant Bureau Chief, for his distinguished tenure with the Bureau of Gambling Control by presenting him with a certificate of appreciation in recognition of his departure to the Bureau of Medi-Cal Fraud.

By concurrence of the Commissioners, Item 16.J, Jackson Rancheria Band of Miwok Indians - Michael Turngren – was moved to Open Session following Item 11.

3. Approval of Commission Meeting Minutes for:
May 23, 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 minutes for the May 23, 2013 Commission Meeting.

4. Applications for Approval of A) Renewal of State Gambling Licenses (Pursuant to Business and Professions Code section 19876; CCR, Title 4 section 12345 and; B) Initial State Gambling License (Pursuant to Business and Professions Code section 19851):

A. 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

Comments Received From:

Honorable Willie Brown
Kyle Kirkland
John Maloney
Jim Betts
Stephen Cornwell
George Sarantos

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 extended the renewal state gambling license for Club One Casino, Inc. for a 60-day period, valid through August 31, 2013 with the following condition:

Licensee shall provide the Bureau of Gambling Control and the California Gambling Control Commission copies of loan agreement documents, not previously provided, and any documents which affect the release of the personal guarantees by Mr. Kirkland and Mr. Messina, within 10 days.

B. The Deuce Lounge and Casino:

GLCR, Inc.
Kyle Kirkland, President, Shareholder
Dana Messina, Secretary, Treasurer,
Shareholder

Public Comments Received From:

Jim Betts

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 initial state gambling license for The Deuce Lounge and Casino valid through June 30, 2015, and the removal of the temporary conditions as noted below.

Removed Conditions:

1. The temporary initial license takes effect on the date that the Commission approves the request and expires June 30, 2013. If more time is needed to complete the background process, then the temporary state gambling license can be extended for an appropriate amount of time after consultation with the Bureau.
2. Issuance of a temporary license does not obligate the Commission to grant a permanent license. Issuance of a temporary license does not create a vested

Commission Meeting Minutes of June 27, 2013

right in the holder to either extension of the temporary license or to a regular license.

- 3. Issuance of this temporary license does not in any way change the legal requirement that the applicant bears the burden of establishing that he/she is suitable pursuant to Business and Professions (B&P) Code section 19856(a) for a regular license.*
- 4. Issuance of this temporary license does not change the license qualification requirements of the Gambling Control Act, including but not limited to B&P Code sections 19856, 19857, 19858, and 19859.*
- 5. The applicant has pending applications for regular state gambling licenses. A regular license may or may not be issued, depending upon the results of the complete background investigation and upon the conduct of the applicant and its employees during the term of the temporary license.*
- 6. If, during the term of the temporary license, the Executive Director determines that any particular applicant is disqualified for any of the reasons set forth in B&P Code section 19859, the Executive Director shall prepare an order to show cause why that applicant's temporary license should not be cancelled, which shall be considered at the first available noticed Commission meeting. The applicant may address the Commission by way of an oral statement at the noticed Commission meeting and/or may submit documents in support of the temporary licensure not less than five days prior to the meeting. The applicant may request an evidentiary hearing either in writing not less than five days prior to the meeting or at the meeting itself.*
- 7. If, during the term of the temporary license, the Executive Director determines that any particular applicant may have violated one or more of the conditions under which the temporary license was issued, the Executive Director shall prepare an order to show cause why that applicant's temporary license should not be cancelled, which shall be considered at the first available noticed Commission meeting. The applicant may address the Commission by way of an oral statement at the noticed Commission meeting and/or may submit documents in support of the temporary licensure not less than five days prior to the meeting. Either in writing not less than five days prior to the meeting or at the meeting itself, the applicant may request an evidentiary hearing.*
- 8. Mr. Kirkland and Mr. Messina will provide monthly status reports to the Bureau of Gambling Control on the litigation involving Club One Acquisition Corporation in Fresno County Superior Court and the New York State Supreme Court, New York County. These reports will also address the actions taken to resolve the underlying disputes which are the basis for the litigation and provide the status of Club One's plans to pursue Chapter 11 reorganization.*

Commission Meeting Minutes of June 27, 2013

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

- A. Nineteenth Hole: The Nineteenth Hole, General Partnership
Eddie Beaudin, Partner
Larry Merlini, Partner
Stephen Scudero, Partner

Comments Received From:
Stephen Scudero

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 state gambling license application for the Nineteenth Hole valid through February 28, 2015, with the condition noted below:

Within ten days of the completion of the remodel expansion of the cardroom, the cardroom must submit to the Bureau of Gambling Control an updated Security and Surveillance Plan and updated Emergency and Preparedness Plan approved by the Contra Costa Fire Protection District.

By concurrence of the Commissioners, items 5.B. and 5.C. were considered simultaneously.

- B. Ocean's Eleven Casino: Ocean's Eleven Casino Partnership
Haig Kelegian, Jr., Trustee

- C. The Bicycle Casino: The Bicycle Casino, L.P.
Haig Kelegian, Jr., Trustee

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 extended the renewal state gambling license for Haig Kelegian, Jr., as trustee of Ocean's Eleven Casino and The Bicycle Casino, valid through September 30, 2013.

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

Dina Shamoon

Action:

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

Commission Meeting Minutes of June 27, 2013

Conklin, Hammond and Schuetz voting yes, the Commission approved the initial key employee license application valid through March 31, 2014.

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

A. Banc, LLC: The Ayjian Family Revocable Trust, Sole Member
Terry Ayjian, Trustee and Beneficiary
Tiana Nguyen, Trustee and Beneficiary

Comments Received From:

Keith Sharp
Sara Campbell, Bureau of Gambling Control, via telephone
Stacey Luna-Baxter, Bureau of Gambling Control

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 extended the renewal third party proposition and gambling business license for a 30-day period in order to enable the applicants to be present or available telephonically valid through July 31, 2013, continuing with the existing condition noted below:

Banc, LLC shall not accept additional personal loans from Michael and Celeste Ayjian without first obtaining approval from the California Gambling Control Commission for the transaction.

B. California Gaming Consultants: Dog Named Blue, Inc.
The Rick Baldaramos Trust, Shareholder
Richard Baldaramos, Trustor, Trustee and Beneficiary

Comments Received From:

Keith Sharp
Mitch Goldstein
Rick Baldaramos
Yolanda Morrow, Bureau of Gambling Control
Stacey Luna-Baxter, Bureau of Gambling Control

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 referred the renewal third party proposition and gambling business license application to an Evidentiary Hearing.

Commission Meeting Minutes of June 27, 2013

8. 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):

A. Banc, LLC:

Player: Henry Bin

B. California Gaming Consultants:

Players: Tithya Sou Thomas Vasquez

C. Certified Network M, Inc.:

Players: Samuel Bonillas Osvaldo Juarez
Socheata Sim

D. Certified Players, Inc.:

Player: Samnang Men

E. Gaming Fund Group, Inc.:

Player: Kwong Foo

F. Premier Player Providers, Inc.:

Player: Eliza Esteban

G. PT Gaming, LLC:

Players: Alyssa Alvarez Stephanie Cowie
Evangeline Daatio Susan Heaton
Charles Kwak Michael Nyman
Xiomara Pulido Sobers Rajakumar
Chanel Robles Crystal Rubio
Brian Vo

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 conversion applications valid through June 30, 2015.

9. 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. Certified Network M, Inc.:

Player: Alejandro Felix

Comments Received From:

Alejandro Felix, 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 third party provider proposition player license valid through August 31, 2013.

B. PT Gaming, LLC:

Player: Remar Jonah Moscardon

Comments Received From:

Remar Jonah Moscardon, via telephone
Stacey Luna-Baxter, 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 took the following action:

1. Extended the third party proposition player service license for a 6-month period, valid through December 31, 2013; and
2. Referred the renewal license to an Evidentiary Hearing.

10. 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):

The United States Playing Card Company

Comments Received From:

Cheryl Johnson, via telephone

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 renewal finding of suitability application for The United States Playing Card Company, and its principals, for the period of July 1, 2013 through June 30, 2015.

11. Application for Approval of Initial Tribal-State Compact Key Employee Findings of Suitability(Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

Table Mountain Rancheria of California:
Robert Goslin, Jr.

Comments Received From:

Robert Goslin, Jr., via telephone

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 for Mr. Goslin, Jr., valid through May 14, 2014.

Moved From Consent to Open Session:

16. Applications for Approval of Initial Tribal-State Compact Key Employee Findings of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

- J. Jackson Rancheria Casino & Hotel – Jackson Rancheria Band of Miwok Indians:
Michael Turngren

Comments Received From:

Michael Turngren, 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 initial finding of suitability application for Mr. Turngren valid through August 6, 2014.

CONSENT CALENDAR ITEMS:

12. Request for Approval of Additional Permanent Authorized Tables (Pursuant to Business and Professions Code section 19841(p); CCR Title 4, section 12359):

Hustler Casino: El Dorado Enterprises, Inc.

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

The 101 Casino: David French

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

- A. Napa Valley Casino: San Saechao
B. Towers Casino: Keith Jeske

15. 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. Certified Network M, Inc.:
Player: Michael Solis
B. PT Gaming, LLC:
Players: Han Chau Rogelio Delgado

16. 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:
Juan Ortega, Jr. Paul Toft
B. Barona Resort and Casino – Barona Band of Mission Indians:
Amy Asaro Casey Beatty Cynthia Bubar
Tyler Dollick Danielle Gulihur Sylvia Osuna
Kyle Martinez Marie Walczak

Commission Meeting Minutes of June 27, 2013

- C. Blue Lake Casino and Hotel – Blue Lake Rancheria:
Jacob Cox
- D. Cache Creek Casino Resort – Yocha Dehe Wintun Nation:
Jonathan Lu
- E. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the
Santa Ynez Reservation
Jarad Nogle
- F. Colusa Casino Resort – Cachil Dehe Band of Wintun Indians of the Colusa
Indian Community of the Colusa Rancheria:
Kristopher Howard
- G. Fantasy Springs Resort Casino – Cabazon Band of Mission Indians:
David Polizzi
- H. Gold Country Casino & Hotel – Berry Creek Rancheria of Maidu Indians of
California:
Kevin Shoop
- I. Harrah’s Rincon Casino & Resort – Rincon Band of Luiseno Indians:
Shantia Riahi
- J. Jackson Rancheria Casino & Hotel – Jackson Rancheria Band of Miwok Indians:
Michael Estey Michael Turngren – **Open Session**
- K. Lucky 7 Casino – Smith River Reservation:
Christine Cunningham
- L. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the
Morongo Reservation:
Vanny Taing
- M. Paiute Palace Casino – Bishop Paiute Tribe:
Sharon Connolly
- N. Pala Casino Spa Resort – Pala Band of Mission Indians:
Marlin Advincula
- O. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the
Pechanga Reservation:
Nina Peart
- P. Red Hawk Casino – Shingle Springs Band of Miwok Indians:
Erik Carlson Duane McLaughlin
- Q. Running Creek Casino – Habematolel Pomo Indians of Upper Lake:
Cassandra Crawford Mary Lopez
- R. Santa Ysabel Casino – Santa Ysabel Band of Digueno Indians:
Samantha McDonald Cynthia Strobe
- S. Soboba Casino – Soboba Band of Luiseno Indians:
Christopher Cadena Frank Cruz, Jr.
- T. Spotlight 29 Casino – Twenty-Nine Palms Band of Mission Indians of California:
Heather Diaz
- U. Sycuan Casino & Resort – Sycuan Band of the Kumeyaay Nation:
Amy Brooks Walter Morris
- V. Table Mountain Casino – Table Mountain Rancheria:
David Zandt
- W. Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa
Rosa Rancheria:
Richard Davis Karen Mendez

Commission Meeting Minutes of June 27, 2013

- X. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria:
Maureen Alvidrez Melissa Hall Hue Le
- Y. Valley View Casino & Hotel – San Pasqual Band of Diegueno Mission Indians:
Antonio Morais, Jr.

17. 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. Bear River Casino – Bear River Band of the Rohnerville Rancheria:
Elijah Alexander
- B. Blue Lake Casino and Hotel – Blue Lake Rancheria:
Eric Croteau
- C. Cache Creek Casino Resort – Yocha Dehe Wintun Nation:
Constantinos Hatzopoulos Kayle Klinkhammer Phong Van
- D. Casino Pauma – Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation:
Bruce Kells Arthur Malecki Steven Ramuno
- E. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
Paula Grieco George Markarian Ramda Thongprasith
- F. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Mark Cheli Debra Cloward Steve Escobedo
John Gustafsson Patrice Iniguez Carlos Martinez Jr.
Frances Montgomery Dino Reveles Norma Saldivar
Hoa Wilson
- G. Colusa Casino Resort – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:
Steven Nishida Jr. Deborah Smart Kristen Yeghoian
- H. Eagle Mountain Casino – Tule River Indian Tribe of the Tule River Reservation:
Clinton Gibson
- I. Harrah's Rincon Casino & Resort – Rincon Band of Luiseno Indians:
Tuong Doan Alejandro Galvez-Gonzalez Xinghua Luo
Albino Ong Dawn Polk Thomas Smith
Ken Truong
- J. Jackson Rancheria Casino & Hotel – Jackson Rancheria Band of Miwok Indians:
Linda Willing
- K. Lucky Bear Casino – Hoopa Valley Tribe:
Deborah Hicks
- L. Pala Casino Spa Resort – Pala Band of Mission Indians:
Jerome Arapeles Cecil Cardwell Jacob Mireles
Carla Nielsen Kathleen Roland Alan Smith
John Zastrow
- M. Red Hawk Casino – Shingle Springs Band of Miwok Indians:
Alina Cojocari Jerry Good Christopher Morton
Donald Rivard Cheng Saechao Sayfong Sayavong
Richard Schlaht Tai Tran

Commission Meeting Minutes of June 27, 2013

- N. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:
James Gentry Rachel Loza Theresa Pereira-Oliver
Juana Rodriguez
- O. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission
Indians of the San Manuel Reservation:
Miraflor Bliss Artiana Camargo Todd DiMillo
Jeannine Francis Micheal Grizzard Robert Hawkins
Robert Key John Klein Michael Kohn
Christina Martin Charles McKinley Jodie Sanders
Arthur Santoya Jr. Ryan Shearer Stephanie Short-Smith
Lance Splawn Robert Velasco
- P. Soboba Casino – Soboba Band of Luiseno Indians:
Gustavo Reyes
- Q. Spotlight 29 Casino – Twenty-Nine Palms Band of Mission Indians:
Anna Martinez
- R. Sycuan Casino & Resort – Sycuan Band of the Kumeyaay Nation:
Larry Aguilar Rochelle Bradley Enrique Conchas
Eduardo Cunanan Scotty Patindol Shaun Sotos
Danny Wong
- S. Table Mountain Casino – Table Mountain Rancheria:
Paul Davis
- T. Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa
Rosa Rancheria:
Jose Avila Isabel Brasil Normalinda Buttle
Stephanie Jolley Bruce Nelson Robert Peters
- U. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn
Rancheria:
Deborah Aafedt Ted Kernan Van Le
Guillermo Mesina Anthony Pham Jeremy Skrypek
- V. Twin Pine Casino & Hotel – Middletown Rancheria Band of Pomo Indians:
Robin Looper Gina Sims
- W. Valley View Casino & Hotel – San Pasqual Band of Diegueno Mission Indians:
Ryan Bemiller Rudolph Contreras NeeNee Vilaylack
Judith Wright

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 Consent Calendar items 12 through 17 with the exception of Item 16.J. – Michael Turngren who was removed from Consent and heard in Open Session.

CLOSED SESSION: None.

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. *John Chiang, California State Controller, and California Gambling Control Commission v. Candace Cates*, Court of Appeal of the State of California, Fourth Appellate District, Division One (D060570)
 - C. *Pauma Band of Luiseno Mission Indians v. Gambling Control Commission; and Arnold Schwarzenegger*, U.S. Dist Court S. D. California (09 CV01955 LAB AJB)
 - D. *Timothy Eugene Stroud v. California Gambling Control Commission*, Sacramento County Superior Court (34-2010-080000614)
 - E. *San Pasqual Band of Mission Indians v. State of California, et al.*, Los Angeles County Superior Court (BC431469)
 - F. *Bingo Innovations of California, Inc. v. California Gambling Control Commission*, Sacramento County Superior Court (34-2012-80001139)
 - G. *Richard Jonathan Scott v. California Gambling Control Commission*, Sacramento County Superior Court (34-2012-80001292)
 - H. *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)

PUBLIC COMMENT:

Keith Sharp
Tina Littleton
Marianne Estes
Stacey Luna-Baxter

Chairman Lopes recognized the individuals transferring to the Bureau of Gambling Control as part of the Governor's Reorganization Plan. These individuals include:

Joni Perrin
Robin Saenz
Joy Calkin
Dennis Garcia
Debbie Martinez
Sadie Shannon

ADJOURNMENT:

Chairman Lopes adjourned the Commission Meeting at 2:15 PM.