

California Gambling Control Commission
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**MINUTES OF THE MAY 14, 2020
COMMISSION MEETING**

Pursuant to Executive Orders N-25-20 and N-29-20 regarding the COVID-19 virus, the meeting was held by tele/videoconference and there was no location open to the public.

OPEN SESSION

1. Call to Order.

Chairman Evans called the meeting to order at 10:00 a.m.

2. Roll Call of Commissioners was taken with Chairman Jim Evans, Commissioner Paula LaBrie, Commissioner Gareth Lacy, and Commissioner Trang To present.

Prior to the start of the meeting, Chairman Evans stated that Executive Director Stacey Luna Baxter had some announcements to make. There is a new executive staff member that is going to take part in today's meeting, as well as, acknowledging the outgoing.

Executive Director Stacey Luna Baxter announced that for the past three years, Deputy Director Adrianna Alcala-Beshara has exceeded all expectations and managed to raise an already high bar within the Licensing Division. Late last year, Adrianna approached Executive Director Stacey Luna Baxter expressing that she wanted a change and luckily the Commission had a vacancy occur within the Legislative and Regulatory Affairs Division and Adrianna expressed a strong desire to continue her past work in the area of legislation. As much, and as frequently, as Executive Director Stacey Luna Baxter tried to convince her otherwise, Adrianna competed against a very strong candidate pool and was selected as the new Deputy Director of Legislative and Regulatory Affairs Division in January 2020. Since then, she has been doing a phenomenal job working both desks as the Deputy Director of Legislative and Regulatory Affairs, as well as, the Deputy Director of the Licensing Division.

Executive Director Stacey Luna Baxter welcomed Dolores Olivarez, who was hired as the new Deputy Director of the Licensing Division as of April 6, 2020, right in the middle of COVID-19. However, despite all of the challenges presented by COVID-19, Adrianna and Dolores undertook a very rigorous training since day one. Dolores came to the Commission from the California Prison Industry Authority where she was responsible for the oversight of all operational activities for the Healthcare Facilities Maintenance Program, which included oversight over 35 institutions. Dolores has hit the ground running and the Commission is pleased to have her a part of the Commission team.

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In closing, Executive Director Stacey Luna Baxter thanked Adrianna for all that she has brought to the Licensing Division, as well as, the Commission.

Chairman Evans echoed Executive Director Stacey Luna Baxter's comments.

In addition, Executive Director Stacey Luna Baxter explained ZOOM participation instructions.

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

Lake Bowl Cardroom: Skylar Combs

Comments Received From:

Skylar Combs, via video

Chairman Evans requested confirmation from Mr. Combs whether he understood and would comply with the proposed amended condition.

Mr. Combs confirmed his understanding, and assent to the condition.

Commissioner To inquired as to why Mr. Combs had not completed his work project with the Sherriff's Department.

Mr. Combs stated that he had a medical incident and due to the injury was unable to obtain a work release. Additionally, due to COVID-19, the interview has been pushed out but he should have an update within 12 days.

Action:

Upon motion of Chairman Evans, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, Commissioner Lacy, and Commissioner To voting yes; the Commission approved the Renewal Work Permit through May 31, 2022, with the condition noted below:

Beginning July 1, 2020, and every 90 days thereafter, Mr. Combs must provide the Bureau of Gambling Control a status update regarding proof of ongoing efforts concerning the completion of his court-mandated Sheriff's Work Alternative Program and High Blood Alcohol 6-month Program until resolved and proof of resolution is provided to the Bureau.

4. 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. Pacific United Service, Inc.: Pacific United Service, Inc.
Bill Do, Chief Executive Officer, President Secretary,
Treasurer, Director, Sole Shareholder

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Comments Received From:

Steve Schreiner, Attorney, Designated Agent, via telephone
Stacey Luna Baxter, Executive Director, via telephone

Commissioner LaBrie inquired as to how much time Mr. Schreiner would need to be informed of the issues and allow for the item to be heard.

Mr. Schreiner stated it would be best to schedule for one of the Commission's meetings in August.

Commissioner Lacy inquired if Mr. Schreiner was representing Mr. Do, and if so, what is his relationship with Mr. Ryan Kroll who was listed as the attorney.

Mr. Schreiner stated he is representing Mr. Do and Pacific United Service. Mr. Schreiner has substituted in as counsel for both applicants and has been designated as the agent for purposes of dealing with the Bureau.

It was concluded that Mr. Ryan Kroll is no longer involved.

Executive Director Stacey Luna Baxter requested that while Mr. Schreiner is on the line if he would acknowledge acceptance of the 120-day toll so that the Commission does not exceed its timeframe to act on the application.

Chairman Evans requested confirmation from Mr. Schreiner on behalf of his clients, whether he understood and would comply with a 120-day toll.

Mr. Schreiner, on behalf of his clients, confirmed his understanding, and assent to the 120-day toll.

Chairman Evans approved to table the matter at this time per request of the applicant and 120-day toll.

B. Suns Gaming, Inc.:

Suns Gaming, Inc.

Manuel Moreno, Chief Executive Officer, Chief
Financial Officer, Secretary, Director, Sole
Shareholder

Comments Received From:

Manuel Moreno, via telephone
Yolanda Morrow, Assistant Director, Bureau of Gambling Control, via telephone
Stacey Luna Baxter, Executive Director, via telephone

Commissioner LaBrie commented on the issue surrounding the litigation and timing of the letters of warning. However, upon reviewing the Bureau's responses it appeared as though matters were on the right track and will await updates during the next renewal period.

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Commissioner Lacy commented that Option Two is appropriate.

Commissioner LaBrie requested to clarify if there would be two different types of licensures, one would be as a shareholder, and the other as community property.

Executive Director Stacey Luna Baxter stated Commissioner LaBrie is correct.

Chairman Evans requested confirmation from Mr. Moreno, whether he understood and would comply with the condition.

Mr. Moreno confirmed his understanding, and assent to the condition.

Assistant Director Morrow clarified in regards to the community property interest under the Third Party Provider license type there is no license category for community property interest holder. The only way that a spouse can come in for licensure is as an owner, so that would be the only option.

Action:

Upon motion of Chairman Evans, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, Commissioner Lacy, and Commissioner To voting yes; the Commission approved the conversion of the registration to Initial License through May 31, 2022 with the condition noted below:

If a final judgment is entered which confirms Ms. Moreno as a shareholder of interest in Suns Gaming, Inc., Ms. Moreno must apply for licensure within 30 business days of the entry of such judgment.

5. 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. Knighted Ventures, LLC:

Player: Dahmesa Bennett

Deputy Director Olivarez informed the Commission that multiple attempts to confirm Ms. Bennett's attendance were made by the Commission staff; however, Ms. Bennett did not confirm attendance. Dahmesa Bennett did not announce herself at the meeting.

Commissioner LaBrie commented on the status of the FTA, as this is being conditioned, and wanted to ensure the applicant is aware and understands the condition being imposed.

Commissioner Lacy commented that the condition seems appropriate.

Commissioner To commented that he is in agreement with his colleagues.

Action:

Upon motion of Commissioner LaBrie, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie,

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Commissioner Lacy, and Commissioner To voting yes; the Commission approved the conversion of the registration to Initial License through May 31, 2022, with the condition noted below:

Beginning July 1, 2020, and every 90 days thereafter, Dahmesa Bennett must provide the Bureau of Gambling Control proof of ongoing efforts to resolve her Failure to Appear until resolved proof of resolution is provided to the Bureau.

B. L.E. Gaming, Inc.:
Supervisor: i) Uyen Phung

Comments Received From:
Uyen Phung, via telephone

Chairman Evans requested confirmation from Ms. Phung, whether she understood and would comply with the condition.

Ms. Phung confirmed her understanding, and assent to the condition.

Commissioner LaBrie requested a status on the litigation regarding the lease termination.

Ms. Phung stated that it has been put on hold due to COVID-19.

Commissioner Lacy requested confirmation of the judgement against Ms. Phung's company and whether a dispute will be filed.

Ms. Phung stated that she has not and is awaiting an update.

Action:

Upon motion of Commissioner To, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, Commissioner Lacy, and Commissioner To voting yes; the Commission approved the conversion of the registration to Initial License through May 31, 2022, with the condition noted below:

Beginning July 1, 2020, and every 90 days thereafter, Uyen Phung must provide the Bureau of Gambling Control with proof of efforts to satisfy her Judgment(s) until resolved and proof of resolution is provided to the Bureau.

Player: ii) See Vang

Deputy Director Olivarez informed the Commission that multiple attempts to confirm Mr. Vang's attendance were made by the Commission staff; however, Mr. Vang did not confirm attendance. See Vang did not announce himself at the meeting.

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Commissioner LaBrie agrees with abandoning the application.

Commissioner To agrees with his colleague. Option 3 is appropriate due to the applicant no longer being employed.

Commissioner Lacy agrees with his colleagues.

Action:

Upon motion of Chairman Evans, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, Commissioner Lacy, and Commissioner To voting yes; the Commission Deemed the Conversion Application Abandoned.

6. Consideration of Tribal-State Compact Initial Finding of Suitability as a Gaming Resource Supplier (Pursuant to the Tribal-State Gaming Compact):

DiTronics Financial Services, LLC:

The Vasilakos Family Trust, Owner
George J. Vasilakos, Chief Executive Officer,
Trustor, Trustee, Beneficiary
Virginia Vasilakos, Trustor, Trustee, Beneficiary
George S. Vasilakos, Executive Vice
President of Operations, Owner

Comments Received From:

Rennica Gonsalves, Designated Agent, Compliance Administrator via telephone

Chairman Evans requested confirmation from Ms. Gonsalves, on behalf of her clients, whether she understood and would comply with the condition.

Ms. Gonsalves, on behalf of her clients, confirmed her understanding, and assent to the condition.

Action:

Upon motion of Chairman Evans, seconded by Commissioner LaBrie, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, Commissioner Lacy, and Commissioner To voting yes; the Commission approved the Initial Finding of Suitability through May 31, 2022, with the condition noted below:

Ms. Margaret Vasilakos must submit an Initial Finding of Suitability application as a principal of DiTronics Financial Services, LLC within 60 days of approval.

7. Request for Reconsideration (Pursuant to Business and Professions Code section 19824; CCR, Title 4, section 12064):

In the Matter of the Application for Initial Key Employee License for Callaye Jo Strauss, (CGCC 2017-0713-7G)

Comments Received From:

Jason Pope, Staff Counsel III, Gambling Control Commission, via video

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Danielle Guard, Attorney, via telephone

Staff Counsel III Jason Pope stated this item is regarding the reconsideration request regarding the Commission Second Amended Decision and Order concerning Callaye Jo Strauss, an applicant for Key Employee License. The matter has a long history, which is more fully documented in the record provided to the Commissioners.

This request was considered at a prior meeting, but was tabled until today. The Request for Reconsideration would be taken up into two parts. First, the Commissioners must decide whether to grant reconsideration and this would be done in Open Session and you would have to determine whether there's good cause for that reconsideration request. Second, if the Commissioners grant reconsideration, then the Commissioners would go into Closed Session to determine whether you would want to issue an amended decision or alternatively affirm the prior decision that you would have issued.

Commissioner Lacy stated that he has abstained in voting on this matter because of the regulations stating only those who have heard the evidence can vote in this matter which occurred before joining the Commission

Commissioner To stated that he is satisfied with the information received and discussions conducted. No further comment or question.

Commissioner LaBrie would like to grant the request to reopen deliberation, but not look at additional evidence.

Commission To responded with a no to the reconsideration. However, agreed to discussing in closed session.

Chairman Evans stated that he would go along with his colleagues and grant the reconsideration and discussion in Closed Session. Chairman Evans stated he is not committing to the matter and principal of what the issue is and wanted to make that abundantly clear.

Mr. Pope stated that when the Commission, in the absence of other cause such as evidence that could have been presented, the Commissioners in their discretion may reopen the case and grant reconsideration when making a finding of good cause, and good cause is not defined. In addition, Mr. Pope stated that there is no standard in the Commission's regulation as to what that means and this is not precedential, unless a made precedential decision, therefore each matter would be factually dependent.

A motion was made to grant Reconsideration from Commissioner LaBrie and a Second from Commissioner To.

Danielle Guard specified she would like to make a statement as follows:

Ms. Guard stated that this case is an aberration in the Commission's record and I really ask that the Commission reconsider their order in this case.

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Mrs. Guard continued to make the following statements: The case deserves a reconsideration for the Commission's track record as well as Mrs. Strauss. There's no reason to believe that Mrs. Strauss is a danger to others, as the Bureau initially recommended this application.

Mrs. Strauss has no criminal convictions. She has a nearly 20-year record of being a valued employee in gaming and the court in this matter has pointed out the conclusions that were made in facts in this case, we're not supported by the evidence and unfortunately for Mrs. Strauss her Council did not point these errors out at the hearing.

Mrs. Strauss deserves a chance to continue working. The fault of her attorneys then and now, are not hers. She's had years to ruminate and reflect over the situation and I can confidently represent to you that she's reflected and learned from all of it.

I'm here today, again, asking for you to reconsider this matter even if the reconsideration is only to deny or key employee license, but to allow her to continue to have the opportunity to continue working in the industry she's worked in her whole life.

As I said in my letter to the Commission the world's really changed since we were here on March 11. Mrs. Strauss was not being able to continue to work in gaming turns her into a world with record high unemployment and a black mark on her record. That's a much tougher punishment than for her error then would have existed with record low unemployment.

We're seeking your compassion and forgiveness, as well as wanting to provide the Commission with the opportunity to rectify a decision that's not in line with the reasoning of other decisions.

Action:

Upon motion of Commissioner LaBrie, seconded by Commissioner To, and unanimously carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, Commissioner Lacy, and Commissioner To voting yes; the Commission approved to Grant the Reconsideration and discuss in Closed Session.

CONSENT CALENDAR ITEMS:

(Items on the consent calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed, in which case it will be discussed separately at a later point in the meeting.)

8. Consideration of Initial Portable Personal Key Employee License (Pursuant to Business and Professions Code section 19854; CCR, Title 4, sections 12054 and 12350):
 - A. Kevin Huang
 - B. Kaitlyn Nguyen
9. Consideration of Renewal Portable Personal Key Employee License (Pursuant to Business and Professions Code section 19854; CCR, Title 4, sections 12054 and 12351):

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- A. Jeffrey Farrell
- B. Kevin Huang
- C. Kaitlyn Nguyen

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

- A. Lake Bowl Cardroom: Taylor Knoll
- B. Parkwest Casino Sonoma: Allan Kwong
- C. Rogelio's: Ronna Tran

11. 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. Blackstone Gaming, LLC:
 - Players: Brian Cullen Brianna Villasenor
- B. Gold Gaming Consultants, Inc.:
 - Player: Alfredo Sahagun
- C. Halcyon Gaming, LLC:
 - Player: Madeleine Brockman
- D. Knighted Ventures, LLC:
 - Supervisors: Jacob Elmore Ricardo Munoz
 - Jasmine Rodriguez
 - Players: Dawn Cook Desirea Corcoran
 - Yasmin Alejandra Estrada Benjamin Perez
- E. Pacific United Service, Inc.:
 - Player: Shaunece Allen
- F. PT Gaming, LLC:
 - Supervisors: Tony Sherwood Noel Tibayan
 - Players: Breanna Acedo Ginger Bentz Keri Chham
 - Virgil Deyro Jr. Dillon Fuentes

12. Consideration of Renewal of Third-Party Providers of Proposition Player Services License (Pursuant to Business and Professions Code section 19984; CCR, Title 4, sections 12054 and 12218.8):

- A. Blackstone Gaming, LLC:
 - Players: Mark Anista Jake Briggs
 - Pricilla Del Palacio Feofaaki Fahina
 - Gicelle Hernandez Robert Jordan Andrea Lemos
- B. Fortune Players Group, Inc.:
 - Players: Jianming Chen Yuyan Tang
- C. Knighted Ventures, LLC:
 - Players: Emily Aman Jaimi Lunn Nancy Ta
- D. Metis TPS, LLC:
 - Players: Hermel Baloloy Fengxia Jiang Tomeka Jones
 - Daniel Leung Jiarong Liang Michael Liu
 - Angelica Nunez Xin Qi Kuyly Say
 - Yong Yu Tan Bei Zhao
- E. Pacific United Service, Inc.:
 - Players: Lin Ung Chung-Kuang Wang

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F. PT Gaming, LLC:

Supervisor: David Shindle

Players: Jennifer Hernandez Beata Hopkins John Ibarra
Sulesa Iosia Marie Ann Manansala Ka Ngai
Thuc Nguyen Lany Wong

G. Qualified Player Services, LLC:

Player: Daniel Roque

13. Consideration of Initial Tribal-State Compact Key Employee Finding of Suitability (Pursuant to the Tribal-State Gaming Compact):

A. Black Oak Casino - Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:
Lynne Cosgrove

B. Red Hawk Casino - Shingle Springs Band of Miwok Indians, Shingle Springs Rancheria:
Torn Saetern

C. San Manuel Casino - San Manuel Band of Mission Indians:
Gurvir Bhatia

14. Consideration of Renewal Tribal-State Compact Key Employee Finding of Suitability (Pursuant to the Tribal-State Gaming Compact):

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

Katie Atherton David Collier Michael Gannon
Sal Om Jose Peralta Jamin Steindorf

B. Blue Lake Casino and Hotel - Blue Lake Rancheria:
Tyrone Bachus

C. Jackson Rancheria Casino Resort - Jackson Rancheria of Me-Wuk Indians:
Aaron Christian Sheryl Mettler Lisa Peat
David Rivera Andrea Thao

D. Jamul Casino - Jamul Indian Village:
Anthony Ventura

E. Mono Wind Casino - Big Sandy Rancheria Band of Western Mono Indians:
Frances Houston-Bailey

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

Tam Bandith

G. Red Hawk Casino - Shingle Springs Band of Miwok Indians, Shingle Springs Rancheria:

Andrew Wright

H. Soboba Casino Resort - Soboba Band of Luiseno Indians:

Todd Harrington Jill Tucker

I. Sycuan Casino and Resort - Sycuan Band of the Kumeyaay Nation:

Qi Chen Kelly Clouse Dylan Connell
Rene De Ocampo Ketkeo Inthavong Roberto Jardiniano
Eric Lisowski Irving Lopez Mary Meier
Allyssa Joy Muncal Mai Nguyen Thang Nguyen
Jonathan Papin David Penn Joyce Christine Ray
Maria Swinford Daniel Tse

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J. Table Mountain Casino - Table Mountain Rancheria:

Ruby Gomez Madrigal	Tony Her	Brian Rankin
Eric Saechao	Bryan Xiong	

K. Tachi Palace Hotel and Casino - Santa Rosa Indian Community:

Efren Dela Cruz	Victor Flores	Jason Hedrick
Duoc Le	Daniel Macias	Melissa Monroy
John Stewart	Howard Works	

Action:

Upon motion of Commissioner To, seconded by Commissioner Lacy, and carried in a vote by roll call with Chairman Evans, Commissioner LaBrie, Commissioner Lacy and Commissioner To voting yes; the Commission approved the Consent Calendar items 8 through 14.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA:

None.

CLOSED SESSION DISCLOSURE:

Chairman Evans disclosed the items below to be heard in Closed Session:

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

B, In the Matter of the Application for Initial Key Employee License for Callaye Jo Strauss, (CGCC2017-0713-7G)

CLOSED SESSION:

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

- A. Stand Up For California, et al. v. State of California, et al., Madera County Superior Court (MCV062850)
- B. Eric G. Swallow v. California Gambling Control Commission, Sacramento County Superior Court (34-2016-800002402)
- C. Garden City, Inc. v. Eric Swallow, Sacramento County Superior Court (34-2016-00198132)
- D. Lucky Chances, Inc. v. California Gambling Control Commission, Sacramento County Superior Court (34-2017-80002549)
- E. Rene Medina v. Xavier Becerra, Jim Evans, et al.; United States District Court, Northern District of California (17-cv-03293 KAW)
- F. California Valley Miwok Tribe v. California Gambling Control Commission et al.; San Diego County Superior Court (37-2017-00050038-MU-CO-CTL)
- G. Callaye Jo Strauss v. California Gambling Control Commission, Sacramento County Superior Court (34-2018-80002882)
- H. Yavapai-Apache Nation v. La Posta Band of Diegueno Mission Indians and California Gambling Control Commission, Sacramento Superior Court (34-2018-00238711)
- I. Manuel Corrales, Jr. v. California Gambling Control Commission, San Diego County Superior Court (37-2019-00019079-CU-MC-CTL)
- J. Kris Kat, LLC and Steven C. Ayers v. California Gambling Control Commission, Sacramento County Superior Court (34-2019-80003142)

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K. Larry C. Flynt, et al., v. Kamala Harris, Jim Evans, et al.; United States District Court, Eastern District of California (16 CV 02831 JAM EFB)

II. Hearing Deliberations Pursuant to Government Code section 11126(c)(3):

- A. In the Matter of the Accusation and Statement of Issues Against Lucky Chances, Inc., Rommel Medina, Ruell Medina, (OAH No.201511046)
- B. In the Matter of the Application for Initial Key Employee License for Callaye Jo Strauss, (CGCC2017-0713-7G)
- C. In the Matter of the Application for Approval of Third Party Proposition Player Services Player License for Andrew Joseph Arellano, (CGCC-2019-0307-8C)
- D. Default Decision and Order In the Matter of the Application for Approval of Third-Party Proposition Player Services Player License for Christopher Palacios, (CGCC-2019-1107-8B)
- E. Default Decision and Order In the Matter of the Application for Approval of Gambling Establishment Key Employee License for David Jocis, (CGCC-2019-0516-6B)

ADJOURNMENT:

Chairman Evans Adjourned the Commission Meeting at 10:45 AM. No further information was given.