

California Gambling Control Commission
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**MINUTES OF APRIL 24, 2015
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 and Lauren Hammond present. Commissioner Richard Schuetz was not present.

3. Approval of Commission Meeting Minutes for:
March 26, 2015

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 and Hammond voting yes, the Commission approved the minutes for the March 26, 2015, Commission Meeting.

The following agenda items 4. A. and 4. B. were considered simultaneously:

4. Consideration of A) Transfer of Shares; and B) Applications for Initial State Gambling License (Pursuant to Business and Professions Code sections 19850, 19851, 19852, and 19904; CCR, Title 4 section 12342):

A. Commerce Casino: California Commerce Club, Inc.
Peter Pankey (Transferor)
Peter and Mona Pankey Trust dated June 14,
2006 (Transferee)

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- B. Commerce Casino: California Commerce Club, Inc.
Peter and Mona Pankey Trust dated June 14, 2006, Shareholder
Peter Pankey, Trustee, Settlor, and Beneficiary
Mona Pankey, Trustee, Settlor, and Beneficiary

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 and Hammond voting yes, the Commission approved; A. the Request to Transfer 20 shares of California Commerce Club, Inc. to the Peter and Mona Pankey Trust dated June 14, 2006, and B. the Initial State Gambling Licenses for the Peter and Mona Pankey Trust dated June 14, 2006, Peter Pankey and Mona Pankey through March 31, 2017.

5. Application for Consideration of Initial State Gambling License (Pursuant to Business and Professions Code sections 19850, 19851, and 19852; CCR, Title 4 section 12342):

Hollywood Park Casino: Hollywood Park Casino Company, Inc.

Comments Received From:

Harlan Goodson, Attorney
Stacey Luna-Baxter, Assistant Bureau Chief, Bureau of Gambling Control

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 and Hammond voting yes, the Commission approved the Initial State Gambling Licenses for Hollywood Park Casino Company, Inc., Christopher Meany, Stockbridge Capital Partners, LLC, Stockbridge Real Estate Partners II, LLC, Terrence Fancher, Kevin Cox, Darren Drake, Kristin Renaudin, and Charlene Kiley through April 30, 2017, and removed the existing conditions and added a new condition listed below:

Existing Conditions to be Removed:

1. *The temporary initial license takes effect on the date that the Commission approves the request and expires April 30, 2015.*
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 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*

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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.*

New Condition:

Stockbridge HP Casino Holdings Company, LLC and Stockbridge HP Holdings Company, LLC must submit applications for licensure to the Bureau of Gambling Control within 90 days of approval.

6. Applications for Consideration of Renewal of State Gambling License (Pursuant to Business and Professions Code sections 19852 and 19876; CCR, Title 4 section 12345):

- A. Club Caribe Casino: Pocket 3's Gaming, Inc.
Brian Altizer, President, Secretary, Treasurer,
Director, Shareholder

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Comments Received From:

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

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 and Hammond voting yes, the Commission approved a 90-day extension through July 31, 2015.

B. Oceana Cardroom: Mark Adam, Sole Proprietor

Comments Received From:

Mark Adam, 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 and Hammond voting yes, the Commission approved a 90-day extension through July 31, 2015.

C. Star's Casino: Joseph Melech, Owner
Monica Melech, Owner

Comments Received From:

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

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 and Hammond voting yes, the Commission approved the Renewal State Gambling License through April 30, 2017, and removed the existing condition noted below:

Condition to be Removed:

Within 30 days of renewal, Comstock Card Room must submit a transfer of ownership transaction documents, including initial state gambling applications with applicable fees for proposed corporation and all associated shareholders to the California Gambling Control Commission.

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

- | | |
|--------------------------|-------------------|
| A. Paul Chadband | E. Jessie Ramirez |
| B. Christopher Henderson | F. Javier Rosario |
| C. Kenneth Jones | G. Carolyn Uzeta |
| D. Warren Mott | |

By Commissioner's concurrence, the following agenda items 7. A. through 7. G. excluding 7. E. were considered simultaneously:

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 and Hammond voting yes, the Commission approved the Initial Applications through the dates listed in the reports.

7.E. Jessie Ramirez

Comments Received From:

Jessie Ramirez
Stacey Luna Baxter, Assistant Bureau Chief, Bureau of Gambling Control

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 and Hammond voting yes, the Commission approved the Initial Application through April 30, 2015.

8. Application for Consideration of Conversion of Third-Party Providers of Proposition Player Services Player Registration to License (Pursuant to Business and Professions Code section 19984; CCR, Title 4, sections 12218 and 12233):

Certified Players, Inc.:

Player: Vanessa Garcia

Comments Received From:

Vanessa Garcia, via telephone
Stacey Luna-Baxter, Assistant Bureau Chief, Bureau of Gambling Control
Yolanda Morrow, DOJA II, Bureau of Gambling Control

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 and Hammond voting yes, the Commission referred the matter to an evidentiary hearing to be conducted as a GCA Hearing.

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9. Applications for Consideration of Renewal of Tribal-State Gaming Resource Supplier Finding of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.5):

A. Aruze Gaming America, Inc.: Kazuo Okada, Sole Shareholder
Richard Pennington, President,
Chief Executive Officer and Director

Comments Received From:

Stacey Luna-Baxter, Assistant Bureau Chief, 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 and Hammond voting yes, the Commission approved the Renewal Application through April 30, 2017, with the condition noted below:

In the event that any investigation into Aruze Gaming America, Inc., Kazuo Okada, Universal Entertainment Corporation, or its subsidiaries or affiliates, results in any action, including but not limited to any criminal, civil, or administrative action, filed by a governmental authority, the Commission and the Bureau must be notified within 10 days of the action.

B. NRT Technology Corporation: Dominet Corporation, Shareholder
John Dominelli, President, Chief Executive
Officer, and Shareholder; Owner of
Dominet Corporation
James Grundy, Chief Financial Officer

Comments Received From:

James Grundy, Chief Financial Officer, via telephone

Action:

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

10. Revenue Sharing Trust Fund Final Report for Distribution to Eligible Recipient Indian Tribes for Quarter Ending March 31, 2015 - Quarterly License Revenue Received and Shortfall (Pursuant to Government Code section 12012.75):

Comments Received From:

John Peeples, Attorney, Alturas Rancheria
Wayne Smith, Alturas Rancheria
Scott Johnson, Alturas Rancheria, via telephone
Anthony Cohen, Tribal Attorney, Elam Colony of Pomo Indians
Little Fawn Boland, Partner, Ceiba Legal, LLC, via telephone
Augustine Garcia, Tribal Chairman, Elam Colony of Pomo Indians

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 and Hammond voting yes, the Commission approved distribution of funds to the eligible tribes as listed in the Revenue Sharing Trust Fund Report. However, distribution to the California Valley Miwok Tribe is withheld pending resolution by the Federal Government of the tribal leadership dispute.

CONSENT CALENDAR ITEMS:

11. Consideration of Additional Permanent Authorized Tables (Pursuant to Business and Professions Code section 19841(p); CCR Title 4, section 12359):
 - A. The Saloon at Stones Gambling Hall: King's Casino, LLC
 - B. The Tavern at Stones Gambling Hall: King's Casino, LLC

12. Applications for Consideration of Renewal Portable Personal Key Employee License (Pursuant to Business and Professions Code section 19854; CCR Title 4, section 12351):
 - A. Scott Ciboch
 - B. Jessie Ramirez

13. Applications for Consideration of Initial Work Permit (Pursuant to Business and Professions Code section 19912; CCR Title 4, section 12104):
 - A. Merced Poker Room: Khonglai Yang
 - B. Oceana Cardroom: Brian Ferrini Soutsida Inpravongviengkham

14. Applications for Consideration of Renewal Work Permit (Pursuant to Business and Professions Code section 19912; CCR Title 4, section 12104):
 - A. Club San Rafael: Noelle Barton
 - B. Napa Valley Casino: Kimberly Anderson
 - C. The 101 Casino: John Litton

15. Consideration to Withdraw Application for Portable Personal Key Employee License (Pursuant to Business and Professions Code section 19869; CCR Title 4, section 12015):

LaRaunce Robinson

16. Consideration to Withdraw Application to Convert Third Party Proposition Supervisor Registration to a License (Pursuant to Business and Professions Code section 19984 and CCR, Title 4, section 12015):

Fortune Players Group, Inc.:
Supervisor: Yuk-Shan Law

17. Applications for Consideration of Initial Tribal-State Compact Key Employee Finding of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.4):
 - A. Agua Caliente Casino Resort Spa - Agua Caliente Band of Cahuilla Indians:
Gerald Bruno Destany Raine

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- B. Augustine Casino - Augustine Band of Cahuilla Indians:
David Keto
- C. Chicken Ranch Casino - Chicken Ranch Rancheria of Me-Wuk Indians:
Leslie West
- D. Coyote Valley Casino - Coyote Valley Band of Pomo Indians:
Toni Thomas
- E. Graton Resort & Casino - Federated Indians of Graton Rancheria:
David Lew David Santillan Sherri Wadsworth
- F. Harrah's Resort Southern California - Rincon Band of Luiseno Mission Indians of the Rincon Reservation:
Frank Dillon
- G. Morongo Casino Resort and Spa - Morongo Band of Mission Indians:
John James Nicholas Merritt
- H. Soboba Casino - Soboba Band of Luiseno Indians:
Allison Briggs
- I. Spa Resort Casino - Agua Caliente Band of Cahuilla Indians:
Nichole O'Sullivan

18. Applications for Consideration of Renewal Tribal-State Compact Key Employee Finding of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

- A. Augustine Casino - Augustine Band of Cahuilla Indians:
Mark Mohrmann
- B. Barona Resort and Casino - Barona Group of Capitan Grande Band of Mission Indians:
William Allen Tasha Baker Jay Chang
Josue Gonzalez-Marchena Phillip Hinds Donald Hooper
Tracie Lavenant Dayree Viramontes
- C. Bear River Casino Hotel - Bear River Band of the Rohnerville Rancheria:
Jordan Grace-Reyna-Sanchez John McGinnis
- D. Blue Lake Casino and Hotel - Blue Lake Rancheria:
Geoffery Cahill
- E. Chumash Casino Resort - Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Paul Baker Mark Cheli Steve Escobedo
John Gustafsson Patrice Iniguez Carlos Martinez Jr.
Frances Montgomery Dino Reveles Norma Saldivar
Manuel Villa
- F. Diamond Mountain Casino & Hotel - Susanville Indian Rancheria:
David Sweeney
- G. Harrah's Resort Southern California - Rincon Band of Luiseno Mission Indians of the Rincon Reservation:
Jingming Gao Hung Truong
- H. Havasu Landing Resort & Casino - Chemehuevi Indian Tribe of the Chemehuevi Reservation:
Kim Butler

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- 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. *Robert Saucier, et al. v. California Gambling Control Commission*, Sacramento County Superior Court (34-2013-80001594)
 - E. *Stand Up For California, et al. v. State of California, et al.*, Madera County Superior Court (MCV062850)
 - F. *California Valley Miwok Tribe v. California Gambling Control Commission et al.*; US District Court, Southern District California (15 CV 0622 AJB JLB)

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

In the Matter of the Application for Initial Work Permit for Stephen Sottero, (CGCC Case No. 2009-09-09)

ADJOURNMENT:

Chairman Lopes adjourned the Commission Meeting at 11:30 a.m.