

California Gambling Control Commission
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**MINUTES OF JUNE 9, 2016
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 and Commissioners Tiffany Conklin, Roger Dunstan, Lauren Hammond, and Trang To present.

3. Approval of Commission Meeting Minutes for:
 - A. April 14, 2016
 - B. April 25, 2016

Action:

Upon motion of Commissioner Conklin seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin, Dunstan, Hammond, and To voting yes; the Commission approved the minutes for April 14, 2016, and April 25, 2016.

4. Consideration of Requirement to Apply for a State Gambling License (Pursuant to Business and Professions Code sections 19824, 19852(i) and 19853(a)(6)):
Bay 101: Sutter's Place, Inc.
The George and Joanne Bumb Revocable Trust
Joanne Bumb

Comments Received From:

James Wain, Attorney, via telephone
Jarhett Blonien, Designated Agent
Yolanda Morrow, Assistant Bureau Chief, Bureau of Gambling Control

Commissioner Hammond motioned and was seconded by Commissioner Dunstan. Both Commissioners withdrew their motion as the Commissioners wanted to add that Mrs. Bumb must submit her financials within 30 days and the Bureau will

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6. Applications for Consideration of Renewal of State Gambling Licenses (Pursuant to Business and Professions Code sections 19850 and 19876; CCR, Title 4, section 12345):

A. Jalisco Pool Room: Rafael Quiroga, Sole Proprietor

Comments Received From:
Rafael Quiroga, via telephone

Action:

Upon motion of Commissioner Conklin seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin, Dunstan, Hammond, and To voting yes; the Commission approved the Renewal Application through June 30, 2018, continuing with the existing conditions noted below:

- 1. The licensee may not open or offer controlled games until all required local approvals have been obtained and shall inform the Bureau of Gambling Control upon receipt of such approvals.*
- 2. The Licensee may not open or offer controlled games until the Bureau of Gambling Control has inspected the cardroom and determined that the cardroom is in compliance with all pertinent regulatory standards.*

Commissioner Conklin asked Mr. Quiroga if he understood the Conditions. Mr. Quiroga responded yes he did understand the Conditions. Upon further questioning by Chairman Evans, Mr. Quiroga stated he agreed to the conditions.

B. The Mint: James Podergois, Sole Proprietor

Commissioner Conklin stated that she did not know that John Maloney was representing the applicant. Therefore, Commissioner Conklin did not recuse herself from this item.

Action:

Upon motion of Chairman Evans seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin, Dunstan, Hammond, and To voting yes; the Commission approved a 90-day extension with the existing Conditions and adding a new Condition noted below:

- 1. Prior to reopening, the owner-licensee must provide to the Bureau a copy of a valid business license and an executed lease agreement.*
- 2. The owner-licensee may not open or offer controlled games until all required local approvals have been obtained and the Bureau of Gambling Control has received such approvals.*

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3. *The owner-licensee may not open or offer controlled games until the Bureau of Gambling Control has inspected the cardroom and determined that the cardroom is in compliance with all pertinent regulatory standards.*

Added Condition:

4. *Prior to reopening for business, The Mint must submit their 2016 Annual Table Fees of \$900.00 to the Bureau of Gambling Control before June 23, 2016.*

Mr. Maloney accepted the additional condition.

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

Action:

Upon motion of Commissioner To seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin, Dunstan, Hammond, and To voting yes; the Commission approved the Initial Application through July 31, 2016.

Commissioner Dunstan expressed concern of the continued lateness of applications from the applicants to the Bureau of Gambling Control.

8. Application for Consideration of Renewal Portable Personal Key Employee Licenses (Pursuant to Business and Professions Code section 19854; CCR, Title 4, section 12351):
Oliver Grannis III

Comments Received From:

Yolanda Morrow, Assistant Bureau Chief, Bureau of Gambling Control

Action:

Upon motion of Commissioner Conklin seconded by Commissioner Dunstan and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin, Dunstan, Hammond, and To voting yes; the Commission approved the Renewal Application through June 30, 2018, and removed the existing Condition noted below:

Condition to be Removed:

Oliver Grannis III shall submit to the Bureau of Gambling Control proof of filing his 2014 and 2015 State and Federal Taxes within 30 days of filing.

While the Commissioners approved his Renewal License and removed his existing condition, the Chairman expressed concern that applicants are not on the phone or present when their License is before the Commission.

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Commissioner Conklin asked if Oliver Grannis was receiving tips while being Cage Supervisor. She then asked if he can receive tips while being the Cage Supervisor. Commissioner Conklin concluded by asking the Bureau if they could look into the matter.

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

Tech Art Manufacturing, Inc.: Joseph Miller, President, Director, Shareholder
Ronald Miller, Vice President, Director, Shareholder
Arthur Miller, Treasurer, Director, Shareholder
Gary Miller, Secretary, Director, Shareholder
Bruce Kusens, Shareholder

Comments Received From:

Robert DelRossi, via telephone

Action:

Upon motion of Commissioner Hammond seconded by Commissioner Dunstan and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin, Dunstan, Hammond, and To voting yes; the Commission approved the Initial Application through June 30, 2018.

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

A. Everi Payments Inc.

Comments Received From:

Linda Soeder, Licensing Paralegal, Compliance Division, via telephone

Action:

Upon motion of Commissioner Hammond seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin, Dunstan, Hammond, and To voting yes; the Commission approved the Renewal Application through June 30, 2018.

B. VCAT, LLC:

Lloyd Donald Speer II, Chairman
William Shay, Manager, President, Chief Executive Officer
Kevin McIntosh, Manager, Chief Operating Officer, Chief Financial Officer

Comments Received From:

Frank Miller, Attorney for VCAT, LLC

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Action:

Upon motion of Commissioner To seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin, Dunstan, Hammond, and To voting yes; the Commission approved the Renewal Application through June 30, 2018.

C. VSR Industries, Inc.: Charles DeGregorio, Secretary, Director, Shareholder
Colton Vollman, President, Treasurer, Director,
Shareholder
Leo Wright, Director, Shareholder

Comments Received From:

Colton Vollmann, Chief Executive Officer, President, Treasurer Director
Shareholder, via telephone

Action:

Upon motion of Commissioner Conklin seconded by Commissioner To and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin, Dunstan, Hammond, and To voting yes; the Commission approved the Renewal Application through June 30, 2018.

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

Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:

Amanda Mattingly

Ms. Mattingly's Initial Key Employee of Finding of Suitability was tabled and rescheduled for the July 7, 2016 Commission Meeting due to Ms. Mattingly's unavailability by the phone. Therefore, the Commissioners were unable to ask any questions and confirm that she understood the Condition being placed on her license.

12. Application for Approval of Renewal 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 Statement of Reasons Against Mark Adam, Sole Proprietor, Oceana Cardroom (CGCC Case No. CGCC-2015-0730-6E; BGC Case No. BGC-HQ2015-0001AC)

Ron Diedrich, Deputy Attorney General, Department of Justice and Jarhett Blonien, Designated Agent provided supporting information about the purchase amount and potential owners.

This item was heard in Closed Session.

CONSENT CALENDAR ITEMS:

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

- | | |
|----------------------|----------------------|
| A. Chad Asay | J. Georgia Raftery |
| B. Babette Baquirig | K. Samantha Sengthit |
| C. I Ju Chou | L. Jong Son |
| D. James Hicklin | M. Steph Stapornkul |
| E. Christopher Huang | N. Michael Sullivan |
| F. Jonathan Hy | O. James Vonasek |
| G. Robert Kleiber | P. Kade Walters |
| H. Charles Lewis | Q. Joe Willson |
| I. Brian McCandless | |

14. Application for Consideration of Initial Work Permit (Pursuant to Business and Professions Code section 19912; CCR, Title 4, section 12104):

The Deuce Lounge & Casino: Sarnphou Saephan

15. Applications for Consideration of Renewal Work Permits (Pursuant to Business and Professions Code section 19912; CCR, Title 4, section 12104):

- | | |
|------------------------------------|-----------------------------|
| A. Club San Rafael: | Thomas Rawlins |
| B. Empire Sportsmen's Association: | Boutdy Phavavichane |
| C. Napa Valley Casino: | Mace Howell Jasmine Soriano |
| D. Poker Flats Casino: | Eddie Vargas |

16. Applications for Consideration of Conversion of Third-Party Providers of Proposition Player Services Player Registrations to Licenses (Pursuant to Business and Professions Code section 19984; CCR, Title 4, section 12218):

- | | | |
|------------------------------------|------------------------|-----------------------|
| A. Arise, LLC: | | |
| Player: | Brittany Nelson | |
| B. Certified Players, Inc.: | | |
| Player: | Daron Duong | |
| C. Gaming Fund Group, Inc.: | | |
| Player: | Heather Kern | |
| D. PT Gaming, LLC: | | |
| Players: | Monika Arreola | Miguel Arroyo |
| | Edster Barawid | Stephanie Benites |
| | Jesica Cortez | Rheya Marie Fernandez |
| | June Clifford Galendez | Nathaniel Garcia |
| | Anthony Henry | Jorge Hidalgo |
| | Linzi Jiles | Christina Kinney |
| | Angelina Moreno | Davey Pacaro |
| | Deysi Ramirez | Johnathan Saecha |
| | Stephen Sok | Xylina Stewart |
| | Tanakorn Tavorniti | Kong Thao |
| | Jesus Vergara | Jason Vu |
| | | Tiffany Aviles |
| | | Fidelmar Coronel Jr. |
| | | Tom Heng |
| | | Savanna Houth |
| | | Jana Lee |
| | | Bethany Pinnick |
| | | Lay Saechao |
| | | Christopher Stimpfle |
| | | Francisco Valladares |
| | | Neelesh Yadav |
| E. Qualified Player Services, LLC: | | |
| Player: | Jonathan Miranda | |

17. Applications for Consideration of Renewal of Third Party Providers of Proposition Player Services Player Licenses (Pursuant to Business and Professions Code section 19984; CCR, Title 4, section 12218.8):

A. PT Gaming, LLC:

Players: Tamika Bean Anthony Dizon Lo Saeteurn

B. Qualified Player Services, LLC:

Player: Joy Santibouth

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

Brenda Benitez Diaz	Gerald Bruno	Ashley Creamer
Leilani Crum	Daniel Fleckenstein	Candice Gilmore
David Jourdain	Ralph Kato	Brett Knyvett
Lourdes Rivera Mata	Christina Rojas	John Sutherland
Veronica Welter	Jason Zoellner	

B. Augustine Casino - Augustine Band of Cahuilla Indians:

Michael Oaks	Patricia Reyes	Sandra Rodriguez
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C. Barona Resort and Casino - Barona Group of Capitan Grande Band of Mission Indians:

Joseph Martin	Jose Martinez	Elizabeth Santana
Troy Simpson	Rema Vasquez	William Vicaldo Jr

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

MaryCarmen Chacon

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

Trevor Davies

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

Donald Candy	John Ormond	Joao Vitorino
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G. Colusa Casino Resort - Cachil DeHe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:

Josiah Westby

H. Coyote Valley Casino - Coyote Valley Band of Pomo Indians:

April Beebe

I. Diamond Mountain Casino & Hotel - Susanville Indian Rancheria:

Robert Nay

J. Feather Falls Casino & Lodge - Mooretown Rancheria of Maidu Indians:

Keith Clyde

K. Jackson Rancheria Casino & Hotel - Jackson Rancheria of Me-Wuk Indians:

Paula Bibby	Dion Carney	Paula Ditty
Kia Lykins	Muey Saechao	Michael Turngren

L. Konocti Vista Casino - Big Valley Band of Pomo Indians of the Big Valley Rancheria:

Jeffrey Crawford

M. Lucky 7 Casino - Smith River Rancheria:

Duane Walker Jr

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- N. Pala Casino Spa Resort - Pala Band of Luiseno Mission Indians of the Pala Reservation:
Rosemary Mitchell
- O. Pechanga Resort & Casino - Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Mohsan Abraham Enrique Appel Jovie Esteves
Mark Lee Robert Legge Jr. Lilia Simbahan
Gregory Strout Justin Tanner Paul Tien
Sergio Valencia
- P. Pit River Casino - Pit River Tribe:
Michael Avelar
- Q. River Rock Casino - Dry Creek Rancheria Band of Pomo Indians:
Rolando Cardona Jose Curiel Jr. Bryan Mason
- R. Spa Resort Casino - Agua Caliente Band of Cahuilla Indians:
Todd Bailey Ruby Capobianco Victoria Gomez
Nicole Sanders
- S. Sycuan Casino and Resort - Sycuan Band of the Kumeyaay Nation:
John Baines Enrique Conchas Rene De Ocampo
Tammi Hays
- T. Table Mountain Casino - Table Mountain Rancheria:
Robert Goslin Jr. Kenichi Meyer Solyta Peang
Vixay Phommachak Robert Yang
- U. Tachi Palace Hotel and Casino - Santa Rosa Indian Community:
Joshua Donahue Koy Saechao
- V. Thunder Valley Casino Resort - United Auburn Indian Community of the Auburn Rancheria:
Linda Saevang
- W. Valley View Casino & Hotel - San Pasqual Band of Diegueno Mission Indians:
Humberto Donovan Shauntay LeFlore
- X. Win-River Casino - Redding Rancheria:
Donald Acuna Jr. Christopher DeCamp

Action:

Upon motion of Commissioner Hammond seconded by Commissioner To and unanimously carried in a vote by roll call with Chairman Evans and Commissioners Conklin, Dunstan, Hammond, and To voting yes; the Commission approved the Consent Calendar Items 13 through 18.

PUBLIC COMMENT:

None.

CLOSED SESSION DISCLOSURE:

Prior to holding Closed Session, Chief Counsel Vlaanderen disclosed that the Commissioners would meet in Closed Session on items II C., and II.F.

CLOSED SESSION: 10:55 AM

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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. *Robert Saucier, et al. v. California Gambling Control Commission*, Sacramento County Superior Court (34-2013-80001594)
 - C. *Stand Up For California, et al. v. State of California, et al.*, Madera County Superior Court (MCV062850)
 - D. *California Valley Miwok Tribe v. California Gambling Control Commission et al.*; US District Court, Southern District California (15 CV 0622 AJB JLB)
 - E. *California Valley Miwok Tribe v. California Gambling Control Commission et al.*; San Diego County Superior Court (37-2015-00031738-CU-CO-CTL)

- II. Hearing Deliberations Pursuant to Government Code Section 11126(c)(3):
 - A. In the Matter of the Accusation Against Garden City Inc., Jeanine Lunardi, Peter Lunardi, III, The Lunardi Family Living Trust, and Eric G. Swallow, (OAH No. 2014060129)
 - B. In the Matter of the Application for Renewal of Key Employee License for Darren Furtado, (CGCC-2013-0523-2)
 - C. In the Matter of the Application for Approval of Tribal-State Compact Key Employee Finding of Suitability for Linh Dao, (CGCC-2015-0528-10B)
 - D. In the Matter of the Application for Approval of Initial State Gambling License for Oasis Card Room, Todd Mather, Sole Proprietor, (CGCC-2015-0326-4)
 - E. In the Matter of the Application for Approval of Renewal of Key Employee License for Charles McCormick, Jr., (CGCC-2015-0924-7)
 - F. In the Matter of the Application for Renewal of State Gambling License for Oceana Cardroom, Mark Adam, Sole Proprietor, (CGCC-2015-0730-6E): Stipulated Settlement; Decision and Order. In the Matter of the Statement of Reasons Against Mark Adam, Sole Proprietor, Oceana Cardroom (CGCC Case No. CGCC-2015-0730-6E; BGC Case No. BGC-HQ2015-0001AC)
 - G. Consideration of Stipulated Settlement; Decision and Order In the Matter of the Accusation Against Palomar Card Club (OAH No. 2015120633, BGC Case No. HQ2015-00005AC)

RECONVENE TO OPEN SESSION: 11:48 AM

- II.F. In the Matter of the Application for Renewal of State Gambling License for Oceana Cardroom, Mark Adam, Sole Proprietor, (CGCC-2015-0730-6E): Stipulated Settlement; Decision and Order. In the Matter of the Statement of Reasons Against Mark Adam, Sole Proprietor, Oceana Cardroom (CGCC Case No. CGCC-2015-0730-6E; BGC Case No. BGC-HQ2015-0001AC)

The Commission did not approve the Stipulated Settlement for II.F. in Closed Session. There was a conflict with the regulations governing interim renewal licenses and their application. Chairman Evans stated that there were also policy issues with the denied

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individual running the cardroom. Chairman Evans further stated that the Commissioners want the cardroom to be sold and agrees with the notion that they move in that direction.

PUBLIC COMMENT:

Ron Diedrich, Deputy Attorney General, Department of Justice

Mr. Diedrich stated that given the status of the sale of the cardroom going forward and reselling 100% of the owner's interest to uninvolved people, he would like to delay scheduling the hearing on the Renewal Application until after the process of selling the cardroom was over.

Commissioner Hammond stated that some cardrooms take a long time to sell and that it depends on how long this process would take.

Chairman Evans stated that there are also government and bureaucratic details that may take even more time than just the sale of the cardroom.

Chief Counsel Vlaanderen stated that the Legal department is scheduling an Evidentiary Hearings well into October and Mr. Diedrich's proposal may be valid.

Chairman Evans agreed with Mr. Vlaanderen.

ADJOURNMENT into Closed Session 11:58 AM

The Commissioners went back into Closed Session for item II.C. No further information was given.