

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 SEPTEMBER 22, 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 Roger Dunstan, Lauren Hammond, and Trang To present. Commissioner Tiffany Conklin was not present.

3. Approval of Commission Meeting Minutes for:
 - A. August 11, 2016
 - B. August 17, 2016 – GCA Hearing

Action:

Upon motion of Commissioner To seconded by Commissioner Hammond and carried in a vote by roll call with Chairman Evans and Commissioners, Dunstan, Hammond and To voting yes; the Commission approved the minutes for August 11, 2016, and August 17, 2016 GCA Hearing.

By concurrence of the Commissioners, item 4 A. through 4.D. were heard as a group.

4. Consideration of Approval of Transfers of Interest in Seven Mile Casino; Purchase and Option Agreements (Pursuant to Business and Professions Code sections 19824(c), 19892, and 19904):

- | | |
|--|---|
| A. Seven Mile Casino (Security Interest): | VC Cardroom, Inc. (Transferor)
VC Cardroom General Partnership
(Transferee) |
| B. Seven Mile Casino (Partnership Interest): | VC Cardroom, Inc. (Transferor)
Harvey Souza (Transferee) |

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- C. Seven Mile Casino (Partnership Interest): Harvey Souza (Seller)
Stones South Bay Corporation (Buyer)
- D. Seven Mile Casino (Partnership Interest): VC Cardroom, Inc. (Seller)
Stones South Bay Corporation (Buyer)

Comments Received From:

Michael Lipman, Attorney for Stones
Bill Torngren, Deputy Attorney General, Department of Justice
Yolanda Morrow, Assistant Bureau Chief, Bureau of Gambling Control

Deputy Director of Licensing Katherine Ellis stated that late yesterday afternoon before the Commission meeting, Ms. Ellis, the Commissioners, Chief Counsel Todd Vlaanderen, and Deputy Attorney General Bill Torngren, received a letter from Attorney Willie Brown Jr's office requesting a one month continuance on the items. Mr. Brown was just retained by Harvey Souza and Mr. Brown wanted an opportunity to become knowledgeable on the purchase of ownership interest as he will be acting as co-counsel.

Ms. Ellis also stated that staff spoke to Designated Agent Jarhett Blonien who confirmed he would not be in attendance at the Commission meeting and that no one would be there to represent the Souza's.

No action taken and items were tabled to the October 20, 2016 Commission Meeting.

5. Consideration of Approval of Request for Temporary State Gambling Licenses (Pursuant to Business and Professions Code sections 19824(f), 19852, and 19900; CCR, Title 4 sections 12054 and 12342):

Seven Mile Casino: VC Cardroom General Partnership

Comments Received From:

Michael Lipman, Attorney for Stones group

No action taken and the item was tabled to the October 20, 2016, Commission Meeting.

6. Applications for Consideration of Renewal of State Gambling Licenses (Pursuant to Business and Professions Code sections 19850, 19852, and 19876; CCR, Title 4, sections 12054 and 12345):

Bankers Casino: Old Town Investments, Inc.
Salvador Jimenez Jr., Chief Executive
Officer, President, Chief Financial
Officer, Director, Shareholder
Hector Campos, Vice President,
Secretary Director, Shareholder

Comments received from:

Elijah Zuniga, Designated Agent
Yolanda Morrow, Assistant Bureau Chief, Bureau of Gambling Control

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Action:

Upon motion of Commissioner Hammond seconded by Commissioner Dunstan and carried in a vote by roll call with Chairman Evans and Commissioners, Dunstan, Hammond and To voting yes; the Commission approved the Renewal Applications through December 31, 2017, removing the existing condition.

7. Applications for Consideration of Initial Portable Personal Key Employee Licenses (Pursuant to Business and Professions Code section 19854; CCR, Title 4, sections 12054 and 12350):
 - A. Misty Rees
 - B. Yancy Webb II
 - C. Deborah Young

By concurrence of the Commissioners, item 7.A. and 7.C. were heard as a group.

- A. Misty Rees
- C. Deborah Young

Action:

Upon motion of Commissioner To seconded by Commissioner Dunstan and carried in a vote by roll call with Chairman Evans and Commissioners, Dunstan, Hammond and To voting yes; the Commission approved the Initial Applications through the periods listed in the report.

- B. Yancy Webb II

Comments Received From:

Yancy Webb II
Yolanda Morrow, Assistant Bureau Chief, Bureau of Gambling Control

Action:

Upon motion of Chairman Evans seconded by Commissioner To and carried in a vote by roll call with Chairman Evans and Commissioners, Dunstan, Hammond and To voting yes; the Commission approved the Initial Application through January 31, 2017.

8. Application for Consideration of Renewal Portable Personal Key Employee License (Pursuant to Business and Professions Code section 19854; CCR, Title 4, sections 12054 and 12351):
Misak Tonoyan

Comments Received From:

Misak Tonoyan, via telephone
Yolanda Morrow, Assistant Bureau Chief, Bureau of Gambling Control

Action:

Upon motion of Commissioner Hammond seconded by Commissioner Dunstan and carried in a vote by roll call with Chairman Evans and Commissioners, Dunstan,

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Hammond and To voting yes; the Commission approved the Renewal Application through June 30, 2018 and modified the existing condition noted below:

Existing Condition:

Within 90 days of Commission approval, Misak Tonoyan must provide to the Bureau of Gambling Control proof of a payment plan for his accounts in collections and every 90 days thereafter provide proof of payments for the said accounts.

Modified Condition:

Within 30 days of Commission approval, Misak Tonoyan must provide to the Bureau of Gambling Control a response to the July 20, 2016 email regarding his accounts in collections and every 60 days thereafter provide proof of payment for the said accounts.

Commissioner Dunstan asked Mr. Toyoyan if he understood the modified condition. Mr. Toyoyan stated that he did.

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

Gaming Fund Group, Inc.:

David Chau, President, Secretary,
Treasurer and Director
Game Source, LLC

Comments Received From:

Keith Sharp, Designated Agent

Yolanda Morrow, Assistant Bureau Chief, Bureau of Gambling Control

Action:

Upon motion of Commissioner Hammond seconded by Commissioner Dunstan and carried in a vote by roll call with Chairman Evans and Commissioners, Dunstan, Hammond and To voting yes; the Commission approved the Renewal Application through September 30, 2018, continued with the existing conditions 1 through 4, 6, and 7, and removed condition 5 on Gaming Fund Group's license; and continued with conditions 1 and 3 and removed conditions 2 and 4 on Game Source's endorsement noted below:

Continuing conditions on GFG's License:

- 1. Gaming Fund Group, Inc. will not provide third-party proposition player services to, or operate as a gambling business at Pocket 3's Gaming, Inc. dba Club Caribe until Pocket 3's Gaming, Inc. has repaid in full all outstanding loans owed to Gaming Fund Group, Inc. and/or Game Source, LLC.*
- 2. As required by the Gambling Control Act, Gaming Fund Group, Inc. shall not enter into any funding source or ownership agreements prior to the review and approval of the Commission and Bureau. Should Gaming Fund Group, Inc. enter into any funding source or ownership agreements prior to approval, it will*

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be grounds for immediate revocation of Gaming Fund Group, Inc.'s Third Party Proposition Player Services contract agreements and the Bureau will take the appropriate steps for revocation of Gaming Fund Group, Inc.'s Third Party Proposition Player Services license.

- 3. Except for payment amount of 1, 3, and 4 of the Final Arbitration award and the Judgment awarded on June 24, 2015, Gaming Fund Group, Inc. and its owners shall not enter into agreements with TAJA Enterprises. Further, Gaming Fund Group, Inc. shall cease any and all direct or indirect business involvement with TAJA Enterprises without prior approval by the Commission.*
- 4. Except for payment amount of 1, 3, and 4 of the Final Arbitration award and the Judgment awarded on June 24, 2015, Gaming Fund Group, Inc. shall not enter into any type of intellectual property license agreements with any person or entity without the prior approval of the California Gambling Control Commission.*
- 6. Gaming Fund Group, Inc. and its owners shall not enter into new agreements with James Aiello, Frank Salerno, William Schipani, or Thomas Artle or any of their businesses.*
- 7. Gaming Fund Group, Inc. shall notify the Bureau of Gambling Control when they have knowledge of TAJA Enterprises executing the final Judgment.*

Condition to be Removed:

- 5. Gaming Fund Group, Inc. must submit a written agreement between Gaming Fund Group, Inc. and Game Services, LLC that details the services and reimbursement provided, to the Commission and the Bureau, within 30 days of placement of this condition.*

Continuing conditions on Game Source's Endorsement:

- 1. Game Source, LLC shall submit to the Bureau quarterly reports of investor holdings within 30 days of the end of each quarter. The Bureau reserves the right to request documentation regarding any additional investments based on these quarterly reports.*
- 3. No Game Source, LLC member shall accept any loans or monetary gifts for the purpose of increasing their investment in Game Source, LLC without prior approval by the Commission.*

Condition to be Removed:

- 2. Tony Pourmohamad shall submit to the Bureau evidence of quarterly payments made to repay the promissory note between himself and Houshang Pourmohamad within 15-days of payment until repayment has been made.*

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4. *Game Source, LLC must submit a written agreement between Game Source, LLC and Redux Lounge that details the loan and repayment to the Commission and the Bureau, within 30 days of placement of this condition.*

10. Consideration to Extend Third-Party Proposition Player Services Owner License (Pursuant to Business and Professions Code section 19824, 19984; CCR, Title 4, section 12054):

Gaming Fund Group, Inc.:

Game Source, LLC
Kathryn Tooker

Action:

Upon motion of Chairman Evans seconded by Commissioner Dunstan and carried in a vote by roll call with Chairman Evans and Commissioners, Dunstan, Hammond and To voting yes; the Commission approved to extend Ms. Tooker's license through October 31, 2016.

11. Application for Consideration of Initial Tribal-State Gaming Compact For Finding of Suitability As Gaming Resource Supplier (Pursuant to the Tribal-State Gaming Compact, section 6.4.5):

Giesecke & Devrient America, Inc.

Action:

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

CONSENT CALENDAR ITEMS:

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

- A. Napa Valley Casino: May Quan
B. Nineteenth Hole: Jesse Yang
C. Parkwest Casino Sonoma: Brian Gayten Pongchay Hinhosay

13. 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, sections 12054 and 12218):

A. Acme Player Services, LLC:

Players: Soktearlin Chhann Mao Vun Samuel Yang
Bovannak Yous Shu Yu

B. Fortune Players Group, Inc.:

Players: Yee Aye Qiang Zhuo

C. Knighted Ventures, LLC:

Players: Ellie Chan Pritesh Chandra Durrell Dillard
Nolan Dixon Eric Du Richard Duran
Duc Hang Alexa Rea Albaro Resendiz
Mitchell Taylor

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D. PT Gaming, LLC:

Players: Teresa Fautanu Alan Guadarrama Kenny Ho
Shervina Segundo

14. 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:

Justin Collins - **EXCLUDED AND REMOVED FROM CONSENT**
Donna Roper

B. Augustine Casino - Augustine Band of Cahuilla Indians:

Victoria Gomez

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

Dennis Glover Ashlee Mata

D. Black Oak Casino - Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:

Andrew Bryce

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

Glenn Bowman Jr.	David Couch Jr.	Daryl Gagliardi
Alberto Gonzalez Jr.	Maychoua Her	Pahoua Her
Kathy Lane	Keith Lemieux Jr.	Bo Luangamath
Eric Stafford	Beverly Vang	Mark Walton
Gary Whisenhunt	Yia Xiong	Romani Youssef

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

Richard Perkins

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

Audrey Madrigal

H. Graton Resort & Casino - Federated Indians of Graton Rancheria:

Shirly Niguidula Emmanuel Robles Jess Rosenstein

I. Harrah's Resort Southern California - Rincon Band of Luiseno Mission Indians of the Rincon Reservation:

Cathy Cisneros

J. Havasu Landing Resort & Casino - Chemehuevi Indian Tribe of the Chemehuevi Reservation:

Paul Goglas

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

Liborio Pineda

L. Morongo Casino Resort and Spa - Morongo Band of Mission Indians:

Thanh Huong Ayala	Rhonda Gillyard	Jennifer Killough
Timothy Monaghan	Fred Toro Jr.	Raymond Velasquez
Lawrence Yard		

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

Yousif Koreel Martin Toma

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- N. Pechanga Resort & Casino - Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Michael Hines
 - O. Red Hawk Casino - Shingle Springs Band of Miwok Indians, Shingle Springs Rancheria:
Nikki Ninh
 - P. Running Creek Casino - Habematolel Pomo of Upper Lake:
Jessica Navar
 - Q. San Manuel Indian Bingo and Casino - San Manuel Band of Mission Indians:
William Craig Robert Homeyer
 - R. Soboba Casino - Soboba Band of Luiseno Indians:
Kristin Baker David Chambers
 - S. Spa Resort Casino - Agua Caliente Band of Cahuilla Indians:
Edilberto Aguilar
 - T. Sycuan Casino and Resort - Sycuan Band of the Kumeyaay Nation:
Dawna Andersen
 - U. Twin Pine Casino & Hotel - Middletown Rancheria of Pomo Indians:
Ian French
 - V. Viejas Casino and Resort - Viejas Group of Capitan Grande Band of Mission Indians of the Viejas Reservation:
Helen Valenzuela
15. 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:
Deanna Birch Luis Garcia C.J. Graham
Max Ross
 - B. Augustine Casino - Augustine Band of Cahuilla Indians:
Rodolfo Linares Martinez Sabrina Martinez Luis Martinez-Martinez
Anita Rojas-Leal
 - C. Barona Resort and Casino - Barona Group of Capitan Grande Band of Mission Indians:
Jorge Garcia Greg Guerrero Matthew Muzquiz
Juan Perea
 - D. Bear River Casino Hotel - Bear River Band of the Rohnerville Rancheria:
Trevor Sundquist
 - E. Casino Pauma - Pauma Band of Luiseno Mission Indians of the Pauma & Yuima Reservation:
George Carrasco James Smart
 - F. Chukchansi Gold Resort and Casino - Picayune Rancheria of Chukchansi Indians:
Peggy Ma
 - G. Chumash Casino Resort - Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Cesar Almazan Annette Hoosier Kathleen Jackson
Yuri Leontiouk Kerry-Anne Lombrana Gregory Lowe
Andrew Peralta Jacob Schlosser
 - H. Diamond Mountain Casino & Hotel - Susanville Indian Rancheria:

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Tammy Gray

- I. Feather Falls Casino & Lodge - Mooretown Rancheria of Maidu Indians:
Jason Asher Eduardo Chazez Harvey Gramps Jr.
Dezarae Smith
- J. Konocti Vista Casino - Big Valley Band of Pomo Indians of the Big Valley Rancheria:
Crystal Perez
- K. Paiute Palace Casino - Bishop Paiute Tribe:
Ulyess Shaw Pascual Talavera
- L. Pala Casino Spa Resort - Pala Band of Luiseno Mission Indians of the Pala Reservation:
Shauna Anton Grace Haines Cody Hogenmiller
Kienan Laitinen
- M. Quechan Casino Resort - Quechan Tribe of the Fort Yuma Indian Reservation:
Victoria Craun
- N. Red Hawk Casino - Shingle Springs Band of Miwok Indians, Shingle Springs Rancheria:
Paul Bardzik Rebecca Cook Adelfa Cruz
Joseph Farrington Dennis Gonzales Mark Goodwin
Melinda Ibarra Susan Lee Thomas Liquia
Phia Lor Luis Murillo Anna Nichols
Dorothy Parsons Nicholas Pavlovich Randy Ramos
Cody Rice Yien Saechao Cheng Saechao
Jennifer Saephan Laurie South Timothy Yang
- O. River Rock Casino - Dry Creek Rancheria Band of Pomo Indians:
Mario Chitwood Jr. Adam Lovato
- P. San Manuel Indian Bingo and Casino - San Manuel Band of Mission Indians:
Cynthia Blakefield John Hernandez Juan Martinez
Jack Shang
- Q. Soboba Casino - Soboba Band of Luiseno Indians:
Sherry Harbour
- R. Spa Resort Casino - Agua Caliente Band of Cahuilla Indians:
Michael Russ Aaron Thomas
- S. Table Mountain Casino - Table Mountain Rancheria:
Jessie Saldua Billy Vang Jimmy Yang
- T. Tachi Palace Hotel and Casino - Santa Rosa Indian Community:
Houa Xiong
- U. Thunder Valley Casino Resort - United Auburn Indian Community of the Auburn Rancheria:
Michelle Ansley Michelle Kaaihue Kachreh Nava
Lee Rodaer Chip Saechao Hoa Vu
- V. Tortoise Rock Casino - Twenty-Nine Palms Band of Mission Indians:
Paul Desilets Jr. Susan Fletcher
Melissa Pierce-**EXCLUDED AND REMOVED FROM CONSENT**
- W. Viejas Casino and Resort - Viejas Group of Capitan Grande Band of Mission Indians of the Viejas Reservation:
Elizabeth Barrantes Joe Berry III Nolan Childress

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Errol Pangelinan

- X. Win-River Casino - Redding Rancheria:
Roy Alcala III

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner To and carried in a vote by roll call with Chairman Evans and Commissioners Dunstan, Hammond and To voting yes; the Commission approved the Consent Calendar items 12 through 15, excluding 14.A. Justin Collins and 15. V. Melissa Pierce as they are no longer employed.

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. *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)
 - F. *Eric G. Swallow v. California Gambling Control Commission*, Sacramento County Superior Court (34-2016-800002402)
 - G. *Garden City, Inc. v. Eric Swallow*, Sacramento County Superior Court (34-2016-00198132)
 - H. *Darren Furtado v. California Gambling Control Commission*, Sacramento County Superior Court (34-2016-800002425)
- II. Hearing Deliberations Pursuant to Government Code Section 11126(c)(3):
- A. In the Matter of the Application for Approval of Initial State Gambling License for Oasis Card Room (GEGE-001339) of: Todd J. Mather (GEOW-003450); BGC Case No. BCG-HQ2015-00010SL; CGCC Case No. CGCC-2015-0326-4

ADJOURNMENT

Chairman Evans adjourned the Commission meeting at 10:55 AM