

Directors' Meeting, Board of, (Pages 1:1 to 41:24)

1: 1

2 LOUISIANA GAMING CONTROL BOARD

3

4

5 BOARD OF DIRECTORS' MEETING

6

7

8

9

10 THURSDAY, SEPTEMBER 17, 2015

11

12 Louisiana State Capitol

13 House Committee Room 1

14 900 North Third Street

15 Baton Rouge, Louisiana

16

17

18

19 TIME: 10:00 A.M.

20

21

22

23

24

25

2

1 APPEARANCES

2

RONNIE JONES

3 Chairman (At Large)

Third Congressional District

4 June 30, 2019

5 FRANKLIN AYRES BRADFORD

(Economic Planner)

6 Fifth Congressional District

June 30, 2019

7

8 JAMES SINGLETON

(Public/Business Administration)

9 Second Congressional District

June 30, 2014

10

11 MARK STIPE

(Attorney)

12 Seventh Congressional District

June 30, 2014

13

14 DENISE NOONAN

(At Large)

15 First Congressional District

June 30, 2015

16

17 MAJOR CLAUDE MERCER (Arrived after roll call)

(Law Enforcement)

18 Fifth Congressional District

June 30, 2018

19

20 CLAUDE D. JACKSON

(At Large)

21 Fourth Congressional District

June 30, 2018

22

23 ROBERT W. GASTON, III

(At Large)

24 Sixth Congressional District

June 30, 2015

25

3

1 APPEARANCES CONTINUED

2

3 JULIE BERRY

(CPA)

4 Third Congressional District

5

6 LANA L. TRAMONTE

Principal Assistant

7

8 TRUDY M. SMITH

Confidential Assistant

9

10 MAJOR MIKE NOEL

Ex-Officio Board Member

11 Louisiana State Police

12

13 JARROD CONIGLIO

Deputy Secretary

14 Louisiana Department of Revenue

15

16

17 REPORTED BY:

18 SHELLEY G. PAROLA, CSR, RPR

Baton Rouge Court Reporters

19

20

21

22

23

24

25

4

1	PAGE	
2 I.	CALL TO ORDER	6
3 II.	PUBLIC COMMENTS	7
4 III.	APPROVAL OF THE MINUTES	7
5 IV.	REVENUE REPORTS	8
6 V.	VIDEO GAMING ISSUES	
7	A. Consideration of approval of	
8	Transfer of Interest in the	
9	following:	
10	1. Emerald Palace Truck & Casino	
11	Plaza, LLC, d/b/a Emerald Palace	
12	Truck & Casino Plaza -	
13	No. 6100517119	13
14	2. Big Wheels Travel Center, LLC,	
15	d/b/a Big Wheels Casino - No.	

16	2900511884	16
17	VI. CASINO GAMING ISSUES	
18	A. Consideration of Certificate of	
19	Compliance for the Alternate	
20	Riverboat Inspection of the	
21	gaming vessel of Louisiana Casino	
22	Cruises, Inc., d/b/a Hollywood	
23	Baton Rouge - No. R011700193	19

24 VII. RULEMAKING

25 A. Consideration of adoption of LAC

5

1	PAGE	
2	42:III.113 (Request for	
3	Permission to Reapply)	27

4	B. Consideration of adoption of	
5	amendments to LAC 42:III.120	
6	(Application and Reporting Forms)	28

7 VIII. CONSIDERATION OF PROPOSED SETTLEMENTS/

8 APPEAL IN THE FOLLOWING:

9	1. In Re: Sand Bar on False River, LLC,	
10	d/b/a Sand Bar on False River - No.	
11	3900117085 (proposed settlement)	30
12	2. In Re: Waguespack & Waguespack,	
13	Ltd., d/b/a Funtime Amusement - No.	
14	3601612009 (proposed settlement)	32
15	3. In Re: Solarium Entertainment,	
16	Inc., d/b/a St. Roch Tavern - No.	
17	3601112228 (proposed settlement)	32
18	4. In Re: SMB Thibodaux, LLC, d/b/a	

19	Rare Bit at the Venetian - No.	
20	2901217054 (proposed settlement)	35
21	5. In Re: Angella LeBlanc - No.	
22	V000020148 (appeal)	37
23	IV. ADJOURNMENT	38
24		
25		

6

1 I. CALL TO ORDER

2 CHAIRMAN JONES: Good morning, and
3 welcome to the September monthly meeting
4 of the Louisiana Gaming Control Board.
5 I just want to remind everyone that in
6 October, we'll be meeting on Thursday,
7 October the 8th. I have a scheduling
8 conflict on the regular Thursday so I'll
9 be out of state, so that will be
10 reflected on our calendar.

11 Miss Tramonte, would you call the
12 roll, please.

13 THE CLERK: Chairman Jones?

14 CHAIRMAN JONES: Here.

15 THE CLERK: Mr. Bradford?

16 MR. BRADFORD: Here.

17 THE CLERK: Mr. Stipe?

18 MR. STIPE: Here.

19 THE CLERK: Mr. Singleton?

20 MR. SINGLETON: Here.

21 THE CLERK: Miss Noonan?

22 MS. NOONAN: Here.

23 THE CLERK: Mr. Jackson?

24 MR. JACKSON: Here.

25 THE CLERK: Mr. Gaston?

7

1 MR. GASTON: Here.

2 THE CLERK: Miss Berry?

3 MS. BERRY: Here.

4 THE CLERK: Colonel Edmonson?

5 MAJOR NOEL: Major Noel for Colonel

6 Edmonson.

7 THE CLERK: Secretary Barfield?

8 MR. CONIGLIO: Deputy Secretary

9 Coniglio here for Secretary Barfield.

10 II. PUBLIC COMMENTS

11 CHAIRMAN JONES: Thank you. We have

12 a quorum, and we may conduct business.

13 Is there anyone in the audience who

14 would like to speak to the Board about

15 any matter coming before the Board today

16 on the agenda? There is no one.

17 III. APPROVAL OF THE MINUTES

18 CHAIRMAN JONES: Could I ask for a

19 motion to waive reading and approval of

20 the minutes.

21 MS. BERRY: I move -- so move.

22 MS. NOONAN: And I'll second.

23 CHAIRMAN JONES: Miss Berry, and

24 Mr. Gaston second. All in favor?

25 [Collective "aye."] Opposed? [No

8

1 response.] The motion carries, and it's

2 been approved. Thank you.

3 IV. REVENUE REPORTS

4 CHAIRMAN JONES: At this time, I'll

5 call State Police up for Revenue

6 Reports. Good morning.

7 MS. JACKSON: Morning.

8 CHAIRMAN JONES: Bring only good

9 news.

10 MS. JACKSON: Good morning, Chairman

11 Jones, Board Members. My name is Donna

12 Jackson with the Louisiana State Police

13 Gaming Enforcement Division.

14 The riverboat revenue report for

15 August 2015 is shown on page one of your

16 handout. During August, the 15

17 operating riverboats generated Adjusted

18 Gross Receipts of \$162,535,669. This

19 total represents a decrease of

20 \$17 million or 9.7 percent from last

21 month's record revenue, but an increase

22 of \$5.8 million or 3.7 percent from

23 August 2014 when there were only 14

24 riverboats in operation.

25 Adjusted Gross Receipts for fiscal

9

1 year 2015-2016 to date are \$342,495,120,

2 an increase of \$34 million or 11 percent
3 from fiscal year 2014-2015.

4 During August the State collected
5 fees totaling \$34,945,169. As of
6 August 31st, 2015, the State has
7 collected \$73.6 million in fees for
8 fiscal year 2015-2016.

9 Next is a summary of the August 2015
10 gaming activity for Harrah's New Orleans
11 found on page three. During August,
12 Harrah's generated \$22,567,927 in gross
13 gaming revenue. August revenues were
14 down \$13.4 million or 37 percent from
15 last month, and down \$4.6 million or
16 17 percent from August 2014. Gaming
17 revenues for fiscal year 2015-2016 to
18 date are \$58,532,721, up \$2.8 million or
19 5 percent from last fiscal year.

20 During August, the State received
21 \$5,081,967 in minimum daily payments.
22 As of August 31st, 2015, the State has
23 collected over \$10 million in fees for
24 fiscal year 2015-2016.

25 Slots at the Racetracks revenues are

10

1 shown page four. During August, the
2 four racetrack facilities combined
3 generated Adjusted Gross Receipts of
4 \$28,987,912, a decrease of \$3.4 million

5 or 10 percent from last month, and a
6 decrease of \$4.9 million or 14 percent
7 from August 2014.

8 Adjusted Gross Receipts for fiscal
9 year 2015-2016 to date are \$61,356,051,
10 a decrease of 8 percent from last fiscal
11 year.

12 During August, the State collected
13 \$4,397,466 in fees. As of August 31st,
14 2015, the State has collected
15 \$9.3 million in fees for fiscal year
16 2015-2016.

17 Overall in August, Riverboats,
18 Land-based and Slots at the Racetracks
19 combined generated \$214 million in AGR
20 and over \$44 million in state fees.

21 Are there any questions before I
22 present --

23 CHAIRMAN JONES: Board Members, any
24 questions? The board is clear.

25 MS. JACKSON: Harrah's New Orleans

11

1 is required to maintain at least 2,400
2 employees and a bi-weekly payroll of
3 \$1,750,835. This report covers the two
4 pay periods in August 2015.

5 For the first pay period, the
6 Division verified 2,469 employees with a
7 payroll of \$1,870,000. For the second

8 pay period, the Division verified 2,476
9 employees with a payroll of \$1,887,000.
10 Therefore, Harrah's met the employment
11 criteria during August.

12 CHAIRMAN JONES: Any questions?
13 There are no questions. Thank you very
14 much.

15 Jim.

16 MR. BOSSIER: Good morning, Chairman
17 Jones and Board Members. My name is Jim
18 Bossier with the Louisiana State Police
19 Gaming Audit Section. I'm reporting
20 video gaming statistics for August 2015
21 as shown on page one of your handout.

22 Fifteen new video gaming licenses
23 were issued during August: Eight bars
24 and seven restaurant. Seven new
25 applications were received by the Gaming

12

1 Enforcement Division during August and
2 are currently pending in the field: Six
3 bars and six restaurants.

4 The Gaming Enforcement Division
5 assessed \$4,700 and collected \$4,250 in
6 fines during August, and there are
7 currently \$5,100 in outstanding fines.

8 Please refer to page two of your
9 handout.

10 There are presently 14,262 video

11 gaming devices activated at 1,871
12 locations.

13 Net device revenue for August 2015
14 was \$46.7 million. This is a \$1.9
15 million or 3.9 percent decrease when
16 compared to July 2015, and a
17 \$2.4 million decrease, or 5 percent,
18 when compared to August 2014.

19 Net device revenue so far for fiscal
20 year 2016 is \$95.3 million, a \$1.5
21 million or 1.6 percent decrease when
22 compared to fiscal year 2015. Page
23 three of your handout shows a comparison
24 of net device revenue.

25 Total franchise fees collected for
13

1 June 2015 were \$14 million, a \$500,000
2 decrease when compared to July 2015, and
3 a \$700,000 decrease when compared to
4 August 2014.

5 Total franchise fees collected for
6 fiscal year 2016 are \$28.5 million, a
7 \$500,000 decrease, or one 1.7 percent,
8 when compared to fiscal year 2015. Page
9 four of your handout shows a comparison
10 of franchise fees.

11 Does anybody have any questions?

12 CHAIRMAN JONES: Board Members, any
13 questions? There are no questions.

14 MR. BOSSIER: Thank you.

15 CHAIRMAN JONES: Thank you, Jim.

16 V. VIDEO GAMING ISSUES

17 A. Consideration of approval of Transfer of

18 Interest in the following:

19 1. Emerald Palace Truck & Casino Plaza, LLC,

20 d/b/a Emerald Palace Truck & Casino Plaza

21 - No. 6100517119

22 CHAIRMAN JONES: At this time, we'll

23 move to Video Gaming Issues. We have

24 Consideration of the Approval of

25 Transfer of Interest in Item Number 1,

14

1 Emerald Palace Truck & Casino Plaza,

2 LLC, doing business as Emerald Palace

3 Truck & Casino Plaza. That's No.

4 6100517119.

5 Good morning.

6 MS. HOOD: Good morning, Chairman

7 Jones, Members of the Board, I'm Heather

8 Hood Assistant Attorney General present

9 before the Board in sale of

10 11.11 percent of the membership interest

11 in Emerald Palace Truck & Casino Plaza

12 doing business as Emerald Palace Truck &

13 Casino.

14 The truckstop facility is located in

15 West Baton Rouge Parish. On July 30th,

16 2015, Bryan E. Bush, III, sold

17 11.11 percent of his membership interest
18 in the Emerald Palace Truck & Casino to
19 Kerry L. Denny. Due to the sale, the
20 membership percentages are currently as
21 follows: Bryan E. Bush is
22 22.22 percent; Raymond and Randall Loupe
23 are 16.66 percent; Mark, Ladd and Davin
24 Spring and Kerry Denny are
25 11.11 percent.

15

1 Criminal Investigator Glenn Verrett
2 conducted an investigation as to the
3 transfer of stock. He's present this
4 morning to report his findings to the
5 Board.

6 INVESTIGATOR VERRETT: Good morning,
7 Mr. Chairman, Board Members, Glenn
8 Verrett with video poker.

9 I investigated the transfer of stock
10 and found no information that would
11 preclude the continued licensing of
12 Emerald Palace Truck & Casino Plaza
13 doing business as Emerald Palace Truck &
14 Casino Plaza.

15 Kerry Denny and his wife, Shelia
16 Denny, previously submitted to a
17 suitability investigation on other
18 licenses. An updated criminal history
19 was conducted, and I found no

20 information that would preclude Kerry
21 Denny or his wife, Sheila, from
22 continuing to participate in the gaming
23 industry.

24 MS. HOOD: The Office of the
25 Attorney General has reviewed the file

16

1 and found no information that would
2 preclude the approval of this sale.

3 CHAIRMAN JONES: Board Members, are
4 there any questions?

5 MR. GASTON: Move, Mr. Chairman.

6 CHAIRMAN JONES: By Mr. Gaston --

7 MR. JACKSON: Second.

8 CHAIRMAN JONES: -- second by
9 Mr. Jackson. All in favor? [Collective
10 "aye."] The transfer is approved.

11 MS. HOOD: Thank you.

12 2. Big Wheels Travel Center, LLC, d/b/a Big Wheels
13 Casino - No. 2900511884

14 CHAIRMAN JONES: Up for
15 consideration now is Big Wheels Travel
16 Center, LLC, doing business as Big
17 Wheels Casino, No. 2900511884.

18 MR. PITRE: Chairman Jones, Board
19 Members, I'm Assistant Attorney General
20 Earl Pitre, Jr., appearing before the
21 Board in the matter of the transfer of
22 one hundred percent membership interest

23 in Big Wheels Travel Center, LLC, doing
24 business as Big Wheels Casino.

25 The licensee holds a Type 5 video

17

1 gaming license and operates a truckstop
2 facility at 3092 Bayou Blue Road in
3 Gray, Louisiana, in Lafourche Parish.

4 Virginia Corte -- on June 15th,
5 2015, Virginia Corte transferred all of
6 her one hundred membership interest in
7 the licensee to three trusts in equal
8 parts. They are: VCC 2015 Grantor
9 Retained Annuity Trust No. 1, VCC 2015
10 Grantor Retained Annuity Trust No. 2,
11 and VCC 2015 Grantor Retained Annuity
12 Trust No. 3, each receiving 33 and 1/3
13 percent.

14 Criminal Investigator Glenn Verrett
15 conducted the investigation of the
16 relevant persons associated with the
17 transfer, and he will present his
18 findings to the Board.

19 INVESTIGATOR VERRETT: Good morning
20 again, Mr. Chairman, and Board Members.

21 I investigated the transfer of one
22 hundred percent of the membership
23 interest in the licensee, conducted an
24 updated suitability investigation of
25 Bobby Corte, Jr., Virginia Corte, who

1 had previously met suitability. I also
2 conducted suitability investigations on
3 Justin Corte, Elizabeth Corte, his wife,
4 and Stephen Corte, Kandi Corte, his
5 wife, and Bobby Corte, III.

6 I found no information that would
7 preclude Bobby Corte, Jr., Virginia
8 Corte, Justin Corte, Elizabeth Corte,
9 Stephen Corte, Kandi Corte or Bobby
10 Corte, III, from participating in the
11 video gaming industry or any information
12 that would preclude the continuing
13 license of Big Wheels Travel Center
14 doing business as Big Wheels Casino.

15 MR. PITRE: The Office of the
16 Attorney General reviewed the file and
17 found no information that would preclude
18 approval of the transfer.

19 CHAIRMAN JONES: Mr. Stipe has a
20 question.

21 MR. STIPE: The people that you did
22 the suitability investigations on
23 comprise a hundred percent of the
24 beneficiaries of these trust that are
25 set up?

1 INVESTIGATOR VERRETT: Yes, sir.
2 The only thing that would happen is in

3 the event of the death of Bobby Corte,
4 Jr., and Virginia Corte, their shares go
5 over to, I think, it's Trust B, Bobby
6 and Virginia Corte Trust B, for the
7 benefit of Bobby Corte, III, and the two
8 brothers would be the trustees of that
9 one.

10 CHAIRMAN JONES: Okay. Any other
11 questions, Board Members? [No
12 response.] Do I have a motion to
13 approve the transfer?

14 MR. BRADFORD: So moved.

15 CHAIRMAN JONES: By Mr. Bradford,
16 second by Mr. Stipe. All in favor?
17 [Collective "aye."] Opposed? [No
18 response.] The transfer is approved.
19 Thank you, gentlemen.

20 VI. CASINO GAMING ISSUES

21 A. Consideration of Certificate of Compliance
22 for the Alternate Riverboat Inspection of
23 the gaming vessel of Louisiana Casino
24 Cruises, Inc., d/b/a Hollywood Baton Rouge
25 - No. R011700193

20

1 CHAIRMAN JONES: We'll now move to
2 Casino Gaming Issues. Before us is
3 Consideration of Certificate of
4 Compliance for the Alternate Riverboat
5 Inspection of the gaming vessel

6 Louisiana Casino Cruises, Inc., doing
7 business as Hollywood Baton Rouge, No.
8 RO11700193.

9 Morning, gentlemen.

10 MR. THOMPSON: Morning,
11 Mr. Chairman.

12 MR. FRANCIC: Morning.

13 MR. THOMPSON: Mr. Chairman, Board
14 Members, Assistant Attorney General
15 Buddy Thompson. With me is John Francic
16 of ABSC. We're here in the matter of
17 the issuance of the renewal Certificate
18 of Compliance to Louisiana Casino
19 Cruises, Inc., d/b/a Hollywood Casino
20 Baton Rouge.

21 On June the 30th, 2015, ABSC began
22 the inspection process for the renewal
23 of Hollywood Casino's Certificate of
24 Compliance. At the present time,
25 there's one remaining discrepancy to be

21

1 completed.

2 For more on this, I now turn the
3 presentation over to John Francic.

4 MR. FRANCIC: Good morning,
5 Chairman, and Board Members.

6 CHAIRMAN JONES: Morning.

7 MR. FRANCIC: John Francic with ABS
8 Consulting here to report the annual

9 certification for Hollywood Casino Baton
10 Rouge.

11 The inspectors, Doug Chapman and
12 Pete Bullard, did, on June 30th, attend
13 the riverboat Casino Rouge to conduct
14 the annual inspection in accordance with
15 the Alternative Inspection of Riverboat
16 Gaming Vessels in the State of
17 Louisiana.

18 The inspectors reviewed fire
19 protection measures and equipment,
20 egress routes, mooring system, machinery
21 spaces and conducted a fire drill. The
22 deficiency found during inspection are
23 found on page six of your report.

24 A follow-up examination was
25 conducted on July 23rd, and several

22

1 items were not completed, as the
2 generator was still out being serviced;
3 the training was scheduled for August,
4 and the ground fault indicator was being
5 evaluated.

6 A letter was drafted on August 11th
7 to request an extension for the ground
8 fault indicator, as it would require a
9 shutdown of the electrical system
10 onboard the vessel to repair. This
11 would take time and planning, and the

12 current project in place would cause
13 additional problems if the electrical
14 problem were shut down.

15 Another ground fault indicator may
16 present questions to the safety of
17 personnel onboard the vessel, and I hope
18 to explain that this electrical system
19 onboard the vessel is different from
20 wiring on land or at your home. At home
21 the neutral for ground wire, as is often
22 called, is earth and at places to
23 prevent the safety of personnel against
24 shock.

25 For marine installations, the ground

23

1 is usually the ship's hull, and all
2 electrical equipment, metallic
3 enclosures are bonded to it. By bumping
4 the case of the ship's hull, a direct
5 path is provided between the equipment
6 and ship's hull thereby ensuring that
7 both are at the same voltage level. A
8 person standing on the hull is then
9 protected against electrical shock.

10 Furthermore, the path enables the
11 fault current to flow and thus allow
12 many protection or detection devices to
13 operate. The method of grounding may
14 detract from a safe system by causing

15 equipment to disconnect on a ground
16 fault or permanently be damaged. In
17 other words, the ground fault indicator
18 is the means to protect equipment
19 onboard and not necessarily the
20 personnel.

21 Today all deficiencies are corrected
22 with the exception of the ground fault
23 indicator. This is scheduled to be
24 repaired, I was just told, would be on
25 Monday now the 20th and not the 22nd as

24

1 previously mentioned, and I was also
2 informed that -- when we were talking
3 this morning that the electrical panel
4 now does not have to be secured. They
5 can do it at the panel. So it's just a
6 matter of trying to get the right
7 electrician who understands the system
8 to do the right repairs at the right
9 time.

10 The 2015 annual survey as required
11 by Louisiana Gaming Control Board is not
12 complete but presents no safety concerns
13 to its patrons or employees onboard the
14 riverboat. It is recommended by ABS
15 Consulting that Hollywood Baton Rouge
16 Casino be issued a certificate for one
17 month.

18 MR. THOMPSON: We now present these
19 findings to the Board and request that
20 upon the Board accepting the report
21 submitted by ABSC, the Board will move
22 for a 30-day extension of Hollywood
23 Casino's Certificate of Compliance.

24 CHAIRMAN JONES: Thank you. We have
25 some questions. Miss Noonan.

25

1 MS. NOONAN: John, are you
2 comfortable with this for the next month
3 for the employees and the patrons that
4 are onboard?

5 MR. FRANCIC: Yes.

6 MS. NOONAN: "Yes"?

7 MR. FRANCIC: Um-hmm.

8 MS. NOONAN: And then you will
9 report back to the Chairman within a
10 month?

11 MR. FRANCIC: Yes.

12 MS. NOONAN: Okay.

13 MR. FRANCIC: As long as they get
14 everything on schedule and repaired by
15 next week, we'll have it all done, and
16 I'll let the Chairman know.

17 CHAIRMAN JONES: With that
18 understanding, you said this is
19 scheduled for next Monday?

20 MR. FRANCIC: Yes.

21 CHAIRMAN JONES: Okay. Is State
22 Police comfortable with this?

23 MAJOR NOEL: Yes.

24 CHAIRMAN JONES: Okay. You've got
25 no reservations whatsoever, just the

26

1 life safety issue in the interim until
2 repair.

3 MR. FRANCIC: No.

4 MS. BERRY: Excuse me. I have a
5 question.

6 CHAIRMAN JONES: Yes, Miss Berry.

7 MS. BERRY: Do y'all anticipate that
8 repairs will be complete that day?

9 MR. FRANCIC: It's hard to say. It
10 all depends on when they start getting
11 to work. If everything goes as planned,
12 it could be, but if not, there's other
13 means of trying to get it all done in
14 that week, hopefully.

15 MS. BERRY: Either way you'll let
16 the Chairman know if there's a delay or
17 any problem, correct?

18 MR. FRANCIC: Yes.

19 MS. BERRY: Thank you. I think it's
20 kind of important.

21 CHAIRMAN JONES: Yes, sir,
22 Mr. Bradford.

23 MR. BRADFORD: John, is there any

24 way to know how long this ground fault
25 indicator has been out of service?

27

1 MR. FRANCIC: I don't know. When
2 they came onboard, the manager for -- he
3 informed us that it was out, but I don't
4 know of the date or how long it's been
5 out for.

6 MR. BRADFORD: I move approval.

7 CHAIRMAN JONES: Okay. Does the
8 licensee wish to make any statement
9 before the Board before we entertain a
10 motion? [No response.] Okay.

11 All right. The understanding is
12 that this is -- we'll take a motion to
13 issue a Certificate of Compliance which
14 will expire October 31st, so with the
15 caveat that this is going to be repaired
16 and before we do the yearly.

17 So do I have a motion to issue the
18 Certificate of Compliance which will
19 expire October 31st? By Miss Noonan --

20 MS. NOONAN: Yes.

21 CHAIRMAN JONES: -- and
22 Mr. Bradford. All in favor?
23 [Collective "aye."] Opposed? [No
24 response.] The motion for issuance of
25 the certificate is approved. Thank you.

28

1 VII. RULEMAKING

2 A. Consideration of adoption of LAC 42:III.113

3 (Request for Permission to Reapply)

4 B. Consideration of adoption of amendments to LAC

5 42:III.120 (Application and Reporting Forms)

6 CHAIRMAN JONES: At this point,

7 we'll take up Rulemaking. We'll take up

8 both A and B on your agenda. We're

9 considering them at the same time.

10 That's Consideration of the Adoption of

11 LAC 42:III.113 (Request for Permission

12 to Reapply), and B, Consideration of the

13 adoption of LAC 42:III.120 (Application

14 and Reporting Forms.)

15 Good morning.

16 MR. LONG: Good morning, Chairman

17 Jones, Board Members. I'm Assistant

18 Attorney General Matthew Long appearing

19 before the Board this morning in the

20 matter of Consideration of Final

21 Adoption of LAC 42:III.113 (Request for

22 Permission to Reapply), and

23 Consideration of adoption of Amendments

24 to LAC 42:III.120 (Application and

25 Reporting Forms), which adds the request

29

1 for permission to reapply to the forms.

2 As of the meeting on May 18th, 2015,

3 the Board voted to institute rulemaking

4 procedures for these two rules.
5 Following that vote, the Notices of
6 Intent were published in the Louisiana
7 Register directing first any individuals
8 with questions or concerns to contact
9 the Attorney General's Office. No
10 comments were received.

11 Reports were also submitted to the
12 Board's House and Senate Oversight
13 Committees. As no hearings were called
14 by the oversight committees, the
15 proposed rules were approved by those
16 committees by default.

17 There being no further procedures,
18 the rules are now before the Board for
19 final adoption.

20 CHAIRMAN JONES: Board, any
21 questions of Mr. Long? There are no
22 questions. Do I have a motion for final
23 adoption of the amendments to the rules?

24 MAJOR MERCER: I move.

25 CHAIRMAN JONES: By Mr. Mercer and

30

1 Mr. Singleton. All in favor?
2 [Collective "aye."] Opposed? [No
3 response.] The rules are adopted.
4 Thank you very much.

5 MR. LONG: Thank you, Mr. Chairman.

6 VIII. CONSIDERATION OF PROPOSED SETTLEMENTS/APPEAL

7 IN THE FOLLOWING:

8 1. In Re: Sand Bar on False River, LLC, d/b/a
9 Sand Bar on False River - No. 3900117085
10 (proposed settlement)

11 CHAIRMAN JONES: Our final items:
12 Consideration of Proposed Settlements
13 and Appeal. First up are settlements in
14 regard to Sand Bar on False River, LLC,
15 doing business as Sand Bar on False
16 River, No. 3900117085. This is a
17 proposed settlement.

18 Good morning.

19 MR. LEWIS: Good morning. Chairman
20 Jones, Ladies and Gentlemen of the
21 Board, I'm Assistant Attorney General
22 Kanick Lewis, Jr., here in the matter of
23 Sand Bar on False River.

24 Sand Bar on False River, LLC, doing
25 business as Sand Bar on False River, is

31

1 a Type 1 licensed establishment located
2 at 6716 False River Road in Oscar,
3 Louisiana.

4 The Division, in conjunction with
5 the Department of Health and Hospitals,
6 has developed an online video training
7 program to assist licensees in
8 identifying and providing information to
9 patrons that may be suffering from a

10 gambling addition. On October 14th,
11 2015, the licensee received the advisory
12 notice informing them of the requirement
13 to view the training video within ten
14 days of receiving the notice. The
15 licensee did not view the training video
16 until June 28th, 2015, which is beyond
17 the required deadline.

18 The licensee failed to timely view
19 the required training video, which is a
20 violation of gaming law, and in lieu of
21 administrative action of its gaming
22 license, Sand Bar on False River will
23 pay a civil penalty of \$500 for
24 violating gaming law. Hearing Officer
25 Reynolds has approved the Joint

32

1 Compromise and Settlement Agreement, and
2 we're here today seeking the Board's
3 approval.

4 At this time, I'd be happy to answer
5 any questions you may have.

6 CHAIRMAN JONES: Are there any
7 questions? There appear to be no
8 questions. Do I have a motion to
9 approve the settlement?

10 MS. NOONAN: I'll move.

11 CHAIRMAN JONES: All right. Miss
12 Noonan --

13 MR. JACKSON: Second.

14 CHAIRMAN JONES: -- second by

15 Mr. Jackson. All in favor? [Collective

16 "aye."] Opposed? [No response.]

17 I didn't know if you had a question.

18 That's why I asked you again.

19 MR. LEWIS: Thank you.

20 CHAIRMAN JONES: Thank you.

21 2. In Re: Waguespack & Waguespack, Ltd., d/b/a

22 Funtime Amusement - No. 3601612009 (proposed

23 settlement)

24 3. Solarium Entertainment, Inc., d/b/a St. Roch

25 Tavern - No. 3601112228 (proposed settlement)

33

1 CHAIRMAN JONES: Next up is

2 Waguespack & Waguespack doing business

3 as Funtime Amusement, No. 3601612009.

4 This is also a proposed settlement.

5 Good morning.

6 MS. BOGRAN: Good morning, Chairman

7 Jones, Board Members. I'm Olga Bogran,

8 Assistant Attorney General, here before

9 you to present the next two settlements,

10 and I'm going to start with Solarium

11 Entertainment, Solarium Entertainment,

12 Inc., d/b/a St. Roch Tavern, license No.

13 3601112228.

14 Ronald J. Waguespack is 51 percent

15 owner and president of this licensee.

16 The settlement concerns the licensee's
17 failure to report his marriage to the
18 Division within ten days as required by
19 gaming law. The amount of the
20 settlement is \$250, which is the amount
21 cited in the penalty schedule for this
22 violation.

23 The settlement was signed by the
24 hearing officer on August 31st and is
25 before you for final approval.

34

1 CHAIRMAN JONES: And you moved to
2 St. Roch Tavern, right?

3 MS. BOGRAN: Right.

4 CHAIRMAN JONES: I wanted to make
5 sure we got that properly in the record.

6 Do I have a motion to approve the
7 proposed settlement?

8 MS. BERRY: I'll move.

9 MR. GASTON: I'll second.

10 CHAIRMAN JONES: By Miss Berry and
11 Mr. Gaston. All in favor? [Collective
12 "aye."] Opposed? Hearing none, the
13 settlement is approved.

14 MS. BOGRAN: The next one is
15 Waguespack & Waguespack, Limited, d/b/a
16 Funtime Amusement, license No.
17 3601612009. This is a related
18 settlement.

19 Ronald J. Waguespack, who you just
20 hear about in the Solarium
21 Entertainment, is the hundred percent
22 owner and president and director of this
23 licensee. This licensee failed to
24 report both Mr. Waguespack's marriage
25 and a change of address for this Type VI

35

1 licensee.

2 The penalty included in this
3 settlement is \$500, \$250 for the failure
4 to report the marriage and \$250 for
5 failure to report the change of address
6 for the Type 6.

7 The settlement was signed by the
8 hearing officer on August 31st and is
9 before you for final approval.

10 CHAIRMAN JONES: Are there any
11 questions? There appear to be no
12 questions. Do I have a motion to
13 approve the settlement? By Mr. Bradford
14 and a second by Mr. Mercer. All in
15 favor? [Collective "aye."] Opposed?
16 [No response.] The motion carries. The
17 settlement is approved. Thank you.

18 4. In Re: SMB Thibodaux, LLC, d/b/a Rare Bit at
19 the Venetian - No. 2901217054 (proposed
20 settlement)

21 CHAIRMAN JONES: The final

22 settlement up is SMB Thibodaux, LLC,
23 doing businesses Rare Bit at the
24 Venetian, No. 2901217054. This is a
25 proposed settlement.

36

1 MR. HEBERT: Good morning, Chairman
2 Jones, Members of the Board.
3 Christopher Hebert here representing the
4 Louisiana Office of State Police in the
5 matter of SBM Thibodaux, LLC, doing
6 business as Rare Bit at the Venetian.

7 SMB Thibodaux, LLC, doing business
8 as Rare Bit at the Venetian, is a Type 2
9 licensed establishment located at 401
10 Jackson Street in Thibodaux, Louisiana.

11 The Division, in conjunction with
12 the Department of Health and Hospitals,
13 has developed an online video training
14 program to assist licensees in identify
15 and providing information to patrons
16 that may be suffering from a gambling
17 addiction. On July 11th, 2014, the
18 licensee received the advisory notice
19 informing them of the requirement to
20 view the training video within ten days
21 of receiving the notice. The licensee
22 did not view the training video until
23 August 4th, 2015, which is beyond the
24 required deadline.

25 The licensee failed to timely view

37

1 the required training video which is a
2 violation of gaming law, and in lieu of
3 administrative action against its gaming
4 license, the licensee will pay a civil
5 penalty of \$500 for violating gaming
6 law. Hearing Officer Reynolds has
7 signed this Joint Compromise and
8 Settlement Agreement, and we're here
9 today seeking the Board's approval.

10 I'll be happy to answer any
11 questions that you have at this time.

12 CHAIRMAN JONES: Are there any
13 questions from the Board? There appear
14 to be no questions. Do I have a motion
15 to approve?

16 MR. JACKSON: Motion to approve the
17 settlement.

18 CHAIRMAN JONES: By Mr. Jackson and
19 Miss Berry. All in favor? [Collective
20 "aye."] Opposed? No opposition. The
21 settlement is approved. Thank you very
22 much.

23 MR. HEBERT: Thank you.

24 5. In Re: Angella LeBlanc - No. V000020148
25 (appeal)

38

1 CHAIRMAN JONES: We'll now call up

2 the appeal in regard to Angella LeBlanc.
3 That's No. V000020148. Is Miss LeBlanc
4 here or someone representing Miss
5 LeBlanc? No?

6 You're on your own.

7 MR. HEBERT: If I'm allowed, I'd
8 like to move that since Miss LeBlanc is
9 not present and this is her appeal, that
10 the Board approve the decision -- or
11 uphold, excuse me, the decision of the
12 hearing officer to deny Miss LeBlanc's
13 application for a video draw poker
14 permit.

15 CHAIRMAN JONES: Mr. Bradford, do
16 you have a motion or a question?

17 MR. BRADFORD: I'll make a motion.

18 MR. GASTON: Second.

19 CHAIRMAN JONES: I have a motion by
20 Mr. Bradford to uphold the appeal -- to
21 uphold the hearing officer. All in
22 favor? [Collective "aye."] Opposed?

23 IV. ADJOURNMENT

24 CHAIRMAN JONES: There being no
25 further business before the Board, do I

39

1 have a motion to adjourn?

2 MR. JACKSON: Motion to adjourn.

3 CHAIRMAN JONES: By Mr. Jackson --

4 MS. NOONAN: I'll second.

5 CHAIRMAN JONES: -- and Miss Noonan.
6 All in favor? [Collective "aye."]
7 Opposed? [No response.] We're
8 adjourned.

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

40

1 REPORTER'S PAGE

2

3 I, SHELLEY PAROLA, Certified Shorthand
4 Reporter, in and for the State of Louisiana, the
5 officer before whom this sworn testimony was
6 taken, do hereby state:

7 That due to the spontaneous discourse of this

8 proceeding, where necessary, dashes (--) have been
9 used to indicate pauses, changes in thought,
10 and/or talkovers; that same is the proper method
11 for a Court Reporter's transcription of a
12 proceeding, and that dashes (--) do not indicate
13 that words or phrases have been left out of this
14 transcript;

15 That any words and/or names which could not
16 be verified through reference materials have been
17 denoted with the word "(phonetic)."

18

19

20

21

22

23

24 SHELLEY PAROLA

Certified Court Reporter #96001

25 Registered Professional Reporter

41

1 STATE OF LOUISIANA

2 PARISH OF EAST BATON ROUGE

3 I, Shelley G. Parola, Certified Court

4 Reporter and Registered Professional Reporter, do

5 hereby certify that the foregoing is a true and

6 correct transcript of the proceedings on September

7 17, 2015, as taken by me in Stenographic machine

8 shorthand, complemented with magnetic tape

9 recording, and thereafter reduced to transcript,

10 to the best of my ability and understanding, using
11 Computer-Aided Transcription.

12 I further certify that I am not an
13 attorney or counsel for any of the parties, that I
14 am neither related to nor employed by any attorney
15 or counsel connected with this action, and that I
16 have no financial interest in the outcome of this
17 action.

18 Baton Rouge, Louisiana, this 23rd day of
19 October, 2015.

20

21

22

SHELLEY G. PAROLA, CCR, RPR

CERTIFICATE NO. 96001

23

24