

LGCB - Board of Directors' Meeting - 3-16-17, (Pages 1:1 to 62:24)

1:1 LOUISIANA GAMING LOUISIANA CONTROL BOARD

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4 BOARD OF DIRECTORS' MEETING

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9 THURSDAY, MARCH 16, 2017

10

11 House Committee Room 1

12 Louisiana State Capitol

13 900 North Third Street

14 Baton Rouge, Louisiana

15

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18 TIME: 10:00 A.M.

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1 APPEARANCES

2

RONNIE JONES

3 Chairman (At Large)

Third Congressional District

4 June 30, 2019

5

6 FRANKLIN AYRES BRADFORD

(Economic Planner)

7 Fifth Congressional District

June 30, 2019

8

9 MARK STIPE

Seventh Congressional District

10 June 30, 2020

11 CLAUDE D. JACKSON

(At large)

12 Fourth Congressional District

June 30, 2018

13

14 ROBERT W. GASTON, III

(At Large)

15 Sixth Congressional District

June 30, 2021

16

17 JULIE BERRY

(CPA)

18 Third Congressional District

June 30, 2018

19

20 WANDA THERIOT

(At large)

21 First Congressional District

June 30, 2021

22

23 RICHARD PATRICK

(Law Enforcement)

24 Fifth Congressional District

Appointed January 27, 2017

25

3

1 APPEARANCES CONTINUED

2

3 CAPTAIN GLEN HALE

Ex-Officio Board Member

4 Louisiana State Police

5

6 MICHAEL LEGENDRE

Office of Charitable Gamine

7 Director

8

9 LANA TRAMONTE

Executive Assistant

10

11 TRUDY SMITH

Confidential Assistant

12

13 REPORTED BY:

14 SHELLEY G. PAROLA, CSR, RPR

Baton Rouge Court Reporters

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1 I. CALL TO ORDER

2 CHAIRMAN JONES: Good morning and
3 welcome to the March meeting of the
4 Louisiana Gaming Control Board.

5 Miss Tramonte, would you call the
6 roll.

7 THE CLERK: Chairman Jones?

8 CHAIRMAN JONES: Here.

9 THE CLERK: Mr. Bradford?

10 MR. BRADFORD: Here.

11 THE CLERK: Mr. Stipe.

12 MR. STIPE: Here.

13 THE CLERK: Mr. Singleton? [No
14 response.]

15 Mr. Jackson?

16 MR. JACKSON: Here.

17 THE CLERK: Mr. Gaston?

18 MR. GASTON: Here.

19 THE CLERK: Miss Berry?

20 MS. BERRY: Here.

21 THE CLERK: Ms. Theriot?

22 MS. THERIOT: Here.

23 THE CLERK: Mr. Patrick?

24 MR. PATRICK: Here.

25 THE CLERK: Colonel Edmonson?

7

1 CAPTAIN HALE: Captain Glenn Hale

2 for Colonel Edmonson.

3 THE CLERK: Secretary Robinson?

4 MR. LEGENDRE: Michael Legendre here

5 for Secretary Robinson.

6 II. PUBLIC COMMENTS

7 CHAIRMAN JONES: Good morning.

8 Thank you for being here. We have a

9 quorum, and we may conduct business.

10 First up is the opportunity for any

11 public comment for any matter before the

12 Board today. Anyone? [No response.]

13 III. APPROVAL OF THE MINUTES

14 CHAIRMAN JONES: And we'll move to

15 approval of the minutes. Do I have a

16 motion to waive reading and approve the

17 minutes of January and the February

18 board meetings?

19 MR. STIPE: So move.

20 CHAIRMAN JONES: By Mr. Stipe,

21 second by Miss Berry.

22 Any objection? Without objection,

23 the minutes for both months are

24 approved.

25 IV. REVENUE REPORTS

8

1 CHAIRMAN JONES: We'll now call

2 Revenue Reports. Good morning.

3 MS. JACKSON: Morning, Chairman

4 Jones, Board Members. My name is Donna

5 Jackson, Louisiana State Police Gaming

6 Enforcement Division.

7 The 15 operating riverboats

8 generated Adjusted Gross Receipts of

9 \$156,328,595 in February. This total

10 represents an increase of \$10.5 million

11 or 7 percent from last month but a

12 decrease of \$9.7 million or 6 percent

13 from last February, which had one

14 additional day due to 2016 being a leap

15 year.

16 Adjusted Gross Receipts for fiscal

17 year 2016-2017 to date are

18 \$1,267,000,000, a decrease of \$25

19 million or 2 percent from fiscal year

20 2015-2016.

21 During February, the State collected

22 fees totaling \$33,610,648. As of

23 February 28th, 2017, the State collected

24 over \$272 million in fees for fiscal

25 year 2016-2017, a decrease of \$5.5

9

1 million from last fiscal year.

2 Next is a summary of the
3 February 2017 gaming activity for
4 Harrah's New Orleans found on page
5 three. During February, Harrah's
6 generated \$22,620,156 in gross gaming
7 revenue, an increase of \$1.2 million or
8 5.6 percent from last month but a
9 decrease of \$3 million or 11.7 percent
10 from last February. Fiscal year-to-date
11 gaming revenues for 2016-2017 are
12 \$177 million, down \$25 million or
13 12 percent from fiscal year 2015-2016.
14 During February, the State received
15 \$4,602,740 in minimum daily payments.
16 As of February 28th, 2017, the State has
17 collected almost \$40 million in fees for
18 fiscal year 2016-2017.

19 Next I'll present the revenues for
20 Slots at the Racetracks. During
21 February, the four racetrack facilities
22 combined generated Adjusted Gross
23 Receipts of \$29,649,969, an increase of
24 \$2 million or 7.4 percent from last
25 month but a decrease from February 2016

10

1 of \$2 million or 6.2 percent.

2 Adjusted Gross Receipts for fiscal
3 year 2016-2017 to date are almost

4 \$224 million, a decrease of
5 \$13.6 million or 6 percent from fiscal
6 year 2015-2016.

7 During February, the State collected
8 \$4,497,900 in fees. As of
9 February 28th, 2017, the State has
10 collected \$34 million in fees for fiscal
11 year 2016-2017.

12 Overall in February, Riverboats
13 Landbased and Slots at the Racetracks
14 combined generated approximately \$209
15 million in AGR and almost \$43 million in
16 state fees. These revenues represent a
17 decrease from February 2016 of about
18 7 percent.

19 Are there any questions before I
20 present the Harrah's employee
21 information?

22 CHAIRMAN JONES: Any questions,
23 Board? There are no questions.

24 MS. JACKSON: Harrah's New Orleans
25 is required to maintain at least 2,400

11

1 employees and a bi-weekly payroll of
2 \$1,750,835. This report covers pay
3 periods in February 2017. For the first
4 pay period, the Division verified 2,657
5 employees with a payroll of \$2,162,000.
6 For the second pay period, the Division

7 verified 2,623 employees with a payroll
8 of \$2,188,000. Therefore, Harrah's met
9 the employment criteria during February.

10 CHAIRMAN JONES: Questions, Board
11 Members? There are no questions. Thank
12 you.

13 Jim.

14 MR. BOSSIER: Good morning, Chairman
15 Jones and Board Members. My name is Jim
16 Bossier with the Louisiana State Police
17 Gaming Enforcement Division here to
18 report video gaming statistics for
19 February 2017 as shown on page one of
20 your handout.

21 Eleven new video gaming licenses
22 were issued during February: Six bars,
23 four restaurants and one device owner's.
24 Eleven new applications were received by
25 the Gaming Enforcement Division during

12

1 February and are currently pending in
2 the field: Seven bars and four
3 restaurants. The Gaming Enforcement
4 Division assessed \$500 and collected
5 \$22,500 in fines during February, and
6 there are currently \$1,000 in
7 outstanding fines. Please refer to page
8 two of your handout.

9 There are presently 13,114 video

10 gaming devices activated at 1,772
11 locations.

12 Net device revenue for February 2017
13 was \$49.1 million, a \$3.7 million
14 increase, or 8.2 percent, when compared
15 to January 2017, and a \$3.5 million
16 decrease, or 6.6 percent, when compared
17 to February 2016. Net device revenue so
18 far for fiscal year 2017 is
19 \$375.2 million, an \$8.5 million
20 decrease, or 2.2 percent, when compared
21 to fiscal year 2016. Page three of your
22 handout shows a comparison of net device
23 revenue.

24 Total franchise fees collected
25 during February 2017 were \$14.7 million,

13

1 a \$1.1 million increase when compared to
2 January 2017, and a \$1.1 million
3 decrease when compared to February 2016.

4 Total franchise fees collected for
5 fiscal year 2017 are \$112.5 million, a
6 \$2.3 million decrease, or 2 percent,
7 when compared to fiscal year 2016. Page
8 four of your handout shows a comparison
9 of franchise fees.

10 Does anybody have any questions?

11 CHAIRMAN JONES: Board Members, any
12 questions on video poker? There are no

13 questions.

14 MR. BOSSIER: Thank you.

15 CHAIRMAN JONES: Thank you, Jim.

16 V. CONSIDERATION OF CONTRACTS WITH COURT REPORTER

17 AND HEARING OFFICER

18 CHAIRMAN JONES: Next up is
19 consideration of contracts for our court
20 reporting service and our hearing
21 officer. These are the standard and
22 usual contracts which were part of your
23 packet. The Board only has two existing
24 contracts, that I'm aware of as long as
25 I've been there, and they've both been

14

1 for professional services for the
2 hearing officer and court reporting
3 services. Both are required by law. No
4 changes to the contracts, and I would
5 ask for a motion -- provided you have
6 approved those and there's no questions
7 to approve.

8 Mr. Bradford.

9 Second?

10 MR. GASTON: I move a second.

11 CHAIRMAN JONES: By Dr. Gaston.

12 Any objection? [No response.]

13 Without objection, the contracts are --
14 the motion to approve the contracts is
15 hereby approved. Thank you.

16 MR. GASTON: Mr. Chairman, if I
17 could say --

18 CHAIRMAN JONES: Let me find you.
19 Yes, sir.

20 MR. GASTON: -- reading these
21 reports that they do, very thorough. I
22 just want to commend --

23 CHAIRMAN JONES: We appreciate
24 everything. They do a good job for
25 us --

15

1 MR. GASTON: -- excellent.

2 CHAIRMAN JONES: And we appreciate
3 that. Thank you.

4 VI. PRESENTATION BY JANET MILLER, EXECUTIVE
5 DIRECTOR OF THE LOUISIANA ASSOCIATION ON
6 COMPULSIVE GAMBLING

7 CHAIRMAN JONES: At this point, we'd
8 ask our good friend, Janet Miller, the
9 Executive Director of Louisiana
10 Association of Compulsive Gambling,
11 who's asked to be here today, a friend
12 of the Board and brings a great message
13 about a partnership between this state
14 and services provided for those who have
15 gambling issues.

16 MS. MILLER: Good morning, Chairman.
17 Good morning everyone. I brought 12
18 packets, and I don't know if I had

19 enough, but hopefully I did, for
20 everyone here and wanted to -- and asked
21 the Chairman if I could have a few
22 minutes with you this morning because it
23 is Problem Gambling Awareness Month.
24 Generally, the national movement is that
25 every state that has a council -- which

16

1 is out of the states, we have currently
2 37 councils around the United States.
3 Our state chose to do a month long
4 awareness rather than a week long, and
5 we've been doing this about 13 years;
6 and so I wanted to make sure that at
7 least once a year I get in front of this
8 Board and present some information that
9 I think the Board would need to have, as
10 well as information that others need to
11 have in the room.

12 One is: On the left side of the
13 packet that I gave you -- the front side
14 will show you exactly what has been the
15 movement for the last few years, which
16 is have the conversation. Many people
17 are asking: What's the best way for me
18 to address somebody who may have a
19 gambling problem? And really it's just
20 having that conversation, actually even
21 asking people who you may not think has

22 a problem with gambling because you
23 wouldn't see a gambling problem, unlike
24 drugs and alcohol where you would see
25 that manifest itself by the responses

17

1 and the changes, or you could drug
2 screen for it.

3 So the movement has been -- the last
4 three years we've adopted, through the
5 National Council on Problem Gambling, to
6 continue to move towards having
7 conversations about problem gambling.

8 So on the left side, what I brought to
9 you was the first time ever since we've
10 been doing problem gambling help -- and
11 LACG has been in existence since the
12 90s, and the Gaming Control Board has
13 been going on forever -- is that we have
14 seven other mayors in the State of
15 Louisiana who have decided to do a
16 proclamation for Problem Gambling
17 Awareness Month. So I brought you
18 copies of all their proclamations along
19 with the Governor's. The Governor has
20 been a part of this always for years,
21 but this is the first year that many
22 majors are saying let's take this on and
23 do some work of awareness and help for
24 that.

25 On the right side, you'll see in you

18

1 packet that there's information about
2 LACG, so if you have questions about our
3 mission. Are we against gambling? We
4 are not. We are deemed neutral. In
5 fact, that would never help us. We work
6 in partnership with the industry, as
7 well as the lottery and the video poker.
8 We work in partnership with the Attorney
9 General's Office, the State Police
10 Gaming Division. We work with everybody
11 that we can, as well as, obviously, the
12 Gaming Control Board. So we want to
13 keep that partnership going because
14 Louisiana is known for that partnership
15 to be good and solid and helping people
16 in Louisiana who have a problem, which
17 is not the majority of people who
18 gamble, and we know that; but what I
19 gave you in the insert, that should just
20 open out to, are three pages that are
21 stapled together, and they're important
22 because it's the preliminary findings of
23 the 2016 Louisiana prevalent study for
24 problem gambling.

25 The last prevalent study in

19

1 Louisiana was in 2008. 2008 showed the

2 prevalence of problem gambling was
3 3.1 percent. It has raised up eight
4 years later, through the prevalent study
5 that will be out in full form this
6 summer -- will show that it's at almost
7 8.3 percent now, and there's many -- as
8 I've been on the radio and TV about this
9 recently, there's many, like, why is
10 that? And, again, part of that's going
11 to be shown by the study and how the
12 controls and non-controls were done this
13 summer, and I wasn't a part of that.

14 We actually provided much of the
15 information through the helpline, which
16 we answer the Louisiana Problem Gamblers
17 Helpline. We also answer, as you see in
18 there -- I wanted to give you a
19 snapshot -- of how many calls do we take
20 in per year -- basically a fiscal year.
21 How many calls do we answer, also, for
22 the Louisiana substance abuse line, and
23 then we also answer the Suicide
24 Prevention Line for the upper region of
25 the state. Our problem gambling

20

1 helpline is in the process right now to
2 become accredited as a first ever
3 gambling helpline in the United States,
4 and that's coming this spring. We've

5 been working on that process for the
6 last two years, and we will be kind of
7 the pilot program that they're taking on
8 because we know that there's a problem
9 with gambling, not for the majority, but
10 for those who have it -- and as I've
11 said before with this Board, if it's in
12 your family or it's your friend, that's
13 a hundred percent there. But even
14 though maybe the statistics are showing
15 a higher rate is maybe claiming that
16 they have a problem, maybe it took that
17 long to admit to that problem, or maybe
18 it's the questioning that this new team
19 is doing in 2016.

20 Nonetheless, there's a snapshot that
21 we're getting that there is more problem
22 gambling to be addressed, which is also
23 why I'm down here with all of you at
24 times to fight the good fight about
25 keeping the gambling or the state

21

1 dedicated problem gaming fund staying
2 there because I believe it's in the best
3 interest, of course, of first the
4 Louisiana residents. I think Louisiana
5 needs to take care of Louisiana, and
6 we've done a good job of it.

7 In fact, we've had 37 other states

8 send residents to our CORE program since
9 1999. We've had people use our helpline
10 in combination of helping their state to
11 begin a helpline or also to contract
12 with us, so I think that we have a huge
13 blessing in Louisiana to have our
14 services, as well as all the different
15 regions of the state have pockets of
16 counselors all over the state that are
17 doing things that help the problem
18 gambler.

19 So I wanted you to see the numbers
20 to call, and the last piece in there
21 that was for my friends in the State
22 Police was that we actually do a lot of
23 referrals into the self-exclusion
24 programs when people call and they are
25 wanting that. So we actually are always

22

1 updating our information through our
2 Problem Gambler Helpline, and we're
3 making sure that we're giving
4 information out if people ask about the
5 self-exclusion through State Police or
6 through each particular property that
7 may offer it. And so, again, we work in
8 partnership with everybody, and we
9 definitely know that that is the best
10 way to do it in Louisiana because it's

11 always worked this way well and also
12 other states see the difficulty if they
13 don't work together as a team.

14 And so I appreciate always the
15 Chairman being a part of making that
16 effort and meeting with us when we need
17 to and certainly recommend if there's
18 ever a time that you're in Shreveport,
19 to come see the Center of Recovery. We
20 have a virtual tour of it on our
21 website, but it's always best if you're
22 going to refer someone or recommend
23 it -- and, also, that it's it your state
24 residential treatment center so come see
25 it so you know where people go and what

23

1 it's about.

2 And the other part is that we're
3 continually working with the Attorney
4 General's Office to get back some more
5 tread into the Gambling Treatment
6 Referral Diversionary Program. We know
7 people commit crimes, especially first,
8 second offenses of nonviolent things,
9 but need treatment, and so we're working
10 with them to get that program, again,
11 reestablished and more invigorated
12 around the state. I think that's a
13 great thing to do, and everybody's

14 helping in that area.

15 The other thing that I've worked for
16 is getting marketing money from some of
17 our gambling funding so that we can let
18 people know where to go for help, which
19 is part of the biggest problem is people
20 go, I didn't even know CORE was there.

21 And they say, how long was it open? And
22 I say, June of 1999. You know, so --
23 but we're nonprofit in a private
24 organization so we do with it what we
25 can. But the state has put up some new

24

1 billboards this year, but that's really
2 not enough. There needs to be more in
3 that marketing outreach area for
4 everybody.

5 So I just wanted to touch base with
6 that and lastly to tell you this: That
7 if we didn't work together to bring this
8 help and hope to people, the last thing
9 you need to know, probably that's
10 probably most important to me at times
11 as a director and as a counselor that
12 works with people, is that we have more
13 suicidal callers on our Louisiana
14 Problem Gamblers Helpline than our
15 suicide prevention line because this
16 addiction when you have it, leads more

17 to suicidal thinking, and many times
18 actions of that, than any other
19 addiction and mental illness that we've
20 found to date.

21 So we need to help people to find
22 that help and hope because that's a sure
23 clinical way to provide for someone some
24 way to get out of and to get some
25 resource so that maybe they don't hurt

25

1 themselves and certainly that they don't
2 kill themselves. I think that's a huge
3 piece of -- this Board needs to know
4 that that's what you're doing by the
5 part that you play in managing some
6 things and many things that you do, and
7 that if you continually advocate for
8 that we keep this money dedicated --
9 because the states that have not kept it
10 dedicated have lost all their services.
11 I've talked to all of them, and they
12 say, keep working on that, so that's why
13 I'm down here, and so that's why I drag
14 some of you into it.

15 So that is probably the best thing
16 that I can tell you is: That we need to
17 keep providing services for Louisiana
18 people because it's everywhere in every
19 pocket of the state. We get people from

20 all over that call, and the problem with
21 this problem is that you don't see it
22 when you look at someone; and so that's
23 why it takes time to admit it. It takes
24 the right people to ask questions, but I
25 think as we learn more and more and what

26

1 we're teaching people is just be direct
2 about it. And those who don't have a
3 problem, you will probably never even
4 think to ask some certain questions, but
5 if we're wrong, I'd rather be wrong that
6 somebody doesn't have a gambling
7 problem. Then maybe if I'm right, I
8 could find some help for them, and if I
9 don't ask, then I didn't help.

10 And I'm a citizen of Louisiana. I
11 have family and friends here, too, so I
12 would use the services if I need those,
13 and I want you to know that, as well.
14 Because I look at all of you, and I
15 never know in a room of people who is
16 affected by this; but I know they're
17 there, and I know that the recent
18 preliminary findings are showing that
19 it's almost three times as many people
20 are admitting to the problem now.

21 So I think it shows that we keep
22 helping, and the industry is continually

23 doing responsible gaming; and as a
24 reporter asked me the other day, well,
25 don't you think it's because of the

27

1 casinos? And I said, no. Prior to the
2 casinos coming to Louisiana, let's be
3 honest, was there gambling in Louisiana?

4 CHAIRMAN JONES: No.

5 MS. MILLER: No, of course not. And
6 is there gambling now that's going on
7 that's not legalized?

8 No, of course not.

9 Yes. It's not about the gaming
10 industry and it's not about -- it's
11 about people getting this problem within
12 them, and there are people and so we
13 take care of them.

14 So I appreciate your time. I'll
15 answer any questions certainly away from
16 this or even right now. Thank you.

17 MS. BERRY: I have a quick question.

18 MS. MILLER: Miss Berry.

19 CHAIRMAN JONES: Could I go? Miss
20 Berry.

21 MS. BERRY: I have a quick question.
22 You mentioned you're a non-profit
23 organization and you do get state
24 funding.

25 MS. MILLER: We do.

1 MS. BERRY: Approximately how much
2 do you get from the State, do you know,
3 just roughly?

4 MS. MILLER: We average -- we have a
5 contract for our helpline, contract for
6 CORE, contract for outpatient services
7 and a contract for our intensive
8 outpatient services which averages about
9 900,000.

10 MS. BERRY: So you mentioned you're
11 down here to continue asking. You're
12 not in any danger of losing funding from
13 the State, are you? You never know.

14 MS. MILLER: Well, if anybody can
15 give me a guarantee in writing --

16 MS. BERRY: You mentioned a need
17 that we have for it, and I'm just saying
18 if there's any way that, you know, we
19 could assist, maybe talk to legislators.

20 MS. MILLER: And I definitely, when
21 it comes up, when it becomes a concern,
22 I'm actually e-mailing just about
23 everybody I know or calling you. I have
24 no problem asking you to help me and
25 help the whole cause so I will.

1 MS. BERRY: We're all on the same
2 page.

3 MS. MILLER: Yeah. I will
4 definitely let you know.

5 MS. BERRY: I was just curious.

6 Now can you take private funding,
7 too, or do the casinos donate to you?

8 MS. MILLER: They do. They do. The
9 casino association does that and does
10 that routinely. If not for them at
11 times, there would have been difficulty,
12 especially last year when we had a cut
13 of 70,000, so it would have been
14 difficult. There would have been a
15 difficulty a few years back of closing
16 the doors, so, yes, that's why, again --
17 and we take private donations, if you
18 want to write a check. I'll be right
19 back here.

20 MS. BERRY: Tax deductible, of
21 course.

22 CHAIRMAN JONES: Miss Berry asked
23 the question I was going to ask about
24 the budget and about the money. I was
25 --

30

1 MS. MILLER: Our actual budget for
2 our organization is about \$1.2 million.

3 CHAIRMAN JONES: And with funding --
4 the bulk of the funding does come from
5 the State.

6 MS. MILLER: Correct.

7 CHAIRMAN JONES: Correct. And we
8 understand the financial condition of
9 the State, but, you know, I was down
10 here when video poker and riverboats
11 were approved; and I can tell you that
12 part of the larger discussions was a
13 concern about people who had compulsive
14 issues --

15 MS. MILLER: Right.

16 CHAIRMAN JONES: -- tendencies. And
17 there was a commitment in terms of
18 legislative policy that was made at that
19 time, and we have followed through on it
20 since legalization of gaming in
21 Louisiana. And I can tell you: This
22 Board will always support what you do,
23 the work that your association does, and
24 I am certain that the industry will
25 support you, as well, because they know

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1 that their futures, indeed, are tied to
2 the perception of addictive behaviors;
3 and they understand their vulnerability,
4 and I think that's why they're willing
5 to step up and assist in you -- from a
6 financial standpoint.

7 MS. MILLER: Right.

8 CHAIRMAN JONES: It's, like, put

9 your money, you know, where your mouth
10 is. It's easy to say we support
11 someone, but when they step up and they
12 provide supplemental funding for your
13 operations, I think that's incredibly
14 commendable.

15 You know how important your job is
16 here. I think I've acknowledged that to
17 you privately and publicly. I can't say
18 enough good things about the work that
19 you do. It's got to be an incredible
20 feeling of helplessness for someone to
21 be addicted to anything, and in this
22 case where, you know, your money is
23 going away and you have bills to pay,
24 perhaps, kids and a family to support,
25 it's got to be incredibly difficult.

32

1 So what you do is important, and I
2 think all my board members would agree
3 that we acknowledge it and appreciate it
4 on behalf of the state.

5 MS. MILLER: Thank you.

6 CHAIRMAN JONES: Any other
7 questions? There are no questions.
8 Thank you for coming down.

9 MS. MILLER: Thank you.

10 VII. VIDEO GAMING ISSUES

11 A. Consideration of the following truckstop

12 application:
13 1. Representative Democracy, LLC, d/b/a La
14 Express 7 - No. 6100517481
15 (new application)

16 CHAIRMAN JONES: We now move to
17 video gaming issues. First up is
18 consideration of the following truckstop
19 application: Democracy, LLC, doing
20 business as LA Express 7, No.
21 6100517481. This is a new application.

22 Good morning.

23 MR. PITRE: Good morning, Chairman
24 and Board Members. I'm Assistant
25 Attorney General Earl Pitre, Jr.,

33

1 appearing before the Board in the matter
2 of the original application of
3 Representative Democracy, LLC, doing
4 business as LA Express 7, applying for
5 approval of a Type 5 video draw poker
6 gaming license. The applicant's
7 establishment is located in West Baton
8 Rouge Parish.

9 On November 1st, 2016, the following
10 transfers occurred: Ewing's of New
11 Roads, Incorporated, doing business as
12 LA Express 7, who previously held a
13 video draw poker gaming license for the
14 truckstop, sold its business and its

15 assets to Representative Democracy, LLC,
16 and John Ewing, Sr., sold to Caryl Ewing
17 and Kenneth Sherman, Jr., all of his
18 rights, title and interest in the
19 immovable property of the truckstop
20 facility.

21 The applicant leases the immovable
22 property of the truckstop facility from
23 Caryl Ewing and Kenneth Sherman, Jr.
24 The applicant has a Video Draw Poker
25 Device Placement Agreement with Ewing's

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1 of New Roads, Incorporated.

2 The members of the applicant are:
3 Caryl Ewing and Kenneth Sherman, Jr.,
4 each with 50 percent.

5 Master Trooper James Cannon
6 conducted the suitability investigation
7 and updated check of the relevant
8 persons associated with the application
9 and conducted an on-site inspection of
10 the truckstop facility. He is here this
11 morning to report his findings to the
12 Board.

13 TROOPER CANNON: Good morning,
14 Chairman and Members of the Board.

15 CHAIRMAN JONES: Morning.

16 TROOPER CANNON: I conducted
17 suitability investigations on all

18 relevant persons associated with the
19 application. Caryl Ewing previously
20 submitted to a suitability investigation
21 in connection with other video poker
22 licenses. Updated cursory checks were
23 performed and revealed no information
24 that would preclude her from
25 participating in the gaming industry. I

35

1 also found no information that would
2 preclude Kenneth Sherman, Jr., from
3 participating in the gaming industry.

4 An on-site inspection was conducted,
5 and it was determined that the
6 establishment meets all criteria set
7 forth in video gaming law as a qualified
8 truckstop facility. All required
9 licenses and permits were posted and
10 valid at the time of inspection. The
11 establishment consists of 7.4 contiguous
12 acres.

13 Representative Democracy, LLC,
14 submitted a video draw poker license
15 application under a change of ownership;
16 therefore, they are not subject to the
17 rule that they must be one mile from a
18 school, church, playground, synagogue
19 public library, residence and buildings
20 on the National Historic Registry.

21 I found no information that would
22 preclude the issuance of a Type 5
23 license to Representative Democracy,
24 LLC, doing business as LA Express 7.

25 MR. PITRE: The Office of the
36

1 Attorney General has reviewed the file
2 compiled as a result of the
3 investigation conducted by the Office of
4 State Police. Our review indicates that
5 no information has been found which will
6 preclude approval.

7 CHAIRMAN JONES: Board Members, are
8 there any questions with respect to this
9 application? The Board appears to be
10 clear.

11 Do I have a motion to approve the
12 application and issue the license? What
13 was the question? I'm sorry.

14 Oh, you're moving. Okay. We have a
15 motion by Mr. Patrick --

16 MS. THERIOT: Second.

17 CHAIRMAN JONES: -- second by Miss
18 Theriot.

19 Any objection to the motion?
20 Without objection, the motion carries.

21 Thank you.

22 VIII. CASINO GAMING ISSUES

23 A. Consideration of renewal application of

24 PNK (Lake Charles, LLC) d/b/a L'Auberge
25 Lake Charles - No. R011001707

37

1 CHAIRMAN JONES: Next up under
2 Casino Gaming Issues we have:
3 Consideration of renewal application of
4 PNK Lake Charles, LLC, doing business as
5 L'Auberge Lake Charles, No. R011001707.

6 Good morning.

7 MR. GATHE: Good morning, Chairman
8 Jones, Board Members. I'm Assistant
9 Attorney General Jeremy Gathe here in
10 the matter of the renewal of the
11 riverboat gaming license of PNK Lake
12 Charles, LLC, doing business as
13 L'Auberge Lake Charles. Here with me
14 today is Trnessia Ware from our gaming
15 audit division and Armand Douglas from
16 Louisiana State Police.

17 L'Auberge Lake Charles was
18 originally issued a license, and its
19 term commenced April 19th, 2002. This
20 Board first reviewed L'Auberge Lake
21 Charles' license on February 13th, 2007,
22 and again on February 16th, 2012.
23 L'Auberge Lake Charles is currently
24 before the Board for consideration of
25 its third five-year renewal.

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1 Armand Douglas and Trnessia Ware are
2 here to present the Division's findings
3 with the Board.

4 MS. WARE: Good morning, Chairman
5 Jones and Members of the Board. My name
6 is Trnessia Ware with Louisiana State
7 Police Corporate Securities Audit.

8 Licensee, PNK Lake Charles, LLC,
9 doing business as L'Auberge Lake
10 Charles, seeks the five-year renewal of
11 its license. L'Auberge is a wholly
12 owned subsidiary of Pinnacle
13 Entertainment, Inc. L'Auberge competes
14 with two riverboats casinos and one
15 slots at the track casino in the Lake
16 Charles market.

17 For fiscal year 2015-2016, L'Auberge
18 ranked first in the Lake Charles market
19 with gross receipts of, approximately,
20 \$322 million. Pinnacle's Louisiana
21 properties comprise 25.7 percent of
22 total revenues generated by Louisiana
23 Riverboat, Landbased and Slots at the
24 Track Casinos.

25 In May 2013, L'Auberge renovated 754

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1 hotel rooms and suites with upgraded
2 amenities. In August of 2014, L'Auberge
3 completed a \$20 million renovation of

4 property suites and added new retail
5 outlets and a new restaurant. In 2016,
6 L'Auberge completed a \$7 million
7 renovation of its ten luxury garden
8 suites over the L Bar in the hotel lobby
9 and opened a 24-hour casual dining
10 restaurant.

11 L'Auberge budgeted, approximately,
12 \$14 for capital expenditures in 2016.

13 The licensee projects it will spend
14 approximately \$12 million in 2017, and
15 approximately \$17 million is projected
16 for years 2018 through 2020.

17 Pinnacle allocates management fees
18 based on L'Auberge's share of expenses
19 incurred for services provided in
20 managing and supporting L'Auberge's
21 operations. L'Auberge paid,
22 approximately, \$11.2 million for
23 management fees in 2016.

24 In conclusion, no financial issues
25 came to our attention to preclude the

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1 Board from approving L'Auberge Lake
2 Charles' license for a period of five
3 years effective April 19th, 2017.
4 Sergeant Armand Douglas will now present
5 his findings.

6 SERGEANT DOUGLAS: Good morning,

7 Chairman Jones and Members of the Board.
8 My name is Sergeant Armand Douglas,
9 Louisiana State Police Gaming
10 Enforcement.

11 I was assigned to conduct the
12 suitability investigation regarding the
13 license renewal of Pinnacle
14 Entertainment, Incorporated, LLC, doing
15 business as L'Auberge Lake Charles
16 Casino & Resort. This consisted of
17 inquiries through federal, state and
18 local law enforcement agencies,
19 computerized criminal history databases,
20 civil institutions and gaming regulatory
21 agencies. Tax clearances were obtained
22 from Louisiana Department of Revenue to
23 ensure the applicants are current on
24 their tax filings.

25 During this investigation, no
41
1 information was discovered which would
2 preclude the renewal of Pinnacle
3 Entertainment, Incorporated, LLC, doing
4 business as L'Auberge Lake Charles
5 Casino Resort, license or its key
6 personnel.

7 MR. GATHE: If it's the Board's
8 decision to renew the riverboat gaming
9 license to PNK Lake Charles, LLC, doing

10 business as L'Auberge Lake Charles, for
11 a five-year term commencing on April
12 19th, 2017, a resolution has been
13 prepared for the Chairman's signature,
14 and at this time we'll take any
15 questions.

16 CHAIRMAN JONES: Are there any
17 questions of the Attorney General's
18 Office, Audit or State Police at this
19 point?

20 MS. BERRY: I'd like to move.

21 CHAIRMAN JONES: Let me see if
22 anyone from Pinnacle wants to address
23 the Board. You pass?

24 MR. GASTON: I'd like to second, but
25 also, Mr. Chairman, I'd like to say that

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1 L'Auberge -- there was a law enforcement
2 group that was having a convention over
3 there. There was a shooting in Baton
4 Rouge when three officers got killed.
5 They had to cancel the convention.
6 L'Auberge was very generous in waiving
7 the cost and everything. That's quality
8 in my book, and that's why I'm very
9 thrilled to second Miss Berry's motion.

10 CHAIRMAN JONES: And I appreciate
11 the comments. Let me just interrupt for
12 a second. Pinnacle has a great

13 reputation in the State, been a great
14 partner in our gaming industry, and
15 we're grateful for all that they do in
16 Lake Charles and Baton Rouge, Harvey and
17 North Louisiana.

18 So I believe we have a motion. Was
19 it your motion -- Miss Berry's motion
20 and a second.

21 Would you read the Resolution,
22 Miss Tramonte.

23 THE CLERK: On the 16th day of
24 March, 2017, the Louisiana Gaming
25 Control Board did, in a duly noticed

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1 public meeting, consider the license
2 renewal application of PNK Lake Charles,
3 LLC, doing business at L'Auberge Lake
4 Charles, license No. RO11001707, and
5 upon motion duly made and second, the
6 Board adopted the following Resolution:

7 Be it resolved that the license to
8 conduct riverboat gaming, issued to PNK
9 Lake Charles doing business as L'Auberge
10 Lake Charles, be renewed for a term of
11 five years commencing April 19th, 2017,
12 subject to all conditions currently
13 imposed on the license.

14 Thus done and signed in Baton Rouge,
15 Louisiana, this 16th day of March, 2017.

16 Mr. Bradford?
17 MR. BRADFORD: Yes.
18 THE CLERK: Mr. Stipe?
19 MR. STIPE: Yes.
20 THE CLERK: Mr. Jackson?
21 MR. JACKSON: Yes.
22 THE CLERK: Mr. Gaston?
23 MR. GASTON: Yes.
24 THE CLERK: Miss Berry?
25 MS. BERRY: Yes.

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1 THE CLERK: Miss Theriot?
2 MS. THERIOT: Yes.
3 THE CLERK: Mr. Patrick?
4 MR. PATRICK: Yes.
5 THE CLERK: Chairman Jones?
6 CHAIRMAN JONES: Yes, and the
7 Resolution's approved. Thank you very
8 much.

9 IX. CONSIDERATION OF PROPOSED SETTLEMENTS/APPEAL

10 1. In Re: ABC, LLC, d/b/a The Lamplighter
11 Lounge - No. 1001116892 (proposed
12 settlement)
13 CHAIRMAN JONES: We now move to
14 consideration of proposed settlements
15 and appeals. First up we will take
16 settlements. Number one is in regards
17 to ABC, LLC, doing business as The
18 Lamplighter Lounge, No. 1001116892, a

19 proposed settlement.

20 Good morning.

21 MS. BOURGEOIS: Good morning. Good
22 morning, Chairman Jones, Board Members.
23 I am Assistant Attorney General, Suzanne
24 Bourgeois here in the matter of the
25 settlement of ABC, LLC, doing business

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1 as The Lamplighter Lounge. This
2 settlement addresses the late submission
3 of annual forms and fees that are
4 required to be submitted no later than
5 June 30th each year. This Type 1
6 licensee did not submit the annual forms
7 and fees until December 29th, 2016,
8 which gave rise to a violation of gaming
9 law.

10 The civil penalty contained in the
11 settlement is \$750, which is an amount
12 that is well established for violations
13 of this type. The settlement has been
14 signed by the hearing officer and is now
15 before the Board for final approval.

16 CHAIRMAN JONES: Board, any
17 questions with respect to the proposed
18 settlement for Lamplighter Lounge?

19 There do not appear to be any questions.

20 Mr. Jackson, second by Mr. Bradford.

21 Any objection to approving the

22 settlement? Without objection, the
23 settlement is approved.

24 2. In Re: Five Star Food and Gas, LLC, d/b/a Five
25 Star Food and Gas Cafe, No. 540221703 (proposed

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1 settlement)

2 CHAIRMAN JONES: Next up is in
3 regard to Five Star Food and Gas, LLC,
4 doing business as Five Star Food and Gas
5 Cafe. That's No. 5402217103, also a
6 proposed settlement.

7 Good morning.

8 MR. LEWIS: Good morning. Assistant
9 Attorney General Kanick Lewis, Jr.,
10 representing the Office of State Police.
11 We're here for the settlement matter
12 regarding Five Star Food and Gas.

13 This settlement addresses the
14 licensee's failure to have the required
15 valid ATC permit while operating video
16 poker machines which is a violation of
17 gaming law. The licensee operated
18 without a valid permit for 64 days. In
19 accordance with the penalty schedule,
20 the fine is \$1,000, plus \$500 for each
21 30 days they were out of compliance,
22 which brings the total to \$2,000.

23 The settlement has been signed by
24 the hearing officer and is now before

25 the Board for final approval.

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1 Are there any questions?

2 CHAIRMAN JONES: Any questions from
3 the Board? And this is a usual,
4 consistent settlement agreement,
5 correct?

6 MR. LEWIS: Correct.

7 CHAIRMAN JONES: Do I have a motion
8 to approve?

9 MR. GASTON: I move, Mr. Chairman.

10 CHAIRMAN JONES: Dr. Gaston,
11 Mr. Patrick.

12 Any objection? Without objection,
13 the settlement is approved. Thank you
14 very much.

15 MR. LEWIS: Thank you.

16 3. In Re: Johnette J. Staes - No. PO40063243
17 (appeal)

18 CHAIRMAN JONES: We now move to the
19 final matter, and that is the appeal of
20 Johnette Staes, No. PO40063243.

21 Mr. DeSalvo.

22 MR. DESALVO: Yes, sir, on behalf of
23 Miss Staes.

24 CHAIRMAN JONES: And as you're
25 aware, we have a full record. The Board

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1 has a full record of everything that's

2 been produced. You may proceed.

3 MR. DESALVO: Just in general, we
4 had a rehearing. In our opinion, the
5 rehearing only solidified -- it didn't
6 tell us anything new. We knew she had
7 written a couple of checks that were
8 bad, but what we learned was that she
9 had never made an appearance in court.
10 She's received, previous to that many
11 years prior, one notice in the mail. An
12 attorney made an appearance for her in
13 court and never had to be an
14 arraignment, never, you know -- and
15 typically an arraignment is where
16 someone is told whether they have any
17 criminal charges pending, what those
18 criminal charges are. This was never
19 even done. It was handled, apparently,
20 through the record like a civil matter.
21 Checks were paid. No -- you know, the
22 charges, which, again, she was unaware
23 of are now -- were dismissed without her
24 making any appearance in court.

25 That's -- I believe she possess a

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1 requisite suitability to maintain that
2 license because there's no other
3 criminal history except for that time
4 period and a couple of written bad

5 checks. Thanks.

6 CHAIRMAN JONES: Thank you,
7 Mr. DeSalvo.

8 MR. LEWIS: Thank you. Ladies and
9 gentlemen, we can all understand and
10 relate to the human element of making a
11 mistake, but in doing so, we know we
12 have to stand up and own up to that
13 mistake. We don't hide it and hope no
14 one finds out about it.

15 What do you do if you were notified
16 by three separate businesses and they
17 told you that you had written bad checks
18 to them? Most people would apologize,
19 pay them and move forward. They
20 wouldn't wait several months or even
21 years later and until -- and only until
22 after legal action has been taken to pay
23 them through the court system.

24 What if you apply for a job and it
25 has a question on the application that

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1 asks you about your criminal history?
2 Do you initially answer "no" to the
3 question and then when you sit and
4 review the entire application with a
5 member of the State Police going over
6 the application word for word, question
7 by question, you only reveal one

8 expunged matter when you know there are
9 other similar charges that required
10 legal action, or do you not disclose and
11 hope they don't find out?

12 Well, that's what we have here, a
13 person who intentionally failed to be
14 honest and forthcoming on her
15 application in accordance with gaming
16 law. There is language on the
17 application that indicates the failure
18 to provide complete and accurate
19 information is cause alone for the
20 denial of a permit. The simple fact is
21 she didn't disclose information. There
22 have been countless individuals prior to
23 this who have been denied permits for
24 this exact same behavior.

25 Now, Mrs. Staes and her attorney

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1 would like you to believe that it was
2 just simply a mistake, and that it was
3 minor that she wrote bad checks. There
4 might be one instance when a person
5 might mistakenly write a bad check, but
6 she didn't do it once or twice or three
7 times or four times. There are five
8 instances, that the Division is aware
9 of -- five instances where she wrote bad
10 checks or that led to criminal charges

11 and one expunged matter that she
12 reported. They claim that it's minor
13 that she issued worthless checks. To
14 me, that's significant and substantial
15 because in gaming that's substantial as
16 its akin to theft. Now, she did it with
17 negative balances in her account, and
18 regardless, the fact that it was not
19 disclosed on her application is the
20 basis alone to revoke her permit based
21 on case precedence.

22 They presented a lot of excuses for
23 not revealing that information. In
24 fact, she was not honest with this
25 Board. At her first appeal, she told

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1 you that it was her sister who wrote
2 those checks. She told you that it was
3 her sister who was causing these
4 problems for her. Well, at the remand
5 hearing, it was proven through testimony
6 and evidence that it was actually
7 Johnette Staes who wrote those worthless
8 checks. It was Johnette Staes who was
9 causing problems for herself, not her
10 sister as she told this Board. The
11 bottom line is: She failed to disclose
12 information when all she had to do was
13 be honest.

14 They've submitted character letters
15 that indicate she's a good worker.
16 While work ethic is admirable and it's
17 an admirable part of one's job, we're
18 not here for that. We're here today to
19 speak on a person's character, honesty
20 and integrity. Those are the three
21 criteria that are tantamount to a person
22 being considered suitable, and there's
23 no denying she didn't disclose that
24 information on her application.

25 The Division has provided

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1 evidentiary proof to support its case.
2 The Division obtained signature cards
3 and checks from her financial
4 institutions. They confirmed she was
5 the person who opened the accounts and
6 the only person with signatory
7 authority. There are also monthly
8 account statement that was sent to her
9 showing there were negative balances in
10 the account at the time she wrote the
11 checks.

12 Mrs. Staes hasn't provided any
13 information to support her case. In
14 actuality, Staes Exhibits 6 and 7
15 support the Division's position that she
16 was aware of and that either her or her

17 attorney appeared in criminal court to
18 answer charges for issuing worthless
19 checks. It confirms she hired an
20 attorney to represent her, and then she
21 followed through by paying the amounts
22 ordered by the courts. You've seen the
23 Division's exhibits proving that she
24 issued worthless checks to Ida White, to
25 Inka's and to Peake BMW. All of these

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1 businesses had to take legal action to
2 be made whole again. At the time
3 Mrs. Staes applied for her gaming
4 permit, she didn't disclose this
5 information.

6 Now, as I was preparing for the
7 hearings that we've had and this appeal
8 and after hearing the many different
9 constantly changing reasons Mrs. Staes
10 has given, I had to ask myself a few
11 questions. How does one get personally
12 served with a subpoena listing you as a
13 defendant? How does one sign a document
14 authorizing an attorney to represent you
15 in criminal court to answer charges for
16 issuing worthless checks? How does one
17 pay restitution for issuing worthless
18 checks through the court system, and how
19 does one go through the entire judicial

20 process and not remember? I don't know.

21 Finding and hiring an attorney for
22 most people is a process and something
23 people tend to remember; yet Mrs. Staes
24 claims she has no memory of this, even
25 when she herself read and subsequently

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1 reviewed the application with State
2 Police and hearing certain trigger words
3 such as detained, charged, indicted,
4 criminal offense or violation. She
5 claims she didn't remember, but she
6 remembered the one expunged case but not
7 the other four.

8 In accordance with gaming law, all
9 Mrs. Staes was asked to do was be
10 honest. That's it, and she didn't do
11 it. It's not that she couldn't because
12 she remembered the one expunged matter.
13 She didn't. She was given multiple
14 opportunities to fully disclose her
15 history and by not doing so it gives the
16 impression that she's attempting to
17 obscure her pattern of issuing worthless
18 checks. When someone does this, it
19 makes a person think and it begs the
20 question: What is she trying to hide
21 and why? The Division found this
22 information, none of which was

23 disclosed, all of which required legal
24 action.

25 So in closing, I submit to you that

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1 a cornerstone to the foundation of
2 gaming in this state is that honesty,
3 integrity, good moral character are
4 vital, necessary and required by
5 Louisiana gaming law. Mrs. Staes'
6 criminal history or failure to fully and
7 accurately report that history, her
8 efforts to avoid disclosure and her
9 efforts to lessen her culpability are
10 matters that must be considered and
11 carefully evaluated when seeking to
12 determine if she's met her burden of
13 proving that she's suitable. To find
14 Mrs. Staes suitable and otherwise rule
15 against the hearing officer leads us to
16 a legal precedence that would be
17 inconsistent with previous decisions
18 made by the hearing officer and this
19 honorable board, and as such, we ask
20 that you affirm the decision of the
21 hearing officer who, after hearing
22 testimony, reviewing evidence and
23 evaluating a person's credibility, has
24 twice found that Mrs. Staes failed to
25 meet her burden of proving that she's

1 suitable. Thank you.

2 CHAIRMAN JONES: Very briefly.

3 MR. DESALVO: Yes. Jefferson Parish
4 Sheriff's Office, where these alleged
5 incidents occurred, says no criminal
6 history. I went there myself.

7 He says that honesty -- if something
8 in the application turns out to be
9 wrong, that doesn't mean you're
10 unsuitable to do it, because when you
11 look back at the history of this, six
12 years prior she receives a something in
13 the mail, and it's very easy to
14 understand why she might not have
15 recognized it or believed it because she
16 knows that that wouldn't be something
17 that would stop her from getting the
18 license to begin with.

19 Second, he says that she went
20 through an entire judicial process. I
21 believe we have shown that she hadn't
22 even been to an arraignment. That's the
23 beginning of the entire process. It
24 never happened. She, through advice,
25 got these bad checks, pay them and

1 nothing ever happened. That was it. I
2 had to go back to the records and just

3 see that there was no moments, nothing
4 occurred except for them going out. She
5 didn't even go to the courthouse.

6 I believe we have a lot of
7 assumptions here, okay? There's,
8 obviously, less that occurred than what
9 he believes, and if you practice within
10 the criminal process like I do, I can
11 easily understand how this would have
12 been more like a civil matter and not
13 even a criminal -- it's a business in
14 Jefferson Parish and D.A.'s offices to
15 go make fees for tracking down worthless
16 checks, and that's all that happened
17 here. Thanks.

18 CHAIRMAN JONES: Board Members, are
19 there any questions? [No response.]

20 Mr. DeSalvo, you've been a worthy
21 advocate for your client.

22 MR. DESALVO: Thank you.

23 CHAIRMAN JONES: We can only work
24 with the evidence and testimony that you
25 have.

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1 MR. DESALVO: Yes.

2 CHAIRMAN JONES: I've reviewed the
3 initial reports. I read the -- as did
4 my colleagues -- the transcript from the
5 first hearing. I went back and read the

6 transcript from your hearing before this
7 board in July multiple times, looked at
8 the video and then read the rehearing
9 transcript. If I wasn't convinced
10 before, I'm convinced now that I don't
11 think that your client was forthcoming
12 with State Police or with this Board.

13 It's not about being carried off in
14 handcuffs and being arrested. That's
15 not what this is about; and, you know,
16 we saw the letters supporting her from
17 her colleagues, and I think that's
18 admirable. Nice person, competent
19 employee, it's not defined in gaming
20 law. What is defined is suitability,
21 and based on what I've read and what
22 I've heard, it is my opinion -- I don't
23 know what the opinion of this Board
24 is -- but it's my opinion that we have
25 revoked permits for similar

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1 circumstances, and I'm going to move
2 that we do so in this case and uphold
3 the hearing officer's opinion.

4 MR. GASTON: Mr. Chairman.

5 CHAIRMAN JONES: Second.

6 MR. GASTON: I'd like to second, and
7 I'd like to say Mr. Lewis made a great
8 presentation, and I appreciate you

9 working hard.

10 CHAIRMAN JONES: Okay. Let's --
11 thank you for that. Let's -- we have a
12 motion and a second.

13 Is there objection to the motion?
14 Without objection, the motion carries.

15 Thank you. Thank you, Mr. DeSalvo.

16 MR. DESALVO: Thank you.

17 X. ADJOURNMENT

18 CHAIRMAN JONES: There being no
19 further business, we may entertain a
20 motion to adjourn by Mr. Jackson and
21 Mr. Stipe.

22 Any objection? Without objection,
23 we stand adjourned. Thank you.

24

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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

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21

22

23

24 SHELLEY PAROLA

Certified Court Reporter #96001

25 Registered Professional Reporter

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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 March 16,

7 2017, 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 3rd day of
19 April, 2017.

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21

SHELLEY G. PAROLA, CCR, RPR

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CERTIFICATE NO. 96001

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