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1 LOUISIANA GAMING LOUISIANA CONTROL BOARD

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4 BOARD OF DIRECTORS' MEETING

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9 MONDAY, JUNE 20, 2016

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11 LaSalle Building, LaBelle Hearing Room

12 617 North 3rd Street

13 Baton Rouge, Louisiana

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17 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 FRANKLIN AYRES BRADFORD

(Economic Planner)

6 Fifth Congressional District

June 30, 2019

7

MARK STIPE

8 (Attorney)

Seventh Congressional District

9 June 30, 2020

10 JAMES SINGLETON

(Public/Business Administration)

11 Second Congressional District

June 30, 2020

12

13 MAJOR CLAUDE MERCER

(Law Enforcement)

14 Fifth Congressional District

June 30, 2018

15

CLAUDE D. JACKSON

16 (At large)

Fourth Congressional District

17 June 30, 2018

18 ROBERT W. GASTON, III

(At Large)

19 Sixth Congressional District

June 30, 2021

20

JULIE BERRY

21 (CPA)

Third Congressional District

22 June 30, 2018

23 WANDA THERIOT

(At large)

24 First Congressional District

June 30, 2021

25

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1 APPEARANCES CONTINUED

2

3 MAJOR MARK NOEL

Ex-Officio Board Member

4 Louisiana State Police

5

6 KIMBERLY ROBINSON (Representative)

Department of Revenue

7 Secretary

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.
3 Welcome to the -- we hope the last
4 Monday meeting of the Louisiana Gaming
5 Control Board. We should be back at the
6 Capitol and back on our regular Thursday
7 schedule, the third Thursday, beginning
8 in July. I don't promise anything.
9 Everything is subject to change, but
10 that's kind of how we're proceeding
11 through the summer.

12 Miss Tramonte, would you call the
13 roll.

14 THE CLERK: Chairman Jones?

15 CHAIRMAN JONES: Here.

16 THE CLERK: Mr. Bradford?

17 MR. BRADFORD: Here.

18 THE CLERK: Mr. Stipe?

19 MR. STIPE: Here.

20 THE CLERK: Mr. Singleton?

21 MR. SINGLETON: Here.

22 THE CLERK: Major Mercer?

23 MAJOR MERCER: Here.

24 THE CLERK: Mr. Jackson?

25 MR. JACKSON: Here.

8

1 THE CLERK: Mr. Gaston? [No

2 response.]

3 Miss Berry?

4 MS. BERRY: Here.

5 THE CLERK: Miss Theriot?

6 MS. THERIOT: Here.

7 THE CLERK: Colonel Edmonson?

8 MAJOR NOEL: Major Noel for Colonel

9 Edmonson.

10 THE CLERK: Secretary Robinson?

11 SPEAKER: Here representing.

12 II. PUBLIC COMMENTS

13 CHAIRMAN JONES: Good morning. We

14 have a quorum. We may conduct business.

15 Dr. Gaston will come in probably a

16 little late. He had a conflict this

17 morning, so we'll note for the record

18 when he comes in and be part of our

19 deliberations.

20 First of all, anyone who wants to

21 make any comments before the Board on

22 any matter on the agenda this morning?

23 [No response.]

24 III. APPROVAL OF MINUTES

25 CHAIRMAN JONES: Okay. We'll take

1 up the minutes. Do I have a motion to
2 waive reading and approval of the
3 minutes?

4 MS. BERRY: So moved.

5 MR. BRADFORD: Second.

6 CHAIRMAN JONES: By Miss Berry,
7 seconded by Mr. Bradford.

8 Any objection? Without objection,
9 the minutes are adopted.

10 IV. REVENUE REPORTS

11 CHAIRMAN JONES: We'll move now to
12 the Revenue Reports. Good morning.

13 MS. JACKSON: Good morning, Chairman
14 Jones, Board Members. My name is Donna
15 Jackson with the Louisiana State Police
16 Gaming Enforcement Division. The
17 following is the riverboat revenue
18 report for May 2016.

19 During May, the 15 operating
20 riverboats generated Adjusted Gross
21 Receipts of \$153,774,440. May's
22 revenues represented a decrease from
23 last month of \$10.4 million or 6.4
24 percent, and a decrease \$25.6 million or
25 14 percent from May 2015. As a

1 reminder, last May was the second
2 highest monthly total generated by the

3 riverboats since inception. In
4 addition, last May had five whole
5 weekends compared to four this May.

6 Adjusted Gross Receipts for fiscal
7 year 2015-2016 to date are
8 \$1,771,000,000, an increase of
9 \$42.7 million or 2.5 percent from fiscal
10 year 2014-2015, noting that there were
11 only 14 riverboats operating during part
12 of that year.

13 During May, the State collected fees
14 totaling \$33,061,505. As of May 31st,
15 2016, the State has collected almost
16 \$381 million in fees for fiscal year
17 2015-2016.

18 Next is a summary of the May 2016
19 gaming activity for Harrah's New Orleans
20 found on page three. During May,
21 Harrah's generated \$23,274,096 in gross
22 gaming revenue, down \$1.3 million or
23 5.4 percent from last month, and down
24 \$840,000 or 3.5 percent from May 2015.
25 Fiscal year-to-date gaming revenues for

11

1 2015-2016 to date are \$274 million, down
2 \$22.4 million or 7.6 percent from fiscal
3 year 2014.

4 During May, the State received
5 \$5,095,890 in minimum daily payments.

6 As of May 31st, 2016, the State has
7 collected almost \$59 million in fees for
8 fiscal year 2015-2016.

9 Slots at the Racetracks revenues are
10 shown on page four. During May, the
11 four racetrack facilities combined
12 generated Adjusted Gross Receipts of
13 \$30,276,519, a minimal increase of
14 1 percent, or \$309,000 from last month,
15 but a \$3.4 million or 10 percent
16 decrease from May 2015.

17 Adjusted Gross Receipts for fiscal
18 year 2015-2016 to date are \$326 million,
19 a decrease of 7 percent or \$25 million
20 from fiscal year 2014-2015.

21 During May, the State collected fees
22 totaling \$4,592,948. As of May 31st,
23 2016, the State has collected \$49.5
24 million in fees for fiscal year
25 2015-2016.

12

1 Overall in May, Riverboats,
2 Landbased and Slots at the Racetracks
3 combined generated \$207 million in
4 Adjusted Gross Receipts and almost
5 \$43 million in state fees.

6 Are there any questions before I
7 present the Harrah's employee
8 information?

9 CHAIRMAN JONES: Questions? No
10 questions.

11 MS. JACKSON: Harrah's New Orleans
12 is required to maintain at least 2,400
13 employees and a bi-weekly payroll of
14 \$1,750,835. This report covers pay
15 periods in May 2016.

16 For the first pay period, the
17 Division verified 2,463 employees with a
18 payroll of \$1,843,000. For the second
19 pay period, the Division verified 2,507
20 employees with a payroll of \$1,895,000.
21 Therefore, Harrah's met the employment
22 criteria during May.

23 Questions?

24 CHAIRMAN JONES: Any questions,
25 Board? There are no questions.

13

1 MS. JACKSON: I will now report
2 video gaming statistics for May 2016 as
3 shown on page one of your video handout.

4 Fifteen new video gaming licenses
5 were issued during May: Five bars, six
6 restaurants, three truckstops and one
7 device owner. Eleven new applications
8 were received by the Gaming Enforcement
9 Division during May and are currently
10 pending in the field: Six bars, four
11 restaurants and one truckstop.

12 The Gaming Enforcement Division
13 assessed \$2,250 in fines and collected
14 \$2,750 during May. There are currently
15 \$4,750 in outstanding fines.

16 As reflected on page two of your
17 handout, there are presently 13,203
18 video gaming devices activated at 1,797
19 locations.

20 Net device revenue for May 2016 was
21 \$47.6 million, a \$2.8 million or
22 5.4 percent decrease when compared to
23 April 2016, and a \$3.8 million or
24 7.3 percent decrease when compared to
25 May 2015.

14

1 Net device revenue for fiscal year
2 2016 to date is \$534.8 million, a \$15.8
3 million or 2.9 percent decrease when
4 compared to fiscal year 2015. A
5 comparison of net device revenue can be
6 found on page three of your handout.

7 Total franchise fees collected for
8 May 2016 were \$14.2 million, a \$900,000
9 decrease when compared to April 2016,
10 and a \$1.2 million decrease when
11 compared to May 2015. Total franchise
12 fees collected for fiscal year 2016 are
13 \$160 million, a \$5 million or 3 percent
14 decrease when compared to fiscal year

15 2015. A comparison of franchise fees
16 can be found on page four of your
17 handouts.

18 Questions?

19 CHAIRMAN JONES: Board Members, any
20 questions? There are no questions.
21 Thank you for both sets of figures.

22 Before we take up the riverboat
23 licensing issues, I just wanted to let
24 everyone know that the legislature
25 passed and the Governor signed Senator

15

1 John's -- not Jones, Senator John's
2 concurrent resolution establishing a
3 riverboat gaming task force. We hope to
4 begin deliberations in August. It's a
5 great group. It's going to be a great
6 opportunity for the industry to come
7 before the group and discuss how we can
8 grow this industry in Louisiana and
9 promote economic development, so you'll
10 be hearing more about that as we move
11 along.

12 V. CASINO GAMING ISSUES

13 A. Consideration of Certificate of Compliance
14 for the Alternate Riverboat Inspection of
15 the gaming vessel for Belle of Orleans, LLC,
16 d/b/a Amelia Belle Casino - No. R013600020

17 CHAIRMAN JONES: First up on the

18 agenda on the Casino Gaming Issues is
19 the Consideration of Certificate of
20 Compliance for the Alternate Riverboat
21 Inspection of the gaming vessel Belle of
22 Orleans, LLC, doing business as Amelia
23 Belle Casino, No. RO13600020.

24 Good morning, gentlemen.

25 MR. LEWIS: Good morning, Chairman

16

1 Jones, Ladies and Gentlemen of the
2 Board. I'm Assistant Attorney General
3 Kanick Lewis, Jr., and with me is
4 Mr. John Francic of ABSC. We're here in
5 the matter of the issuance of the
6 renewal Certificate of Compliance for
7 the Belle -- to Belle of Orleans, LLC,
8 doing business as Amelia Belle Casino.

9 And on May 26th, 2016, ABSC began
10 the inspection process for the renewal
11 of Belle of Orleans, LLC, doing business
12 as Amelia Belle Casino's, Certificate of
13 Compliance. For more information on
14 this, I now turn the presentation over
15 to Mr. Francic.

16 MR. FRANCIC: Morning, Chairman and
17 Board Members. John Francic with ABS
18 Consulting here to report the annual
19 certification for Amelia Belle Casino.

20 The Inspectors, Doug Chapman and

21 Pete Bullard, did, on May 23rd, attend
22 the riverboat Belle of Orleans to
23 conduct the annual inspection in
24 accordance with the Alternate Inspection
25 Program in the State of Louisiana.

17

1 The inspectors reviewed fire
2 protection equipment, life-saving
3 equipment, egress routes, mooring
4 system, training records and conducted a
5 fire drill. The only deficiency noted
6 is on page six of your report. The
7 deficiency was cleared on June 1st.

8 The 2016 annual survey as required
9 by the Louisiana Gaming Control Board is
10 complete and presents no safety concerns
11 to its patrons or employees onboard the
12 riverboat. It is the recommendation of
13 ABSC that Amelia Belle be issued the
14 Certificate of Compliance.

15 MR. LEWIS: We now present these
16 findings to the Board and request that
17 upon the Board accepting the report
18 submitted by ABSC, you will move for the
19 renewal of Belle of Orleans, LLC, d/b/a
20 Amelia Belle Casino's, Certificate of
21 Compliance.

22 CHAIRMAN JONES: Board, are there
23 any questions? Does State Police or the

24 licensee have anything to add?

25 MR. BRADFORD: Move approval.

18

1 CHAIRMAN JONES: We have a motion to
2 approve by Mr. Bradford. Do I have a
3 second?

4 MR. GASTON: Second.

5 CHAIRMAN JONES: By Dr. Gaston. Any
6 objection? Without objection, the
7 motion carries. It's approved. Thank
8 you.

9 B. Consideration of Certificate of Compliance for
10 the Alternate Riverboat Inspection of the
11 gaming vessel of Louisiana Riverboat Gaming
12 Partnership d/b/a DiamondJacks Casino & Resort
13 - No. R010800195

14 CHAIRMAN JONES: Next up is
15 Consideration of Certificate of
16 Compliance for the Alternate Riverboat
17 Inspection of the gaming vessel
18 Louisiana Riverboat Partnership doing
19 business as DiamondJacks Casino Resort,
20 No. R010800195.

21 MR. LEWIS: Good morning again, and
22 I am Assistant Attorney General Kanick
23 Lewis, Jr. With me is Mr. John Francic
24 of ABSC, and we're here in the matter of
25 the issuance of the renewal Certificate

19

1 of Compliance to Louisiana Riverboat
2 Gaming Partnership d/b/a DiamondJacks
3 Casino.

4 On April 15th, 2016, ABSC began the
5 inspection process for the renewal of
6 DiamondJacks' Certificate of Compliance,
7 and at this time for more information, I
8 turn it over to Mr. John Francic.

9 MR. FRANCIC: Morning Chairman and
10 Board Members, John Francic with ABS
11 Consulting here to report the annual
12 certification for DiamondJacks Casino.

13 The inspectors, Doug Chapman and
14 Pete Bullard did, on April 15th, attend
15 the riverboat the Margaret Mary to
16 conduct the annual inspection in
17 accordance with the Alternate Inspection
18 Program in the State of Louisiana.

19 The inspectors reviewed fire
20 protection equipment, life-saving
21 equipment, egress routes, the mooring
22 system and conducted a fire drill. The
23 deficiencies are noted on page six and
24 seven of your report. Those
25 deficiencies were cleared on June 8th.

20

1 The 2016 annual survey as required
2 by the Louisiana Gaming Control Board is
3 complete and presents no safety

4 concerns to its patrons and employees
5 onboard of riverboat. It is the
6 recommendation of ABSC that DiamondJacks
7 be issued the Certificate of Compliance.

8 MR. LEWIS: We now present these
9 findings to the Board and request that
10 upon the Board accepting the report
11 submitted by ABSC, you will move for the
12 renewal of DiamondJacks' Certificate of
13 Compliance.

14 CHAIRMAN JONES: Board Members, any
15 questions? We have a motion by Major
16 Mercer to approve, second by
17 Mr. Singleton.

18 Any objection? Without objection,
19 the motion carries. The Certificate of
20 Compliance is issued.

21 MR. LEWIS: Thank you.

22 CHAIRMAN JONES: Thank you.

23 C. Consideration of Joint Petition for Transfer of
24 Interest of Louisiana Riverboat Gaming
25 Partnership d/b/a DiamondJacks Casino & Resort

21

1 and parent company Legends Gaming, LLC, to PGP
2 Investors, LLC

3 CHAIRMAN JONES: Last up on the
4 Casino Gaming Issues is Consideration of
5 Joint Petition for Transfer of
6 Interest -- excuse me, next on the list.

7 I'm sorry. Consideration of Joint
8 Petition for Transfer of Interest of
9 Louisiana Riverboat Gaming Partnership
10 doing business as DiamondJacks Casino &
11 Resort and parent company Legends
12 Gaming, LLC, to PGP Investors, LLC.

13 Good morning, ladies.

14 MS. FICKLIN: Good morning.

15 MS. MOORE: Good morning,

16 Mr. Chairman, Members of the Board. I'm
17 Assistant Attorney General Charmaine
18 Moore. With me today is Evie Ficklin,
19 who will present the audit findings of
20 the Division to the Board.

21 Currently before the Board for
22 consideration is the Petition of
23 Louisiana Riverboat Gaming Partnership
24 doing business as DiamondJacks Casino &
25 Resort Bossier City for approval of the

22

1 transfer of the membership interest in
2 the licensee's parent company, Legends
3 Gaming LLC, to PGP Investors, LLC, doing
4 business as Peninsula Pacific.

5 Louisiana Riverboat Gaming
6 Partnership was originally licensed in
7 December of 1993 and commenced gaming
8 operations in May of 1994. Currently,
9 the licensee is owned by Legends Gaming

10 through two wholly-owned subsidiaries,
11 Legends Gaming of Louisiana 1, LLC, and
12 Legends Gaming of Louisiana 2, LLC. The
13 parent company, Legends Gaming, is owned
14 a hundred percent by BCV Holdings, LLC,
15 which is owned by Greg Guida and Allan
16 Solomon.

17 In March of 2008, Legends and its
18 subsidiaries filed voluntary petitions
19 for relief under Chapter 11 of the
20 Bankruptcy Code. On April 30th, 2014,
21 as part of the plan of reorganization,
22 Legends acquired the licensee, and the
23 existing equity interest were canceled.
24 Legends submerged from bankruptcy on
25 that same date, April 30th, 2014.

23

1 BCV Holdings' acquisition was
2 subject to a certain call option
3 agreement by which the first lien
4 lenders held the right to acquire or
5 designate the acquirer of the membership
6 interest in Legends until a buyer of the
7 assets be found.

8 On April 30th, 2014, as part of the
9 confirmed bankruptcy plan, Legends
10 entered into a credit agreement
11 consisting of two senior secured term
12 loans. The Class B term loan was for an

13 \$80 million senior secured first lien
14 credit facility to restructure the
15 outstanding debt held by the first lien
16 security creditors in the bankruptcy.

17 The Class A term loan was for a
18 \$4.5 million senior secured first lien
19 credit facility, the proceeds of which
20 were used to pay the remaining
21 bankruptcy cost. The Class A term loan
22 was paid in full with a portion of the
23 proceeds from the sale of Legends only
24 other casino on October 29th, 2015.

25 On November 20th, 2014, the Board

24

1 renewed the license for a five-year term
2 commencing December 9th, 2014. At that
3 time, the Board imposed updated and
4 consolidated conditions on the licensee,
5 including a condition requiring the
6 licensee and Legends to spend at least
7 \$2 million from the Global Gaming
8 settlement on capital expenditures
9 within a year of the receipt of the
10 proceeds. PGP has projected spending a
11 total of \$4 million over the next three
12 years for capital improvements to the
13 property.

14 Pursuant to the purchase agreement
15 entered into with the first lien

16 creditors, PGP Investors agreed to
17 purchase the licensee's parent
18 company -- I mean, to purchase the --
19 I'm sorry, the call options and the
20 loans for a stated purchase price of
21 \$8,271,000.

22 On December 30th of 2015, PGP
23 Investors acquired a hundred percent of
24 the loans and 45 percent of the call
25 options. The remaining 55 percent of

25

1 the call options were transferred on
2 January 5th, 2016. The outstanding
3 principal balance under the loans -- of
4 the loans under the credit agreement at
5 the time of the transfer was
6 approximately \$81 million.

7 PGP Investors now proposes to
8 acquire a hundred percent of the
9 membership interest in Legends pursuant
10 to the terms and conditions of the call
11 option and seeks the Board's approval to
12 do so.

13 PGP Investors, LLC, is a Delaware
14 Limited Liability Company organized in
15 1999. It is managed by Mr. Brent
16 Stevens and his wholly-owned company,
17 PGP Advisors, LLC. Mr. Stevens and PGP
18 Investors have previously participated

19 in the horseracing and riverboat gaming
20 industry in Louisiana. They owned and
21 operated Amelia Belle and the old
22 Evangeline Downs from October of 2009
23 until their transfer to Boyd in October
24 of 2012.

25 Should it be the Board's pleasure to

26

1 approve the transfer of Legends Gaming,
2 LLC, to PGP Investors, a resolution has
3 been prepared for adoption by the Board.

4 MS. FICKLIN: Good morning,
5 Mr. Chairman and Board Members. I'm
6 Evie Ficklin, a gaming auditor with
7 State Police.

8 Legends' organizational chart on
9 page three reflects the implementation
10 of provisions and various agreements
11 that were executed April 30th, 2014, as
12 part of Legends' plan of reorganization
13 in connection with the second
14 bankruptcy. These agreements, which
15 have remained in place since Legends
16 exited its second bankruptcy, include
17 Legends' \$99.5 million credit agreement
18 initially comprised of a \$4.5 million
19 Term Loan A, an \$80 million Term Loan B,
20 and a \$15 million incremental loan.

21 The equity purchase agreement

22 pursuant to which BCV Holdings, LLC, an
23 affiliate of Legends' manager,
24 Foundation Gaming, LLC, acquired one
25 hundred percent of the equity interest

27

1 in Legends on April 30th, 2014, for the
2 nominal consideration of one dollar and
3 receipt of the Board's approval
4 March 19th, 2014.

5 The call option agreement which
6 provided Legends' \$80 million Term Loan
7 B lenders with certain call options,
8 that when exercised require BCV Holdings
9 to transfer the equity interest in
10 Legends to the Term B lender's designee,
11 also for consideration of a dollar, and
12 receive a Board approval.

13 Foundation Gaming, LLC's, separate
14 management agreements with the Legends
15 Bossier City property, and until it was
16 sold, its Vicksburg property, to provide
17 certain administrative services, and the
18 Sixth Amended and Restated Operating
19 Agreement that states, among other
20 things, Legends' purpose: To manage,
21 operate and dispose of, individually or
22 collectively, Legends' casino, hotel and
23 related facilities located in Vicksburg,
24 Mississippi, and Bossier City.

25 To that end, an affiliate of

28

1 Foundation Gaming acquired Legends'
2 Vicksburg property on October 29th,
3 2015, for \$11 million, a portion of
4 which was used to pay off Legends' \$4.5
5 million Term a loans. Shortly after the
6 sale of the Vicksburg property, Legends,
7 PGP Investors, LLC, or PGPI, and the
8 lender optionees holding Legends' Term
9 Loan Bs, entered into a purchase
10 agreement on December 30th, 2015,
11 wherein PGPI agreed to acquire the
12 lender optionees' rights, title and
13 interest in Legends existing debt, debt
14 agreements, call options and the call
15 option agreement, for approximately
16 8.3 million.

17 PGPI is self-described as a private
18 Los Angeles based investment manager
19 specializing in customized capital
20 solutions for both established and
21 developing businesses in the consumer
22 and industrial sector.

23 PGPI acquired Legends' existing,
24 approximately, \$82 million in Class B
25 loans, the debt agreements and the call

29

1 option agreement in two previous

2 closings, December 30th, 2015, and
3 January 5th, 2016. Upon the Board's
4 approval and for the payment of one
5 dollar, PGPI will exercise the call
6 options to obtain Legends' membership
7 interest.

8 Legends has endured certain legal
9 and continuing financial challenges
10 since exiting bankruptcy. Former
11 potential buyer, Global Gaming
12 Solutions, LLC, the commercial business
13 of the Chickasaw Indian Nation, sought
14 to back out of a July 25th, 2012,
15 purchase agreement with Legends to
16 acquire its Bossier City and Vicksburg
17 properties alleging a significant
18 downturn in Legends' business and
19 EBIDTA. The resulting litigation
20 between Legends and Global Gaming was
21 only recently settled wherein Legends
22 received certain funds as a result of a
23 confidential November 2015 settlement.

24 Legends also faced financial
25 repercussions resulting from declining

30

1 revenues and increased debt through the
2 use of paid in kind payments for the
3 payment of interest on its debt. It,
4 and LGP's financial results, are shown

5 beginning on page 34. In response to
6 audit's question, how PGPI will treat
7 Legends' debt should it own Legends and
8 its affiliates, PGPI responded that
9 while it has not made a final decision
10 as to how it will treat Legends' debt,
11 its decisions, whether to convert the
12 debt to equity, forgive the debt,
13 replace the debt on a nonaccrual
14 status, will depend on various tax
15 considerations.

16 Based solely on the review of the
17 financial information and related
18 documentation currently available, no
19 financial issues came to our attention
20 to preclude the Board's approval of the
21 transfer of ownership interest in LRGP
22 from BCV Holdings to PGP Investors, LLC.

23 CHAIRMAN JONES: Thank you. Board,
24 do you have any questions before we hear
25 from representatives?

31

1 MR. STIPE: And I want to just focus
2 on this condition that was added in
3 connection with the Global Gaming
4 litigation. There has been a resolution
5 of the Global Gaming litigation.

6 MS. MOORE: Yes.

7 MR. STIPE: The proceeds under this

8 condition, the requirement would be at
9 least \$2 million on capital improvement
10 expenditures are to be made.

11 MS. MOORE: That is correct.

12 MR. STIPE: As I understand the
13 resolution of it, the funds from that
14 settlement did not actually -- were not
15 actually received by the plaintiff --
16 claimants but went and were deposited
17 into their bank account and were
18 credited towards their loan; is that
19 fair?

20 MS. MOORE: Yes.

21 MR. STIPE: Clumsily stated but I --

22 MS. MOORE: Yes.

23 MR. STIPE: Has there been, to your
24 knowledge, any capital expenditure made
25 at this point?

32

1 MS. MOORE: Not that we know of.

2 MR. STIPE: Going forward, you would
3 be able to kind of track those capital
4 expenditures if they were made?

5 MS. MOORE: Yes.

6 MR. STIPE: That's all I have.

7 Thank you.

8 CHAIRMAN JONES: Any other
9 questions?

10 Mr. West, would you and your clients

11 like to come to the table? Morning,
12 gentlemen.

13 MR. WEST: Good morning, Chairman
14 and Board Members, Paul West
15 representing PGPI. With me to my left
16 is Mike Howard, who is the general
17 manager and has been the general manager
18 for several years of DiamondJacks Casino
19 in Bossier. To my right is Brent
20 Stevens, who is the sole managing member
21 of PGPI doing business as Peninsula
22 Pacific.

23 Mr. Stevens has a few opening
24 remarks, and we'd happy to answer any
25 questions.

33

1 MR. STEVENS: Thank you, Paul.

2 Good morning, Mr. Chairman, Member
3 of the Gaming Commission. My name is
4 Brent Stevens. It's great to be back in
5 Louisiana, and thank you very much for
6 the opportunity to say a few words to
7 you.

8 For those of you that we have not
9 spent time together in the past, we were
10 among the early dwellers in the gaming
11 industry in Louisiana and came to -- we
12 came to the horseracing business in the
13 form of Evangeline Downs in 2003 and

14 built the first ground up racetrack and
15 casino in Opelousas. It was a great
16 project and later on acquired the Amelia
17 Belle in, I think it was, 2007. We're
18 thrilled that those properties are under
19 the good leadership and steward of Boyd
20 Gaming, which we sold our entire
21 company, Peninsula Gaming, in 2012 to
22 Boyd.

23 Since 2012, Peninsula Pacific, or
24 PGPI as we've heard, has been doing
25 business in industrial and consumer

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1 businesses, including gaming in the
2 gaming industry. Since 2012, we've made
3 investments in the following areas: In
4 Sioux City, Iowa, we purchased a
5 50 percent interest in a greenfield
6 project that today is the Hard Rock
7 Casino & Resort in Sioux City, Iowa.
8 It's been operational since August of
9 2014. Since then, we are awarded a
10 license in Rochester, New York, and
11 we're building a property with a partner
12 there, a local family by the name of the
13 Wilmot family.

14 That property hopes to open on
15 February 1st of 2017. It's a very
16 competitive process to be awarded that

17 license. There are about 17 individual
18 applicants for three licenses at the
19 time. We were fortunate enough to have
20 received one of those. That property
21 will be named del Lago and a lot of
22 construction underway, and then finally,
23 Pittsburg, Kansas, a smaller casino but,
24 again, another greenfield property in
25 the Kansas market where we had had some

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1 familiarity and a lot of experience. So
2 that is our activity in the gaming
3 industry.

4 As I said earlier, we really enjoyed
5 our time in Louisiana, and we're very
6 happy to be back. This opportunity with
7 DiamondJacks came, as we all know, with
8 a lot of history, a lot of noise, and
9 where we saw the opportunity was really
10 not to come in and spend what you've
11 heard about, an \$8 million investment
12 and \$80 million of debt. It's really to
13 come in and have an opportunity to apply
14 capital, to understand what's happening
15 in the Bossier market, see what the
16 alternatives are for that and to -- and
17 to make the most out of an existing,
18 precious resource which we consider to
19 be a gaming license.

20 And so what you see as DiamondJacks
21 today will not be DiamondJacks in the
22 next few years. We're going to come in.
23 We're going to work with Mike and the
24 leadership of the property. We're going
25 to figure out a way to apply capital in

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1 a profitable and meaningful manner for
2 the benefit of all of us in this great
3 industry.

4 That concludes my prepared remarks.
5 I'm sure you're going to have some
6 questions on management capital and so
7 forth. Thank you very much.

8 CHAIRMAN JONES: Thank you.

9 Board Members, any questions?

10 Mr. Stipe.

11 MR. STIPE: As I understand it,
12 there needs to be an expenditure of
13 capital of, at least, \$2 million by
14 November of this year. Would you like
15 to speak to that obligation?

16 MR. STEVENS: Happy to. The answer
17 is we will definitely be spending
18 \$2 million and probably a bit more
19 before November of this year, and
20 that's -- it's -- we know how sensitive
21 the issue is; and without getting into
22 the history of the old creditors, the

23 old equity ownership -- and as I
24 mentioned before, we're not in here to
25 spend \$8 million to control a credit of

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1 a company that's basically not
2 profitable. We're here to do something
3 that will turn it around and make it
4 more meaningful.

5 I can't tell you exactly where every
6 one of those dollars will be, but it
7 will be within the hotel initially; it
8 will be the slot floor virtually
9 immediately, and then it will be all
10 invested capital driven decisions as to
11 how to get the best return and, frankly,
12 made the property more proud for its
13 customers and employees.

14 MR. STIPE: And I appreciate that,
15 and I'm following up on that. It would
16 not be a problem, I'm guessing, to get
17 our audit department an accounting of
18 those expenditures that will be made by
19 November.

20 MR. STEVENS: I'll leave it to Mike
21 to answer that, but I'm sure we can.

22 MR. HOWARD: Mike Howard, General
23 Manager of DiamondJacks. We will
24 certainly make that information
25 available.

1 CHAIRMAN JONES: Any other
2 questions? Miss Berry.

3 MS. BERRY: I understand that you're
4 going in to a very competitive market up
5 there. Obviously, DiamondJacks has had
6 some issues with the competition. It
7 hasn't been able to keep up with it.

8 What immediate plans do you have to
9 make DiamondJacks come back in as a
10 competitor in this market immediately
11 other than the capital improvements?

12 MR. STEVENS: Well, initially it
13 will be the capital. I don't want to
14 give our exact plan to everyone out
15 there quite yet, but we know that this
16 is a business that enjoys, if done
17 right, the benefit of customer
18 visitation; and the customer is
19 everything, so we realize that today
20 when a customer arrives at the doorstep
21 of DiamondJacks, they're not met with a
22 great experience. Our aim is to improve
23 that experience significantly.

24 MS. BERRY: So that is on your --

25 MR. STEVENS: Yes.

1 CHAIRMAN JONES: Any other questions
2 from the Board? Yes, Miss Theriot.

3 MS. THERIOT: Thank you.
4 I'm reading that besides the
5 two million capital contribution that
6 there's an additional million for 2017
7 and 2018. Is that correct?

8 MR. STEVENS: Yes.

9 MS. THERIOT: Approximately.

10 MR. STEVENS: That is in the
11 proforma projections. We put in a
12 million. That's really a pretty easy
13 goal.

14 MS. THERIOT: And I have a second
15 question. In the calculation of the
16 purchase price, I see that you have a
17 protest payment with the Parish of
18 Bossier -- City of Bossier. That,
19 obviously if you paid under protest, you
20 hope to settle it or get -- obviously
21 argue that you don't owe it or you owe a
22 lesser amount.

23 What happens if the amount is
24 settled for less money? Won't the
25 alternative bring you additional moneys

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1 to --

2 MR. WEST: One of the issues is PGPI
3 still does not own DiamondJacks and
4 won't own it unless we get your
5 permission and we close it, so PGPI

6 advanced the funds for Legends, and they
7 made the payment under protest. So as
8 with a lot of these issues, PGPI just
9 needs to get in the door and see kind of
10 what's there, and the tax issue is one
11 of them. I think the last sum that we
12 heard was there may be another \$150,000
13 owed to clean up that property tax, but,
14 obviously, we can't have a tax lien on
15 the property so it would be cleaned up.

16 MS. THERIOT: Okay. Thank you.

17 MS. BERRY: Question.

18 CHAIRMAN JONES: Yes, ma'am.

19 MS. BERRY: It was property taxes
20 that were paid under protest?

21 MR. WEST: Yes, ma'am, local parish
22 property taxes.

23 MS. BERRY: Thank you.

24 CHAIRMAN JONES: Any other
25 questions? [No response.]

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1 Before we move to the final
2 resolution, you know, we met. We talked
3 a lot. I want to thank you and
4 Peninsula for investing in this state,
5 and we have full confidence that you and
6 your company are going to do what's
7 necessary to improve that property and
8 make it marketable and competitive; and

9 that's a challenge, and we fully support
10 this endeavor. We're excited that
11 you're here. We're glad that you're
12 here. We appreciate the investment.

13 MR. STEVENS: Thank you very much,
14 Mr. Chairman.

15 CHAIRMAN JONES: Were there any
16 other questions before we close and ask
17 for a motion on the resolution? [No
18 response.]

19 Do I have a motion to adopt the
20 resolution?

21 MR. BRADFORD: I move.

22 CHAIRMAN JONES: Mr. Bradford,
23 second by Mr. Stipe.

24 Miss Tramonte, would you read the
25 resolution into the record.

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1 THE CLERK: On the 20th day of June
2 2016, the Louisiana Gaming Control Board
3 did, in a duly-noticed public meeting,
4 consider the petition of Louisiana
5 Riverboat Gaming Partnership doing
6 business as DiamondJacks Casino & Resort
7 - Bossier City, requesting the approval
8 of the transfer of 100 percent of the
9 membership interest in its parent
10 company, Legends Gaming, LLC, and upon
11 motion duly made and second, the Board

12 adopted this resolution.

13 Be it resolved that the transfer of
14 100 percent of the membership interest
15 in Legends Gaming, LLC, the parent
16 company of Louisiana Riverboat Gaming
17 Partnership doing business as
18 DiamondJacks Casino & Resort - Bossier
19 City No. RO10800195, is hereby approved.

20 Thus done and signed in Baton Rouge,
21 Louisiana, this 20th day of June 2016.

22 Mr. Bradford?

23 MR. BRADFORD: Yes.

24 THE CLERK: Mr. Stipe?

25 MR. STIPE: Yes.

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1 THE CLERK: Mr. Singleton?

2 MR. SINGLETON: Yes.

3 THE CLERK: Major Mercer?

4 MAJOR MERCER: Yes.

5 THE CLERK: Mr. Jackson?

6 MR. JACKSON: Yes.

7 THE CLERK: Mr. Gaston?

8 MR. GASTON: Yes.

9 THE CLERK: Miss Berry?

10 MS. BERRY: Yes.

11 THE CLERK: Miss Theriot?

12 MS. THERIOT: Yes.

13 THE CLERK: Chairman Jones?

14 CHAIRMAN JONES: Yes. The

15 resolution is adopted.

16 MR. STEVENS: Thank you very much.

17 Glad to be back.

18 CHAIRMAN JONES: Yes, sir. Thank

19 you.

20 D. Consideration of Proposed Sixth Amendment to

21 Amended and Renegotiated Casino Operating

22 Contract between the State of Louisiana and

23 Jazz Casino Company, L.L.C.

24 CHAIRMAN JONES: Next up and final

25 up of the casino matters is:

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1 Consideration of Proposed Sixth

2 Amendment to the Amended and

3 Renegotiated Casino Operating Contract

4 between the State of Louisiana and Jazz

5 Casino Company, L.L.C., and in

6 conjunction with this, we've asked

7 the -- at the appropriate time, the

8 general manager from Harrah's to share

9 some information about this amendment in

10 addition to just updating us generally

11 on a couple of other issues that the

12 Board's been concerned about.

13 Miss Moore.

14 MS. MOORE: Mr. Chairman, Members of

15 the Board, again, I'm Charmaine Moore,

16 Assistant Attorney General. We are here

17 today on the petition of Jazz Casino

18 Company, L.L.C., requesting approval for
19 a sixth amendment to the operating
20 contract -- the casino operating
21 contract.

22 With me is Mr. Mike Dufilho from the
23 Law Firm of Taylor, Porter, Brooks &
24 Phillips. Taylor Porter was retained by
25 the Attorney General's Office back in

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1 1998 to assist us in all matters having
2 to do with the Casino Operating
3 Contract, and Mr. Dufilho worked with
4 Caesars to prepare the Sixth Amendment.

5 Here this morning, also, is Cara
6 Hall, who is the Corporate Counsel for
7 Regional Operations, and as the Chairman
8 said, Mr. Real, who is the Senior
9 Vice-President and General Manager of
10 Caesars.

11 When Caesars initially proposed
12 amending the contract to allow
13 21-year-olds -- or persons under the age
14 of 21 years old to access the second
15 floor, our office, at the Board's
16 request, researched both gaming and
17 criminal law to determine whether there
18 were any impediments to that amendment,
19 and we determined that there was one
20 criminal statute that would need to be

21 amended. It previously provided that no
22 one under the age of 21 could be
23 anywhere on the property, rather than
24 simply prohibiting them from accessing
25 the gaming areas. If Harrah's is to

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1 develop the second floor, they want to
2 be able to allow patrons under the age
3 of 21 to have access to the second
4 floor.

5 So Harrah's had someone introduce a
6 bill in this session of the legislature
7 to amend that criminal statute, and it
8 was passed by both Houses of the
9 legislature and signed by the Governor;
10 and it will become effective August 1st
11 The of 2016. R.S. 27:244(B) allows the
12 Board and Harrah's to amend the contract
13 subject to the approval of the Joint
14 Legislative Committee on the Budget, and
15 at this time, I'll let Harrah's present
16 their petition.

17 MS. HALL: Good morning, Chairman
18 Jones and Members of the Board. I'm
19 Cara Hall. I'm General Counsel for
20 Harrah's. I'm here this morning with
21 Dan Real who is our general manager.

22 CHAIRMAN JONES: Pull your
23 microphone up just a little bit closer,

24 Cara. Thank you.

25 MS. HALL: Better?

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1 CHAIRMAN JONES: Better.

2 MS. HALL: We're here this morning,
3 as Miss Moore mentioned, with a proposed
4 amendment to allow Harrah's to sublease
5 portions of the second floor, which is
6 entirely non-gaming, for use for
7 individuals under the age of 21, with
8 oversight, of course, by this Board over
9 many of the same issues such as approval
10 of the less -- the sublessee and
11 approval of the build out, in addition
12 to some additional requirements such as
13 putting in place policies and procedures
14 that will address issues of having
15 minors on the second floor and making
16 sure we have an appropriate security
17 plan in place. So we have a team right
18 now putting those procedures in place
19 and making sure there's adequate
20 security, and we'll bring, of course,
21 those plans before the Board when
22 they're firmed up.

23 The proposed amendment, as Miss
24 Moore mentioned, is consistent with the
25 recent Senate Bill that was passed,

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1 which provides that no person under the
2 age of 21, except emergency responders
3 acting in their official capacity, shall
4 be permitted to enter the designated
5 gaming area of the official gaming
6 establishment.

7 The Gaming Board continues to
8 maintain, as it always has, the
9 approvals over the development of this
10 second floor. This just simply allows a
11 little bit more flexibility in terms of
12 development.

13 So I have Dan Real here with me this
14 morning, General Manager of the
15 property, who has a few comments, as
16 well, and we're happy to field
17 questions.

18 CHAIRMAN JONES: Thank you.

19 MR. REAL: Good morning, Chairman
20 Jones, Members of the Board. I'm
21 pleased to be back in front of you
22 today. It's been a very eventful year
23 for us at Harrah's New Orleans. We have
24 learned quite a bit. I think the
25 quality of our team has really shown

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1 through this past year with all we've
2 been facing, and we continue to put up,
3 I believe, respectable numbers; and more

4 importantly, we're focused on the future
5 rather than looking back at the past.

6 So hopefully you'll hear a few
7 things today that give you an idea of
8 where we're headed. Since I am going to
9 talk about a few different topics, I
10 have a few prepared remarks, but,
11 obviously, I'd be happy to answer any
12 questions you may have.

13 One of the top questions I'm getting
14 is about the smoking courtyards, and
15 it's an internal and external question.
16 It seems like it's been a long time.
17 We've tried to battle through a few
18 things that we've had to navigate in
19 order to get approval, and I'd like to
20 tell you today that I'm happy to report
21 that we're getting very close. We're
22 working closely with the city on our
23 plans to ensure that the courtyards that
24 we do develop are in full compliance
25 with the city ordinance.

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1 We have planned three smoking areas,
2 and each will have limited gaming
3 devices in each; and where we stand
4 today is the city has requested some
5 changes to our architectural plans, and
6 we're now working with the architect on

7 these changes. So, again, we're getting
8 very close.

9 We've met with our landlord, the
10 city attorney, members of this Board,
11 the State Police, the Attorney General's
12 Office and others who have been
13 interested about the project. We're
14 giving tours. We continue to do so. If
15 you would like to stop by, Cara or I
16 would be happy to show you the space,
17 and we're, again, just very excited
18 about what this will offer us as we move
19 forward. Our customers want it; our
20 employees want it, and it's the right
21 thing for us to do.

22 The second item I'd like to discuss
23 today is Senate Bill 295. It was
24 introduced by Senator Karen Carter
25 Peterson. We had great support from our

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1 local delegation and throughout the
2 state. It has been a learning process
3 throughout this past year, as well. I
4 think we all know that we have been
5 addressing this for quite awhile, and we
6 got to a point where I'm really proud
7 that each area involved or apart of this
8 process is happy with where we are
9 today; and that's what means the world

10 to me as the property leader.

11 The purpose of this law is to
12 encourage development of businesses,
13 like restaurants, entertainment outlets,
14 retail outlets, et cetera, in and around
15 the casino property. We'd like to
16 continue to expand on gaming
17 developments like this, and I personally
18 believe this is the best path forward
19 for us. We have a great property. We
20 have a large footprint, and we are
21 underutilizing the space in a non-gaming
22 fashion.

23 So the sky's the limit as far as I'm
24 concerned, and this is really a great
25 first step for use. The sole goal of

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1 this build, though, is to create and
2 develop more meaningful job
3 opportunities in and around the casino
4 property. It's very difficult to
5 continue to maintain 2,400 just when
6 you're focused in one area. We want to
7 grow and develop even more jobs, great
8 jobs, and now we finally have that
9 opportunity; and we're going to continue
10 to do just that.

11 But as a practical matter, there's
12 additional reporting requirement to the

13 Board, so in addition to the usual
14 reporting, we'll also be reporting the
15 personnel levels of third party tenants.
16 We're committed to making this process
17 efficient and seamless. We have met
18 with the State Police and are working
19 towards implementing a process for this,
20 and I would like to give special thanks
21 to the State Police. As usual they have
22 been great partners with us as we
23 navigate this process.

24 And then finally the main reason
25 that we are here today is second floor

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1 plans. Cara alluded to what we are
2 planning. The second floor of our
3 property has been empty for 17 years,
4 and as the G.M. for almost six, it's
5 been one of my number one priorities;
6 and I'm happy to say that we're almost
7 to the finish line and starting a
8 development up there. It will be
9 exciting. It will be fun, and it will
10 be just what the property and the city
11 and the state need.

12 It does go without saying that
13 there's also, I believe, that there's
14 tremendous development opportunity up
15 there. That, similar to the smoking

16 courtyards, is one of the top questions
17 that I often get, is what are you doing
18 with that space? And I'm happy to say
19 that we're there.

20 Through the years we have been
21 approached by a number of companies
22 interested in partnering to develop this
23 space. Some of these opportunities have
24 not been viable, but over the past few
25 months, we have been in discussions with

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1 a couple of companies with true
2 potential to put this floor back into
3 commerce.

4 Part of the challenge associated
5 with developing a second floor has been
6 language contained in the state law and
7 operating contract limiting
8 patronization by individuals under the
9 age of 21. Senator Troy Carter recently
10 introduced in the legislature Senate
11 Bill 394, which provides similarly to
12 riverboats that no individual under 21
13 shall be permitted to enter the
14 designated gaming space of the official
15 establishment.

16 Our goal is to look ahead and
17 potentially develop some space on the
18 second floor for use by individuals

19 under 21. A few things that are really
20 important to understand: Individuals
21 under 21 would access the second floor
22 only through a separate exterior
23 entrance. Individuals under 21 would
24 never access the second floor through
25 the first floor gaming area. We will

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1 not enter into a lease or otherwise
2 develop the second floor without first
3 coming to obtain your consent on these
4 issues and suitability of the lessee,
5 and we have a team proactively studying
6 and settling a security plan for future
7 consideration in the event any of our
8 discussions turn into a viable
9 opportunity.

10 We're committed to further
11 development at this property, and we are
12 excited by our opportunities and
13 discussions; but we are absolutely
14 committed to doing it the right way.

15 So I just want to say thank you.
16 It's been an interesting and challenging
17 few months. We do appreciate your
18 support. We are looking ahead and
19 excited about development projects on
20 the horizon. At this point, I'm happy
21 to answer any questions you may have.

22 CHAIRMAN JONES: Thank you, Dan.
23 Just a couple of comments just for
24 context for the Board before I move to
25 questions.

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1 We discovered during some meetings
2 with Harrah's that the definition of the
3 gaming area for the casino was different
4 than it was for every other gaming
5 property in the state and applied to,
6 essentially, that entire city block,
7 which as a practical matter, you know,
8 if I were 19 and delivering Coca-Colas
9 into the basement, I couldn't. I'd be
10 in violation of the law, or I was, say,
11 an apprentice working with my dad who is
12 a plumber, I couldn't be working on the
13 plumbing on the second floor. I mean,
14 and nobody ever really realized this.
15 Once we found it was inconsistent, we
16 thought the best thing to do was to go
17 in and change the law, and with the help
18 of with Senator Carter, we were able to
19 do that.

20 The other point I would make is: We
21 have got a piece of property that is
22 incredible. I mean, it's prime real
23 estate in the City of New Orleans at the
24 foot of Canal Street, which is about to

25 take off with one of the greatest

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1 developments in the city with the World

2 Trade Center, and it's not being used.

3 There's nothing going on there.

4 So the proposal this morning isn't

5 about expanding, you know, an area for

6 more slot machines or gaming area. This

7 is about expanding business for the City

8 of New Orleans and the State of

9 Louisiana, and we thank Harrah's for

10 coming to us and wanting to invest in

11 economic development at that property.

12 And this is one of the ways that we're

13 going to be able to do that, and we

14 thank you for that.

15 MR. REAL: Sure.

16 CHAIRMAN JONES: Board Members,

17 questions?

18 MR. STIPE: Just one. You have a

19 numerical requirement for employees

20 currently. Are these in this second

21 floor area, the subcontract -- employees

22 of the subcontractor, are they going to

23 apply, or is your intention that they

24 apply towards that numerical

25 requirement?

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1 MR. REAL: They would. We will

2 still have a 2,400 employee requirement
3 as we do today. What we will be allowed
4 to do is if we're in contract through a
5 lease or through a -- we have a
6 subcontract with someone as if we were
7 developing on the second floor, up to
8 400 would be able to be counted towards
9 our employee head count.

10 MR. BRADFORD: Dan, thank you for
11 coming.

12 MR. REAL: Sure.

13 MR. BRADFORD: Two quick questions,
14 and I don't want you to give away any
15 secrets. But, number one, how many
16 square feet upstairs, and number two,
17 what do you envision ultimately for that
18 use of that space?

19 MR. REAL: We have over a hundred
20 thousand square feet that's available
21 for development, and we have a project
22 in the works right now where it will be
23 about a quarter of that space. We have
24 a few plans in place that I really don't
25 want to go into just yet but are very

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1 excited about the rest of the area, as
2 well.

3 We have a unique contract. There
4 are a few hurdles we have to clear other

5 than just the company getting interested
6 in investing in the property, so we're
7 working on those similar to the process
8 we took to get to this point, but
9 there's no doubt, as Chairman Jones
10 mentioned, it's non-gaming development.
11 It's exciting, and it can be a lot of
12 fun.

13 MR. BRADFORD: Will you have -- I
14 know you may not know this yet. Will
15 you have direct access from the hotel to
16 the second floor?

17 MR. REAL: There will not
18 immediately. There will be an external
19 entrance that we will build to meet this
20 requirement, but for another master plan
21 and then maybe a different conversation
22 I hope to have with you down the road,
23 there are other exciting plans that
24 would connect with the hotel.

25 CHAIRMAN JONES: Any other

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1 questions, Board Members?

2 MS. THERIOT: I just want to make
3 sure.

4 CHAIRMAN JONES: Pull your
5 microphone up for me.

6 MS. THERIOT: I think I heard you
7 say that your licensees would be

8 reporting the workers that were hired so
9 that you could report them with your
10 quotas?

11 MR. REAL: Correct.

12 MS. THERIOT: And is there a
13 timeline that potentially you are
14 envisioning for operation and opening?

15 MR. REAL: For the second floor, I
16 hope to have something public within the
17 next 30 to 60 days. We're close. We
18 needed to clear this hurdle, but we have
19 been parallel pathing this project. We
20 have a great partner, and it's going to
21 be a pretty excited announcement.

22 MS. THERIOT: Okay. Look forward to
23 it.

24 CHAIRMAN JONES: Dan, is it fair to
25 say that you and the city have been

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1 working on some of the plans, and
2 they're philosophically in agreement
3 with where you're trying to go?

4 MR. REAL: That's very fair. It's
5 been a journey. We had a wonderful
6 relationship leading up until the
7 smoking ban discussion. There were very
8 emotional feelings tied to that
9 initiative. As I alluded to earlier, we
10 are focused on the future, and I think

11 that's helped the relationship quite a
12 bit; and the city, they're definitely
13 focused on quality jobs, future
14 development and excitement, as well. So
15 we have a common path that we're taking
16 right now, and we just need to make
17 sure -- some of the contract items that
18 we have and some of the hurdles that we
19 have to clear were written well before
20 any of us were in our current roles, and
21 we're trying to just navigate through
22 that; and I am very pleased with the way
23 city has partnered with us.

24 CHAIRMAN JONES: Great. I know that
25 about a year ago we -- you talked to us

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1 about how the challenge of the statutory
2 minimum hire for your employees was
3 tough in the business model that you
4 were in, and, you know, that the Board
5 went on record supporting amending that.
6 And I think the agreement that you and
7 Senator Peterson came to was simply to
8 change the way things were counted. You
9 know, as an old, on-the-side college
10 professor used to talk about, there's
11 two ways to reduce crime. You either
12 reduce crime, or you change the way you
13 count it.

14 So nobody's losing any jobs here,
15 and, in fact, I think you've told the
16 Board that this will permit you to have
17 more full-time people which makes them
18 eligible for benefits. This actually
19 will be better for the employees; is
20 that correct?

21 MR. REAL: That is correct. I can't
22 give you a specific number, but I can
23 tell you that not having to do the
24 business the way we have is great for
25 our employees. They're very excited.

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1 It's a unique situation to be in. You
2 know, for the past five to ten years, we
3 have been working with this number when
4 it really wasn't needed, so we've
5 created the environment where we've done
6 the best we could for our employees, and
7 I'm very proud of the way that they've
8 hung with us and they've responded. And
9 now we're at a point where they're very
10 excited about this potential.

11 I've said it before, I'll say it
12 again: There will not be a single
13 layoff associated with this. We've done
14 things the right way. As long as I'm
15 here and we work for Caesars
16 Entertainment, we're always going to do

17 things the right way, and that's why I'm
18 excited about this. People have
19 wondered: What does this really mean?
20 Are you changing the count? And I can
21 tell you, I welcomed everybody in. You
22 can talk to my team. When you have a
23 situation where the unions, the company,
24 the city, the state and your team
25 members are all onboard and excited, I

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1 think you've found the right solution,
2 and that's what we've put forward.

3 So nobody's going to lose their job
4 to this process. Even with this
5 adjustment, we're still going to hire
6 400 plus people a year most likely. You
7 know, we're a hospitality business, and
8 good people come and good people go; and
9 we continue to make sure we have the
10 best team possible.

11 CHARIMAN JONES: Thank you. Any
12 other questions? [No response.] And I
13 will accept a motion to adopt the
14 resolution.

15 MS. BERRY: I'll move.

16 CHAIRMAN JONES: By Miss Berry,
17 Mr. Singleton seconds.

18 Would you read the resolution into
19 the record.

20 THE CLERK: On the 20th day of
21 June 2016, the Louisiana Gaming Control
22 Board did, in a duly-noticed public
23 meeting, consider the Petition of Jazz
24 Casino Company, L.L.C., doing business
25 as Harrah's New Orleans Casino,

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1 requesting approval of an amendment to
2 the amended and renegotiated casino
3 operating contract, to allow persons
4 under the age of 21 to enter and use the
5 second floor of the casino, provided
6 that the casino operator implements
7 policies and procedures designed to
8 prevent persons under the age of 21 from
9 entering any gaming areas in the casino,
10 and upon motion duly made and second,
11 the Board adopted this resolution.

12 Be it resolved that the proposed
13 Sixth Amendment to the Amended and
14 Renegotiated Casino Operating Contract
15 between the State of Louisiana, by and
16 through the Louisiana Gaming Control
17 Board (the "Board") and Jazz Casino
18 Company, L.L.C., in the form and
19 substance attached hereto as Exhibit A
20 (the "Sixth Amendment"), is hereby
21 approved and accordingly, Ronnie Jones,
22 Chairman of the Board, is specifically

23 empowered to execute the Sixth Amendment
24 which shall become effective upon the
25 approval of the Joint Legislative

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1 Committee on the Budget as provided in
2 Recital C of the Sixth Amendment, and
3 upon written acknowledgment of the
4 satisfaction and fulfillment of the
5 "Suspensive Conditions" as provided in
6 paragraph three of the Sixth Amendment.

7 Thus done and signed in Baton Rouge,
8 Louisiana, this 20th day of June, 2016.

9 Mr. Bradford?

10 MR. BRADFORD: Yes.

11 THE CLERK: Mr. Stipe?

12 MR. STIPE: Yes.

13 THE CLERK: Mr. Singleton?

14 MR. SINGLETON: Yes.

15 THE CLERK: Major Mercer?

16 MAJOR MERCER: Yes.

17 THE CLERK: Mr. Jackson?

18 MR. JACKSON: Yes.

19 THE CLERK: Mr. Gaston?

20 MR. GASTON: Yes.

21 THE CLERK: Miss Berry?

22 MS. BERRY: Yes.

23 THE CLERK: Miss Theriot?

24 MS. THERIOT: Yes.

25 THE CLERK: Chairman Jones?

1 CHAIRMAN JONES: Yes, and the
2 resolution is approved.

3 MR. REAL: Thank you all very much.

4 CHAIRMAN JONES: And thank you and
5 your team for your patience over the
6 last year or so navigating these
7 bureaucratic waters and dealing with the
8 legislature and us, and we eventually
9 get to where we need to be; but I
10 appreciate the work the A.G. did and the
11 State Police on this. So thank you very
12 much.

13 MR. REAL: Thank you.

14 MS. HALL: Thank you.

15 VI. VIDEO GAMING ISSUES

16 A. Consideration of the following truckstop
17 application:

18 1. In Re: Riverbend Casino Reserve, LLC,
19 d/b/a River's Palace Casino - No.
20 4800517371 (new application)

21 CHAIRMAN JONES: We'll now take up
22 Video Gaming Issues. First up is
23 Consideration of the following truckstop
24 application in regard to Riverbend
25 Casino Reserve, LLC, doing business as

1 River's Palace Casino, No. 4800517371.

2 This is a new application.

3 Good morning, gentlemen.
4 MR. MEEK: Good morning, Chairman
5 Jones, Members of the Board. I'm
6 Matthew Meek, Assistant Attorney
7 General, before the Board in the matter
8 of the original application of Riverbend
9 Casino Reserve, LLC, doing business as
10 River's Palace Casino, applying for
11 approval of a Type 5 video draw poker
12 gaming license.

13 The truckstop facility is located in
14 St. John the Baptist Parish. On
15 March 10, 2016, the following
16 transactions occurred: Applicant
17 purchased the licensed establishment and
18 assumed the rights and obligations in
19 the existing sublease of the restaurant,
20 convenience store and fuel facility from
21 Redman Gaming of Louisiana, LLC, and
22 Riverbend Truck Stop and Palace Casino,
23 Incorporated.

24 Also on that date, 3901 Land
25 Reserve, LLC, purchased all immovable

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1 property of the truckstop and then
2 leased all the immovable property to the
3 applicant. Troy Estopinal is the sole
4 member and owner of applicant and 3901
5 Land Reserve, LLC. The device placement

6 agreement is with Chalmette Amusement
7 Company, Incorporated.

8 Trooper Vincent Lenguyen inspected
9 the truckstop facility and conducted
10 suitability investigations of the
11 associated persons. He is present this
12 morning to report his findings to the
13 Board.

14 TROOPER LENGUYEN: Good morning,
15 Chairman Jones and Board Members. My
16 name is Trooper Vincent Lenguyen with
17 Louisiana State Police Gaming
18 Enforcement Division.

19 I conducted a suitability
20 investigation and updated background
21 checks on all relevant persons
22 associated with the applicant --
23 application. Troy Estopinal and his
24 wife, Melissa Estopinal, previously
25 submitted to suitability in connection

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1 with other video gaming licenses.

2 An on-site inspection was conducted,
3 and it was determined that the
4 establishment meet all criteria set
5 forth in the video gaming law as a
6 qualified truckstop facility. All
7 required license and permits were posted
8 and valid at the time of inspection.

9 The establishment consists of at least
10 five contiguous acres, specifically
11 5.332 acres.

12 As the applicant purchased the
13 business from the previous licensee,
14 Riverbend Truckstop and Palace Casino,
15 Incorporated, they are not subject to
16 the rule that they must be one mile from
17 a school, church, playground, synagogue,
18 public library, residence and buildings
19 on the National Historical Registry
20 [sic].

21 I found no information to preclude
22 the issuance of a Type 5 video draw
23 poker gaming license to Riverbend Casino
24 Reserve, LLC, doing business as River's
25 Palace Casino, or to preclude Troy

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1 Estopinal and Melissa Estopinal from
2 continuing to participate in the video
3 gaming industry.

4 MR. MEEK: The Office of the
5 Attorney General has reviewed the file
6 prepared by the Division, and the
7 information contained therein would not
8 preclude the Board's approval.

9 CHAIRMAN JONES: Board Members, any
10 questions for Mr. Meak or Trooper
11 Lenguyen? The board appears to be

12 clear.

13 Do I have a motion to approve the
14 application and issue a license?

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

16 CHAIRMAN JONES: Dr. Gaston.

17 MS. THERIOT: I'll second.

18 CHAIRMAN JONES: Second by Miss
19 Theriot. Without objection? Any
20 objections? No objections, the license
21 is issued. Thank you.

22 MR. MEEK: Thank y'all.

23 VII. CONSIDERATION OF THE FOLLOWING SETTLEMENT AND

24 APPEALS

25 1. In Re: Mallet Enterprises, Inc., d/b/a

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1 Encore Nite Club - No. 3601116921

2 (proposed settlement)

3 CHAIRMAN JONES: We move now to
4 Consideration of Settlements and
5 Appeals. First up is a settlement in
6 regard to Mallet Enterprises, Inc.,
7 doing business as Encore Night Club, No.
8 3601116921. This is a proposed
9 settlement.

10 Good morning.

11 MR. LEWIS: Good morning again,
12 Assistant Attorney General Kanick Lewis,
13 Jr., representing the Office of State
14 Police here in the matter of Mallet

15 Enterprises doing business as Encore,
16 LLC. Encore is a Type 1 licensed
17 establishment located at 3940 Tulane
18 Avenue, New Orleans, Louisiana.

19 On February 2nd, 2015, the Division
20 mailed a video gaming advisory notice to
21 Encore informing them of the requirement
22 and deadline day of July 1st, 2015, to
23 submit the annual fee and annual renewal
24 application. Encore did not submit the
25 annual license fee and supporting

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1 documents until March 14th, 2016,
2 approximately eight months after the
3 deadline.

4 They failed to timely submit the
5 annual license, the license fee and
6 supporting documents, which is a
7 violation of gaming law, and in lieu of
8 revocation of its gaming license, Encore
9 will pay a civil penalty of \$1,500 for
10 violating gaming law.

11 Hearing Officer Reynolds has
12 approved the Compromise and Settlement
13 Agreement, and we're here today seeking
14 the Board's approval. And at this time,
15 I'd be happy to answer any questions you
16 may have.

17 CHAIRMAN JONES: Board Members, any

18 questions as to the settlement?

19 MR. SINGLETON: Move approval.

20 CHAIRMAN JONES: By Mr. Singleton.

21 Do I have a second?

22 MR. JACKSON: Second.

23 CHAIRMAN JONES: By Mr. Jackson.

24 Any objection? Without objection,

25 the settlement is approved.

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1 MR. LEWIS: Thank you.

2 2. In Re: Therese A. Bourque - No. V000013677

3 (appeal)

4 CHARIMAN JONES: Next up is an

5 appeal in the matter of Therese A.

6 Bourque. That's number V, Victor,

7 000013677.

8 Miss Bourque, are you here?

9 MS. BOURQUE: Yes, sir.

10 CHAIRMAN JONES: Please have a seat

11 at the table. Good morning.

12 MS. BOURQUE: Good morning.

13 CHAIRMAN JONES: We're here today

14 because you have appealed the hearing

15 officer's finding, and we can't accept

16 any new evidence. You can't share with

17 us really anything that hasn't

18 previously been introduced, but would

19 you please share with the Board why we

20 should not affirm the hearing officer's

21 decision.

22 Are you Miss Bourque, by the way?

23 MS. BOURQUE: Yes, sir.

24 CHAIRMAN JONES: Please proceed.

25 MS. BOURQUE: I've been employed

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1 with LJ's Casino for eight years, and I

2 have made some mistakes and am actually

3 in the process of getting an

4 expungement. I've hired an attorney,

5 and my manager is actually here. She

6 stepped outside. She wanted to speak to

7 the -- I mean, I have a son that I'm

8 raising, and I really need my job. It's

9 very important to me, and I just really

10 would like another chance.

11 CHAIRMAN JONES: Thank you.

12 MR. LEWIS: At issue in this matter

13 is the hearing officer's decision

14 denying the application for a video

15 poker permit for Miss Bourque. She's

16 currently employed, and we're not saying

17 she shouldn't keep the job she has, just

18 that she shouldn't -- the

19 application for the Certified Tech I be

20 denied is what we're asking that you

21 affirm.

22 Now, Louisiana gaming law states

23 that no person may be eligible to apply

24 or be granted a license under the
25 provisions of this chapter if she has

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1 been convicted in any jurisdiction of
2 theft or any crime involving false
3 statements or declarations within ten
4 years prior to the date of the
5 application or less than ten years has
6 elapsed between the date of the
7 application and a successful completion
8 of service or any -- or service of any
9 sentence, deferred adjudication or
10 period of probation or parole for the
11 offense.

12 On March 11th, 2014, Miss Bourque
13 was convicted of theft and ordered to
14 six months of supervised probation with
15 special conditions. She claims she's
16 working to have the charge expunged from
17 her record, and whether or not these
18 charges are expunged, she must still
19 wait the ten years before applying.
20 Pursuant to Louisiana gaming law,
21 Miss Bourque is ineligible to apply for
22 a gaming permit or video poker permit
23 until September of 2024.

24 Miss Bourque applied for a video
25 poker permit on November 13th, 2015.

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1 The Division recommended that her
2 application for a video poker permit be
3 denied, as she was convicted of theft
4 and ordered to six months of supervised
5 probation in March of 2014. Ten years
6 have not elapsed between her completion
7 of probation and the date of application
8 on November 13th, 2015.

9 Hearing Officer Reynolds found that
10 Miss Bourque failed to meet the
11 suitability requirements under Louisiana
12 gaming law, and that she was unsuitable
13 for and disqualified from possessing a
14 video poker permit. He ordered that the
15 application for a video poker permit
16 submitted by Miss Bourque be denied.

17 Now, Miss Bourque appeared at the
18 administrative hearing and admitted that
19 she was arrested for, convicted of and
20 served six months of supervised
21 probation for theft, and based on these
22 facts and Louisiana gaming law, under
23 Louisiana gaming law, Miss Bourque
24 remains unsuitable for and disqualified
25 from possessing a video poker permit.

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1 For these reasons, the Division
2 respectfully requests that you uphold
3 the hearing officer's decision denying

4 the application for a video poker permit
5 submitted by Miss Bourque.

6 CHAIRMAN JONES: Board Members, any
7 questions? Mr. Stipe.

8 MR. STIPE: So that I'm clear:
9 Whether it's expunged or not, for
10 purposes of the permit process, the
11 criminal act can be considered and
12 should be considered.

13 MR. LEWIS: Yes.

14 MR. STIPE: And whether she has a
15 permit or not is -- the failure to have
16 a permit is not going to cause her
17 separation from her employer; it will
18 just mean that her permit -- she will
19 not be able to obtain a permit; is that
20 fair?

21 MR. LEWIS: For that particular
22 position she's applying for, that is
23 correct.

24 CHAIRMAN JONES: Any other
25 questions?

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1 Miss Bourque, just -- this Board has
2 discretion in a number of matters, and
3 then there's an entire area that we have
4 no discretion. And what I would try to
5 help you understand is: If you're
6 successful with an expungement, that

7 really has no bearing on the fact that
8 you plead guilty to a crime. We're
9 prohibited by law from issuing a
10 license, and I know that. I don't know
11 what the pleasure of the Board is yet,
12 but I just want to preface a vote with
13 those facts, okay?

14 MS. BOURQUE: Okay.

15 CHAIRMAN JONES: Do I have a motion?

16 MR. STIPE: I just move to affirm
17 the hearing officer.

18 CHAIRMAN JONES: We have a motion by
19 Mr. Stipe to affirm the hearing
20 officer's decision, by Major Mercer
21 seconded.

22 Are there any objections to that?
23 There are no objections to the hearing
24 officer's decision. It's affirmed.
25 Thank you, ma'am.

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1 MS. BOURQUE: Thank you.

2 CHAIRMAN JONES: Yes, ma'am.

3 3. In Re: Shankeitha L. Thomas - No. PO40059446
4 (appeal)

5 CHAIRMAN JONES: Next up is in
6 regard to Shankeitha L. Thomas, No.
7 PO40059446. Is Miss Thomas or a
8 representative of Miss Thomas anywhere?
9 Miss Thomas? She doesn't appear to be

10 present.

11 We'll move to our final appeal in

12 regard to David Johnson --

13 MR. BRADFORD: We still need to act

14 on it.

15 CHAIRMAN JONES: We still need to

16 rule on it, so go ahead. I was just

17 going to go right past you. I'm sorry.

18 MR. LEWIS: Thank you. Assistant

19 Attorney General Kanick Lewis, Jr.,

20 representing Office State Police in the

21 matter of Shankeitha L. Thomas.

22 In this matter, as Miss Thomas has

23 requested this appeal and she's not

24 present, the Division respectfully

25 requests that you affirm the hearing

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1 officer's decision.

2 MR. BRADFORD: Move.

3 CHAIRMAN JONES: No questions? We

4 have several hands going there.

5 MR. GASTON: Move.

6 CHAIRMAN JONES: Dr. Gaston, and

7 Mr. Bradford second.

8 Any objections? No objections, the

9 motion carries.

10 4. In Re: David Johnson - No. V000020495 (appeal)

11 CHAIRMAN JONES: Now, finally in

12 regard to David Johnson, No. V000020495.

13 Mr. Johnson, are you present or a
14 representative? David Johnson? No one
15 appears to be here. Please proceed.

16 MS. BOGRAN: Good morning, Chairman
17 Jones, Board Members. I'm Olga Bogran
18 Assistant Attorney General in the Gaming
19 Division.

20 Since Mr. Johnson requested this
21 appeal and since he's not making an
22 appearance, the Division requests that
23 the Board affirm the hearing officer's
24 decision to deny the video draw poker
25 employee application of David Johnson.

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1 CHAIRMAN JONES: Are there any
2 questions? There are no questions.

3 Do I have a motion?

4 MR. JACKSON: I make a motion.

5 CHAIRMAN JONES: Mr. Jackson to
6 affirm.

7 MR. BRADFORD: You have a second?

8 CHAIRMAN JONES: Miss Berry
9 seconded.

10 COURT REPORTER: Miss Berry?

11 CHAIRMAN JONES: We're on the
12 primary motion to affirm the hearing
13 officer.

14 MR. BRADFORD: Yeah, I don't want
15 that.

16 CHAIRMAN JONES: You don't want to
17 do that.

18 MR. BRADFORD: No. I want to do
19 something else, but we have to vote now.

20 CHAIRMAN JONES: Yeah, yeah. Is
21 there any more discussion?

22 MS. SMITH: Substitute.

23 MR. BRADFORD: A substitute motion.

24 CHAIRMAN JONES: Okay. There you
25 go.

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1 MR. BRADFORD: I'd like to make a
2 substitute motion that we remand this to
3 the hearing officer for an opportunity
4 to present new evidence.

5 CHAIRMAN JONES: Do I have a second
6 to the substitute motion? For lack of a
7 second --

8 MR. STIPE: I'll second.

9 CHAIRMAN JONES: We do have a second
10 on the substitute motion.

11 All right. Is there objection? Is
12 there objection to the substitute motion
13 to remand?

14 MR. GASTON: I object. Let's vote
15 on something one time.

16 CHAIRMAN JONES: We have a
17 substitute motion to remand, which has
18 been properly seconded, to which

19 objection has been raised. Mr. Stipe
20 was the second on the substitute motion.

21 Why don't you call the roll. If
22 you're voting "yes," you're voting in
23 favor of the substitute motion to remand
24 the matter back to the hearing officer.

25 THE CLERK: Okay. Mr. Bradford?

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1 MR. BRADFORD: Yes.

2 THE CLERK: Mr. Stipe?

3 MR. STIPE: Yes.

4 THE CLERK: Mr. Singleton?

5 MR. SINGLETON: Yes.

6 THE CLERK: Major Mercer?

7 MAJOR MERCER: No.

8 THE CLERK: Mr. Jackson?

9 MR. JACKSON: Yes.

10 THE CLERK: Mr. Gaston?

11 MR. GASTON: No.

12 THE CLERK: Miss Berry?

13 MS. BERRY: No.

14 THE CLERK: Miss Theriot?

15 MS. THERIOT: No.

16 THE CLERK: Chairman Jones?

17 CHAIRMAN JONES: No.

18 Okay. We have to go back to the
19 original motion --

20 THE CLERK: We have to go back to
21 the original motion, five-four.

22 CHAIRMAN JONES: We're back to the
23 original motion to affirm the hearing
24 officer's decision, and we have a second
25 on that.

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1 Is there any objection?

2 MR. BRADFORD: Yes.

3 CHAIRMAN JONES: All right. We have
4 an objection so we'll vote. We're
5 voting on the motion.

6 THE CLERK: Maybe I missed it. On
7 the original motion, I don't think I had
8 a second.

9 CHAIRMAN JONES: Yes, we did.

10 THE CLERK: We did. Who?

11 MR. STIPE: It was me.

12 THE CLERK: Oh, he did both of them.

13 CHAIRMAN JONES: This motion will
14 affirm the decision of the hearing
15 officer. A vote "yes" is to affirm.

16 THE CLERK: Okay. Mr. Bradford?

17 MR. BRADFORD: No.

18 THE CLERK: Mr. Stipe?

19 MR. STIPE: No.

20 THE CLERK: Mr. Singleton?

21 MR. SINGLETON: No.

22 THE CLERK: Major Mercer?

23 MAJOR MERCER: Yes.

24 THE CLERK: Mr. Jackson?

25 MR. JACKSON: No.

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1 THE CLERK: Mr. Gaston?

2 MR. GASTON: Yes.

3 THE CLERK: Miss Berry?

4 MS. BERRY: Yes.

5 THE CLERK: Miss Theriot?

6 MS. THERIOT: Yes.

7 THE CLERK: Chairman Jones?

8 CHAIRMAN JONES: Yes.

9 THE CLERK: Five-four again.

10 CHAIRMAN JONES: It's what?

11 THE CLERK: It's a five-four vote.

12 CHAIRMAN JONES: It passes. Y'all
13 are creating parliamentary chaos here by
14 doing that, okay? Thank you.

15 VIII. ADJOURNMENT

16 CHAIRMAN JONES: Ladies and
17 gentlemen, without any other business,
18 I'll entertain a motion to adjourn. You
19 can't object to it, Mr. Bradford.

20 We have a motion to adjourn by
21 Mr. Bradford and a second by
22 Miss Theriot.

23 Any objection? Without objection,
24 we stand adjourned. We'll see you July
25 the 21st at the Capitol.

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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

20

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 June 20,
7 2016, 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 19th day of
19 July, 2016.

20

21

22

SHELLEY G. PAROLA, CCR, RPR

CERTIFICATE NO. 96001

23

24