

Directors' Meeting, Board Of, (Pages 1:1 to 112:24)

1: 1 LOUISIANA GAMING CONTROL BOARD

2

3

4 BOARD OF DIRECTORS' MEETING

5

6

7

8

9 MONDAY, MAY 18, 2015

10

11 LaSalle Building

12 LaBelle Hearing Room

13 617 North 3rd Street

14 Baton Rouge, Louisiana

15

16

17

18 TIME: 10:00 A.M.

19

20

21

22

23

24

25

2

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

(Attorney)

10 Seventh Congressional District

June 30, 2014

11

12 DENISE NOONAN

(At Large)

13 First Congressional District

June 30, 2015

14

15 MAJOR CLAUDE MERCER

(Law Enforcement)

16 Fifth Congressional District

June 30, 2018

17

18 CLAUDE D. JACKSON

(At Large)

19 Fourth Congressional District

June 30, 2018

20

21 ROBERT W. GASTON, III

(At Large)

22 Sixth Congressional District

June 30, 2015

23

24 JULIE BERRY

(CPA)

25 Third Congressional District

3

1 APPEARANCES CONTINUED

2

3 LANA TRAMONTE

Principal Assistant

4

5 TRUDY M. SMITH

Confidential Assistant

6

7 MAJOR MIKE NOEL

Ex-Officio Board Member

8 Louisiana State Police

9

10 MIKE LEGENDRE

Director of Charitable Gaming

11 Department of Revenue

12

13 REPORTED BY:

14 SHELLEY G. PAROLA, CSR, RPR

Baton Rouge Court Reporters

15
16
17
18
19
20
21
22
23
24
25

4

1		PAGE
2	I. CALL TO ORDER	8
3	II. PUBLIC COMMENTS	10
4	III. APPROVAL OF MINUTES	10
5	IV. REVENUE REPORTS	10
6	V. COMPLIANCE REPORTS	15
7	VI. VIDEO GAMING ISSUES	
8	A. Consideration of the following	
9	truckstops:	
10	1. Galliano Properties, LLC, d/b/a	
11	Bayou Gold Casino -	
12	No. 2900517212 (new application)	21
13	2. Cash Magic Prospect Station, LLC,	
14	d/b/a Cash Magic Prospect Station	
15	No. 5500517083 (new application)	25
16	3. Cash Magic Berwick, LLC, d/b/a	
17	Hollywood Truck Plaza & Casino,	

18 No. 5103517058 (new application)
19 4. Big Wheels Travel Center, LLC,
20 d/b/a Big Wheels Casino - No.
21 2900511884 (transfer of interest) 35

22 VII. CASINO GAMING ISSUES

23 A. Consideration of renewal
24 application for the riverboat
25 license of Catfish Queen

5

1 PAGE

2 Partnership in Commendam d/b/a
3 Belle of Baton Rouge -
4 No. R011700009 39

5 B. Consideration of Certificate of
6 Compliance for the Alternate
7 Riverboat Inspection of the
8 gaming vessel of Catfish Queen

9 Partnership In Commendam d/b/a
10 Belle of Baton Rouge -
11 No. R011700009 51

12 C. Consideration of Certificate of
13 Compliance for the Alternate
14 Riverboat Inspection of the
15 gaming vessel of PNK Lake
16 Charles, LLC, d/b/a L'Auberge

17 Lake Charles - No. R011001707 54

18 D. Consideration of Certificate of
19 Compliance for the Alternate
20 Riverboat Inspection of the

21 gaming vessel of Margaritaville
22 Casino Venture, Inc., d/b/a
23 Margaritaville Bossier City -
24 No. R011000841 57

25 E. Consideration of petition by
6

1 PAGE

2 AGS, LLC - Nos. PO76503063 &
3 PO56503059, for Approval of
4 Transfer of Ownership Interests
5 by Amaya, Inc., indirect parent
6 company of Cadillac Jack, Inc.
7 - No. PO56503186, to AGS, LLC 59

8 VIII. RULEMAKING

9 A. Consideration of institution of
10 rule-making procedures for
11 promulgation of LAC 42:III.113
12 (Request for Permission to Reapply) 68

13 B. Consideration of Institution of
14 rule-making procedures for amendment
15 of LAC 42:III.120.A.6 (Application
16 and Reporting Forms) 68

17 IX. CONSIDERATION OF PROPOSED SETTLEMENTS/

18 APPEALS IN THE FOLLOWING:

19 1. In Re: Tung Nhi, Inc., d/b/a Lee's
20 Grill & Seafood - No. 3601216316
21 (proposed settlement) 72

22 2. In Re: Minden Truck Center, LLC,
23 d/b/a Waverly Truckstop -

24 No. 3300510619 (proposed settlement) 74

25 3. In Re: QuickDraw Travel Plaza &

7

1 PAGE

2 Casino, LLC, d/b/a QuickDraw Travel

3 Center & Casino - No. 6000515065

4 (proposed settlement) 74

5 4. In Re: Coushatta Truckstop, LLC,

6 d/b/a Coushatta Truckstop - No.

7 4101511094 (proposed settlement) 75

8 5. In Re: Big Top Travel Center &

9 Casino, LLC, d/b/a Big Top Travel

10 Center & Casino - No. 3300512939

11 (proposed settlement) 75

12 6. In Re: Areej Enterprises, LLC,

13 d/b/a Gas Plus Deli - No.

14 0106216424 (proposed settlement) 77

15 7. In Re: Wag A Pak, Inc., d/b/a

16 Cash Wag'n Casino - No. 2900515907

17 (appeal) 79

18 8. In Re: Johanna Hayes - No.

19 V000019712 (appeal) 103

20 X. ADJOURNMENT 110

21

22

23

24

25

1 I. CALL TO ORDER

2 CHAIRMAN JONES: Good morning.

3 Welcome to the regular May meeting of
4 the Louisiana Gaming Control Board,
5 Miss Tramonte, would you call the roll.

6 THE CLERK: Chairman Jones?

7 CHAIRMAN JONES: Here.

8 THE CLERK: Mr. Bradford?

9 MR. BRADFORD: Here.

10 THE CLERK: Mr. Stipe?

11 MR. STIPE: Here.

12 THE CLERK: Mr. Singleton? [No
13 response.] Miss Noonan?

14 MS. NOONAN: Here.

15 THE CLERK: Major Mercer?

16 MAJOR MERCER: Here.

17 THE CLERK: Mr. Jackson?

18 MR. JACKSON: Here.

19 THE CLERK: Mr. Gaston?

20 MR. GASTON: Here.

21 THE CLERK: Miss Berry?

22 MS. BERRY: Here.

23 THE CLERK: Colonel Edmonson?

24 MAJOR NOEL: Major Noel for Colonel
25 Edmonson.

9

1 THE CLERK: Secretary Barfield.

2 MR. LEGENDRE: Mike Legendre for
3 Secretary Barfield.

4 CHAIRMAN JONES: We have a quorum.
5 We may conduct business. A couple
6 administrative issues: Our meeting in
7 June had to be moved up because of some
8 travel issues. We will be meeting
9 Monday, June 8th, in this room, and
10 thereafter we should be back to our
11 regular Thursday -- third Thursday back
12 at the capital, but we appreciate the
13 Department of Revenue helping us out
14 with the use of their facilities.

15 And we also want to introduce to you
16 our newest Board Member. Julie Berry
17 comes to us from Southwest Louisiana.
18 She'll be representing interests in that
19 area. She will be subject to
20 confirmation coming up at the end of
21 this month, I believe?

22 MS. BERRY: Yes. Yes, the 27th.

23 CHAIRMAN JONES: And she has a CPA
24 and a financial background which will
25 make the Board that much stronger. In

10

1 that regard, we welcome you to the
2 Board.

3 MS. BERRY: Thank you very much.
4 Appreciate it.

5 II. PUBLIC COMMENTS

6 CHAIRMAN JONES: Any public comments

7 before the Board, any business?

8 III. APPROVAL OF THE MINUTES

9 CHAIRMAN JONES: If not, could I ask
10 for a motion to waive reading and
11 approve the minutes.

12 MR. GASTON: I move.

13 MS. NOONAN: I second.

14 CHAIRMAN JONES: I think that was
15 Mr. Gaston and Miss Noonan. All in
16 favor? [Collective "aye."] Opposed?
17 [No response.] Motion carries.

18 IV. REVENUE REPORTS

19 CHAIRMAN JONES: At this time, I
20 will call Revenue Reports, State Police.

21 MS. JACKSON: Good morning, Chairman
22 Jones, Board Members. My name's Donna
23 Jackson with Louisiana State Police
24 Gaming Enforcement Division.

25 The following is the riverboat

11

1 revenue report for April 2015. During
2 April, the 15 operating riverboats
3 generated Adjusted Gross Receipts of
4 \$164,401,444, a decrease of \$8.8 million
5 or 5 percent from last month, but an
6 increase of \$27 million or 20 percent
7 from April 2014.

8 Adjusted Gross Receipts for fiscal
9 year 2014-2015 to date are

10 \$1,549,000,000,000, up \$128.5 million or
11 9 percent when compared to fiscal year
12 2013-2014. During April, the State
13 collected fees totaling \$35,346,311. As
14 of April 30th, 2015, the State has
15 collected \$333 million in fees for
16 fiscal year 2014-2015.

17 Next is a summary of the April 2015
18 gaming activity for Harrah's New Orleans
19 found on page three. During April,
20 Harrah's generated \$25,485,274 in gross
21 gaming revenue, down \$4.7 million or
22 almost 16 percent from last month, and
23 down \$1 million or 4.4 percent from
24 April 2014.

25 Fiscal year-to-date gaming revenues

12

1 for 2014-2015 are \$272.6 million, down
2 \$8.8 million or 3 percent from fiscal
3 year 2013-2014. During April, the State
4 received \$4.7 million in minimum daily
5 payments. As of April 30th, 2015, the
6 State has collected over \$61 million in
7 fees for fiscal year 2014-2015.

8 Slots at the Racetracks revenues are
9 shown on page four. During April, the
10 four racetrack facilities combined
11 generated Adjusted Gross Receipts of
12 \$30,704,138, a decrease of \$3 million or

13 9 percent from last month, and a slight
14 decrease of .5 percent from April 2014.

15 Adjusted Gross Receipts for fiscal
16 year 2014-2015 to date are
17 \$317.8 million, a decrease of \$3 million
18 or 1 percent from fiscal year 2013-2014.

19 During April, the State collected
20 \$4,657,818 in fees. As of April 30th,
21 2015, the State has collected \$48
22 million in fees for fiscal year
23 2014-2015.

24 Overall in April, riverboats,
25 landbased and slots at the racetracks

13

1 combined generated over \$220 million in
2 Adjusted Gross Receipts and \$45 million
3 in state fees.

4 Are there any questions before I
5 present the Harrah's employee numbers?

6 CHAIRMAN JONES: Any questions from
7 the Board?

8 MS. JACKSON: Harrah's New Orleans
9 is required to maintain at least 2,400
10 employees and a bi-weekly payroll of
11 \$1,750,835. This report covers the two
12 pay periods in April 2015. For the
13 first pay period, the Division verified
14 2,429 employees with a payroll of
15 \$1,912,000. For the second pay period,

16 the Division verified 2,445 employees
17 with a payroll of \$1,926,000.
18 Therefore, Harrah's met the employment
19 criteria during April.

20 CHAIRMAN JONES: Any questions? [No
21 response.] Thank you very much.

22 Jim.

23 MR. BOSSIER: Good morning, Chairman
24 Jones and Board Members. My name is Jim
25 Bossier with the Louisiana State Police

14

1 Gaming Audit Section. I'm reporting
2 video gaming statistics for April 2015
3 as shown on page one of your handout.

4 Twenty-six new video gaming licenses
5 were issued during April: Twenty bars
6 and six restaurants. Nine new
7 applications were received by the Gaming
8 Enforcement Division and are currently
9 pending the field: Two bars, six
10 truckstops and one device owner.

11 The Gaming Enforcement Division
12 assessed \$3,500 and collected \$4,350 in
13 penalties in April, and there are
14 currently \$1,750 in outstanding fines.

15 Please refer to page two of your
16 handout.

17 There are presently 14,363 video
18 gaming devices activated at 1,932

19 locations. Net device revenue for
20 April 2015 was \$51.4 million, a
21 \$4 million or 7.3 percent decrease when
22 compared to March 2015, and a
23 \$1.3 million increase, or 2.5 percent,
24 when compared to April 2014.

25 Net device revenue so far for fiscal
15

1 year 2015 is \$499 million, a \$9 million
2 or 1.8 percent increase when compared to
3 fiscal year 2014. Page three of your
4 handout shows a comparison of net device
5 revenue.

6 Total franchise fees collected for
7 April 2015 were \$15.4 million, a
8 \$1.2 million decrease when compared to
9 March 2015, and a \$300,000 increase when
10 compared to April 2014.

11 Total franchise fees collected for
12 fiscal year 2015 are \$149.6 million, a
13 \$3 million increase or 2 percent when
14 compared to fiscal year 2014. Page four
15 of your handout out shows a comparison
16 of franchise fees.

17 Does anybody have any questions?

18 CHAIRMAN JONES: Any questions,
19 Board Members? No, sir.

20 MR. BOSSIER: Thank you.

21 V. COMPLIANCE REPORTS

22 CHAIRMAN JONES: At this time, we'd
23 like to call for compliance reports from
24 the Attorney General's Office. Good
25 morning.

16

1 MS. BROWN: Good morning. Good
2 morning, Chairman Jones, Board Members.
3 I'm Mesa Brown, Assistant Attorney
4 General. Today I'll present the staff
5 reports on riverboat and racetrack
6 casino licensees' compliance and
7 employment and procurement conditions
8 for the first quarter of 2015. I'll
9 begin with riverboats.

10 The first quarter reports are taken
11 from figures reported by the 15
12 operating riverboats to the Louisiana
13 Gaming Control Board. In the first
14 quarter of 2015, approximately 15,150
15 people were employed by the riverboat
16 industry. Of that number, 14,735 were
17 Louisiana residents, 9,579 were
18 minorities and 8,580 were women.

19 Three licensees achieved total
20 compliance this quarter. They are
21 L'Auberge Casino & Hotel Baton Rouge,
22 Belle of Baton Rouge Casino, and
23 L'Auberge Casino & Hotel Lake Charles.

24 Next I'll address employment. Four

25 licensees did not meet their total

17

1 employment goals. They are:

2 DiamondJacks Casino & Resort, who

3 achieved 519 out of a goal of 650;

4 Hollywood, who achieved 440 out of 450;

5 Boomtown Casino Bossier, who achieved

6 583 out of 650; and Eldorado Resort

7 Shreveport, who achieved 1,149 out of

8 1,200.

9 All licensees, with the exception of

10 Treasure Chest Casino, either met or

11 exceeded their voluntary conditions in

12 all of the subcategories under the main

13 category of employment. Under female

14 employment, Treasure Chest achieved 50.3

15 out of a goal of 51.86.

16 Next I'll address procurement. The

17 licensees are grouped according to three

18 subcategories which appear in your

19 report. They are Louisiana, minority

20 and female procurement.

21 Louisiana procurement, four

22 licensees did not achieve compliance

23 with their voluntary conditions, and

24 they are: Golden Nugget Lake Charles,

25 who achieved 46.9 out of a goal of

18

1 60 percent; Horseshoe Casino and Hotel,

2 who achieved 66.6 out of 75; Hollywood
3 Casino, who achieved 68.7 out of 80; and
4 Margaritaville Resort Casino, who
5 achieved 80.5 out of 90.

6 Minority procurement, ten licensees
7 did not achieve compliance with their
8 voluntary conditions, and they are:
9 DiamondJacks, who achieved 5.8 percent
10 out of a goal of 10 percent; Sam's Town
11 achieved 10.1 out of 25; Golden Nugget
12 achieved 6.7 out of 10; Horseshoe Casino
13 & Hotel achieved 8.3 out of 35; Boomtown
14 New Orleans achieved 9.2 out of 15;
15 Treasure Chest Casino achieved 8 out of
16 15; Amelia Belle Casino achieved 1.9 out
17 of 30; Isle of Capri Casino St. Charles
18 achieved 9.1 out of 10; Boomtown Casino
19 Bossier achieved 8.6 out of 10; and
20 Eldorado Resort Shreveport achieved 18.9
21 out of 25.

22 And in female procurement one
23 licensee did not achieve compliance with
24 its voluntary condition, and that
25 licensee is Hollywood Casino, who

19

1 achieved 9.8 out of a goal of
2 10 percent.

3 Are there any questions regarding
4 the riverboat casinos?

5 CHAIRMAN JONES: Any questions on
6 the riverboat compliance?

7 Just let me say something. We get
8 these reports quarterly, and I don't
9 think, in my 20 some odd months here,
10 I've seen a worst report with regard to
11 minority compliance.

12 MR. GASTON: Yes.

13 CHAIRMAN JONES: The message that I
14 would send to all who hold a license in
15 this state to operate a riverboat is:
16 You established these goals. You made a
17 commitment, and you've got a license to
18 operate. Some of these numbers are
19 awful. They're not even close.

20 We've taken a fairly benevolent
21 approach to simply monitoring these
22 numbers; but the fact is, you set a
23 goal, and some of you aren't even
24 getting close. If you have to come
25 before the Board to explain why that's

20

1 occurring, then we'll do that. We're
2 going to pay attention to this.

3 The only reason we have gaming in
4 this state is because of economic
5 development. When you don't meet your
6 goals, it impairs the economic
7 development of this state which

8 undermines the whole basis for legalized
9 gaming in this state.

10 So I'm going to ask you one more
11 time, licensees, improve. You have to
12 do better on your minority procurement.
13 You have to.

14 Are there any questions from the
15 Board? [No response.] Please proceed.

16 MS. BROWN: Thank you. Now, I'll
17 begin with racetrack. In the first
18 quarter of 2015, approximately 1,817
19 people were employed by the racetrack
20 casino industry. Of that number, 1,550
21 were Louisiana residents, 989 were
22 minorities, and 1,069 were women.

23 All racetrack casino licensees
24 achieved total compliance with the
25 exception of two licensees. Those

21

1 licensees are Delta Downs and Louisiana
2 Downs. Delta Downs did not achieve its
3 Louisiana employment condition. It
4 achieved 63.7 out of the 80 percent
5 condition, and Louisiana Downs did not
6 achieve its female employment goal. It
7 achieved 55.7 out of the 60 percent
8 goal.

9 Are there any questions regarding
10 the racetracks?

11 CHAIRMAN JONES: Any questions on
12 racetracks before we move on? No.

13 MS. BROWN: Thank you.

14 CHAIRMAN JONES: Thank you.

15 VI. VIDEO GAMING ISSUES

16 1. Galliano Properties, LLC, d/b/a Bayou Gold
17 Casino - No. 2900517212 (new application)

18 CHAIRMAN JONES: We'll now move to
19 Video Gaming Issues. First up, new
20 truckstop applications. Number one is
21 Galliano Properties, LLC, doing business
22 as Bayou Gold Casino, No. 2900517212.
23 This is a new application. Good
24 morning.

25 MS. HOOD: Good morning, Chairman
22

1 Jones, Members of the Board. I'm
2 Assistant Attorney General Heather Hood
3 before the Board in the matter of the
4 original application of Galliano
5 Properties, LLC, doing business as Bayou
6 Gold Casino for approval a Type 5 video
7 draw poker gaming license. The
8 truckstop facility is located at 16860
9 Highway 3235 in Cut Off, Louisiana, in
10 Lafourche Parish.

11 On February 24th, 2015, Galliano
12 Properties purchased 15.66 acres, that
13 compromises the licensed establishment,

14 from CDJS, LLC. At the time of the
15 sale, the location was licensed to
16 Miletello's Gulf South Management doing
17 business as Jubilee Travel Plaza, who
18 leased the land from CDJS. That lease
19 has since been terminated.

20 Galliano Properties leased the
21 convenience store and restaurant
22 operations to Splash's Chevron, LLC.
23 Galliano Properties executed a
24 service/sales agreement with Grabert and
25 Sons Motor Service to provide on-site

23

1 repair for 18-wheeler vehicles.

2 The associated persons are Eric
3 Stathes, who has a 50 percent membership
4 interest; Amanda Stathes, who is the
5 spouse of Eric Stathes; and Ryan Retif,
6 who also has a 50 percent membership
7 interest.

8 Senior Trooper James Cannon
9 inspected the truckstop facility and
10 conducted suitability investigations of
11 the associated persons. He's present
12 this morning to report his findings to
13 the board.

14 SENIOR TROOPER CANNON: Good
15 morning, Chairman, Members of the Board.
16 Eric J. Stathes and his wife, Amanda K.

17 Stathes, previously submitted to
18 suitability investigations in connection
19 with other video poker licenses. Ryan
20 J. Retif was not connected to any other
21 video gaming licenses. I conducted a
22 suitability investigation and criminal
23 history inquiry on him.

24 Tax clearance certificates and
25 inquiries revealed that Galliano

24

1 Properties, LLC, doing business as Bayou
2 Gold Casino, and its associated persons
3 are current in the filing and payment of
4 all required taxes and returns.

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

12 The establishment consists of at
13 least five contiguous acres,
14 specifically 15.66 acres. The
15 establishment has a separate area for
16 adult patronage only as required by
17 state gaming law.

18 I found no information to preclude
19 the issuance of a Type 5 video gaming

20 license to Galliano Properties, LLC,
21 doing business as Bayou Gold Casino, or
22 to preclude Eric J. Stathes and Amanda
23 K. Stathes from continuing to
24 participate in the gaming industry or to
25 preclude Ryan J. Retif from

25

1 participating the gaming industry.

2 MS. HOOD: The Office of the
3 Attorney General has reviewed the file
4 compiled as a result of the
5 investigation conducted by the Gaming
6 Enforcement Division of the Office of
7 State Police. Our review indicates that
8 no information has been found to
9 preclude the issuance of a Type 5
10 license to Galliano Properties, LLC,
11 doing business as Bayou Gold Casino.

12 CHAIRMAN JONES: Board Members, any
13 questions on the application? [No
14 response.] Do I have a motion to
15 approve the application? By Mr. Mercer.

16 MR. BRADFORD: Second.

17 CHAIRMAN JONES: Second by
18 Mr. Bradford. All in favor?
19 [Collective "aye."] Opposed? [No
20 response.] The motion carries. The
21 license is issued. Thank you.

22 MS. HOOD: Thank you.

23 2. Cash Magic Prospect Station, LLC, d/b/a Cash
24 Magic Prospect Station - No. 5500517083 (new
25 application)

26

1 CHAIRMAN JONES: Now up, Cash Magic
2 Prospect Station, LLC, doing business as
3 Cash Magic Prospect Station, No.
4 5500517083. This also is a new
5 application.

6 Good morning, gentlemen.

7 TROOPER LENGUYEN: Morning.

8 MR. MONSOUR: Morning, Chairman
9 Jones and Members of the Board. I'm
10 Assistant Attorney General Michael
11 Monsour present before the Board in the
12 matter of the approval of an original
13 application for a Type 5 video draw
14 poker gaming license by Cash Magic
15 Prospect Station, LLC, doing business as
16 Cash Magic Prospect Station, pursuant to
17 a transfer of ownership of a licensed
18 establishment.

19 Effective July 2nd, 2014, Cash Magic
20 Prospect Station, LLC, doing business as
21 Cash Magic Prospect Station, purchased
22 the licensed establishment of Hill City
23 Oil Company, Inc. of Mississippi doing
24 business as Prospect Station, located in
25 Houma, Louisiana, Terrebonne Parish.

1 The sale included the establishment's
2 business operations and related assets,
3 intellectual property rights and
4 goodwill.

5 Prospect Station, Inc., is the owner
6 of the land comprising the truckstop
7 facility, which is three lots that hold
8 13.72 acres. Effective July 2nd, 2014,
9 Prospect Station, Inc., leased the land
10 to Cash Magic Prospect Station, LLC. On
11 July 28th, 2014, Cash Magic Prospect
12 Station submitted an original
13 application for a Type 5 video draw
14 poker gaming license to operate the
15 truckstop facility.

16 Gameco Holdings, Inc., is the sole
17 member of the applicant, and Jacobs
18 Investments, Inc., is the sole owner of
19 Gameco Holdings, Inc.

20 The video draw poker placement
21 agreement is with Jalou Device Owner,
22 L.P.

23 Trooper Vincent Lenguyen inspected
24 the truckstop facility, and he is
25 present this morning to report his

1 findings to the Board.

2 TROOPER LENGUYEN: Good morning,

3 Chairman Jones and Board Members. My
4 name is Trooper Vincent Lenguyen with
5 Louisiana State Police Gaming
6 Enforcement Division. I'm here to
7 present my investigation findings.

8 All associated persons previously
9 submitted to suitability investigation
10 in connection with this license have
11 been found suitable except for William
12 H. Stephens, who was previously
13 associated with an entity that
14 surrendered a license in 2007.

15 An updated suitability investigation
16 including criminal and civil history
17 inquiry were conducted on all associated
18 persons in reference to this
19 application. An on-site inspection was
20 conducted, and it was determined that
21 the establishment meet all criteria set
22 forth in the video gaming law as a
23 qualified truckstop facility.

24 All required licenses and permits
25 were posted and valid at the time of the

29

1 inspection.

2 The establishment consists of at
3 least five contiguous acres,
4 specifically 13.72 acres. The
5 establishment had a separate area for

6 adult patrons only as required by state
7 gaming law.

8 I found no information to preclude
9 the issuance of the Type 5 video gaming
10 poker license to Cash Magic Prospect
11 Station, LLC, doing business as Cash
12 Magic Prospect Station, or to preclude
13 any associated persons from
14 participating or continuing to
15 participate in the gaming industry.

16 MR. MONSOUR: The Office of the
17 Attorney General has reviewed the file
18 compiled as a result of the
19 investigation conducted by the Gaming
20 Enforcement Division of the Office of
21 State Police. Our review indicates that
22 no information has been found to
23 preclude the issuance of a Type 5
24 license to Cash Magic Prospect Station,
25 LLC, doing business as Cash Magic

30

1 Prospect Station.

2 CHAIRMAN JONES: Board Members, any
3 questions on the application?

4 MR. GASTON: I'd like to move,
5 Mr. Chairman.

6 MR. JACKSON: Second.

7 CHAIRMAN JONES: All in favor?

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

9 response.] Motion carries for issuance
10 of the license. Thank you, gentlemen.
11 3. Cash Magic Berwick, LLC, d/b/a Hollywood Truck
12 Plaza & Casino - No. 5103517058 (new
13 application)

14 CHAIRMAN JONES: And finally up for
15 a new application, Cash Magic Berwick,
16 LLC, doing business as Hollywood Truck
17 Plaza & Casino. The number on your
18 agenda is incorrect. The corrected
19 number is 5103517058. Please proceed.

20 MR. MONSOUR: Thank you. Again,
21 Chairman Jones, Members of the Board,
22 Michael Monsour Assistant Attorney
23 General. I'm present today in the
24 matter of the approval of the original
25 application for a Type 5 video draw

31

1 poker gaming license by Cash Magic
2 Berwick Station -- Cash Magic Berwick,
3 LLC, doing business as Hollywood Truck
4 Plaza & Casino pursuant to a transfer of
5 ownership of the licensed establishment.

6 On May 13, 2014, Cash Magic Berwick,
7 LLC, doing business as Hollywood Truck
8 Plaza & Casino, purchased the licensed
9 establishment of Hollywood Truck Plaza &
10 Casino, LLC, doing business as Hollywood
11 Truck Plaza & Casino, located in East

12 Berwick, Louisiana, St. Mary Parish.
13 The sale included the establishment's
14 equipment, inventory and intellectual
15 property rights.

16 Propco Berwick, LLC, is the owner of
17 the land comprising the truckstop
18 facility, which is 5.10 acres.

19 Effective May 13th, 2014, Propco
20 Berwick, LLC, leased the land to Cash
21 Magic Berwick, LLC.

22 On or about June 11, 2014, Cash
23 Magic Berwick, LLC, submitted an
24 original application for a Type 5 video
25 draw poker gaming license to operate the

32

1 truckstop facility.

2 Gameco Holdings, Inc., is the sole
3 member of the applicant, and Jacobs
4 Investment, Inc., is the sole owner of
5 Gameco Holdings, Inc.

6 The video draw poker placement
7 agreement is with Jalou Device Owner,
8 L.P.

9 Senior Trooper James Cannon
10 inspected the truckstop facility.
11 Trooper Cannon is present this morning
12 to report his findings to the Board.

13 SENIOR TROOPER CANNON: All
14 associated persons previously submitted

15 to suitability investigations in
16 connection with other existing licenses
17 except for William H. Stephens, who was
18 previously associated with an entity
19 that surrendered its license in 2007.

20 Updated suitability investigations,
21 including criminal and civil history
22 inquiries, were conducted on all
23 associated persons. Tax clearance
24 certificates and inquiries revealed that
25 Cash Magic Berwick, LLC, and its

33

1 associated persons are current in the
2 filing and payment of all required taxes
3 and returns.

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 license and permits were posted and
10 valid at the time of inspection.

11 The establishment consists of at
12 least five contiguous acres,
13 specifically 5.1 acres. The
14 establishment has a separate area for
15 adult patrons only as required by state
16 gaming law.

17 I found no information to preclude

18 the issuance of a Type 5 video draw
19 poker gaming license to Cash Magic
20 Berwick, LLC, doing business as
21 Hollywood Truck Plaza & Casino, or to
22 preclude any associated persons from
23 participating or continuing to
24 participate in the gaming industry.

25 MR. MONSOUR: The Office of the

34

1 Attorney General has reviewed the file
2 compiled in connection with the
3 investigation conducted by the Gaming
4 Enforcement Division of the Office of
5 State Police. Our review indicates that
6 no information has been found to
7 preclude the issuance of a Type 5
8 license to Cash Magic Berwick, LLC,
9 d/b/a Hollywood Truck Plaza & Casino.

10 CHAIRMAN JONES: Board Members, any
11 questions on the application? There are
12 no questions. Do I have a motion?

13 MR. JACKSON: Motion to approve.

14 CHAIRMAN JONES: By Mr. Jackson,
15 second by --

16 MS. NOONAN: Second.

17 CHAIRMAN JONES: -- Miss Noonan.

18 All in favor? [Collective "aye."]

19 Opposed? [No response.] Issuance of
20 the license, the motion carries. Thank

21 you.

22 MR. MONSOUR: Thank you. Chairman,

23 I have the corrected cover page with the

24 license number. I just have one copy.

25 Would it be all right if I e-mail it to

35

1 you later today?

2 CHAIRMAN JONES: That would be fine.

3 Thank you.

4 4. Big Wheels Travel Center, LLC, d/b/a Big Wheels

5 Casino - No. 2900511884 (transfer of interest)

6 CHAIRMAN JONES: The last item up on

7 the video poker agenda is the transfer

8 of interest in the truckstop.

9 Consideration of the transfer of

10 interest in Big Wheels Travel Center,

11 LLC, doing business as Big Wheels

12 Casino, No. 2900511884.

13 Good morning.

14 MR. PITRE: Morning. Chairman

15 Jones, Board Members, I'm Assistant

16 Attorney General Earl Pitre, Jr.,

17 appearing before the Board in the matter

18 of the transfer of a hundred percent

19 membership interest of Big Wheels Travel

20 Center, LLC, doing business as Big

21 Wheels Casino.

22 The licensee holds a Type 5 video

23 gaming license and operates a truckstop

24 facility at 3092 Bayou Blue Road, Gray,
25 Louisiana, in Lafourche Parish.

36

1 On December 31st, 2014, Bobby Corte,
2 Jr., and Virginia Corte entered into an
3 Act of Partition of Community Property
4 ordering Bobby Corte, Jr., the sole
5 100 percent member of the licensee,
6 transferred all of his membership
7 interest to Virginia Corte as her
8 separate property.

9 Due to this transfer, the membership
10 interest in the licensee is as follows:
11 Virginia Corte 100 percent and Bobby
12 Corte as the manager.

13 Trooper Vincent Lenguyen conducted a
14 suitability investigation of the
15 relevant persons associated with the
16 transfer of membership interest. He
17 will present his report to the Board.

18 TROOPER LENGUYEN: Chairman Jones
19 and Board Members, my name is Vincent
20 Lenguyen. I'm here to report my
21 investigation findings.

22 I investigated the transfer of
23 100 percent of the membership interest
24 in the licensee and conducted an updated
25 suitability investigation of Bobby

37

1 Corte, Jr., and Virginia Corte who
2 previously met suitability. I found no
3 information that would preclude Bobby
4 Corte, Jr., or Virginia Corte from
5 continuing to participate in the video
6 gaming industry or any information that
7 would preclude the continued licensing
8 of Big Wheels Travel Center, LLC, doing
9 business as Big Wheels Casino.

10 MR. PITRE: The Office of the
11 Attorney General reviewed the file
12 compiled as a result of the
13 investigation conducted by the Office of
14 State Police. Our review indicates that
15 no information has been found that would
16 preclude Bobby Corte, Jr., or Virginia
17 Corte from continuing to participate in
18 the video gaming industry or that would
19 preclude the continued licensing of Big
20 Wheels Travel Center, LLC, doing
21 business as Big Wheels Casino.

22 CHAIRMAN JONES: Thank you. Board
23 Members, any questions on the transfer?

24 MR. STIPE: And this is done for
25 estate planning purposes?

38

1 TROOPER LENGUYEN: Yes, sir.

2 MR. STIPE: And so at a later date,
3 they'll set up a trust.

4 TROOPER LENGUYEN: Yes. Once this
5 is approved by the Board -- I spoke to
6 the licensing attorney. They said
7 they're going to try to set up a trust
8 to move these properties to the three
9 kids.

10 CHAIRMAN JONES: No other questions?
11 Do I have a motion to approve the
12 transfer? By Mr. Bradford, seconded by
13 Mr. Stipe. All in favor? [Collective
14 "aye."] All opposed? [No response.]
15 Motion carries. The transfer is hereby
16 approved. Thank you, gentlemen.

17 MR. PITRE: Thank you.

18 TROOPER LENGUYEN: Thank you.

19 MR. GASTON: Mr. Chairman?

20 CHAIRMAN JONES: Yes, sir.

21 MR. GASTON: Again, the thoroughness
22 of these investigations by the Attorney
23 General's Office and State Police
24 really -- because I read this last
25 night -- impressive, your thoroughness.

39

1 Now, one of them they did check the
2 background, and it looked like 82,000
3 locations; but it's very impressive. It
4 really is. Makes you feel safe.

5 CHAIRMAN JONES: They do good work.
6 Appreciate that.

7 VII. CASINO GAMING ISSUES

8 A. Consideration of renewal applications for
9 the riverboat license of Catfish Queen
10 Partnership in Commendam d/b/a Belle of
11 Baton Rouge - No. R011700009

12 CHAIRMAN JONES: Now to Casino
13 Gaming Issues. First up is
14 Consideration of renewal application for
15 the riverboat license of Catfish Queen
16 Partnership doing business as Belle of
17 Baton Rouge, No. RO1170009.

18 Good morning.

19 MS. MOORE: Good morning,
20 Mr. Chairman, Members of the Board. I'm
21 Assistant Attorney General Charmaine
22 Moore, and with me are State Police
23 Auditor Trnessia Ware and Trooper
24 Michael Daniel. Representatives of the
25 licensee are also present today.

40

1 We're here in the matter of the
2 renewal of the riverboat license of
3 Catfish Queen Partnership in Commendam
4 doing business as Belle of Baton Rouge
5 located in Baton Rouge.

6 Riverboat licenses are issued for
7 five-year terms, and the license of
8 Catfish Queen is due to expire on
9 July 18th, 2015. The licensee is owned

10 by Tropicana Entertainment, Inc.
11 The corporate securities section of
12 the Gaming Enforcement Division of State
13 Police reviewed the financial
14 circumstances of the licensee, and the
15 licensing section conducted a
16 suitability investigation of the
17 licensee, its parent companies and
18 principals.

19 At this time, State Police Auditor
20 Trnessia Ware and Trooper Michael Daniel
21 will present their findings to the
22 Board.

23 MS. WARE: Good morning, Chairman
24 Jones and Members of the Board. My name
25 is Trnessia Ware with Louisiana State

41

1 Police Corporate Securities Audit.

2 Licensee, Catfish Queen Partnership
3 in Commendam doing business as Belle of
4 Baton Rouge Casino, is owned 100 percent
5 by Tropicana Entertainment. Belle of
6 Baton Rouge is one of three riverboat
7 casinos and one racino in the Baton
8 Rouge market.

9 For fiscal year 2013-2014, Belle of
10 Baton Rouge ranked fourth in the Baton
11 Rouge market with gross receipts of
12 approximately \$61 million. In 2014,

13 Belle of Baton Rouge budgeted
14 approximately \$2.3 million for capital
15 expenditures and projects it will spend
16 approximately 2.5 million for years 2015
17 through 2019.

18 Through a shared service agreement,
19 Tropicana allocates management fees
20 based on Belle of Baton Rouge's need for
21 expenses incurred in managing and
22 supporting Belle of Baton Rouge's
23 operations. Page four of your report
24 shows the amount of management service
25 fees paid for years ending 2012 through

42

1 2014.

2 In conclusion, no financial issues
3 came to our attention to preclude the
4 Board from approving the Belle of Baton
5 Rouge's license for a period of five
6 years effective July 18th, 2015.

7 Trooper Mike Daniel will now present
8 his findings.

9 SENIOR TROOPER DANIEL: Good
10 morning, Chairman Jones and Members of
11 the Board. I'm Senior Trooper Michael
12 Daniel with Louisiana State Police
13 Gaming Enforcement Division. I was
14 assigned to conduct a suitability
15 investigation regarding the license

16 renewal of Catfish Queen Partnership
17 doing business as Belle of Baton Rouge
18 Casino & Hotel.

19 This consisted of inquiries of
20 federal, state and local law enforcement
21 agencies, computerized criminal history
22 databases, civil institutions and gaming
23 regulatory agencies. During the
24 suitability investigation, no
25 information was discovered to preclude

43

1 licensing of Catfish Queen Partnership
2 in Commendam doing business as Belle of
3 Baton Rouge Casino & Hotel, the
4 associated entities or key personnel.

5 At this time, we'll answer any
6 questions you may have.

7 CHAIRMAN JONES: Board Members, do
8 you have any questions of the Attorney
9 General's Office or State Police? [No
10 response.]

11 Do representatives of the licensee
12 wish to speak to the Board? Morning,
13 gentlemen.

14 MR. DUNCAN: Good morning. Kelly
15 Duncan from Jones Walker, counsel to
16 Tropicana and Catfish Queen Partnership
17 in Commendam. To my right is Tony
18 Rodio, President and CEO of Tropicana

19 and the licensee, and to my left is
20 Patrick Browne, who as you know is the
21 General Manager of Catfish Queen, the
22 licensee.

23 MR. RODIO: Morning, Mr. Chairman,
24 and Board. On behalf of Tropicana
25 Entertainment, first of all, I'd like to

44

1 thank and commend the Attorney General's
2 Office and staff for the thorough work,
3 and I agree with the comments earlier.
4 They certainly do a fine job.

5 We certainly appreciate your
6 consideration of our five-year renewal.
7 You know, last time I was formally in
8 front of this Board with the opening of
9 the L'Auberge, we had requested a
10 minimum staffing reduction from 600 to
11 450; and we committed that we would do
12 it through attrition, and we would only
13 reduce staff to the level that business
14 needs warranted. And I'm happy to
15 report that even though we got a
16 reduction from 600 to 450, we still
17 maintain 585 employees at the Belle of
18 Baton Rouge.

19 Also, I'm also happy to report that
20 we're one of the riverboats that were
21 able to meet each and every one of our

22 procurement and employment goals. We
23 may not be the largest riverboat or
24 operation in the State of Louisiana, but
25 we are committed to this market. We're

45

1 committed to this state. We have
2 complete confidence in the management
3 team there and have been very happy and
4 pleased with our results in the face of
5 the competition that I referenced
6 earlier.

7 I'll be happy to answer any
8 questions that the Board may have.

9 CHAIRMAN JONES: Mr. Browne, do you
10 have anything?

11 MR. BROWNE: Good morning, Chairman
12 Jones and Board Members. I too want to
13 thank you for the privilege for renewing
14 our gaming license and to operate in the
15 community of downtown Baton Rouge. It's
16 much appreciated. Thank you.

17 CHAIRMAN JONES: I'm sure you're
18 probably aware, Mr. Rodio, that I was
19 on-site last week visiting the property.

20 MR. RODIO: Yes.

21 CHAIRMAN JONES: Patrick has an
22 amazing passion for that boat, and we
23 appreciate that. He pointed out some of
24 the improvements that have been made,

25 talked a little bit about where you-guys

46

1 would like to go, and we appreciate
2 your -- your commitment to that
3 property, your reinvestment back into
4 the property and being a good gaming
5 neighbor for all of us, and we're glad
6 to be back in force again.

7 Do we have any questions from the
8 Board Members? Mr. Stipe.

9 MR. STIPE: As I look at the
10 submittal, the capex expenditure
11 projection is flatlined during this
12 five-year period, so I was hoping maybe
13 you could kind of articulate the plan
14 given that projection of flat capital
15 expenditure for this license renewal.

16 MR. RODIO: Yeah, I mean, obviously,
17 as alluded to earlier, the market
18 changed dramatically with the opening of
19 L'Auberge, and the Belle, while it was
20 impacted, sir, it wasn't impacted to the
21 magnitude that a lot of financial
22 analysts and gaming analysts have
23 projected. We've been happy with the
24 results, but it has been impacted
25 nonetheless.

47

1 So it's hard for us to commit any

2 significant dollars given the level of
3 return that we get. We are constantly
4 looking at ways to change the
5 experience. I think one of the things
6 that Patrick has done with his staff is
7 energized that atrium, and we utilize
8 that probably a hundred, 150 times a
9 year. And that's reinvigorated the
10 entire facility.

11 Our biggest hurdle that we have to
12 overcome is the distance from our hotel
13 and our atrium to the actual gaming
14 facility. We have looked at a number of
15 alternatives. If we can economically
16 get that casino closer to the atrium or
17 actually get it in the atrium, then we
18 would be very seriously interested and
19 committed to making a major capital
20 investment into the market, which we
21 think would create construction jobs, as
22 well as permitted jobs. We've talked
23 about that at length this morning, and
24 we're going to continue to look at a
25 plan that maybe can meet the

48

1 requirements of the state.

2 CHAIRMAN JONES: We understand this
3 is a first generation boat, first
4 generation property. It's been in the

5 same spot. It actually sits on a lot of
6 water, so there are challenges, and I
7 think the challenges downtown have begun
8 to moderate a little bit because Baton
9 Rouge is doing an awful lot downtown;
10 and you-guys can be a big partner with
11 that.

12 So we appreciate your commitment.
13 We do understand. The Board understands
14 the challenge. That's why we were
15 agreeable to hearing the staffing
16 problems during the past year, and we'll
17 always be considerate of what you're
18 trying to do there.

19 Are there any other questions, Board
20 Members?

21 MR. GASTON: Mr. Chairman.

22 CHAIRMAN JONES: Yes.

23 MR. GASTON: I'd like to move
24 approval, and particularly in light of
25 the fact that -- of IBM moving in, a lot

49

1 of them are going to be gambling. IBM
2 people like to gamble.

3 MR. RODIO: I hope you're right.

4 MR. GASTON: I hope so.

5 CHAIRMAN JONES: So we have a motion
6 to adopt the resolution.

7 MR. JACKSON: Second.

8 CHAIRMAN JONES: And a second by
9 Miss Noonan.

10 Miss Tramonte, would you read the
11 resolution into the record.

12 THE CLERK: On the 18th day of May
13 2015, the Louisiana Gaming Control Board
14 did, in a duly-noticed public meeting,
15 consider the license renewal application
16 of Catfish Queen Partnership in
17 Commendam doing business as Belle of
18 Baton Rouge, and upon motion duly made
19 and second, the Board adopted this
20 resolution.

21 Be it resolved that the license
22 RO11700009 to conduct riverboat gaming
23 issued to Catfish Queen Partnership in
24 Commendam d/b/a Belle of Baton Rouge be
25 renewed for a term of five years

50

1 commencing July 18th, 2015, subject to
2 the Statement of Conditions to riverboat
3 gaming license of Catfish Queen
4 Partnership in Commendam attached hereto
5 and made a part hereof.

6 Thus done and signed in Baton Rouge,
7 Louisiana, this 18th day of May 2015.

8 CHAIRMAN JONES: Please call the
9 roll.

10 THE CLERK: Mr. Bradford?

11 MR. BRADFORD: Yes.
12 THE CLERK: Mr. Stipe?
13 MR. STIPE: Yes.
14 THE CLERK: Miss Noonan?
15 MS. NOONAN: Yes.
16 THE CLERK: Major Mercer?
17 MAJOR MERCER: Yes.
18 THE CLERK: Mr. Jackson?
19 MR. JACKSON: Yes.
20 THE CLERK: Mr. Gaston?
21 MR. GASTON: Yes.
22 THE CLERK: Miss Berry?
23 MS. BERRY: Yes.
24 THE CLERK: Chairman Jones?
25 CHAIRMAN JONES: Yes, and the motion

51

1 carries. The renewal is approved.
2 2. Consideration of Certificate of Compliance for
3 the Alternate Riverboat Inspection of the
4 gaming vessel of Catfish Queen Partnership in
5 Commendam d/b/a Belle of Baton Rouge - No.
6 R011700009
7 CHAIRMAN JONES: Next up:
8 Consideration of Certificate of
9 Compliance for the Alternate Riverboat
10 Inspection of the gaming vessel Catfish
11 Queen Partnership in Commendam doing
12 business as Belle of Baton Rouge, No.
13 RO11700009.

14 Morning, gentlemen.
15 MR. THOMPSON: Morning,
16 Mr. Chairman. Mr. Chairman, Board
17 Members, I'm Assistant Attorney General
18 Buddy Thompson. With me is John Francic
19 of American Bureau of Shipping
20 Consultants known as ABSC. We're here
21 in matter of the issuance of the renewal
22 of the Certificate of Compliance to
23 Catfish Queen Partnership in Commendam
24 d/b/a Belle of Baton Rouge.

25 On March the 25th, 2015, ABSC began

52

1 the inspection process for the renewal
2 of Belle of Baton Rouge's Certificate of
3 Compliance. For more on this, I now
4 turn the presentation over to John
5 Francic.

6 MR. FRANCIC: Morning, Chairman and
7 Board Members. I'm John Francic with
8 ABS Consulting here to report the annual
9 certification for Belle of Baton Rouge
10 Casino.

11 The inspectors Doug Chapman and Pete
12 Bullard did, on February 25th, attend
13 the riverboat Argosy III to conduct the
14 annual inspection in accordance with the
15 alternative inspection of riverboat
16 gaming vessels in the State of

17 Louisiana. The inspectors reviewed fire
18 protection equipment, egress routes,
19 mooring system, machinery spaces,
20 training records and conducted a fire
21 drill. The deficiencies noted -- the
22 deficiencies found during this
23 inspection are found on page six of your
24 report.

25 A follow-up to all deficient items

53

1 were corrected and found satisfactory.
2 This can be found in the supplemental
3 report dated April 27th, 2015.

4 The annual survey as required by the
5 Louisiana Gaming Control Board is
6 complete and presents no safety concerns
7 to its patrons and employees onboard the
8 riverboat. It is the recommendation of
9 ABSC that the Belle of Baton Rouge
10 Casino be issued a Certificate of
11 Compliance.

12 MR. THOMPSON: We now present these
13 findings to the Board and request that
14 upon the Board accepting the report
15 submitted by ABSC, the Board will move
16 for the renewal of Catfish Queen
17 Partnership in Commendam d/b/a Belle of
18 Baton Rouge's Certificate of Compliance.

19 CHAIRMAN JONES: Board, any

20 questions? There appear to be no
21 questions. Do I have a motion to issue
22 the Certificate of Compliance?

23 MAJOR MERCER: I move for approval.

24 CHAIRMAN JONES: By Major Mercer,
25 second by Mr. Stipe. All in favor?

54

1 [Collective "aye."] Opposed? [No
2 response.] The motion carries. The
3 Certificate of Compliance is issued.

4 Thank you, and you can keep your seats.

5 C. Consideration of Certificate of Compliance for
6 the Alternate Riverboat Inspection of the
7 gaming vessel of PNK Lake Charles, LLC, d/b/a
8 L'Auberge Lake Charles - No. RO11001707

9 CHAIRMAN JONES: Next up:
10 Consideration of Certificate of
11 Compliance for the Alternate Riverboat
12 Inspection of the gaming vessel of PNK
13 Lake Charles doing business as L'Auberge
14 Lake Charles, No. RO11001707.

15 MR. THOMPSON: Mr. Chairman, Board
16 Members, again I'm Buddy Thompson
17 Assistant Attorney General. With me is
18 John Francic with ABSC. We're here in
19 the matter of the issuance of the
20 renewal Certificate of Compliance of PNK
21 Lake Charles, LLC, d/b/a L'Auberge Lake
22 Charles.

23 On April 19th -- on April 9th, 2015,
24 ABSC began the inspection process for
25 the renewal of L'Auberge Lake Charles'

55

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

4 MR. FRANCIC: Chairman, Board
5 Members, John Francic with ABS
6 Consulting here to report the annual
7 certification for the L'Auberge Casino
8 Lake Charles.

9 The inspectors Doug Chapman and Pete
10 Bullard did, on March 30th, attend the
11 riverboat L'Auberge du Lac to conduct
12 the annual inspection in accordance with
13 the Alternate inspection of Riverboat
14 Gaming Vessels in the State of
15 Louisiana. In addition to the
16 certification, a five-year hull exam was
17 completed. The inspectors reviewed the
18 fire protection equipment, egress
19 routes, mooring systems, machinery
20 spaces and surveyed ballast tests.

21 By this report no major concerns
22 with the structure of the hull. Ballast
23 tanks were noted to be in good condition
24 without breach of coatings, and there
25 was no deficiencies found during this

1 inspection.

2 The 2014-2015 annual survey, as
3 required by the Louisiana Gaming Control
4 Board, is complete and presents no
5 safety concerns to its patrons or
6 employees onboard the riverboat. It is
7 the recommendation of ABS Consulting
8 that L'Auberge Casino Lake Charles be
9 issued the Certificate of Compliance.

10 MR. THOMPSON: We now present these
11 findings to the Board and request that
12 upon the Board accepting the report
13 submitted by ABSC, the Board will move
14 for the renewal of PNK Lake Charles,
15 LLC, d/b/a L'Auberge Lake Charles'
16 Certificate of Compliance.

17 CHAIRMAN JONES: Any questions,
18 Board Members? [No response.] Do I
19 have a motion to approve the
20 certificate?

21 MS. NOONAN: I'll make a motion.

22 CHAIRMAN JONES: By Miss Noonan.

23 MR. JACKSON: Second.

24 CHAIRMAN JONES: Second by
25 Mr. Jackson. All in favor? [Collective

1 "aye."] Opposed? [No response.] The
2 motion carries. The certificate is

3 issued.
4 D. Consideration of Certificate of Compliance for
5 the Alternate Riverboat Inspection of the
6 gaming vessel of Margaritaville Casino Venture,
7 Inc., d/b/a Margaritaville Bossier City - No.
8 R011000841

9 CHAIRMAN JONES: Next up:
10 Consideration of Certificate of
11 Compliance for the Alternate Riverboat
12 Inspection of the gaming vessel of
13 Margaritaville Casino Venture doing
14 business as Margaritaville Resort
15 Casino, No. RO11000841.

16 MR. THOMPSON: Again, Mr. Chairman,
17 Board Members, Buddy Thompson Assistant
18 Attorney General, with me John Francic
19 of ABSC. We're here in the matter of
20 the issuance of the renewal Certificate
21 of Compliance to Bossier Casino Venture,
22 Incorporated, d/b/a Margaritaville
23 Resort Casino.

24 On April 16th, 2015, ABSC began the
25 inspection process for the renewal of

58

1 Margaritaville Resort Casino's
2 Certificate of Compliance. For more on
3 this, I turn the presentation over to
4 John Francic.

5 MR. FRANCIC: Chairman, Board

6 Members, I'm John Francic with ABS
7 Consulting here to report the annual
8 certification for Margaritaville Casino.

9 The inspectors, Jeff Boyle and Pete
10 Bullard, did, on April 16th, attend the
11 riverboat Margaritaville to conduct the
12 annual inspection in accordance with the
13 Alternate Inspection of Riverboat Gaming
14 Vessels in the State of Louisiana.

15 The inspectors reviewed fire
16 protection measures, equipment, egress
17 routes, bilges and machinery spaces and
18 conducted a fire drill. Only one
19 deficiency was noted during the
20 inspection, which is found on page six
21 of your report. A follow-up to the fire
22 alarm was corrected and found
23 satisfactory on May 6th. This can be
24 found in the supplemental report.

25 The 2015 annual survey, as required

59

1 by the Louisiana Gaming Control Board,
2 is complete and presents no safety
3 concerns to its patrons or employees
4 onboard the riverboat. It is the
5 recommendation of ABS Consulting that
6 Margaritaville Casino be issued a
7 Certificate of Compliance.

8 MR. THOMPSON: We now present these

9 findings to the Board and request that
10 upon the Board accepting the report
11 submitted by ABSC, the Board will move
12 for renewal of Bossier Casino Venture,
13 Incorporated, d/b/a Margaritaville
14 Resort Casino's Certificate of
15 Compliance.

16 CHAIRMAN JONES: Any questions for
17 the Attorney General's Office or ABSC?
18 We have a motion by Miss Berry --

19 MR. JACKSON: Second.

20 CHAIRMAN JONES: -- a second by
21 Mr. Jackson. All in favor? [Collective
22 "aye."] Opposed? [No response.] The
23 motion carries. The certificate is
24 issued. Thank you.

25 MR. THOMPSON: Thank you.

60

1 E. Consideration of petition by AGS, LLC - Nos.
2 PO76503063 & PO56503059, for Approval of
3 Transfer of Ownership Interests by Amaya, Inc.,
4 indirect parent company of Cadillac Jack, Inc.
5 - No. PO56503186, to AGS, LLC

6 CHAIRMAN JONES: Last up on the
7 Casino Issues: Consideration of
8 petition by AGS, LLC, Nos. PO76503063 &
9 PO56503059, for approval of Transfer of
10 Ownership Interests by Amaya, Inc.,
11 indirect parent company of Cadillac

12 Jack, Inc., No. PO56503186, to AGS, LLC.

13 MR. THOMPSON: Chairman Jones, Board
14 Members, I'm Assistant Attorney General
15 Buddy Thompson. With me are State
16 Police Trooper Kevin Lamotte and also
17 present is attorney for petitioner, AGS,
18 LLC, Paul West. We're here in the
19 matter of the transfer of a hundred
20 percent ownership in Cadillac Jack,
21 Inc., a Louisiana permittee who holds a
22 manufacture of slot machines and video
23 draw poker devices permit being
24 transferred to AGS, LLC.

25 Cadillac Jack, Inc., is currently a

61

1 hundred percent owned by Amaya Holdings
2 Corporation, which is a hundred percent
3 owned by Amaya Americas Corporation
4 which is a hundred percent owned by
5 Amaya, Inc.

6 On March the 30th, 2015, AGS, LLC,
7 which currently holds a manufacture of
8 slot machines and video draw poker
9 devices permit as well as a gaming
10 supplier permit, and Amaya, Inc.,
11 entered into a stock purchase agreement
12 pursuant to which AGS, LLC, will acquire
13 the indirect ownership to the permittee,
14 Cadillac Jack, Inc., by purchasing a

15 hundred percent of the shares of Amaya
16 Americas Corporation which owns a
17 hundred percent of the shares of Amaya
18 Holdings Corporation which owns a
19 hundred percent of Cadillac Jack, Inc.
20 AGS, LLC, is a hundred percent owned
21 by AGS Capital, LLC, which is owned by
22 AP Gaming Acquisition, LLC. AP Gaming
23 Holdings, LP, the ultimately parent
24 company of AP Gaming Acquisition, LLC,
25 is a hundred percent owned by the Apollo

62

1 Fund VIII.

2 Subsequent to the transfer, Apollo
3 Fund VIII consisting of four investment
4 funds will, through a series of
5 intermediary holding companies,
6 including AGS, LLC, hold all of the
7 economic profit and income interest in
8 the permittee, Cadillac Jack, Inc.

9 Apollo Fund VIII is an investment
10 fund which is managed and controlled by
11 Apollo Global Management, an SEC
12 registered and publicly traded company
13 with the New York stock symbol of APO.
14 The three individuals who manage and
15 control Apollo were previously found
16 suitable by the Gaming Control Board on
17 December 19th, 2013, in connection with

18 the transfer of AGS, LLC, to Apollo and
19 continue to maintain their suitability.
20 The president, CEO and CFO of AGS, LLC,
21 were found suitable by the Louisiana
22 Gaming Control Board on July 8th, 2014,
23 and May 12th, 2015, respectively and
24 continue to maintain suitability.

25 There's one investor in Apollo Fund

63

1 Eight with an interest of 5 percent or
2 more. That's the Canadian Pension Plan
3 Investor Board, which was determined to
4 be a institutional investor pursuant to
5 LA R.S. 27:27 by the Louisiana Gaming
6 Control Board on December the 19th,
7 2013.

8 Trooper Kevin Lamotte will now
9 report his findings to the Board.

10 TROOPER LAMOTTE: Good morning,
11 Chairman Jones, Members of the Board. I
12 conducted the background investigation
13 on all fives officers who will be
14 involved in this transaction once it
15 closes, and I found no information that
16 would preclude the Board from approving
17 the transaction. Any questions?

18 MR. THOMPSON: At this time, I
19 believe Paul West, a representative of
20 the permittee, would like to address the

21 Board.

22 CHAIRMAN JONES: Please have a seat.

23 MR. WEST: Good morning, Chairman
24 and Members, Paul West with the law firm
25 of Baker Donelson representing AGS. AGS

64

1 is a manufacturer of slot machines and
2 other gaming equipment. They have begun
3 to acquire other companies and have
4 gotten to be a bigger presence here in
5 Louisiana. I thought it would be good,
6 Vic Gallo, who is the counsel and
7 Vice-President Of AGS, just come
8 introduce the company to you so you'd
9 know a little bit more about it.

10 MR. GALLO: Thank you, Paul. I'd
11 like to thank the Board and staff, the
12 A.G.'s Office and the state troopers
13 office for all their hard work on our
14 matter. They did this in a pace that
15 was very well received by Apollo.

16 I'd like to just give you a little
17 update on what we're doing in Louisiana,
18 what we've been doing in Louisiana, and
19 what Cadillac Jack's been doing in
20 Louisiana.

21 As of today, we have about -- AGS
22 has about 42 machines in various casinos
23 throughout the State. That's about 13

24 casinos, including travel casinos here
25 in Louisiana. Of those 42 machines, we

65

1 have a couple that are doing really,
2 really well especially at the travel
3 casinos today. They're not quite in the
4 state yet. They will be shortly. One
5 of those machines that's outperforming
6 at those travel properties, and it will
7 be, we expect, the top performing
8 machine in the state properties, as
9 well.

10 In addition, we're also a
11 distributor of table games now, which is
12 kind of new for us. We'll be
13 distributing into Louisiana with some of
14 our table game products. A couple are
15 here: Criss Cross Poker as well as a
16 side bet called Inbound. You're going
17 to see coming to our casinos here in
18 Louisiana some other table games. One
19 is called Count's Kustoms. If you're
20 familiar with the television show
21 Count's Kustoms, they make these
22 beautiful, unique vehicles. Those
23 vehicles will be on display and
24 available to patrons who make a side bet
25 wager in a blackjack game side bet game.

66

1 They could win that vehicle. It's doing
2 really, really well right now in Las
3 Vegas, and we expect that game as well
4 to do really, really well here in
5 Louisiana.

6 Today AGS -- by the end of this
7 year, AGS will have over 200 licenses
8 now in North America and pursuing more
9 and more every day and hope to be before
10 you again very soon with some other
11 acquisition activity. I thank you again
12 for your time.

13 CHAIRMAN JONES: Board, any
14 questions for the A.G., State Police or
15 our applicants?

16 MR. JACKSON: Motion to approve.

17 CHAIRMAN JONES: We have a motion to
18 adopt the resolution and a second by
19 Mr. Jackson, and Mr. Gaston.

20 MR. GASTON: How can you vote
21 against Cadillac Jack.

22 THE CLERK: On the 18th day of
23 May 2015, the Louisiana Gaming Control
24 Board did, in a duly-noticed public
25 meeting, consider AGS, LLC's, petition

67

1 for approval of transfer of ownership
2 interest of Amaya Americas Corporation
3 to AGS, LLC, and upon motion duly made

4 and second, the Board adopted the
5 following resolution.

6 Be it resolved that the proposed
7 transfer of a hundred percent of the
8 ownership interest in Amya Americas
9 Corporation, the indirect parent company
10 of permittee Cadillac Jack,
11 Incorporated, from Amaya, Incorporated,
12 AGS, LLC, is hereby approved.

13 Thus done and signed in Baton Rouge,
14 Louisiana, this 18th day of May 2015.

15 CHAIRMAN JONES: Call the roll.

16 THE CLERK: Mr. Bradford?

17 MR. BRADFORD: Yes.

18 THE CLERK: Mr. Stipe?

19 MR. STIPE: Yes.

20 THE CLERK: Miss Noonan?

21 MS. NOONAN: Yes.

22 THE CLERK: Major Mercer?

23 MAJOR MERCER: Yes.

24 THE CLERK: Mr. Jackson?

25 MR. JACKSON: Yes.

68

1 THE CLERK: Mr. Gaston?

2 MR. GASTON: Yes.

3 THE CLERK: Miss Berry?

4 MS. BERRY: Yes.

5 THE CLERK: Chairman Jones?

6 CHAIRMAN JONES: Yes. The motion

7 carries. The transfer of ownership is
8 approved.

9 MR. THOMPSON: Thank you.

10 MR. WEST: Thank you.

11 CHAIRMAN JONES: Thank you,
12 gentlemen.

13 VIII. RULEMAKING

14 A. Consideration of institution of
15 rule-making procedures for promulgation
16 of LAC 42:III.113 (Request for Permission
17 to Reapply)

18 B. Consideration of institution of
19 rule-making procedures for amendment of
20 LAC 42:III.120.A.6 (Application and
21 Reporting Forms)

22 CHAIRMAN JONES: We now take up
23 Rulemaking. There are two items on the
24 agenda that we'll take both at the same
25 time as enumerated A and B. One is for

69

1 a Request for Permission to Reapply, the
2 second is Application and Reporting
3 Forms.

4 MR. LONG: Good morning, Chairman
5 Jones, Board Members. I'm Assistant
6 Attorney General Matt Long appearing
7 before the Board this morning in the
8 matter of instituting rule-making
9 procedures under Item VIII on the agenda

10 promulgating Louisiana Administrative
11 Code 42, Part III, Section 113, and also
12 amending Louisiana Administrative Code
13 Title 42, Part III, Section 120.

14 I'll start with a little bit of a
15 background. Act 370 of the 2014 regular
16 legislative session amended Revised
17 Statutes 27:28.E and 27:431.D. Prior to
18 the passage of Act 370, those statutes
19 both provided that a person who had been
20 found unsuitable or whose license,
21 permit or approval had been revoked
22 could not apply for another license,
23 permit or approval for a finding of
24 suitability for a period of five years
25 from the date of revocation or finding

70

1 of unsuitability.

2 Well, with the amendments of Act
3 370, the legislature added in the
4 language that a person could reapply
5 within the five-year period if the Board
6 allowed the application for good cause
7 shown. The legislature also entered in
8 that the Board shall promulgate rules
9 necessary to carry out the provisions of
10 this section, which is why we're here.

11 So this Rule 113 is the substantive
12 rule, and it sets forth five exclusive

13 circumstances in which a person is
14 allowed to request permission to reapply
15 prior to the lapse of five years from
16 the date of revocation or finding of
17 unsuitability and also the procedure for
18 requesting permission to reapply.

19 The Louisiana Administrative Code
20 42, Part III, Section 120 set -- places
21 the form that accompanies Section 113 in
22 the rule under Section 120.

23 I do need to call to the Board's
24 attention one update. I'm not sure if
25 the Board received the updated copy of

71

1 Section 113, but we made a minor change
2 to C.1 of the rule. The language in C.1
3 for any offense listed in Revised
4 Statute 27:28.B was added to the end of
5 the sentence. This was added to allow
6 individuals who plead guilty to a lesser
7 charge or one that's not listed in
8 27:28.B.1 the opportunity to file a
9 request for permission to reapply.

10 Before that change, a person who pled
11 guilty for a lesser charge may not have
12 qualified under 113 to make
13 reapplication, so we wanted to give
14 those persons an opportunity, as well.

15 At this time, I'll be happy to

16 entertain any questions, or if there are
17 no questions, approval will be needed to
18 institute rule-making procedures.

19 CHAIRMAN JONES: Any questions,
20 Board Members? The rules necessary --
21 we offered a bill last year at the
22 legislative session that will bring us
23 in line with some of the other states --
24 is it possible for someone to reapply
25 for five years, and this -- in some

72

1 cases it would have been an injustice to
2 require them to do that under certain
3 circumstances and it's -- it gives the
4 Board some authority for reapplication.
5 That's the purpose of the background of
6 the rule.

7 Any other questions? Do I have a
8 motion to institute a rule-making
9 procedures?

10 MR. BRADFORD: I'll move.

11 CHAIRMAN JONES: By Mr. Bradford,
12 second --

13 MS. NOONAN: I'll second.

14 CHAIRMAN JONES: -- by Miss Berry.
15 All in favor? [Collective "aye."] Any
16 opposition? [No response.] The motion
17 carries. The rule-making process shall
18 be instituted. Thank you.

19 MR. LONG: Thank you, Chairman

20 Jones, Board Members.

21 IX. CONSIDERATION OF PROPOSED SETTLEMENTS/APPEALS

22 IN THE FOLLOWING:

23 1. In Re: Tung Nhi, Inc., d/b/a Lee's Grill &
24 Seafood - No. 3601216316 (proposed
25 settlement)

73

1 CHAIRMAN JONES: Next up:
2 Consideration of Proposed Settlements
3 and Appeals in the following matters,
4 and first up is in regard to Tung Nhi,
5 Inc., doing business as Lee's Grill &
6 Seafood, No. 3601216316. This is a
7 proposed settlement.

8 Good morning.

9 MR. LEWIS: Good morning, Chairman
10 Jones, Members of the Board, I'm Kanick
11 Lewis, Jr., Assistant Attorney General
12 representing the Office of State Police,
13 and we're here regarding the proposed
14 settlement for Tung Nki doing business
15 as Lee's Grill & Seafood for license No.
16 3601216316. Lee's is a Type 2 licensed
17 establishment located at 2800 Tulane
18 Avenue in New Orleans.

19 On February 18th, 2014, the Division
20 mailed a video gaming advisory notice to
21 Lee's informing them of the requirement

22 and deadline date of June 30th, 2014, to
23 submit the annual fee and annual renewal
24 application. They did not submit the
25 required documents and annual fee to the

74

1 Division until January 23rd, 2015, in
2 which they failed to timely submit the
3 required documents and supporting fee
4 which is a violation of gaming law.

5 In lieu of administrative action of
6 its gaming license, Lee's will pay a
7 civil penalty of \$750 for violating
8 gaming law. Hearing Officer Reynolds
9 has signed the joint compromise and
10 settlement agreement, and we're here
11 today seeking the Board's approval.

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

14 CHAIRMAN JONES: Board Members, any
15 questions on this proposed settlement?
16 Do I have a motion to approve the
17 settlement?

18 MR. JACKSON: Motion to approve.

19 CHAIRMAN JONES: Mr. Jackson and a
20 second by Mr. Gaston. All in favor?
21 [Collective "aye."] Opposed? [No
22 response.] The motion carries. It is
23 approved.

24 2. Minden Truck Center, LLC, d/b/a Waverly

25 Truckstop - No. 3300510619 (proposed

75

1 settlement)

2 3. In Re: QuickDraw Travel Plaza & Casino, LLC,

3 d/b/a QuickDraw Travel Center & Casino - No.

4 6000515065 (proposed settlement)

5 4. In Re: Coushatta Truckstop, LLC, d/b/a

6 Coushatta Truckstop - No. 4101511094 (proposed

7 settlement)

8 5. In Re: Big Top Travel Center & Casino, LLC,

9 d/b/a big Top Travel Center & Casino - No.

10 3300512939 (proposed settlement)

11 CHAIRMAN JONES: On your agenda, the

12 next items two, three, four and five

13 will all be taken up as one item. Good

14 morning.

15 MR. HEBERT: Good morning, Chairman

16 and Members of the Board, Christopher

17 Hebert representing the Louisiana Office

18 of State Police in the matters of Minden

19 Truck Center, LLC, Coushatta Truckstop,

20 LLC, QuickDraw Travel Plaza & Casino,

21 LLC, and Big Top Travel Center & Casino,

22 LLC.

23 The licensees all hold a Type 5

24 video gaming license, and on June 18th,

25 2014, the licensees each notified the

76

1 Division that Janet B. Hill died on

2 September 1st, 2013. Janet B. Hill held
3 a 20 percent membership in Minden Truck
4 Center, LLC. Minden Truck Center, LLC,
5 in turn holds a one hundred percent
6 membership interest in each of the other
7 licensees.

8 In accordance with Miss Hill's last
9 will and testament, her 20 percent
10 membership interest in Minden Truck
11 Center, LLC, was transferred to the
12 Janet Burnett Brown Hill Living Trust.
13 Miss Hill's death caused a transfer of
14 an indirect interest in each of the
15 licensees through a transfer of the
16 20 percent of the membership interest in
17 Minden Truck Center, LLC, who is in turn
18 the 100 percent member of each of the
19 other three licensees; therefore, the
20 licensees failed to timely notify the
21 Division of the transfer.

22 In fact, there was only one transfer
23 of interest that was not reported, and
24 that was Janet B. Hill's interest
25 through the Janet B. Hill Living Trust

77

1 within her succession.

2 In lieu of administrative action,
3 the licensees will pay a civil penalty
4 of \$500 for its violation. The hearing

5 officer has signed off on this
6 settlement, and we're here this morning
7 to answer any questions that you might
8 have.

9 CHAIRMAN JONES: Any questions on
10 the settlement? There appear to be no
11 questions. Do I have a motion to accept
12 the settlement? By Mr. Bradford, second
13 by Mr. Stipe. All in favor?
14 [Collective "aye."] Opposed? [No
15 response.] The motion carries. The
16 settlement is accepted.

17 MR. HEBERT: Thank you. And before
18 moving on, I want to commend both Judge
19 Phillips and Mr. Brantley for their work
20 as we worked through this settlement.
21 They did a wonderful job.

22 CHAIRMAN JONES: Thank you.
23 6. Areej Enterprises, LLC, d/b/a Gas Plus Deli -
24 No. 0106216424 (proposed settlement)

25 CHAIRMAN JONES: Finally up on the

78

1 settlement document is Areej
2 Enterprises, LLC, doing business as Gas
3 Plus Deli, No. 0106216424, also a
4 proposed settlement.

5 MR. HEBERT: Again, Christopher
6 Hebert representing the Louisiana Office
7 of State Police in the matter of Areej

8 Enterprises, LLC, doing business as a
9 Gas Plush Deli.

10 On or about February 18th, 2014, the
11 Division mailed a video gaming advisory
12 notice to the licensee informing the
13 licensee to submit its completed annual
14 licensee form with appropriate fee and
15 all required documents no later than
16 July 1st of 2014. The notice also
17 informed the licensee that failure to
18 submit the required documents and fee by
19 August 31st of 2014, would be cause for
20 suspension, revocation or an imposition
21 of a civil penalty.

22 The Division mailed the licensee an
23 urgent reminder informing the licensee
24 that as of June 16th, 2014, the Division
25 had not received the licensee's

79

1 completed annual licensee form, annual
2 fee and required documents. The letter
3 also informed the licensee that those
4 documents and annual fee must be
5 submitted by July 1st of 2014.

6 On October 16th, 2014, the Division
7 received the required documents and
8 annual fee from the licensee; therefore,
9 the licensee failed to timely submit the
10 required documents and annual fee.

11 In lieu of administrative action,
12 the licensee has agreed to pay a \$750
13 civil penalty. The hearing officer has
14 signed off on this settlement agreement,
15 and we're here this morning seeking the
16 Board's approval. I'd be happy to
17 answer any questions.

18 CHAIRMAN JONES: Board, any
19 questions? No questions. Do we have a
20 motion to approve the settlement?

21 MS. NOONAN: I'll move.

22 CHAIRMAN JONES: By Miss Noonan.

23 MR. JACKSON: Second.

24 CHAIRMAN JONES: Second by
25 Mr. Jackson. All in favor? [Collective

80

1 "aye."] Opposed? [No response.] The
2 settlement is approved. Thank you.

3 7. Wag A Pak, Inc., d/b/a Cash Wag'n Casino - No.
4 2900515907 (appeal)

5 CHAIRMAN JONES: Moving to our
6 appeal docket, I'll simply remind you,
7 those who are here for that appeal, that
8 they may introduce no new evidence. You
9 have to limit your arguments to the
10 information that's currently in the
11 record.

12 First up is in regard to Wag A Pak,
13 Inc., doing business as Cash Wag'n

14 Casino, No. 2900515907. This is an
15 appeal.

16 MR. CAVELL: Mr. Chairman, Members
17 of the Board, my name is Danny Cavell.
18 I'm an attorney in Thibodaux, Louisiana,
19 and Mr. Al Waguespack, one of the
20 members of Wag A Pak, Inc., d/b/a Cash
21 Wag'n. Thank you.

22 CHAIRMAN JONES: You may begin.

23 MR. CAVELL: I think it's actually
24 the Attorney General's Office appeal.
25 All right. You can start.

81

1 MR. LEWIS: Thank you. Again,
2 Assistant Attorney General Kanick Lewis,
3 Jr., representing the Office of State
4 Police. We're here regarding the
5 decision in Wag A Pak, Inc., doing
6 business as Cash Wag'n Casino, license
7 No. 2900515907.

8 This is an appeal that arises from
9 an administrative action against Wag A
10 Pak, Incorporated, doing business as
11 Cash Wag'n Casino, a Type 5 licensed
12 establishment. The violation arises
13 from the security officer's failure to
14 have her state board security examiner's
15 identification card in her possession at
16 the time of the compliance inspection.

17 At issue is whether the security
18 officer's failure to have the card on
19 her person constitutes compliance with
20 the provisions of Louisiana Gaming Law.

21 Gaming law clearly states security
22 guards, other than off-duty POST
23 certified law enforcement officers,
24 shall possess a security guard
25 identification card issued by the

82

1 Louisiana State Board of Private
2 Security Examiners at all times while on
3 duty at the licensed establishment.

4 The facts of the matter is that Wag
5 A Pak, Inc., or the licensee, again as a
6 Type 5 licensed video gaming
7 establishment, and on October 22nd,
8 2014, the Division conducted a
9 compliance inspection at the licensed
10 establishment. At the time of the
11 inspection, Miss Joanne Brown was the
12 sole security officer on duty at the
13 establishment. The Division asked her
14 to present her credentials as a security
15 officer, and she couldn't. She
16 indicated that she had worked for Weiser
17 Security for a couple of months, and
18 they had not issued her a Louisiana
19 State Board of Private Security

20 Examiners Security Card or any other
21 temporary ID card.

22 On October 22nd, 2014, the licensee
23 failed to have an off-duty uniform post
24 certified law enforcement officer or
25 security guard who possessed a security

83

1 guard identification card issued by the
2 Louisiana State Board of Security
3 Examiners on duty at the licensed
4 establishment, which is a direct
5 violation of Louisiana Gaming Law.

6 On October 31st, 2014, the Division
7 spoke to Mr. Matt Patin, the regional
8 manager for Weiser Security. At that
9 time, Mr. Patin told the Division that
10 Miss Brown was issued a Temporary Board
11 of Private Security Examiners Security
12 Card as part of her hiring application.
13 He also indicated that Miss Brown's
14 application was still pending because
15 her background check was incomplete.
16 Mr. Patin indicated that he would
17 immediately issue Miss Brown another
18 temporary card.

19 After receiving this information,
20 the licensee was cited for violation of
21 gaming law. The hearing officer
22 indicated in his decision that the law

23 does not contain any language to require
24 one to have the identification card in
25 his immediate possession. Based on the

84

1 Black's Law Dictionary definition of the
2 word "possess" and a plain reading of
3 the language in the gaming law, the
4 Division respectfully disagrees with the
5 interpretation. According to Black's,
6 the legal definition of the word possess
7 is to have in one's actual and physical
8 control, to have the exclusive detention
9 and control of, also to own or be
10 entitled to.

11 The law in question includes the
12 language "security guards shall possess
13 a security guard identification card at
14 all times while on duty." Considering
15 the context in which the term possess is
16 used in the law, it is understood to
17 mean on one's person. The law includes
18 the wording "at all times while on duty
19 at all Type 4 and Type 5 licensed
20 establishments." The intent is for the
21 licensed, certified and uniform security
22 officer to have the card on their person
23 at the time they are on duty while at
24 work as a security officer at an
25 assigned location or post.

1 There are several -- there are
2 different types of possession under the
3 law. A person may have actual or
4 constructive possession. When a person
5 has direct physical control of something
6 on or around his or her person, they
7 have actual possession of it. When a
8 person does not have actual possession
9 but has the power and intent to take
10 control over something later, they have
11 constructive possession. If the intent
12 of this particular gaming law were
13 merely for the person to have
14 constructive possession, then the
15 language of the law would not include
16 the wording "shall possess a security
17 guard identification card at all times
18 while on duty."

19 The Board has an interest in
20 protecting the public safety, health and
21 welfare, particularly that of gaming
22 patrons, from harm. Louisiana Gaming
23 Law requires that a security guard
24 possess a security guard identification
25 card at all times while on duty. The

1 requirement enhances the safety of
2 gaming patrons by verifying both the

3 identity and credentials of the security
4 guard on duty. Additionally, this
5 requirement is a necessary and efficient
6 tool that helps the Division in
7 effective fulfillment of its role as a
8 compliance inspector.

9 Mr. Cavell has cited examples of law
10 or regulations that contain specific
11 language to require a person to have
12 immediate possession of certain types of
13 cards and identification. When
14 referring to a Louisiana driver's
15 license, the statute reads: "Shall have
16 such licenses in his immediate
17 possession at all times when driving a
18 motor vehicle." Clearly, the gaming law
19 that is -- that we're discussing today
20 says, "shall possess a security guard
21 identification card issued by the
22 Louisiana State Board of Private
23 Security Examiners at all times while on
24 duty at the licensed establishment."
25 Because of the phrase "in his immediate

87

1 possession" is not included in the
2 statute doesn't mean the intent is not
3 for the person to have the card on their
4 person and have actual and physical
5 control over the card. There's a grave

6 risk to the health and safety of patrons
7 of gaming establishments if the security
8 officer has a gun and does not have the
9 required credentials to show proof that
10 he or she carries a weapon. Without the
11 necessity of possessing the security
12 guard identification card, that simply
13 means that anyone with a gun could say
14 they're a security guard and authorized
15 to have a gun on the premises.

16 If we take this statute and apply it
17 in a manner that a reasonable and
18 prudent person would apply it and read
19 it as written, it is clear the intent is
20 for the security officer to have actual
21 possession of a security guard
22 identification card, again, at all times
23 while on duty at the licensed
24 establishment.

25 The legislature did know and knew

88

1 how to insert language in those statues
2 that require immediate possession, but
3 it also knew how to draft the law where,
4 when taken in context with the wording
5 and language in that particular law, one
6 could infer the meaning to be an actual
7 and physical control of the ID card.
8 That is clear in this particular law as

9 the language "shall possess at all times
10 while on duty at the licensed
11 establishment" is included. This law is
12 clear and unambiguous in that a
13 reasonable and prudent person could
14 easily ascertain the intent of the law
15 to mean to have on your person at all
16 times while on duty at the licensed
17 establishment.

18 Now, I can only theorize that the
19 hearing officer misunderstood the
20 language and interpreted it as
21 constructive possession. In a
22 compliance inspection, constructive
23 possession puts too high a burden on
24 State Police, as there is no way to
25 verify if the security officer's board

89

1 certified to carry a weapon without
2 having to call the security company.

3 Mr. Cavell cites statutes and
4 regulations that include the language
5 that the identification card is to be in
6 the person's immediate possession or
7 control at all times; however, he fails
8 to mention the ones governing private
9 security examiners. There are two
10 particular regulations that would be
11 applicable in this instant matter: One

12 that imposes a duty on a security
13 officer to have the card in their
14 possession at all times while on duty,
15 and the other provides for a civil
16 penalty for a person's failure to do so.

17 The regulation specifically states
18 the licensee shall cut off the portion
19 of the application identified as
20 temporary registration card, have the
21 applicant complete required information,
22 and instruct applicant to carry
23 temporary registration card at all times
24 while on duty.

25 Louisiana Administrative Code Title

90

1 46, Part 59, Section 903 assesses a
2 penalty of \$50 for a registrant's
3 failure to carry on his person a
4 temporary or permanent registration card
5 while on duty. Not only did she violate
6 gaming law, but she also violated that
7 of the Louisiana Board of Private
8 Security Examiners.

9 Further, Mr. Cavell failed to cite
10 and mention language contained on the
11 temporary identification card on the
12 application itself, which is issued by
13 the Louisiana State Board of Security
14 Examiners. This temporary card is given

15 to all persons at the time of their
16 application process and was admittedly
17 given to Miss Brown. Clearly written on
18 the card is the language, [As read]:
19 "This card shall be carried at all times
20 when working a post and is valid until
21 receipt of a permanent registration
22 card."

23 In conclusion, possess is a form of
24 possession and requires that the person
25 be a holder or owner of the thing. Here

91

1 that thing required to be possessed is
2 an identification card. Miss Brown did
3 not exercise actual and physical control
4 over the identification card as required
5 not only by Louisiana Gaming Law, but
6 also by the regulations set forth by
7 Louisiana State Board of Private
8 Security Examiners because she did not
9 have it on her person while on duty.

10 When the inspecting trooper asked for
11 her credentials as proof of her
12 certification as a security officer, she
13 could not provide it.

14 Thus, as the assigned security
15 officer of Wag A Pak, Inc., her failure
16 to possess the security identification
17 card at the time of the compliance

18 inspection was a violation of Louisiana
19 Gaming Law. The hearing officer erred
20 in an interpretation of the law as
21 written, and the ruling should be
22 overturned. The intent of the law is
23 clear. The individual was to have
24 actual, physical possession of the card
25 while on duty at the licensed

92

1 establishment. This is not only stated
2 under gaming law but, again, also under
3 the regulations for the Louisiana State
4 Board of Private Security Examiners, and
5 we respectfully request that this
6 honorable board overturn the decision of
7 the hearing officer and impose a civil
8 penalty of \$250 on the licensee for a
9 certified uniform security officer's
10 failure to possess the security guard
11 identification card at the time of the
12 compliance inspection, which is required
13 by law. Thank you.

14 MR. CAVELL: Mr. Chairman, Members
15 of the Board, as I introduced myself, my
16 name is Danny Cavell. I'm a licensed,
17 practicing attorney here in the State of
18 Louisiana. My license is issued by the
19 State of Louisiana at the Supreme Court,
20 just as Mr. Lewis is a licensed

21 attorney. I don't have my license that
22 was issued by the Supreme Court. I
23 think it still hangs in my office that
24 my wife framed 35 years ago, but I'm
25 practicing. I possess a Louisiana

93

1 license.

2 Driving here today, I had to make
3 sure that I carried my Louisiana
4 driver's license with me because the
5 statute requires it, not Black's Law
6 Dictionary.

7 The State of Louisiana, through the
8 Legislature, having stated -- it says,
9 "shall have a license in his possession
10 for when driving." A charter boat
11 fishing guide license needs to have his
12 license and proof of liability insurance
13 on his person. If you want to hunt,
14 take, possess or transport deer, turkey
15 or bobcat in Louisiana, you shall
16 purchase and have on his person a big
17 game license.

18 The legislature knows specifically
19 what it means when it passes its laws.
20 In this particular case, it did not say
21 that you shall possess in your person
22 and have on your person. What Mr. Lewis
23 has said as far as the requirements of

24 the private security laws, Miss Brown,
25 Miss Poindexter, whoever she was at that

94

1 time, did possess it. She did file the
2 application.

3 The hearing officer heard the
4 representative of Weiser, who Wag A Pak
5 has hired and has been approved as a
6 security firm by this Board for its
7 applications for security officers.
8 They went through the process, and they
9 showed where she filled out her
10 application. They showed what happened
11 to her application, and they had a blank
12 form that says here -- here's the
13 portion that was torn out and given to
14 her.

15 So she did possess a temporary
16 registration card. There's no question
17 that at the time of the inspection by
18 the trooper -- and I'm looking at the
19 compliance form which everybody has.
20 It's, I think, about three quarters of
21 the way down. It says, [As read]: "Off
22 duty P-O-S-T certified law enforcement
23 officer or licensed/insured uniform
24 security guard on premises with more
25 than 20 video gaming devices." That's

95

1 what the checklist is, but she possessed
2 one. She had one. Did she have it on
3 her possession? She didn't. I'm not
4 here to say anything to the contrary,
5 but she did possess it.

6 And when you look at the statutory
7 interpretation of what the legislature
8 does, that's what you have to look at,
9 and I've cited -- I know not all of you
10 are attorneys, but when the -- when
11 you're dealing with statutory
12 interpretation when the law is clear and
13 unambiguous, which I think is very clear
14 in this particular case, its application
15 does not lead to absurd consequences.
16 It's not.

17 The idea that we have a security
18 guard in full uniform that doesn't have
19 her inspection is really more dealing
20 with the guard herself or with her
21 employment, not with the applicant at
22 this point in time. We have contracted
23 that out to be able to run through their
24 duties and responsibilities. I guess
25 what we've tried to do is that some

96

1 people driving attaches to the back of
2 their license their insurance card
3 saying, hey, I got insurance, is a

4 better protection.

5 We've already instituted a process.

6 Now, when they do make a switch, when a

7 guard gets off duty and one comes in,

8 you have to show your badge because of

9 this. We don't want to have to do it,

10 but is that required by the statute? I

11 don't think it does, and so what we're

12 saying is that when you look at

13 statutory interpretation -- and I've

14 cited a couple of cases for this Board

15 to review -- is that this does not lead

16 to an absurd consequence, number one.

17 Number two is the legislature knew

18 that if they wanted to have the

19 possession in -- with them at that point

20 in time, it would have so stated so in

21 their legislation. It does not, and I

22 tried to cite some examples

23 legislatively, all right, not rules or

24 promulgation by other parties, but the

25 legislature in those three areas.

97

1 This is our first time and hopefully

2 only time we come before you. They are

3 very proud of that fact, and this is

4 why, you know, we appealed this thing,

5 is because we tried to do everything

6 right. We hired a security guard.

7 We've done everything that we were
8 supposed to do. I don't think we have
9 any blemishes on our record, and when
10 the state appealed, we're here to be
11 able to defend that; and I think, you
12 know, the case that the administrative
13 law judge found, when he found the fact,
14 I think is very consistent with what the
15 law is, as well, at this point in time.

16 Unless the Board has any questions,
17 we thank you for your consideration in
18 this matter.

19 CHAIRMAN JONES: Board Members, any
20 questions? Mr. Stipe.

21 MR. STIPE: We don't have an
22 unlimited number of state troopers to
23 conduct these inspections. This is a
24 very regulated industry, and so if I
25 wanted to put the onus on the

98

1 participants in the industry to make
2 sure they have the records, the permits,
3 all those things readily available, then
4 I should probably vote to overturn the
5 hearing officer's decision, shouldn't I,
6 if I want to put the onus on your client
7 and other regulated industries? I mean,
8 I don't think -- I don't think our state
9 troopers need to be hand-delivering

10 letters. They don't need to be
11 hand-delivering letters where we have
12 certified mail. Certified mail
13 shouldn't be going unclaimed by a
14 regulated interest, and if you're going
15 to have a contractor that you're going
16 to comply -- that you're going to
17 utilize to comply with the requirement,
18 the contractor needs to have a license
19 readily available.

20 That's just my view. But my
21 question is: The effect of voting
22 for the -- voting to overturn the
23 decision, doesn't that put the onus on
24 your client and other regulated entities
25 to have everything readily available for

99

1 the inspections when they occur?

2 MR. CAVELL: I think it does,
3 because it violate, then, the letter of
4 what the legislature has done because
5 the legislature is not requiring that,
6 and I think that's the distinction at
7 this point in time. It's like Wildlife
8 and Fisheries going out to the charter
9 fishermen. You know, Wildlife and
10 Fisheries is checking on hunters there
11 that are hunting, as well, the like.

12 You know, I think now as a

13 fisherman, my Louisiana now over 60 age
14 group, I get mine forever. They put my
15 driver's license in. It shows that I do
16 have a valid Louisiana hunting and
17 fishing license. The statute that the
18 legislature has enacted -- and this is
19 what we're going on. That's what the
20 violation that they said that we
21 violated. That's what I think we have
22 to look at at this point in time.

23 MR. BRADFORD: First of all,
24 Mr. Cavell and your client, I want to
25 thank y'all for pursuing this. I think

100

1 it creates an opportunity -- if this is
2 ambiguous in any way, it will create an
3 opportunity for it to be cleared up, but
4 I want to read the law again. It says,
5 "shall possess a security guard ID card
6 at all times while on duty," and so the
7 hearing officer chose to interpret that
8 that you could have it back at the
9 house; and I don't see it that way. I
10 don't interpret it that way.

11 I appreciate your record. I
12 appreciate your record, sir. I do not
13 consider this a blemish on your record,
14 if, in fact, this Board votes to reverse
15 the hearing officer and impose the small

16 fine. It will cost you more to come
17 here today then it would have been to
18 pay the fine, but that's another story.

19 MR. CAVELL: Principle.

20 MR. BRADFORD: But I do thank you
21 for coming, and I appreciate a good
22 lawyer finding a little crack in the
23 door here even though I don't agree with
24 it.

25 MR. GASTON: Mr. Chairman, I'd like

101

1 to ask a question. Did your client,
2 security guard, carry a weapon without
3 proper credentials?

4 MR. CAVELL: I cannot answer that,
5 and I don't think it was brought up
6 during the administrative hearing, so
7 I'm not sure that it's proper at this
8 point in time. But I can't answer that
9 question at this point in time.

10 MR. GASTON: The way you talked
11 about your driver's license I assumed.
12 Mr. Chairman, Mr. Lewis made some
13 excellent points, I thought.

14 CHAIRMAN JONES: Excuse me?

15 MR. GASTON: Mr. Lewis made some
16 excellent points, and I'd like to move
17 in support of it.

18 CHAIRMAN JONES: Let's make sure

19 there's no other questions. Any other
20 questions from the Board? [No
21 response.]

22 Gentlemen, good arguments on both
23 sides, and somewhere between two
24 attorneys we find common sense. I don't
25 mean that in a negative way. This falls

102

1 into that -- sort of that gray area for
2 us, and I guess that's kind of the role
3 that we have to play. And, you know,
4 having been around when gaming was first
5 legalized in this state and there for
6 the knockdown, drag-out arguments about
7 the tie's going to go to regulator,
8 because this is such a hyper-regulated
9 business. It would be incredibly
10 difficult for me to see how a proper
11 inspection could be done, at least of
12 the security piece, if our
13 interpretation of possession was, is
14 back home in a filing cabinet. It would
15 be nonsensical for me to have a photo ID
16 but not with you somewhere.

17 I'm not aware that any judge would
18 ask either one of you to show your
19 diploma or license to practice law, but
20 I would expect a security person who's
21 on duty as required, under the rules of

22 the law, to have some sort of document
23 in their possession. That's just my
24 view.

25 I think you both make great points,

103

1 but what I think our role today is to
2 sort of try and find that common sense
3 and middle ground.

4 You had a motion, Mr. Gaston?

5 MR. GASTON: Yes. I move that --

6 CHAIRMAN JONES: What was your
7 motion?

8 MR. GASTON: My motion is to accept
9 the recommendation of Mr. Lewis to
10 overturn.

11 MS. BERRY: I'll second.

12 CHAIRMAN JONES: And we have a
13 second by Miss Barry. All in favor?

14 [Collective "aye."] Any opposition?

15 [No response.] It is therefore the
16 order of this Board that the hearing
17 officer's decision is reversed and a
18 penalty imposed.

19 Thank you very much, gentlemen.

20 8. In Re: Johanna Hayes - No. V000019712 (appeal)

21 CHAIRMAN JONES: Next up is in
22 regard to Johanna Hayes. That's No.
23 V000019712. This is an appeal. Miss or
24 Mrs. Hayes or a representative? Have a

25 seat. Good morning.

104

1 MS. HAYES: Good morning. How are
2 y'all doing?

3 CHAIRMAN JONES: We're here today
4 based on the appeal of your case, and
5 kind of the rules are you can't -- can't
6 tell us anything new. You can talk
7 about what's happened, what your
8 position is, and then we'll hear from
9 the attorney general. So you can
10 proceed.

11 Please identify yourself for us.

12 Pull up the microphone.

13 MS. HAYES: I'm Johanna Hayes. What
14 you said, that I can say what has
15 happened then -- afterwards? Right now
16 I'm in the Diversion Program, and I have
17 a week left that I'll be complete with
18 it. That's about it.

19 CHAIRMAN JONES: Okay.

20 MR. LEWIS: Thank you. Assistant
21 Attorney General Kanick Lewis
22 representing the Office of State Police.
23 At issue is whether the video poker
24 gaming license of Miss Hayes should be
25 revoked or subject to a civil penalty as

105

1 requested by the Division for her

2 failure to timely notify of her arrest.

3 The facts of the matter is that Miss
4 Johanna Hayes was approved for a video
5 draw poker license permit, and on
6 September 30th, 2014, the Division was
7 notified by the Kenner Police Department
8 that Miss Hayes was arrested on
9 September 7th, 2014, and charged with
10 theft of goods and felony obstruction of
11 justice.

12 And Miss Hayes failed to timely
13 notify the Division of her arrest.
14 Because of that, an administrative
15 hearing was held on February 22nd, 2015,
16 and at the time of the hearing, the
17 charges were only pending against Miss
18 Hayes; and the Division only presented
19 evidence to prove that she was arrested
20 and failed to timely notify the Division
21 of her arrest.

22 On behalf of the Division, we
23 request a civil penalty of \$250 in
24 accordance with the penalty schedule.
25 Video poker law states, under unsuitable

106

1 conduct, "A person has a continuing duty
2 to notify the Division of an arrest
3 within ten calendar days of the arrest."
4 The notice mailed to Miss Hayes

5 indicated the hearing would be conducted
6 in accordance with the provisions of
7 Louisiana Gaming Law. After the
8 proceedings, the hearing officer may
9 impose a penalty and/or take any other
10 administrative action allowed by statute
11 or regulation including, but not limited
12 to, suspension or revocation."

13 The language indicates that when
14 making this decision, the hearing
15 officer can consider any evidence
16 presented at the hearing, and during the
17 administrative hearing, the only
18 evidence submitted was to show there
19 were pending charges against Miss Hayes
20 and that she failed to timely notify the
21 Division of her arrest.

22 In the notice, the Division did not
23 raise the issue of general
24 unsuitability, and there was no
25 testimony given and no document

107

1 submitted for the purpose of proving
2 general unsuitability of Miss Hayes. At
3 the administrative hearing, we asked
4 that the hearing officer impose a civil
5 penalty of \$250, and in matters
6 involving video poker proceedings, it is
7 not usual to revoke the gaming permit of

8 a video poker employee. The usual
9 result is to assess a civil penalty
10 based on a penalty schedule found in
11 video gaming law.

12 In his decision, the hearing officer
13 indicated that pursuant to Revised
14 Statute 27:432 et seq. in lieu of other
15 administrative action, the Division may
16 impose a civil penalty as provided for
17 in a penalty schedule contained in
18 Subsection B. He also indicated, due to
19 the pending charge for theft of goods
20 against Johanna Hayes, revocation is the
21 usual administrative action taken in the
22 current situation.

23 This is not the case. Unlike casino
24 gaming, there is no automatic
25 disqualification of a video gaming

108

1 permit or finding of unsuitability for
2 pending criminal charges. It indicates
3 there must be a conviction. One
4 specific law in video poker the hearing
5 officer may have used as a point of
6 reference is Revised Statute 27:427
7 which states, "No person may be eligible
8 to apply or be granted a license under
9 the provisions of this Chapter if he has
10 been convicted in any jurisdiction of

11 any of the following offenses..."
12 The revocation of Miss Hayes' video
13 gaming permit is a ruling that is
14 inconsistent with current gaming law and
15 prior decisions in video gaming. At the
16 time of the hearing, there were only
17 pending criminal charges against Miss
18 Hayes for theft of goods valued at less
19 than \$500. Those pending charges in and
20 of themselves are not a grounds for
21 revocation under video poker law. The
22 Division prayed that the hearing officer
23 impose a civil penalty of \$250 for
24 Mrs. Hayes' failure to timely report her
25 arrest to the Division, and the hearing

109

1 officer acknowledged such in his
2 decision.

3 Based on the information received,
4 this is Miss Hayes first offense or
5 incident wherein she violated Louisiana
6 Gaming Law. There was no evidence of
7 suitability presented at that
8 administrative action hearing, and
9 therefore the proper decision would be
10 to assess a civil penalty of \$250
11 against the video poker license of Miss
12 Hayes for her failure to timely notify
13 of an arrest. And we respectfully

14 request this honorable board overturn
15 the hearing officer's decision and
16 impose a civil penalty of \$250 for her
17 failure to timely notify the Division of
18 her arrest which is consistent with
19 video poker law.

20 CHAIRMAN JONES: The revocation, in
21 your opinion, was inappropriate.

22 MR. LEWIS: Yes, sir.

23 CHAIRMAN JONES: Do I have any
24 questions? Do I have a motion?

25 MR. JACKSON: Motion to approve.

110

1 CHAIRMAN JONES: Mr. Jackson, we
2 have a motion to -- go ahead with the
3 reversal of the hearing officer's
4 decision and imposition of a civil
5 penalty. Do I have a second?

6 MS. NOONAN: Second.

7 CHAIRMAN JONES: By Miss Noonan.
8 All in favor? [Collective "aye."
9 Opposed? [No response.] The motion
10 carries. The matter is resolved. Thank
11 you.

12 MR. LEWIS: Thank you.

13 X. ADJOURNMENT

14 CHAIRMAN JONES: Do I have a motion
15 for adjournment? By Major Mercer and
16 Mr. Jackson. All in favor? [Collective

17 "aye."] Opposed? [No response.] See
18 you next month.

19

20

21

22

23

24

25

111

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

112

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 given under

7 oath in the preceding matter on May 18, 2015, as

8 taken by me in Stenographic machine shorthand,

9 complemented with magnetic tape recording, and

10 thereafter reduced to transcript, to the best of

11 my ability and understanding, using Computer-Aided

12 Transcription.

13 I further certify that I am not an

14 attorney or counsel for any of the parties, that I

15 am neither related to nor employed by any attorney

16 or counsel connected with this action, and that I

17 have no financial interest in the outcome of this

18 action.

19 Baton Rouge, Louisiana, this 26th day of

20 June, 2015.

21

22

23

SHELLEY G. PAROLA, CCR, RPR

CERTIFICATE NO. 96001

24