

Board Meeting LGCB 11-20-14, (Pages 1:1 to 151:24)

1: 1 LOUISIANA GAMING LOUISIANA CONTROL BOARD

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4 BOARD OF DIRECTORS' MEETING

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9 THURSDAY, NOVEMBER 20, 2014

10

11 House Committee Room 5

12 Louisiana State Capitol

13 900 North Third Street

14 Baton Rouge, Louisiana

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18 TIME: 10:00 A.M.

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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 JAMES SINGLETON

(Public/Business Administration)

10 Second Congressional District

June 30, 2014

11

12 MARK STIPE

(Attorney)

13 Seventh Congressional District

June 30, 2014

14

15 DENISE NOONAN

(At Large)

16 First Congressional District

June 30, 2015

17

18 MAJOR CLAUDE MERCER

(Law Enforcement)

19 Fifth Congressional District

June 30, 2018

20

21 CLAUDE D. JACKSON

(At Large)

22 Fourth Congressional District

June 30, 2018

23

24

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1 APPEARANCE CONTINUED

2

3 ROBERT W. GASTON, III

(At Large)

4 Sixth Congressional District

June 30, 2015

5

6 COLONEL MIKE EDMONSON

Ex-Officio Board Member

7 Superintendent

Louisiana State Police

8

9 MICHAEL LEGENDRE

Louisiana Office of Charitable Gaming

10 Director

11

12 LANA TRAMONTE

Executive Assistant

13

14 TRUDY SMITH

Confidential Assistant

15

16 REPORTED BY:

17 SHELLEY G. PAROLA, CSR, RPR

Baton Rouge Court Reporters

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1 I. CALL TO ORDER

2 CHAIRMAN JONES: Good morning. I'd
3 like to welcome everyone to the November
4 meeting of the Louisiana Gaming Control
5 Board. Miss Tramonte, would you call
6 the roll.

7 THE CLERK: Chairman Jones?

8 CHAIRMAN JONES: Here.

9 THE CLERK: Mr. Bradford?

10 MR. BRADFORD: Here.

11 THE CLERK: Mr. Stipe?

12 MR. STIPE: Here.

13 THE CLERK: Mr. Singleton?

14 MR. SINGLETON: Here.

15 THE CLERK: Miss Noonan?

16 MS. NOONAN: Here.

17 THE CLERK: Major Mercer?

18 MAJOR MERCER: Here.

19 THE CLERK: Mr. Jackson?

20 MR. JACKSON: Here.

21 THE CLERK: Mr. Gaston?

22 MR. GASTON: Here.

23 THE CLERK: Colonel Edmonson?

24 COLONEL EDMONSON: Here.

25 THE CLERK: Secretary Barfield?

8

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

3 II. PUBLIC COMMENTS

4 CHAIRMAN JONES: We have a quorum.
5 We may conduct business. At this point,
6 I'd like to ask if there is any comment
7 from the public on any matters coming
8 before the Board today on the official
9 agenda. Anyone?

10 III. APPROVAL OF THE MINUTES

11 CHAIRMAN JONES: We'll move to the
12 minutes. I'd ask for a motion to waive
13 reading and approve the minutes.

14 MR. BRADFORD: So moved.

15 MR. SINGLETON: Second.

16 CHAIRMAN JONES: All in favor?
17 [Collective "aye."] Opposed? [No
18 response.] Motion carries.

19 IV. REVENUE REPORTS

20 CHAIRMAN JONES: All right, I'd like
21 to call the Revenue Reports. State
22 Police, please. Good morning.

23 MS. JACKSON: Chairman Jones and
24 Board Members, my name is Donna Jackson.
25 I'm with the Louisiana State Police

9

1 Gaming Enforcement Division.

2 The riverboat revenue report for
3 October 2014 is shown on page one.
4 During October, the 14 operating
5 riverboats generated Adjusted Gross
6 Receipts of \$136,949,484, up \$7 million
7 or 5.7 percent from last month, and up
8 \$4.7 million or 3.5 percent from October
9 2013.

10 Adjusted Gross Receipts for fiscal
11 year 2014-2015 to date are almost
12 \$575 million, an increase of 1 percent
13 or \$7 million from fiscal year
14 2013-2014.

15 During October, the State collected
16 fees totaling \$29 million. As of
17 October 31st, 2014, the State has
18 collected almost \$124 million in fees
19 for fiscal year 2014-2015.

20 Next is summary of the October 2014
21 gaming activity for Harrah's New
22 Orleans. During October, Harrah's
23 generated \$27,373,126 in gross gaming
24 revenue, an increase of 14 percent or
25 \$3.3 million from last month, and a

10

1 5.5 percent or \$1.4 million increase
2 over last October.

3 Fiscal year-to-date gaming revenues
4 for 2014-2015 are \$107 million, an

5 increase of \$4 million or 4 percent for
6 fiscal year 2013-2014.

7 During October, the State received
8 \$5,095,890 in minimum daily payments.
9 As of October 31st, 2014, the State has
10 collected \$20 million in fees for fiscal
11 year 2014-2015.

12 Slots at the Racetracks revenues are
13 shown on page four. During October, the
14 four racetrack facilities combined
15 generated Adjusted Gross Receipts of
16 \$30,251,199, an increase of 4 percent or
17 \$1 million from both September 2014 and
18 October 2013.

19 Adjusted Gross Receipts for fiscal
20 year 2014-2015 to date are \$126 million,
21 a minimal increase from fiscal year
22 2013-2014.

23 During October, the State collected
24 fees totaling \$4.6 million. As of
25 October 31st, 2014, the State has

11

1 collected \$19 million in fees for fiscal
2 year 2014-2015.

3 Overall in October, Riverboats
4 Landbased and Slots at the Racetracks
5 combined generated almost \$195 million
6 in Adjusted Gross Receipts and \$39
7 million in state fees.

8 Are there any questions before I
9 present the Harrah's employee members?

10 CHAIRMAN JONES: Board members, any
11 questions?

12 MR. GASTON: Clearly, Mr. Chairman,
13 it appears that everybody got tired of
14 watching the TV spots for the election
15 and decided to go gamble.

16 CHAIRMAN JONES: Put your microphone
17 down.

18 MR. GASTON: It wasn't that
19 important.

20 CHAIRMAN JONES: Just as well
21 because it's not recorded for prosperity
22 purposes. Please proceed.

23 MS. JACKSON: Harrah's New Orleans
24 is required to maintain at least 2,400
25 employees and a bi-weekly payroll of

12

1 \$1,750,835. This report covers the two
2 pay periods in October 2014. For the
3 first pay period, the division verified
4 2,418 employees with a payroll of
5 \$2,012,000. For the second pay period,
6 the division verified 2,426 employees
7 with a payroll of \$2,009,000.

8 Therefore, Harrah's met the employment
9 criteria during October. Questions?

10 CHAIRMAN JONES: Any questions? [No

11 response.] Thank you.

12 Please continue. Good morning.

13 MR. BOSSIER: Good morning. Good
14 morning, Chairman Jones and Board
15 Members. My name is Jim Bossier with
16 the Louisiana State Police Gaming Audit
17 Section. I'm reporting video gaming
18 statistics for October 2014 as shown on
19 page one of your handout.

20 Eight new video gaming licenses were
21 issued during October 2014: One bar,
22 five restaurants and two device owner's.
23 Ten new applications were received by
24 the Gaming Enforcement Division during
25 October 2014 and are currently pending

13

1 the field: Four bars, three
2 restaurants, one truckstop and two
3 device owner's.

4 The Gaming Enforcement Division
5 assessed \$1,000 and collected \$8,100 in
6 penalties in October 2014, and there are
7 currently \$500 in outstanding fines.

8 Please refer to page two of your
9 handout.

10 There are presently 13,755 video
11 gaming devices activated at 1,936
12 locations. Net device revenue for
13 October 2014 was \$48.5 million, a

14 \$2.9 million or 6.4 percent increase
15 when compared to September 2014, and a
16 \$900,000 or 1.8 percent increase when
17 compared to October 2013.

18 Net device revenue so far for fiscal
19 year 2015 is \$191 million, a \$2 million
20 or 1.1 percent increase when compared to
21 fiscal year 2014. Page three your
22 handout shows a comparison of net device
23 revenue.

24 Total franchise fees collected for
25 October 2014 were \$14.5 million, a

14

1 \$900,000 increase when compared to
2 September 2014, and a \$300,000 increase
3 when compared to October 2013.

4 Total franchise fees collected for
5 fiscal year 2014 are \$57.1 million, a
6 \$700,000 increase or 1.3 percent when
7 compared to fiscal year 2014. Page four
8 of your handout shows a comparison of
9 franchise fees. Does anybody have any
10 questions?

11 CHAIRMAN JONES: Board Members? [No
12 response.] Please proceed.

13 MR. BOSSIER: I'm finished.

14 V. CASINO GAMING ISSUES

15 A. Consideration of stipulation and petition to
16 amend License Conditions 7, 13(c) and 20(c)

17 for Golden Nugget Lake Charles, LLC - No.
18 R016502995

19 CHAIRMAN JONES: Thank you. I never
20 know when you-guys are done.

21 We now move to Casino Gaming Issues.
22 First up is: Consideration of
23 stipulation and petition to amend the
24 License Conditions 7, 13(c) and 20(c)
25 for Golden Nugget Lake Charles, LLC.

15

1 That's number R016502995. Good morning.

2 MS. MOORE: Good morning.

3 MR. WEST: Good morning,
4 Mr. Chairman.

5 MS. MOORE: Chairman Jones, Members
6 of the Board, I'm Assistant Attorney
7 General, Charmaine Moore. With me is
8 Paul West, counsel for the licensee
9 Golden Nugget Lake Charles, LLC.

10 There are five items on the agenda
11 today concerning Golden Nugget, and
12 before we take up each item, I would
13 like to give the Board an overview of
14 those items.

15 Golden Nugget has filed two
16 petitions which are on the agenda today.
17 Those are listed as Items A and E on the
18 agenda. The first petition seeks the
19 Board approval of Golden Nugget's

20 request to amend the conditions to
21 extend the completion of construction
22 date for the golf course and clubhouse
23 from December 31st, 2014, to April 30th,
24 15.

25 The second petition seeks the

16

1 Board's authorization to the Chairman to
2 determine substantial completion and to
3 allow the commencement of gaming
4 operations and to release the escrow.

5 Golden Nugget would like to commence
6 gaming operations on or about
7 December 1st. In order to do that, all
8 of the conditions set forth in the
9 Statement of Conditions imposed on the
10 license of Golden Nugget must be met.

11 One of those conditions requires that
12 the entire approved project be completed
13 by December 31st, 2014. Since the golf
14 course cannot be completed until
15 April 3 -- around April 30th of 2015,
16 the conditions will have to be amended
17 to allow the commencement of gaming
18 operations.

19 The other items which require the
20 Board's approval prior to the
21 commencement of gaming operations are
22 the approval of the licensee's

23 Compulsive Gaming Program, the approval
24 of the licensee's marine staffing
25 request, the issuance of a Certificate

17

1 of Compliance by the Board, a
2 determination of substantial completion
3 by the Board, and the authorization to
4 commence gaming operations.

5 The Compulsive Gaming Program and
6 the marine staffing requests are ready
7 for the Board's approval today. The
8 other items required to be completed and
9 approved prior to the commencement of
10 gaming operations are not completed at
11 this time but are expected to be
12 completed on or about December 1st, but
13 at the latest, prior to the next board
14 meeting on December 18th.

15 As to those items, the licensee is
16 asking the Board to authorize the
17 Chairman to approve them upon
18 completion. Those include the issuance
19 of the Certificate of Compliance, the
20 determination of substantial completion
21 and the authorization to commence gaming
22 operations. The specific requirements
23 for each -- for approval of each of
24 those agenda items will be discussed in
25 more detail as we take them up.

1 Paul West, as I said counsel for the
2 licensee, is here to present the
3 licensee's petition request, and ABSC is
4 here in regard to the manning request
5 and the COC, and the Division is also
6 here to give the Board a current status
7 of the construction of the project.

8 Okay. I guess we can take up the
9 petition to amend the conditions.

10 CHAIRMAN JONES: Please.

11 MR. WEST: The petition to amend the
12 conditions asks basically just for one
13 thing: To give until April 30th or no
14 later than April 30th to open the golf
15 course. Some 60, 90 days ago as the
16 golf course was growing into itself and
17 being developed, Mr. Fertitta and his
18 team determined that the golf course was
19 not up to the quality that he really
20 wanted out there.

21 So he's put more money in the
22 budget. He wants to add some water
23 features. He wants to tweak the golf
24 course a little bit and make it the type
25 of quality golf course that will be

1 consistent with this project. So we
2 would ask that he be allowed until

3 April 30th to build the golf course.

4 CHAIRMAN JONES: Did you want to
5 address the issue of the stipulation?

6 MR. WEST: We have entered into a
7 stipulation with State Police, payment
8 of a \$25,000 fee. The stipulation says
9 that he will invest \$2 million more than
10 originally budgeted for the golf course,
11 and the stipulation says that State
12 Police would not oppose the petition to
13 extend out to April 30th.

14 CHAIRMAN JONES: For the benefit of
15 the Board, whose members did not sit in
16 on any of the meetings that we've had
17 pursuant to this, I'd just to give you a
18 little of the history so they can
19 understand how we got to where we are
20 this morning so that they will have an
21 appreciation of what's happened.

22 You know, more than four years ago
23 we set down this path of authorizing
24 licensing and eventually opening a 15th
25 riverboat in the Lake Charles area. One

20

1 year ago this Board approved the
2 transfer of Ameristar Casino Lake
3 Charles, LLC, to Golden Nugget Lake
4 Charles, LLC.

5 Golden Nugget Lake Charles

6 thereafter filed and received approval
7 to amend the license conditions before
8 this Board, and we did in July this past
9 summer. Included among those amenities,
10 Golden Nugget was to provide an 18-hole
11 golf course with clubhouse facilities as
12 an addition to the other listed
13 amenities. The Board also approved the
14 adjusted opening date of December 31st,
15 2014.

16 Since early 2014, Golden Nugget, on
17 an almost a monthly basis, fairly
18 regular basis, has provided updated
19 reports to the Division and copied the
20 Board with regard to progress at the
21 site. It should be noted that none of
22 those reports indicated either the
23 clubhouse or golf course might not be
24 completed or usable on opening date.

25 I also made four personal visits,

21

1 accompanied by some of you, to the site.
2 During the last eleven months, I met
3 personally in a private meeting with
4 Mr. Fertitta in August, and all of those
5 visits were to visually inspect the
6 progress of the project and to discuss
7 the progress of that project. At no
8 time during those inspections or during

9 my visit with Mr. Fertitta was there any
10 suggestion that there was any issues
11 with regard to the clubhouse or the golf
12 course.

13 On or about September the 29th,
14 barely 60 days before the planned
15 opening, I learned through channels that
16 neither the golf course nor the
17 clubhouse would be substantially
18 complete as prescribed in the Statement
19 of Conditions. I subsequently notified
20 the Division, Major Noel, of my very
21 grave concerns related to this project.

22 Within days, on October 1st, Major
23 Mike Noel, on behalf of the Division,
24 notified Mr. Fertitta that failure to
25 fulfill the terms and obligations

22

1 provided for in the Statement of
2 Conditions could adversely affect the
3 opening date of Golden Nugget.
4 Mr. Fertitta was put on notice that
5 failure to achieve substantial
6 completion could abject Golden Nugget
7 Lake Charles' administrative action and
8 could delay the opening date.

9 Six days later Mr. Fertitta replied
10 confirming what we had heard. I called
11 for a meeting to try and figure out how

12 we got to where we were, and we all met
13 in Baton Rouge. On October 9th, my
14 staff, together with representatives
15 from the Division and the Attorney
16 General's Office, met with Mr. Fertitta
17 and his team. I think it's safe to say
18 that based on my opening remarks,
19 Mr. Fertitta's response, we were both
20 troubled by this turn of events and
21 their possible consequences, except that
22 Mr. Fertitta would probably characterize
23 our respective dispositions in more
24 organic terms.

25 But we all came together knowing

23

1 that we had to overcome the problem that
2 was presented to us, and that was that
3 subsequent inspections of the golf
4 course and the clubhouse were such that
5 it wasn't of the quality that Mr.
6 Fertitta wanted; and he wanted to invest
7 more money to do that.

8 That's what brings us here today,
9 and that's the nature of the
10 stipulation; that's the nature of the
11 petition. At this time, I permit any
12 questions to counsel or the Attorney
13 General. There are no questions.

14 MR. BRADFORD: I have one question.

15 CHAIRMAN JONES: We do have a
16 question. Mr. Bradford.

17 MR. BRADFORD: Question and a
18 motion. My question, I guess, Paul, if
19 you can answer it, is April 30th enough
20 time?

21 MR. WEST: Yes, sir.

22 MR. BRADFORD: I move for approval.

23 MR. GASTON: I'd like to second, and
24 if winter is anything like pre-winter,
25 we need a golf course really bad, you

24

1 know. Nobody's going to be playing
2 golf. Let's face it.

3 CHAIRMAN JONES: We appreciate that,
4 and that was part of the discussion when
5 we met. We talked about those issues.
6 So we have a motion before us and a
7 second to adopt the resolution.

8 Miss Tramonte, would you read the
9 resolution into the record.

10 THE CLERK: On the 20th day of
11 November, 2014, the Louisiana Gaming
12 Control Board did, in a duly-noticed
13 public meeting, consider the issue of
14 the petition to amend license conditions
15 filed by Golden Nugget Lake Charles,
16 LLC, and upon motion duly made and
17 second, the Board adopted, this

18 resolution.

19 Be it resolved that the stipulation
20 entered into by and among Golden Nugget
21 Lake Charles, LLC, GNLC Holdings,
22 Incorporated, Golden Nugget,
23 Incorporated, Landry's Gaming,
24 Incorporated, Fertitta Entertainment,
25 Incorporated and Gaming Enforcement

25

1 Division of Louisiana State Police
2 providing for a \$25,000 payment as
3 condition of licensing, and two, the
4 expenditure by Golden Nugget Lake
5 Charles, LLC, of an additional
6 \$2 million on the golf course, to be
7 completed no later than April 30th,
8 2015, a copy of which is attached hereto
9 and made a part hereof, be and is hereby
10 approved.

11 Be it resolved that subject to all
12 license conditions currently in effect
13 on Golden Nugget Lake Charles, LLC, the
14 following modifications to the Statement
15 of Conditions be and are hereby
16 approved.

17 A, Condition 7 of the Statement of
18 Conditions be modified or replaced with
19 the following: To construct and operate
20 the approved project. It is expressly

21 agreed and understood that no gaming
22 operations shall commence until the
23 approved project has been substantially
24 completed and ready for occupancy and
25 use in the opinion of the Louisiana

26

1 Gaming Control Board, with the exception
2 of 18-hole golf course with clubhouse
3 facilities to be completed and ready for
4 occupancy and use by April 30th, 2015.
5 "Substantially complete" or "substantial
6 completion" shall mean the stage and
7 progress of the work when the approved
8 project is sufficiently complete in
9 accordance with the contract documents
10 such that it can be occupied and
11 utilized for its intended use in
12 appropriate season.

13 By appropriate season, it may not be
14 necessary, for example, to open the
15 swimming pool in the middle of winter so
16 long as the swimming pool is anticipated
17 to be completed in time for the normal
18 season for swimming pools in Lake
19 Charles.

20 B, Condition 13(c) of the Statement
21 of Conditions be modified and replaced
22 with the following: To commence
23 construction of the approved project on

24 or before July 20th, 2012, with the
25 construction to be completed on or

27

1 before December 31st, 2014, with the
2 exception of the 18-hole golf course
3 with clubhouse facilities, to be
4 completed on or before April 30th, 2015.
5 Failure to meet these deadlines or to
6 timely receive an extension may result
7 in forfeiture of all privileges to the
8 license.

9 C, Condition 20(c) of the Statement
10 of Conditions be modified and replaced
11 with the following: Upon completion of
12 construction of the approved project,
13 any funds remaining in the escrow
14 account shall be released.

15 Thus done and signed in Baton Rouge,
16 Louisiana, this 20th day of November,
17 2014.

18 CHAIRMAN JONES: Please call the
19 roll.

20 THE CLERK: Mr. Bradford?

21 MR. BRADFORD: Yes.

22 THE CLERK: Mr. Stipe?

23 MR. STIPE: Yes.

24 THE CLERK: Mr. Singleton?

25 MR. SINGLETON: Yes.

28

1 THE CLERK: Miss Noonan?
2 MS. NOONAN: Yes.
3 THE CLERK: Major Mercer?
4 MAJOR MERCER: Yes.
5 THE CLERK: Mr. Jackson?
6 MR. JACKSON: Yes.
7 THE CLERK: Mr. Gaston?
8 MR. GASTON: Yes.
9 THE CLERK: Chairman Jones?
10 CHAIRMAN JONES: Yes. The motion
11 carries.
12 MR. WEST: Thank you.

13 B. Consideration of approval of Compulsive Gaming
14 Program for Golden Nugget Lake Charles, LLC -
15 No. R016502995

16 CHAIRMAN JONES: Thank you. We now
17 move to: Consideration of approval of
18 Compulsive Gaming Program for Golden
19 Nugget Lake Charles, LLC, No.
20 R016502995.

21 MS. MOORE: Louisiana Revised
22 Statute 27:27.1 requires the licensee to
23 submit a written Compulsive Gaming
24 Program to address gaming and gambling
25 addictions. The program was submitted

29

1 by Golden Nugget in July of this year.
2 It was reviewed by the Attorney
3 General's Office and determined to

4 comply with statutory requirements. If
5 it is the Board's pleasure to approve
6 the program submitted by Golden Nugget,
7 a resolution has been prepared for the
8 Board's consideration.

9 CHAIRMAN JONES: Are there any
10 questions? One quick note: This isn't
11 just a box that we check off. This is
12 important. It's important to every
13 property. It was important when the
14 public policy of this state shifted to
15 permit and authorize gaming in this
16 state. Compulsive gambling is a
17 problem, and it's every responsibility
18 of every licensee not only to have a
19 plan to make sure this is properly
20 executed and its personnel are properly
21 trained.

22 So this is important to us. It's
23 important to the State. It's important
24 to the whole program of gaming, so I
25 just want to make sure that we put that

30

1 into the record.

2 Do I have a motion to adopt the
3 resolution?

4 MS. NOONAN: I'm sorry. I have a
5 question.

6 CHAIRMAN JONES: You have a

7 question. I'm sorry. Miss Noonan.

8 MS. NOONAN: In the paperwork it
9 says that they have the minimum
10 requirement for the Compulsive Gambling
11 Program. Is the state okay with that?
12 My only concern was at "the minimum."
13 Is the State okay with that as far as
14 the execution and what they have in
15 place?

16 MS. MOORE: Yes. I think when the
17 memo was done, I think the -- I think
18 the use of the word "minimum" was just
19 to indicate that it met the standards,
20 at least. It was not --

21 MS. NOONAN: Okay. Okay. So it's
22 just a wording issue.

23 MS. MOORE: Yes.

24 CHAIRMAN JONES: Yeah, the State
25 puts a hurdle in place in terms of these

31

1 things have to be in the plan, and
2 that's the minimum threshold, so I think
3 that's just the boilerplate language.
4 It doesn't mean they have a minimum
5 program. It means they've met the
6 requirements that are in the law.

7 MS. NOONAN: Okay.

8 CHAIRMAN JONES: Any further
9 questions? [No response.] We have a

10 motion. Do I have a second? And a
11 second.

12 COURT REPORTER: Who motioned?

13 CHAIRMAN JONES: Mr. Singleton moved
14 and Mr. Mercer seconded. Miss Tramonte,
15 read resolution.

16 THE CLERK: On the 20th day of
17 November 2014, the Louisiana Gaming
18 Control Board did, in a duly-noticed
19 public meeting, consider the issue of
20 Golden Nugget Lake Charles, LLC's,
21 request for approval of its Compulsive
22 Gaming Program pursuant to Revised
23 Statute 27:27.1, and upon motion duly
24 made and second, the Board adopted this
25 resolution.

32

1 Be it resolved that Golden Nugget
2 Lake Charles, LLC's, Compulsive Gaming
3 Program be and is hereby approved.

4 Thus done and signed in Baton Rouge,
5 Louisiana, this 20th day of November,
6 2014.

7 CHAIRMAN JONES: Please call the
8 roll.

9 THE CLERK: Mr. Bradford?

10 MR. BRADFORD: Yes.

11 THE CLERK: Mr. Stipe?

12 MR. STIPE: Yes.

13 THE CLERK: Mr. Singleton?
14 MR. SINGLETON: Yes.
15 THE CLERK: Miss Noonan?
16 MS. NOONAN: Yes.
17 THE CLERK: Major Mercer?
18 MAJOR MERCER: Yes.
19 THE CLERK: Mr. Jackson?
20 MR. JACKSON: Yes.
21 THE CLERK: Mr. Gaston?
22 MR. GASTON: Yes.
23 THE CLERK: Chairman Jones?
24 CHAIRMAN JONES: Yes. Motion
25 carries, and the plan has been adopted.

33

1 Thank you.
2 C. Consideration of Manning Request by Golden
3 Nugget Lake Charles, LLC - No. R016502995
4 CHAIRMAN JONES: Now we take up:
5 Consideration of the Manning Request by
6 Golden Nugget Lake Charles, LLC, No.
7 R016502995. Morning, gentlemen.
8 MR. THOMPSON: Morning.
9 CHAIRMAN JONES: Please have a seat
10 and introduce yourself to the Board.
11 MR. THOMPSON: Assistant Attorney
12 General, Buddy Thompson.
13 MR. FRANCIC: John Francic with ABS
14 Consulting.
15 MR. HANSON: Walt Hanson,

16 independent representative for ABS
17 Consulting.

18 MR. THOMPSON: Mr. Chairman, Board
19 Members, I'm Buddy Thompson, Assistant
20 Attorney General. With me is John
21 Francic and Walt Hanson with ABSC.
22 We're here in the matter of the manning
23 request for Golden Nugget Lake Charles,
24 LLC.

25 On May the 20th, 2014, Golden Nugget

34

1 Lake Charles, LLC, submitted a letter to
2 ABSC seeking approval of its riverboat
3 manning proposal.

4 For more on this, I now turn the
5 presentation over to John Francic.

6 MR. FRANCIC: We'll let Walt take
7 care of it.

8 MR. HANSON: Mr. Chairman, Board
9 Members, I'm Walt Hanson, an independent
10 representative for ABS Consulting.

11 As a reviewer and senior risk --
12 senior marine risk consultant, I
13 initiated contact soon thereafter
14 receiving the letter of 20 May and
15 visited the casino, which was under
16 construction, on 15 July, 2014. With
17 amplifying data from the casino
18 management, amendments were provided by

19 correspondence in late August, in late
20 September throughout October, and even
21 into early November. Throughout these
22 interchanges with casino management's
23 process let to casino submitting on 30
24 October, 2013, its final manning
25 request.

35

1 This request for manning for its
2 riverboat assigned eleven job positions
3 to riverboat staff: One riverboat
4 superintendent, one assistant riverboat
5 superintendent, one riverboat technician
6 and eight security officers.

7 Our review concludes that the
8 designated riverboat staff provides an
9 adequate organization which is fully
10 integrated within and can immediately
11 leverage the casinos other resources to
12 maintain the reliability of safety
13 equipment associated with the
14 permanently-moored riverboat and the
15 performance of routine and emergency
16 duties to safeguard the public and
17 employees aboard it.

18 In reaching this conclusion, my
19 review considered three factors: The
20 temporal and geographic hazards to
21 public safety at the Golden Nugget

22 property, of which seven risks scenarios
23 were considered: Fire, bomb threat,
24 electrical power outage, accidental
25 injury, medical distress, high wind

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1 events, high water events and off
2 property toxic chemical releases. We
3 also looked at engineered and
4 administrative controls that reduce the
5 aforementioned safety risks to the
6 public. We also considered the
7 organization by which emergency
8 situations would be addressed.

9 The emergencies that require
10 response by both riverboat staff alone
11 or by the riverboat and the landside
12 staffs working together had emergency
13 procedures and appropriate station bills
14 in place.

15 Details: Basically, it is ABS
16 Consulting's recommendation to the
17 Louisiana Gaming Control Board to
18 approve the designated riverboat staff
19 for Golden Nugget Lake Charles, LLC.

20 This riverboat staff provides an
21 adequate organization which is fully
22 integrated within and can immediately
23 leverage, by casino's other resources,
24 to maintain the reliability of its

25 equipment associated with the riverboat

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1 and performance of routine and emergency

2 duties to safeguard the public and its

3 employees.

4 CHAIRMAN JONES: Anything to add,

5 Mr. Francic?

6 MR. FRANCIC: No, sir.

7 MR. THOMPSON: The Attorney

8 General's Office's and Louisiana State

9 Police have looked at this matter and

10 the information submitted by ABSC and

11 now submit it to the Board for decision.

12 CHAIRMAN JONES: Board Members, do

13 we have any questions on the manning?

14 MS. NOONAN: I do. I have a

15 question.

16 CHAIRMAN JONES: Miss Noonan.

17 MS. NOONAN: Since this is under

18 construction, will the staffing issue be

19 revisited prior to the commencement of

20 gaming operations before certificates

21 are completed, or is this the final?

22 MR. THOMPSON: This will be the

23 final.

24 MS. NOONAN: So if there are changes

25 made to the facility according to the

38

1 original contract, will they be

2 revisited?

3 MR. THOMPSON: The licensee would
4 have to come back to amend its staffing
5 position, if that happened.

6 MS. NOONAN: Okay. But, I mean, if
7 upon -- when State Police do the
8 inspection and before commencement of
9 gaming if its felt that more personnel
10 is needed, State Police would come to us
11 and address that issue?

12 MR. THOMPSON: I would let
13 Mr. Francic answer that; but I assume
14 that ABSC would bring that up to State
15 Police, and they would look into it.

16 MR. FRANCIC: Of course with any new
17 casino you're going to have, you know,
18 tweaks and adjustments to their manning,
19 but the way the whole station bills --
20 you know, you got integrated boat with
21 the low rise, you know, people from the
22 facility and then also the riverboat.
23 So if there's -- it's anticipated it's
24 not working right, we may just have
25 to either -- I don't know if we need to

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1 add more people or we need to adjust the
2 station bills to find out, but we
3 certainly can tweak what we all have.

4 CHAIRMAN JONES: Major Noel, did you

5 want to add anything?

6 MAJOR NOEL: Of course prior to
7 opening, the COC and the systems will be
8 tested prior to preoperative inspection,
9 as well as opening.

10 MS. NOONAN: Okay.

11 CHAIRMAN JONES: Is that it,
12 Miss Noonan?

13 MS. NOONAN: That's it.

14 CHAIRMAN JONES: Any other questions
15 from the Board? [No response.] Do I
16 have a motion?

17 MS. NOONAN: I will motion to
18 approve.

19 MR. THOMPSON: We have prepared a
20 resolution, Mr. Chairman, if the Board
21 so votes to approve.

22 CHAIRMAN JONES: Thank you. We have
23 a motion, and Mr. Jackson seconded, I
24 believe. Would you please read the
25 resolution into the record, Miss

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1 Tramonte.

2 THE CLERK: On the 20th day of
3 November, 2014, the Louisiana Gaming
4 Control Board did, in a duly-noticed
5 public meeting, consider the issue of
6 Golden Nugget Lake Charles, LLC's,
7 request for approval of riverboat

8 staffing and the report and
9 recommendation of ABS Consulting, and
10 upon motion duly made and second, the
11 Board adopted this resolution.

12 Be it resolved that Golden Nugget
13 Lake Charles, LLC's, riverboat staffing
14 be and is hereby approved as follows:
15 One riverboat superintendent on call,
16 one assistant riverboat superintendent,
17 one riverboat technician, eight security
18 officers, four entrance security
19 officers and four roving security
20 officers. This riverboat staffing
21 requirement is to be included in Golden
22 Nugget Lake Charles, LLC's, riverboat
23 gaming vessel Certificate of Compliance
24 when that certificate is approved and
25 issued by this Board.

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1 Thus done and signed in Baton Rouge,
2 Louisiana, this 20th day of November,
3 2014.

4 Mr. Bradford?

5 MR. BRADFORD: Yes.

6 THE CLERK: Mr. Stipe?

7 MR. STIPE: Yes.

8 THE CLERK: Mr. Singleton?

9 MR. SINGLETON: Yes.

10 THE CLERK: Miss Noonan?

11 MS. NOONAN: Yes.
12 THE CLERK: Major Mercer?
13 MAJOR MERCER: Yes.
14 THE CLERK: Mr. Jackson?
15 MR. JACKSON: Yes.
16 THE CLERK: Mr. Gaston?
17 MR. GASTON: Yes.
18 THE CLERK: Chairman Jones?
19 CHAIRMAN JONES: Yes, the motion
20 carries. The manning plan is approved.
21 Thank you.

22 D. Consideration of Certificate of Compliance for
23 the Alternate Riverboat Inspection of the
24 gaming vessel of Golden Nugget Lake Charles,
25 LLC - No. R016502995

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1 CHAIRMAN JONES: We'll now move to
2 D: Consideration of the Certificate of
3 Compliance for the Alternate Riverboat
4 Inspection of the gaming vessel Golden
5 Nugget Lake Charles, LLC, No.
6 R016502995.

7 MR. THOMPSON: Mr. Chairman, Board
8 Members, again, I'm Buddy Thompson,
9 Assistant Attorney General. With me is
10 John Francic and Walt Hanson of ABSC.
11 We're here concerning the issuance of
12 the temporary Certificate of Compliance
13 to Golden Nugget Lake Charles, LLC.

14 On September 19, 2012, ABSC began
15 the inspection of the dockside riverboat
16 casino under construction at Lake
17 Charles, Louisiana. For more on this, I
18 turn the presentation over to John
19 Francic.

20 MR. FRANCIC: Good morning,
21 Chairman, Board Members, John Francic
22 with ABS Consulting to report the
23 progress for certification of the Golden
24 Nugget Casino.

25 The construction started in the
 43
1 summer of 2012 with our first report
2 drafted on September 19th, 2012.

3 The floating casino platform is
4 constructed of concrete that measures
5 320 feet in length by 223 feet wide and
6 11.6 feet depth. The hull is a single
7 compartment consisting of 320 cells, and
8 there are no occupied spaces below the
9 main deck. The casino platform floats
10 in the basin. The barge is moored in
11 place with 80 strength restraining rods
12 that are consistently monitored. The
13 structure above the main deck is a
14 two-story building built to
15 International Building Code.

16 Final inspection testing has been

17 ongoing since last month making sure the
18 building meets the IBC and NFPA codes.
19 In your report that was provided is a
20 list of life safety and non-life safety
21 deficiencies that need to be completed.
22 This list was current as of the 13th of
23 November, but progress has been made to
24 date to reduce that list.

25 Overall, the construction is

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1 considered to be in concordance with Lay
2 Pitman & Associates' design of the hull
3 and Bergman, Walls & Associates for the
4 structure. The progress to date is
5 considered to be satisfactory.

6 CHAIRMAN JONES: Any questions? The
7 Board is clear.

8 MR. THOMPSON: Mr. Chairman, we now
9 present these findings to the Board and
10 request upon the acquisition of all the
11 required state and local permits, as
12 confirmed by ABSC and Louisiana State
13 Police, and the satisfactory completion
14 of all the life safety systems testing
15 and the written receipt of the
16 recommendation of ABSC that the
17 riverboat gaming vessel, receive a
18 temporary certificate of compliance,
19 which shall expire three months from the

20 date of the issuance or the date a final
21 Certificate of Compliance is issued,
22 whichever occurs first. Also, that the
23 Board authorize, upon the receipt of the
24 recommendation of ABSC, the Chairman to
25 issue a temporary Certificate of

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1 Compliance to Golden Nugget Lake
2 Charles, LLC. And we've prepared a
3 resolution if the Board so votes to
4 approve.

5 CHAIRMAN JONES: Do I have a motion?

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

7 CHAIRMAN JONES: All right.

8 Dr. Gaston, second by Mr. Bradford.

9 Please read the resolution into the
10 record.

11 THE CLERK: On the 20th day of
12 November, 2014, the Louisiana Gaming
13 Control Board did, in a duly-noticed
14 public meeting, consider the issue of
15 Golden Nugget Lake Charles, LLC's,
16 request for a riverboat gaming vessel
17 Certificate of Compliance, and upon
18 motion duly made and second, the Board
19 adopted this resolution.

20 Be it resolved that upon acquisition
21 of all required state and local permits
22 as confirmed by ABS Consulting and

23 Louisiana State Police Gaming
24 Enforcement Division, satisfactory
25 completion of all life safety systems

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1 testing and receipt of the written
2 recommendation of ABSC, that the
3 riverboat gaming vessel receive a
4 temporary Certificate of Compliance,
5 Golden Nugget Lake Charles, LLC, be
6 issued a temporary riverboat gaming
7 vessel Certificate of Compliance for the
8 Alternate Inspection of the gaming
9 vessel.

10 Be it further resolved that the
11 temporary riverboat gaming vessel
12 Certificate of Compliance issued to
13 Golden Nugget Lake Charles, LLC, shall
14 expire three months from the date of
15 issuance or the date of a final
16 riverboat gaming vessel Certificate of
17 Compliance is issued, whichever first
18 occurs.

19 Be it further resolved that the
20 Members of the Board hereby authorize,
21 upon receipt of the recommendation of
22 ABSC, the Chairman to issue a temporary
23 riverboat gaming vessel Certificate of
24 Compliance to Golden Nugget Lake
25 Charles, LLC.

1 Thus done and signed in Baton Rouge,
2 Louisiana, this 20th day of November,
3 2014.

4 THE CLERK: Mr. Bradford?

5 MR. BRADFORD: Yes.

6 THE CLERK: Mr. Stipe?

7 MR. STIPE: Yes.

8 THE CLERK: Mr. Singleton?

9 MR. SINGLETON: Yes.

10 THE CLERK: Miss Noonan?

11 MS. NOONAN: Yes.

12 THE CLERK: Major Mercer?

13 MAJOR MERCER: Yes.

14 THE CLERK: Mr. Jackson?

15 MR. JACKSON: Yes.

16 THE CLERK: Mr. Gaston?

17 MR. GASTON: Yes.

18 THE CLERK: Chairman Jones?

19 CHAIRMAN JONES: Yes, and the
20 resolution is adopted. Thank you.

21 MR. THOMPSON: Thank you.

22 E. Consideration of petition for determination of
23 substantial completion, commencement of gaming
24 operations and release of escrow account by
25 Golden Nugget Lake Charles, LLC - No.

1 R016502995.

2 CHAIRMAN JONES: Final item related

3 to Golden Nugget, LLC, is:
4 Consideration for the petition for
5 determination of substantial completion,
6 commencement of gaming operations and
7 release of escrow account by Golden
8 Nugget, LLC, No. RO16502995.

9 MR. WEST: Thank you, Mr. Chairman.
10 Paul West for Golden Nugget. At this
11 time, we come before the Board to ask
12 that the Board authorize the Chairman to
13 determine substantial completion of the
14 project, which basically means that once
15 Louisiana State Police does their
16 inspection, the architect signs off, the
17 contractor issues a certificate of
18 substantial completion and we comply
19 with any number of checklists of
20 permits -- we have a whole notebook of
21 things that have to be complete, health
22 certificates, liquor licenses, tobacco
23 licenses -- once all those are complete
24 to the Chairman's satisfaction, that he
25 can authorize the commencement of gaming

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1 operations.

2 Mr. Cantwell is here today, who can
3 bring you up to date on the
4 construction, if you want a presentation
5 from him. Mr. Fertitta is here today.

6 He'd be happy to answer any questions,
7 give you some ideas about the opening
8 and what he foresees here in the next
9 few weeks.

10 CHAIRMAN JONES: I'd prefer to hear
11 State Police first, and then we'll call
12 up Mr. Cantwell and Mr. Fertitta.

13 CAPTAIN CHUSTZ: Good morning,
14 Mr. Chairman.

15 CHAIRMAN JONES: Good morning.

16 CAPTAIN CHUSTZ: Captain Terry
17 Chustz with State Police, just giving
18 you a quick update over the things we
19 have control over out at the casino in
20 order to achieve the certificate of
21 completion.

22 The gaming floor is approximately 98
23 percent complete; the surveillance
24 system is approximately 95 percent
25 complete. As the final tables get put

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1 in place and get adjusted, we can then
2 complete our surveillance, review of the
3 system. We have no reason to believe
4 that we will not be complete prior to
5 opening. Everything's going on pace
6 with the gaming floor.

7 The employee numbers are doing quite
8 well. We have 824 gaming non-key

9 employees that have been processed, 724
10 have been approved. We anticipate
11 approval of the final numbers early next
12 week. The total staffing number as of
13 yesterday was 1,816 employees.

14 Internal controls have been
15 submitted and returned, and they're
16 approximately in their final draft now;
17 and we expect completion of these by
18 Wednesday of next week.

19 And lastly, slots are in the final
20 stage. Nearly half of those have
21 completed the final stage of testing as
22 of yesterday, and we're in place to have
23 those completed, as well.

24 CHAIRMAN JONES: Did you have
25 anything to add, Miss Moore?

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1 MS. MOORE: I just wanted to go
2 through one more time, briefly, what's
3 required in order for the operations to
4 commence. You know, as we've stated,
5 the project is not complete today so you
6 can't approve all of these things, and
7 that's why the licensee is asking the
8 Board to authorize the Chairman to make
9 certain determinations.

10 The three things that are needed for
11 gaming operations to commence are: The

12 Certificate of Compliance, which is --
13 as Mr. Thompson stated, requires that
14 all state and local permits are obtained
15 and confirmed by ABSC and the Division,
16 the satisfactory completion of all life
17 safety systems' testing and the written
18 recommendation of ABSC to issue the
19 certificate.

20 The second thing is the
21 determination of substantial completion.
22 For that to occur, the Board should have
23 received the project architect
24 certificate of substantial completion
25 and readiness for occupation and use and

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1 the Division's written confirmation that
2 the project is substantially complete.

3 In addition, the licensee will have
4 to successfully undergo a preoperative
5 inspection which will be conducted by
6 the Division. That will not be done
7 until the determination of substantial
8 completion, until the issuance of the
9 temporary Certificate of Compliance, and
10 the approval of the internal controls by
11 the Division and the training of
12 employees.

13 So everything else has to be done
14 before they'll do the inspection,

15 because that will be the last thing to
16 be done, and once the commencement of
17 gaming operations are authorized, the
18 licensee would also like the escrow to
19 be released, which the Chairman can do
20 by written letter to the creditor.

21 CHAIRMAN JONES: For the benefit of
22 the Board Members before we move to
23 questions and bring Golden Nugget up, is
24 it my appreciation that substantial
25 completion refers to the entire project;

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1 in other words, just, for example, if
2 only five of the seven restaurants were
3 complete, the other two were, you know,
4 10 percent complete each, you couldn't
5 just say, well, 98 percent of the whole
6 project is complete, they're
7 substantially complete, therefore it's
8 ready to open; is that correct? In
9 other words, you look at the total
10 project, not --

11 MS. MOORE: That's basically
12 correct.

13 CHAIRMAN JONES: -- little
14 individual pieces.

15 MS. MOORE: That's why you require
16 the architect to sign off on it and also
17 the Division to confirm that in their

18 opinion it is substantially complete.

19 CHAIRMAN JONES: Board Members, do
20 you have questions of Miss Moore, the
21 Captain or Mr. West before we bring up
22 Golden Nugget?

23 MS. NOONAN: I just want to make a
24 comment --

25 CHAIRMAN JONES: Absolutely.

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1 MS. NOONAN: -- about the State
2 Police and the work that they've done
3 and you, Mr. Chairman. It looks like a
4 lot of work, a lot of, you know, trying
5 to get this project off, and I
6 appreciate the work of everybody
7 involved. It helps us make our
8 decisions easier.

9 MR. GASTON: Mr. Chairman, I'd like
10 to echo what Denise said. Bottom line,
11 you have worked your rear-end off, and I
12 really appreciate you being so involved.
13 And I totally trust whatever you will do
14 will make this work.

15 State Police, also, Colonel, so glad
16 to see you. Well, I'm going to come
17 back to the Colonel in just a minute
18 because he did something the other day
19 that touched me and my heart, and I just
20 wanted to call it to the attention of

21 people in the audience.

22 But anyhow, Golden Nugget, your work
23 is going to be an awesome project.

24 CHAIRMAN JONES: Thank you for that,
25 Dr. Gaston, and, you know, it's been a

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1 team effort, including the Attorney
2 General's Office. I mean, they're
3 behind the scenes more than in the
4 field, the State Police. I mean, these
5 guys have kept us plugged in. They've
6 worked closely with the Golden Nugget
7 team, and, you know, it's just a
8 give-and-take process here. And I just
9 have tremendous respect, not because I
10 came from the organization, but State
11 Police has done a remarkable job here.
12 We do appreciate that.

13 Mr. Fertitta, do you and your team
14 want to come up? Good morning, welcome
15 to Baton Rouge.

16 MR. FERTITTA: How are you this
17 morning? It was exactly, I think, 366
18 days ago that we were here; and a lot
19 has happened in the last 12 months, and
20 it's good to be back. We're more than
21 happy to answer any questions, or if you
22 would just like us to give you an
23 update, or whatever you prefer.

24 CHAIRMAN JONES: Gentleman, if you'd
25 introduce yourselves and just kind of

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1 bring the Board up to date. I have a
2 sense of where we are, but my fellow
3 board members do not.

4 MR. FERTITTA: Let me introduce
5 everybody real quick. Jeff Cantwell is
6 the Executive Vice-President of
7 Development of Landry's and Golden
8 Nugget, and he oversees the construction
9 and development 100 percent. And every
10 now and then he forgets to give me an
11 update, and you hear it before me. And
12 Jim Hoskins oversees the gaming for
13 Golden Nugget and is directly overseeing
14 the property there in Lake Charles and
15 has extensive Louisiana experience.

16 CHAIRMAN JONES: Thank you.

17 MR. CANTWELL: Thank you and good
18 morning. Just as a point of
19 clarification just for the Board so
20 y'all understand, and it's past history,
21 but the golf course is ready, could be
22 open. It is substantially complete
23 based on the plans that Ameristar
24 submitted, but unfortunately, you know,
25 we're subject to mother nature and

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1 weather and rain and whatnot. And the
2 grass hasn't grown in, the design that
3 was originally intended some of the
4 features didn't grow in the way they
5 were, so starting in the summer we
6 started tearing out things and replacing
7 things and fully expected to be
8 completed and happy with the progress
9 and ready to open with the whole
10 project, but it just hasn't grown in the
11 way we expected.

12 So you could go play golf today, if
13 you'd like, but it wouldn't be the
14 experience Mr. Fertitta wanted to have;
15 and so, in turn, since we decided to
16 postpone the opening, we've added some
17 additional features as was mentioned
18 earlier, some additional water features
19 and whatnot, but to date we have spent
20 over \$2 million in improvements that are
21 completed above and beyond what
22 Ameristar was going to complete.

23 In addition to that, the clubhouse
24 was originally contemplated to be part
25 of the spa under Ameristar's plan, and

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1 we could have accomplished that, as
2 well. However, when Pinnacle got
3 involved, they decided to build a joint

4 clubhouse because they own -- they were
5 going to own both properties.
6 Ultimately, once we took over,
7 Mr. Fertitta decided to do his own
8 clubhouse, which is another \$10 million
9 expense that wasn't contemplated
10 initially, and we've been working
11 feverishly to get that done. But just
12 that was not able to get completed in
13 the timeline, so I wanted to give you a
14 little more history on the golf course;
15 and we appreciate the extension to
16 April 30th, and we think it will be a
17 much better product.

18 CHAIRMAN JONES: And you understand
19 since we've had our meeting that we
20 don't live by the philosophy of it's
21 better to give forgiveness than
22 permission, right?

23 MR. CANTWELL: We understand. We
24 need to be communicating better, as
25 Tillman said.

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1 CHAIRMAN JONES: And Mr. Fertitta
2 and I have met, we've talked. We have
3 each other's cell phone numbers, and we
4 send each other e-mails, so we're
5 plugged in. But it's really important,
6 you know, because we -- you know, we're

7 the control board, but we are a team.
8 We're all trying to get to the same
9 place.

10 MR. CANTWELL: Understand.

11 CHAIRMAN JONES: And that was the
12 outcome of that meeting. We're trying
13 to help you get there.

14 MR. FERTITTA: And we appreciate
15 that, and, again, it has been a great
16 relationship with everybody involved so
17 far getting this project done, and I
18 think everybody will be very pleased.

19 We're working feverishly, as the
20 folks that have been involved have seen,
21 seven days a week, twenty hours a day.
22 There are approximately 1,500
23 construction workers working on the
24 project. A lot of -- you heard from the
25 State Police a lot of the gaming

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1 components and lot of the back of house
2 and restaurants are coming online.
3 We're working feverishly through the
4 holidays to turn over the rest of the
5 restaurants.

6 The pool, the spa, the suites, the
7 rooms are substantially complete. The
8 typical room -- the suites are running a
9 little behind, but we expect completion

10 of those late next week in time for the
11 opening.

12 We'll be working this week and next
13 week to get substantially complete, go
14 through the necessary inspections that
15 are required to get the Certificate of
16 Compliance, and then we're anticipating
17 opening the first week of December.
18 Whether that's December 1st or December
19 3rd or 5th, we're not there at this
20 point in time, but we are just around
21 the corner and headed back there after
22 we leave here to make sure that we're
23 cracking the whip and pushing people
24 through and getting completed.

25 CHAIRMAN JONES: You mentioned the

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1 rooms. I knew there was some -- and I'm
2 coming back next week with the Colonel
3 and the Major. I know the pool rooms
4 were probably the least complete, is my
5 understanding?

6 MR. CANTWELL: Yeah. But they've
7 turned the corner. I mean, we had
8 substantial, you know, millworks going
9 in, wall coverings go in. I expect
10 flooring to be in over the weekend, so I
11 think furniture will be going in
12 probably over Thanksgiving weekend.

13 So we'll pull it together, and I'm
14 sure you're going to ask about the spa.
15 The spa was another point of contention,
16 but again, as Tillman and I saw
17 yesterday, I mean, floorings going in,
18 millworks going in and some of the
19 glazing is going in, so we expect all
20 that to come together at the last
21 minute.

22 CHAIRMAN JONES: How about the
23 restaurants?

24 MR. CANTWELL: Really, we've got
25 three of the restaurants substantially

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1 complete today. They're actually
2 cooking and prepping in the buffet and
3 Salt Grass, and the Asian restaurant
4 will be over the weekend; and then the
5 other restaurants should be complete.
6 They're coming together quickly. Again,
7 we've got a lot to do between now and
8 the end of next week, but we're going to
9 make it happen.

10 CHAIRMAN JONES: How about Mr.
11 Fertitta's floor in the hotel?

12 MR. CANTWELL: You know, there is a
13 little challenge. That's the floor we
14 added, and so there's a little more
15 challenges there. And, again, it's the

16 top level suites. It's a whole another
17 above and beyond what our conditions
18 required, and we want to make sure that
19 they're correct.

20 So our goal there is to make those
21 the best possible rooms available in the
22 market, in the state, in the industry,
23 and so we want to make sure they're done
24 correctly.

25 CHAIRMAN JONES: Jim, do you want to

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1 add anything?

2 MR. HOSKINS: I think they've
3 covered most of it. Operations, we're
4 in full-on training, and we're working
5 with Major Noel and Captain Chustz, and
6 Lieutenant Green is the local lieutenant
7 out there. It is give and take, and I
8 appreciate their help. We're getting
9 everything together.

10 Employment jumped up today. It's
11 2,276, so that's how many we brought on
12 in one day. So by Saturday everybody
13 will be reported for duty, full-on
14 training. There's a lot of moving
15 pieces as he was talking about, but I
16 feel really comfortable with our team.

17 And Lake Charles has been great to
18 us. I just wanted to say that. It's a

19 great community. It's a great market,
20 and, you know, being in gaming a long
21 time, it's really exciting; and to have
22 Tillman's name on it with that Houston
23 influence, I just think it's going to be
24 a home run, but we do appreciate all the
25 help that State Police has given us.

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1 CHAIRMAN JONES: Board Members?
2 Mr. Singleton.

3 MR. SINGLETON: Can you bring me up
4 to date as to how did you fair with your
5 minority participation?

6 MR. HOSKINS: Diversity and the --

7 MR. SINGLETON: Minority
8 participation. In the construction
9 phase of it, I mean, you're coming up
10 with the employees, but y'all promised
11 to do certain things when you
12 constructed.

13 MR. HOSKINS: The construction side
14 of it --

15 MR. SINGLETON: Yeah.

16 MR. HOSKINS: -- and awarding
17 contracts to minorities in the
18 construction phase of it?

19 MR. SINGLETON: Yeah.

20 MR. HOSKINS: You know, I don't have
21 those exact numbers on me that I know as

22 they put them through and the subs, I
23 don't have that number.

24 MR. CANTWELL: Yates. All that's
25 running through Yates, so I believe

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1 everything has been done correctly.

2 MR. SINGLETON: I'd like for y'all
3 to bring that next time. Next meeting
4 I'd like to see those numbers.

5 MR. FERTITTA: We probably need to
6 bring Yates with us because we can't
7 tell the contractor exactly who to hire,
8 so...

9 MR. HOSKINS: We're working on it.

10 MR. SINGLETON: I've spent 30 years
11 doing this, so I'm not going to sit here
12 and argue with it one way. Y'all made
13 some commitments that you were going to
14 bring in and do certain things, and he
15 understands that. I just want to know
16 what you've done.

17 MR. CANTWELL: Absolutely.

18 CHAIRMAN JONES: Colonel Edmonson,
19 do you have something?

20 COLONEL EDMONSON: Yeah, I do. I
21 want to add, Mr. Singleton, we get that
22 information, and we can certainly put it
23 together and supply it with you, so
24 we'll certainly do that and supply it to

25 the Board.

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1 I just want to make a comment. This
2 is my third riverboat to open as
3 superintendent, and I couldn't be any
4 prouder of where we are. You know, when
5 you look at why we do the things we do,
6 I want to commend this Board, certainly
7 our Chairman; I want to commend the
8 Attorney General's staff and all the
9 State Police that made this happen.

10 This is about the integrity of why
11 we do things, and we've been involved in
12 gaming now for 22 years in Louisiana.
13 And the rest of the country looks at us
14 because of what we do and what we did
15 here this morning, and our attention to
16 detail and our attention to words is
17 written down in paper and why we follow
18 that process.

19 The unblemished record we have as a
20 Board, as a Division, that's the
21 Attorney General's Office and State
22 Police, for 22 years there's not another
23 state in this country that can say that,
24 and that's because, again, because of
25 our attention to detail.

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1 So certainly I will be visiting the

2 property with the Chairman and with Mike
3 and my staff next Tuesday to look at it,
4 but I can tell you that Golden Nugget,
5 the staff -- Mr. Fertitta, your staff
6 has been nothing but open to us. I can
7 assure you that property will be a
8 premier property from what we see. I
9 think the true magic of it will be when
10 you open that door and go inside, and
11 that's what we want. We want to put
12 together a process that's governed by
13 law, that's governed by processes, and I
14 believe this one is.

15 So I'm very pleased with where we
16 are at on this one, as I have been with
17 L'Auberge Baton Rouge, with
18 Margaritaville Shreveport and now Golden
19 Nugget Lake Charles. Thank y'all and
20 thank State Police and the Attorney
21 General's Office and the Board --

22 MR. FERTITTA: Thank you, sir.

23 CHAIRMAN JONES: Any other questions
24 from Board Members?

25 MR. BRADFORD: Probably -- let me

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1 just ask both of you: What is the date
2 that you're targeting for the -- and I
3 assume this is the soft opening? What
4 date -- what's the opening date we're

5 talking about here?

6 MR. FERTITTA: We are shooting to
7 open the first week of December.

8 MR. BRADFORD: So we don't have a
9 day yet.

10 MR. FERTITTA: We can't exactly have
11 a date because we have to go through the
12 State Police operations.

13 MR. BRADFORD: It would be very
14 dangerous to pick a date at this point.

15 MR. FERTITTA: It would be very
16 dangerous. That's why.

17 MR. CANTWELL: And the message we're
18 giving to the trades, I mean, we're
19 telling everybody we're opening
20 December 1st, but again, we've got to
21 get everything substantially complete
22 really by the Wednesday before
23 Thanksgiving, a week from yesterday.
24 And so if we miss something, then we're
25 not going to be getting inspections on

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1 Thanksgiving or the day after, so it may
2 push us into the first of that week.

3 MR. BRADFORD: Right.

4 MR. FERTITTA: I don't think
5 everybody understands the magnitude,
6 though, of what has happened in the last
7 365 days because we couldn't -- the FTC

8 would not let us get involved at all
9 until we closed on the property, and in
10 365 days, we've totally redesigned the
11 property, had to rebid it out and
12 totally construct it.

13 And this is a totally different
14 property then was going to be done by
15 Ameristar. It was a very general
16 property, and I can tell you-guys that
17 when you go see this property, it's one
18 or two nicest properties outside of Las
19 Vegas. And if you plopped this property
20 in the middle of the strip in Las
21 Vegas -- whoever used the word magic,
22 well, it is a magical property, from the
23 pool what we did, to the beach, to the
24 promenade, to the restaurants, to the
25 clubhouse. I can promise you there's

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1 not a nicer clubhouse in the State of
2 Louisiana or basically anywhere in the
3 United States.

4 You know, I was the one who had a
5 problem with the golf course. The golf
6 course could have been finished, okay,
7 but it was not up to my standards.
8 We're adding over 10,000 plants, over a
9 thousand trees, over, what, four water
10 features, berms, everything strictly

11 because I didn't want people to come
12 from Louisiana or from Houston and Texas
13 and say, I wasn't real impressed with
14 your golf course. But a golf course is
15 something very fluid, and of course the
16 people designing it are going to tell
17 you how great it is, but it was not.
18 And I think when you see it in the
19 spring, I think you're going to be very
20 impressed with it with all the addition
21 that we've added.

22 So once again, you know, we have
23 over 1,500 restaurant seats. I think
24 it's going to be a great draw for the
25 local community as well people from

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1 everywhere else with all the different
2 brands, and it's an exciting property.
3 It's going to be an unbelievable
4 property. It's just hard to get there.

5 CHAIRMAN JONES: Dr. Gaston.

6 MR. GASTON: Mr. Chairman, when we
7 visited, the Board, the Colonel way
8 back, Mr. Fertitta made a remark about
9 how much he was spending a day and not
10 taking anything in. I knew they'd be
11 finished on time, that December 31st
12 wouldn't being exceeded, they'd be
13 finished on time. So congratulations.

14 MR. FERTITTA: Thank you, sir.

15 CHAIRMAN JONES: Mr. Bradford.

16 MR. BRADFORD: I move for approval.

17 CHAIRMAN JONES: Do I have a second?

18 MR. SINGLETON: Second.

19 CHAIRMAN JONES: Second by

20 Mr. Singleton. One quick remark, even

21 though we've got a motion on the floor.

22 I just want to thank you, Mr. Fertitta.

23 This is the first boat I've opened in

24 Louisiana. It's the first boat you've

25 opened in Louisiana. So there's been a

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1 learning curve for both of us --

2 MR. FERTITTA: Yes, sir.

3 CHAIRMAN JONES: -- and I think

4 we've both learned a lot. We've grown

5 as a result of the relationship.

6 We're glad to have you in Louisiana.

7 It's going to be great for Lake Charles;

8 it's going to be great for the State.

9 We're really close. Let's make sure we

10 do everything just like we're supposed

11 to here in the final stretch.

12 MR. FERTITTA: Thank you, sir.

13 Looking forward to it.

14 CHAIRMAN JONES: Miss Tramonte,

15 would you read the resolution.

16 THE CLERK: On the 20th day of

17 November, 2014, the Louisiana Gaming
18 Control Board did, in a duly-noticed
19 public meeting, consider the issue of
20 Golden Nugget Lake Charles, LLC's,
21 petition of substantial completion,
22 commencement of gaming operations and
23 release of escrow funds, and upon motion
24 duly made and second, the Board adopted
25 this resolution.

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1 Be it resolved that the Chairman be
2 authorized to accept the architect's
3 certificate of substantial completion
4 and readiness for occupancy and use, as
5 confirmed by Louisiana State Police
6 Gaming Enforcement Division, and to
7 determine substantial completion of the
8 approved project with the exception of
9 the 18-hole golf course with clubhouse
10 facilities, to be completed no later
11 than April 30th, 2015, in accordance
12 with Condition 6, 7 and 8 as amended on
13 behalf of the Board.

14 Be it further resolved that Golden
15 Nugget Lake Charles, LLC's, request to
16 commence gaming operations on or about
17 December 1st, 2014, be approved subject
18 to, one, issuance of a riverboat gaming
19 vessel Certificate of Compliance.

20 Two, successful completion of the
21 preoperative inspection to be conducted
22 by the Division, and, three, the
23 determination of substantial completion
24 of the approved project with the
25 exception of the 18-hole golf course

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1 with clubhouse facilities to be
2 completed no lower than April 30th,
3 2015, in accordance with Conditions 6, 7
4 and 8 as amended by the Chairman.

5 Be it further resolved that the
6 Chairman be authorized to execute the
7 notice to the escrow agent for release
8 of the escrowed funds upon receipt of
9 confirmation from the Division that
10 gaming operations have commenced for the
11 approved project.

12 Thus done and signed in Baton Rouge,
13 Louisiana, this 20th day of November,
14 2014.

15 Mr. Bradford?

16 MR. BRADFORD: Yes.

17 THE CLERK: Mr. Stipe?

18 MR. STIPE: Yes.

19 THE CLERK: Mr. Singleton?

20 MR. SINGLETON: Yes.

21 THE CLERK: Miss Noonan?

22 MS. NOONAN: Yes.

23 THE CLERK: Major Mercer?

24 MAJOR MERCER: Yes.

25 THE CLERK: Mr. Jackson?

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1 MR. JACKSON: Yes.

2 THE CLERK: Mr. Gaston?

3 MR. GASTON: Yes.

4 THE CLERK: Chairman Jones?

5 CHAIRMAN JONES: Yes. The

6 resolution is adopted.

7 MR. FERTITTA: Chairman Jones, thank

8 you very much, appreciate the whole

9 Board's commitment to this. Colonel

10 Edmonson, Major Noel and the A.G.'s

11 Office, thank you all very much. Let's

12 get to the finish line. Appreciate it.

13 CHAIRMAN JONES: Colonel Edmonson

14 has one footnote for you.

15 COLONEL EDMONSON: I think this was

16 important, and I want to get it on the

17 record. With other properties this

18 close to it, one of the concerns we've

19 had was with the Fire Marshal's Office.

20 You know, that's under my supervision.

21 I just want to make sure the Chairman

22 and Board know that as we exist today,

23 there have been no issues with the Fire

24 Marshal, both on the state level and the

25 local level.

1 And that's an important part to
2 note, because as you know, we could not
3 defer this action hadn't y'all given
4 that to the Chairman do that. We're
5 well along our way, which we were not at
6 our previous property.

7 CHAIRMAN JONES: Thank you,
8 gentlemen.

9 MR. FERTITTA: Thank you.

10 MR. SINGLETON: Can I ask a
11 question? I was coming from Houston,
12 and I wanted to go by and see this
13 facility.

14 CHAIRMAN JONES: Yes, sir.

15 MR. SINGLETON: I had some trouble.
16 If I hadn't had the thing in my truck, I
17 knew how to get there, because there was
18 no signage or anything coming from 10,
19 and I think I ended up over on the
20 bypass before I got there.

21 CHAIRMAN JONES: I think
22 Mr. Fertitta shares those concerns; and
23 there's a road that's being constructed,
24 and it's not quite there yet. But we're
25 getting there.

1 MR. FERTITTA: Thank you, sir.

2 MR. GASTON: Mr. Chairman?

3 CHAIRMAN JONES: Yes, sir.

4 MR. GASTON: Excuse me for

5 interrupting one more time.

6 CHAIRMAN JONES: Yes, sir.

7 MR. GASTON: The other day the

8 Colonel did something. We all think of

9 State Police and the wonderful job

10 they've done here today, and as we drive

11 down the highway fast as I drive, you

12 think of State Police all the time. But

13 I would like to commend the Colonel for

14 his honoring the 11-year-old who has

15 terminal cancer yesterday. It touched a

16 lot of us deeply, and, Colonel, thank

17 you, man.

18 CHAIRMAN JONES: That was great.

19 COLONEL EDMONSON: Special day.

20 F. Consideration of renewal application of

21 Louisiana Riverboat Gaming Partnership d/b/a

22 DiamondJacks Casino & Resort - No. R010800195

23 CHAIRMAN JONES: We now move to:

24 Consideration of renewal of application

25 for Louisiana Riverboat Gaming

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1 Partnership, DiamondJacks Casino &

2 Restaurant [sic]. That's No.

3 R010800195.

4 Good morning.

5 MS. MOORE: Good morning again.

6 Chairman Jones, Board Members, I'm
7 Assistant Attorney General, Charmaine
8 Moore. With me are Auditor, Evie
9 Ficklin, and Trooper, Eddie Daigle, from
10 State Police. Representatives of the
11 licensee, Louisiana Riverboat Gaming
12 Partnership, are also here today.

13 We are here in the matter of the
14 renewal of the riverboat license of
15 Louisiana Riverboat Gaming Partnership
16 doing business as DiamondJacks Casino &
17 Resort Bossier City.

18 Riverboat licenses are issued for
19 five-year terms, and the license of
20 Louisiana Riverboat Gaming Partnership
21 is due to expire on December 9th, 2014.

22 As part of the renewal process, the
23 A.G.'s Office worked with counsel for
24 the licensee to review the license
25 conditions previously placed upon the

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1 license by the Board in an effort to
2 update those conditions.

3 Conditions were initially placed on
4 the licensee in 1994 when it was issued
5 a certificate of preliminary approval
6 for riverboat gaming operations.

7 Thereafter in 2004, 2006, 2009, 2011 and
8 2014, additional conditions were placed

9 on the license. All conditions that
10 were completed satisfied and are no
11 longer applicable were removed. Some
12 substantive changes were made to some
13 conditions, and there was some editing.
14 The licensee has accepted and agreed to
15 be bound by the conditions.

16 A proposed resolution subject to the
17 proposed Statement of Conditions,
18 authorizing the renewal of the license
19 commencing December 9th, 2014, has been
20 prepared if the Board approves the
21 renewal.

22 At this time, State Police Auditor,
23 Evie Ficklin, will present her findings
24 to the Board.

25 MS. FICKLIN: Morning, Mr. Chairman

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1 and Board Members. I'm Evie Ficklin.
2 I'm an Auditor with Louisiana State
3 Police.

4 DiamondJacks Bossier competes with
5 five other riverboats and a slots at the
6 track facility in Shreveport/Bossier
7 City gaming market. Margaritaville, the
8 nearest riverboat operating in that
9 market, commenced operations June 15th,
10 2013. In addition to the impact by the
11 increased competition in its local

12 gaming market and by Oklahoma tribal
13 casinos, DiamondJacks and its sister
14 company, DiamondJacks Vicksburg, have
15 also been adversely affected by the July
16 2012 bankruptcy filing by their parent
17 company, Legends Gaming, LLC.

18 Legends, DiamondJacks Bossier and
19 DiamondJacks Vicksburg emerged from
20 bankruptcy effective April 30th, 2014.
21 Since emerging from bankruptcy,
22 DiamondJacks Bossier and DiamondJacks
23 Vicksburg have been managed under
24 separate management agreements by
25 Foundation Gaming Group, LCC, a

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1 Mississippi entity whose principals
2 include former officers of the Isle of
3 Capri Casinos.

4 Unless the management agreement is
5 terminated sooner by a sale of
6 DiamondJacks Bossier's assets or equity,
7 Foundation will manage DiamondJacks
8 Bossier for two years. Its management
9 duties include the responsibility for
10 supervising and directing the management
11 and operation of all day-to-day
12 activities, marketing, advertising,
13 sales and business promotions, and the
14 negotiation of leases, service contracts

15 and licenses in Legend's name.
16 Foundation receives \$30,000 monthly
17 plus reimbursement of certain expenses
18 for the services it provides to
19 DiamondJacks Bossier. In implementing
20 its plan of reorganization, Legends sold
21 its equity interest for the nominal sum
22 of \$1 to BCB Holdings, LLC, an entity
23 owned 67 percent by Mr. Greg Guida, and
24 33 percent by Mr. Allen Sollman. Both
25 Mr. Guida and Mr. Sollman are Foundation

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1 principals.

2 Although Mr. Guida and Mr. Sollman
3 own BCB, Legends' first lien holders
4 hold a call option through the call
5 option agreement that entitles the first
6 lien holders to acquire BCB's interest
7 in Legends themselves or to name a
8 designee to acquire that interest if a
9 buyer for the properties is found.

10 The first lien holders entered into
11 the call option agreement with Legends
12 and BCB as part of Legends' plan of
13 reorganization on April 30th, 2014.
14 Legends' plan of reorganization includes
15 a new \$80 million Class B term loan
16 dated April 30, 2014, that replaced the
17 pre-bankruptcy senior secured first lien

18 credit facility. As such, Legends
19 received no proceeds from this loan.

20 The Term B loan matures five years
21 post closing and has a 10 percent annual
22 interest rate. The interest payments
23 are made quarterly. Regarding the
24 10 percent interest, 9 percent of the
25 interest P-I-K or "PIK" are paid in

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1 kind. The additional 1 percent is paid
2 as follow: If Legends' adjusted
3 operating cash exceeds \$4 million three
4 days prior to Legends' quarterly
5 interest payment related to the
6 additional 1 percent interest, that
7 interest payment is paid in cash.
8 Otherwise, the payment is PIK.

9 The plan also includes a \$4.5
10 million Class A 6 percent term loan that
11 matures 18 months following the
12 April 30th, 2014, effective date. The
13 \$4.05 million in proceeds from the Class
14 A term loan was used to pay the
15 remaining bankruptcy cost.

16 Lastly, the credit agreement
17 includes a \$50 million incremental
18 facility that is not yet committed.

19 Legends' projections begin on page
20 40. Its most recent projections appear

21 more conservative than those previously
22 provided in the March 2014 report to the
23 Board. We included a comparison of the
24 two sets of projections in the income
25 summary shown on page 42 and the flow

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1 summary shown on page 43.

2 Based on economic variables in
3 today's market and Legends' limited
4 financial history since emerging from
5 bankruptcy April 30th, 2014, we cannot
6 state with any degree of certainty that
7 Legends will be able to meet its
8 projections. Because of the significant
9 challenges Legends still faces in
10 turning the company around, we are
11 unable to state definitively that there
12 are no financial issues that preclude
13 the Board's approval.

14 Licensing will present the results
15 of their investigation.

16 TROOPER DAIGLE: Good morning,
17 Chairman Jones and Members of the Board.

18 CHAIRMAN JONES: Morning.

19 TROOPER DAIGLE: I'm Trooper Eddie
20 Daigle with the Louisiana State Police
21 Gaming Enforcement Division.

22 A renewal suitability investigation
23 was conducted on Louisiana Riverboat

24 Gaming Partnership, LP d/b/a
25 DiamondJacks Casino & Resort and all

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1 associated entities and key personal.

2 This investigation consisted of
3 inquiries through federal, state and
4 local law enforcement agencies,
5 computerized criminal history data
6 bases, financial, civil institutions and
7 gaming regulatory agencies.

8 Tax clearances request forms were
9 forwarded to the Internal Revenue
10 Service and Louisiana Department of
11 Revenue in order to ensure the
12 applicants are current with their tax
13 filings.

14 During this renewal suitability
15 investigation, I discovered no
16 information which would preclude the
17 continuing licensing of Louisiana
18 Riverboat Gaming Partnership, LP d/b/a
19 DiamondJacks Casino & Resort and all
20 associated entities and key personnel.

21 At this time, I can answer any
22 questions y'all may have.

23 CHAIRMAN JONES: Do Board Members
24 have any questions for State Police
25 or --

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1 MR. STIPE: The status of this
2 Global Gaming suit is what right now?

3 MS. MOORE: I understand that the
4 trial is scheduled for June of next
5 year, and discovery is to be completed
6 by February, so...

7 MR. STIPE: Are Global's claims
8 still viable, or is it just Legends
9 trying to recover? Where are we on --
10 when I look at this, I see a summary
11 judgment was pending. Has that been
12 determined?

13 MS. MOORE: I'm not certain of that,
14 but there are representatives from the
15 company here and from Legends. Maybe
16 they can answer that question.

17 MR. STIPE: Okay. And then the cash
18 projections for the -- the projections
19 for capital expenditures have, like, a
20 half million dollars. Is that assuming
21 that there will be -- I think one of the
22 conditions is \$2 million or the amount
23 recovered from Global. Is that just
24 assuming it will be 2 million, or does
25 that just happen to be a half million

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1 dollar figure that's in the capital
2 expenditure?

3 MS. FICKLIN: At this point, I think

4 it's the half million. I guess, in
5 advance of any Global Gaming trial
6 solution, I guess, the solution from
7 however it turns out. Then I think at
8 that point I believe that \$2 million for
9 capex is relevant, if I'm understanding
10 you correctly.

11 MR. STIPE: Let me try and ask my
12 question a little bit better. When I
13 look at projections, it just shows up a
14 half million for, it looks like, three
15 or four years. Is that a comment on
16 where -- what they're expecting from
17 this lawsuit, or is that -- is it going
18 to be above and beyond the capital
19 expenditures, as you understand?

20 MS. FICKLIN: As I understand it, I
21 would think that being conservative they
22 probably wouldn't make -- my guess, and
23 I'm going to let them answer that, okay,
24 I wouldn't make any -- I wouldn't make
25 any additional capital expenditure

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1 projections in advance of that
2 settlement, however it turns out.

3 MR. STIPE: Okay.

4 CHAIRMAN JONES: We'll bring them up
5 shortly. Any other questions for Miss
6 Ficklin or the Sergeant or Miss Moore?

7 Thank you.

8 We'll hear now from representatives
9 of DiamondJacks.

10 MR. BRANTLEY: Joseph Brantley on
11 behalf of Louisiana Riverboat Gaming
12 Partnership. With me today to my
13 immediate left is Pete Legouri, who is
14 the Chairman of the Board of Directors,
15 Mr. Greg Guida with Foundation Gaming,
16 Mr. Allen Sollman with Foundation
17 Gaming, Mr. Less McMakin with Foundation
18 Gaming, and Michael Howard who is our
19 general manager. And we're here to
20 answer any questions you have.

21 Mr. Stipe, in connection with your
22 question, I think the claims right
23 now -- we're not handling that
24 litigation. It's being handled by the
25 bankruptcy attorneys and some attorneys

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1 out of New York. I'll probably let
2 Mr. Legouri respond to that.

3 MR. LEGOURI: Sure. I'll be happy
4 to try to address your questions.

5 As Chairman of the Board of
6 Managers, I've been interfacing and
7 interacting with the lenders. I'm also
8 the counsel that's leading the
9 litigation on that suit, so I have

10 probably more information than most.

11 As indicated earlier by staff, there
12 is a trial date that's been set. Both
13 parties are actively involved in
14 discovery. The expectation is that
15 we'll either be going to trial or as we
16 get closer potentially having settlement
17 discussions, unsure at this point which
18 direction that's going to go.

19 The summary judgment request ruling
20 has not been ruled on. We don't know
21 what the exact timing of that will be,
22 but in our view, we're somewhat
23 optimistic on the outcome of that
24 particular issue.

25 So I think the company's feeling at

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1 this point is that there will be more
2 cash coming in. To the company, the
3 timing isn't exactly unknown, which is
4 why we did not include any potential
5 increases in capex.

6 MR. STIPE: And is there any -- a
7 scheduling order, have any court ordered
8 mediation or alternative dispute
9 resolution in the scheduling order?

10 MR. LEGOURI: No, sir.

11 MR. STIPE: And I think you said it,
12 but the projections that you've got for

13 a half million dollars --

14 MR. LEGOURI: Yes, sir.

15 MR. STIPE: -- in the next couple of
16 years, any recovery in this lawsuit
17 would be additional capital
18 expenditures.

19 MR. LEGOURI: Additional. As I
20 understand on one of the conditions of
21 the license, renewal is the infusion
22 of -- at a minimum, I believe, or a max
23 \$2 million, as I recall. If there's the
24 settlement, an access of \$2 million into
25 Bossier property specific.

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1 CHAIRMAN JONES: Board Members, any
2 other questions? The Board appears to
3 be clear. Did y'all want to close with
4 anything?

5 MR. LEGOURI: Just quickly. I know
6 since I last was before you in March,
7 you know, I wanted to assure you that
8 our board has been very active in the
9 business, and as you remember, we had
10 several goals that we had laid out to
11 try to accomplish. One was to stabilize
12 operations through the management
13 company. The Board has also established
14 a number of committees on compliance,
15 audit and compensation, so we're very

16 involved in a lot of the key questions
17 in the organization.

18 We've really focused. Our capex
19 spin at this point is on repairing
20 things that were broken and also
21 maintaining the properties in good
22 working order.

23 There was an objective of getting a
24 credit line right after emergence, and
25 we've tried to do that. That was going

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1 to provide additional liquidity for the
2 company as loss potential to spend
3 additional capex money, and as we went
4 to market, the banks and the lenders
5 have basically said, you've just come
6 out of bankruptcy. You need a little
7 bit more of a track record in that
8 process.

9 So we really took a step back and
10 said, let's wait six months, and then
11 we're going to reengage in that because
12 we still believe that's a critical part
13 of the puzzle here.

14 And the last item was, as I think we
15 discussed, was hiring of an investment
16 banker organization to ultimately put
17 the company in the hands of a long-term
18 investor that would really be willing to

19 invest the required capital to fully
20 unlock the value that we think are in
21 the properties. We've actually hired an
22 investment banker as of last week, and
23 we had our kickoff call on that process
24 Monday. So we've started that process.

25 So from the board's perspective, we

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1 feel like we identified a path back in
2 March, and we're absolutely on that
3 path. And our plan, obviously, is to
4 keep the Board and staff informed of our
5 progress, but we feel like we're moving
6 in the right direction and headed to our
7 goal at this point.

8 CHAIRMAN JONES: For the benefit of
9 the Board, we have been in contact with
10 the representatives of DiamondJacks in
11 Baton Rouge. They've kept us informed,
12 and these things are complicated. It's
13 not like running down to the local cash
14 advance store and just solving your
15 problem. It's a little more complicated
16 than that. So we appreciate you keeping
17 us informed.

18 And, Mr. Bradford, do we have a
19 motion?

20 MR. BRADFORD: I make a motion -- a
21 motion to approve license renewal.

22 MS. NOONAN: I second.

23 CHAIRMAN JONES: And second by
24 Miss Noonan. Miss Tramonte, read the
25 resolution.

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1 THE CLERK: On the 20th day of
2 November, 2014, the Louisiana Gaming
3 Control Board did, in a duly-noticed
4 public meeting, consider the license
5 renewal application of Louisiana
6 Riverboat Gaming Partnership doing
7 business as DiamondJacks Casino & Resort
8 Bossier City, and upon motion duly made
9 and second, the Board adopted this
10 resolution.

11 Be it resolved that the license
12 RO10800195 to conduct riverboat gaming
13 issued to Louisiana Riverboat Gaming
14 Partnership d/b/a DiamondJacks Bossier
15 City, be renewed for a term of five
16 years commencing December 9th, 2014,
17 subject to the Statement of Conditions
18 to riverboat gaming license of Louisiana
19 Riverboat Gaming Partnership attached
20 hereto and made a part hereof.

21 Thus done and signed in Baton Rouge,
22 Louisiana, this 20th day of November,
23 2014.

24 Mr. Bradford?

25 MR. BRADFORD: Yes.

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1 THE CLERK: Mr. Stipe?

2 MR. STIPE: Yes.

3 THE CLERK: Mr. Singleton?

4 MR. SINGLETON: Yes.

5 THE CLERK: Miss Noonan?

6 MS. NOONAN: Yes.

7 THE CLERK: Major Mercer?

8 MAJOR MERCER: Yes.

9 THE CLERK: Mr. Jackson?

10 MR. JACKSON: Yes.

11 THE CLERK: Mr. Gaston?

12 MR. GASTON: Yes.

13 THE CLERK: Chairman Jones?

14 CHAIRMAN JONES: Yes. The renewal

15 application has been approved.

16 MR. BRANTLEY: Thank you.

17 CHAIRMAN JONES: Go forth and make

18 money.

19 G. Consideration of petition for Transfer of

20 Interest by Multimedia Games, Inc., Nos.

21 PO56502954 & PO76502956

22 CHAIRMAN JONES: Consideration of

23 petition for Transfer of Interest by

24 Multimedia Games, Inc. That's Nos.

25 PO56502954 and PO76502956. Welcome

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1 ladies and gentleman.

2 MS. BOURGEOIS: Chairman Jones,
3 Board Members, I'm Assistant Attorney
4 General, Suzanne Bourgeois. Here with
5 me is Trooper Kevin Lamotte of Louisiana
6 State Police.

7 We're here in the matter of the
8 proposed transfer of ownership interest
9 in Multimedia Games Holding Company,
10 Inc., parent company of the permittee,
11 Multimedia Games, Inc. The permittee
12 requested approval of acquisition of
13 Multimedia Games Holding Company by
14 Global Cash Access Holdings pursuant to
15 a merger of Movie Merger Sub and
16 Multimedia Games Holding Company.

17 Upon the merger, Movie Merger Sub
18 will cease to exist, and Multimedia
19 Games Holding Company will survive as a
20 wholly-owned subsidiary of Global Cash
21 Access Holdings.

22 Multimedia Games will continue as
23 the permittee but will have a new
24 ultimate parent and owner in Global Cash
25 Access Holdings and its shareholders.

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1 Trooper Kevin Lamotte conducted the
2 investigation of the transfers and the
3 suitability of the relevant persons and
4 will now report his findings to the

5 Board.

6 TROOPER LAMOTTE: Good morning,
7 Chairman Jones and Members of the Board.

8 CHAIRMAN JONES: Morning.

9 TROOPER LAMOTTE: I'm Trooper Kevin
10 Lamotte with State Police Gaming
11 Division -- Gaming Enforcement Division
12 here in Baton Rouge.

13 Ten officers were involved in the
14 merger and required to meet suitability.
15 Five of the officers, Fred Enlow,
16 Geoffrey Judge, Edwin Kilburn, Ram Chary
17 and Michael Rumbolz had previously been
18 found suitable by the Gaming Control
19 Board. I updated their applications and
20 found no information that would preclude
21 them from being found suitable.

22 The remaining five officers are
23 Randy Taylor, Janet [sic] Lim, Ryan
24 Myhre, David Lucchese and Robert Congemi
25 all recently had submitted applications

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1 to the Division. All the background
2 investigations have not been completed.
3 A review of their applications and a
4 check of the criminal records found no
5 negative information.

6 No information was disclosed or
7 discovered during my preliminary

8 investigation which would lead me to
9 believe they would be found unsuitable
10 in the future.

11 Do you have any questions?

12 CHAIRMAN JONES: Board Members, any
13 questions? The Board appears to be
14 clear. Do I have a motion to approve
15 the transfer?

16 MR. JACKSON: I make a motion.

17 CHAIRMAN JONES: By Mr. Jackson, a
18 second by Major Mercer. All in favor?
19 [Collective "aye."] Opposed? [No
20 response.] Transfer is approved.

21 MS. BOURGEOIS: Thank you.

22 CHAIRMAN JONES: Thank you.

23 VI. CONSIDERATION OF PROPOSED SETTLEMENT/APPEALS

24 IN THE FOLLOWING:

25 1. In Re: PNK (Lake Charles), L.L.C., d/b/a

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1 L'Auberge Lake Charles - No. R0110001707

2 (Proposed Settlement)

3 CHAIRMAN JONES: We now take up
4 Consideration of Proposed Settlements
5 and Appeals. First up is in regards to
6 PNK Lake Charles, LLC, doing business as
7 L'Auberge Lake Charles, No. R0110001707.

8 This is a settlement. Good morning.

9 MS. BOGRAN: Good morning, Chairman
10 Jones, Board Members. I'm Olga Bogran,

11 Assistant Attorney General in the Gaming
12 Division.

13 This matter pertains to a violation
14 by L'Auberge Lake Charles in allowing a
15 minor to enter the gaming area. The
16 settlement before you represents the
17 agreement reached between the property
18 and the Division, and the settlement
19 takes into account the relevant facts of
20 this violation, the violation history of
21 the property and the remedial action
22 taken.

23 The settlement amount is \$10,000,
24 and having been signed by the hearing
25 officer, the settlement is before you

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1 for final approval.

2 CHAIRMAN JONES: Any questions? The
3 Board appears to be clear. Do I have a
4 motion to approve the settlement?

5 MS. NOONAN: I'll move.

6 CHAIRMAN JONES: By Miss Noonan --

7 MR. GASTON: Second.

8 CHAIRMAN JONES: -- a second by
9 Dr. Gaston. All in favor? [Collective
10 "aye."] Opposed? [No response.] The
11 settlement is approved. Thank you.

12 2. In Re: Deneine M. Luse - No. PO40025709

13 (Appeal)

14 CHAIRMAN JONES: We now move to the
15 final set of items on the agenda,
16 appeals, and first up is in regards to
17 Deneine M. Luse. That's No. PO40025709.

18 MS. BOGRAN: Morning again. I'm
19 still Olga Bogran, Assistant Attorney
20 General in the Gaming Division.

21 This case concerns a permittee's
22 failure to maintain the tax clearance.
23 Miss Luse requested this appeal.

24 Miss Luse holds a non-key gaming
25 employee permit with an expiration date

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1 of February 15th, 2016. On March 21st,
2 2014, Miss Luse signed for a certified
3 letter from the Division which informed
4 her that she had 30 days to obtain her
5 required tax clearance. The letter
6 further informed her that 30 days from
7 the receipt of that letter she would
8 have to resolve her tax clearance issues
9 or her permit would be recommended for
10 revocation, suspension and/or the
11 imposition of a civil penalty.

12 Miss Luse did not obtain her tax
13 clearance until July 3rd, 2014, which is
14 approximately 104 days after her 30-day
15 letter was received.

16 Failure to remain current in the

17 payment and/or filing of federal taxes
18 is a gaming violation. The civil
19 penalty for this violation is stated
20 clearly in the penalty schedule as \$250.
21 The civil penalty has been consistently
22 enforced by the hearing officers for
23 many years. This case is no different
24 from the many other tax clearance cases,
25 and therefore the hearing officer

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1 properly ordered the imposition of a
2 \$250 civil penalty.

3 The Division asks that this matter
4 be treated consistently with similar
5 matters that have been adjudicated over
6 the years, and that the Board affirm the
7 hearing officer's imposition of the \$250
8 civil penalty for the failure to remain
9 current in the payment and/or filing of
10 the federal taxes and maintaining an
11 eligibility for a federal tax clearance.

12 CHAIRMAN JONES: Any questions? I
13 understand the gaming office has been
14 called by Miss Luse, and she has elected
15 not to appear and will pay the fine if
16 the hearing office decision is affirmed.

17 We have a motion to affirm by
18 Mr. Bradford.

19 MR. JACKSON: Second.

20 CHAIRMAN JONES: Second by
21 Mr. Jackson. All in favor? [Collective
22 "aye."] Opposed? [No response.] It's
23 affirmed. Thank you.
24 3. In Re: Vivian T. Wilson - No. PO40003084
25 (Appeal)

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1 CHAIRMAN JONES: Next up is in the
2 matter of Vivian T. Wilson. That's No.
3 PO40003084. Good morning.
4 MS. BROWN: Good morning.
5 CHAIRMAN JONES: Miss Wilson.
6 MS. WILSON: Morning.
7 CHAIRMAN JONES: Have a seat please,
8 ma'am. Welcome to the Gaming Control
9 Board.
10 Just so you can understand, we
11 consider only the evidence that's
12 already part of the record that's been
13 before the hearing officer. So what
14 we'd like to hear from you is why you
15 would like the Gaming Control Board to
16 permit the matter to be heard again or
17 not to affirm this decision.
18 What do you have to say?
19 MS. WILSON: I speak? Okay. I had
20 a lawyer so I'm thinking -- well, she
21 sent all the information in so I hope
22 y'all have the information.

23 CHAIRMAN JONES: We have everything
24 that was presented to the hearing
25 officer.

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1 MS. WILSON: Okay. I think I should
2 be reinstated because I have been in the
3 gaming department since 1994, so I've
4 been a dealer going on 21 years; and
5 because of the matter that happened,
6 I've never had no kind of criminal
7 charges in my life, and I'm 55 years
8 old. I've never been to jail before
9 this happened, and I think I should just
10 be allowed another chance because it
11 never happened before.

12 And what happened -- like, I don't
13 know what was presented to the Board.
14 Do I get a chance to say what happened?

15 CHAIRMAN JONES: Mr. Bradford.

16 MR. BRADFORD: In light of the fact
17 that it appears to be new evidence that
18 we cannot hear here today, we cannot
19 listen to that, so I believe it's in
20 your best interest to have this matter
21 remanded back to the hearing officer
22 where he can hear the new evidence and
23 he can make a ruling. That's in your
24 best interest.

25 MS. WILSON: Okay.

1 CHAIRMAN JONES: Let's hear from the
2 Attorney General's Office. Good
3 morning.

4 MR. BRADFORD: Sorry.

5 MS. BROWN: Morning. Mesa Brown,
6 Assistant Attorney General, representing
7 the Division in the matter of Miss
8 Vivian Wilson, permit No. PO40003084,
9 for the record.

10 Here the permittee is appealing the
11 hearing officer's decision revoking her
12 non-key gaming employee permit. Miss
13 Wilson was arrested and charged with
14 shoplifting on May 1st of 2014. A Bill
15 of Information was filed on May 13 of
16 2014.

17 Miss Wilson's revocation hearing was
18 held on July 28th of 2014, and at the
19 time of the hearing, Miss Wilson had
20 pending charges of theft which
21 disqualifies a person from holding a
22 gaming permit.

23 The hearing officer's decision was
24 correct in ordering that Miss Wilson's
25 permit be revoked; however, Miss Wilson

1 is now saying that new evidence exists,
2 and I'm assuming that that evidence was

3 not available at the time of the
4 hearing?

5 MS. WILSON: No, it wasn't.

6 MS. BROWN: Okay. Well, in that
7 event, there are two options: One, the
8 Board can affirm the hearing officer's
9 decision, or remand the case back to the
10 hearing office in order for the new
11 evidence to be presented.

12 CHAIRMAN JONES: Are there any
13 questions for the Attorney General's
14 representative? [No response.] Do I
15 have a motion to either remand or to
16 affirm?

17 MR. BRADFORD: Motion to remand.

18 CHAIRMAN JONES: I think we have a
19 motion to remand, and a second by
20 Mr. Singleton. All in favor?
21 [Collective "aye."] Opposed? [No
22 response.] It shall be remanded. It
23 shall be heard again.

24 MS. WILSON: Thank you.

25 CHAIRMAN JONES: Yes, ma'am. Thank

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1 you.

2 4. In Re: Rolling Bones, Inc., d/b/a Speakeasy
3 Sports Bar & Grill - No. 2605213848 (Appeal)

4 CHAIRMAN JONES: We now call the
5 final item on the docket, Rolling Bones,

6 Inc., doing business as Speakeasy Sports
7 Bar & Grill. That's No. 2605213848.

8 Good morning. Would you introduce
9 yourself, sir.

10 MR. ROOT: Certainly. I'm Richard
11 Root. I represent Rolling Bones, Inc.,
12 and Joy Pullman, who is the owner of
13 Rolling Bones.

14 CHAIRMAN JONES: And it's "Root"?

15 MR. ROOT: R-O-O-T.

16 CHAIRMAN JONES: Thank you very
17 much.

18 As you previously heard, we have a
19 copy of the entire record from the
20 hearing office, and that is the only
21 evidence that we can consider. Why
22 would you ask the Board to not affirm
23 that decision on behalf of your client?

24 MR. ROOT: Sure. I would ask the
25 Board not to affirm this because there's

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1 some serious legal and factual problems
2 with the finding, and here I'm talking
3 about the administrative hearing that
4 occurred on September 22nd. And I know
5 the Board is aware, but it's not a
6 suitability revocation issue. Here we
7 have the more extraordinary and unusual
8 situation of a emergency suspension

9 because of a threat to public safety.

10 And I don't know if y'all had a
11 chance to actually read the pleadings we
12 submitted. I always hate to see
13 something sometimes when I set in
14 because I think of what you didn't say,
15 but what I did not say, and my client
16 does not think, is it's not a serious --
17 of course it's a serious situation when
18 a licensee at the time is charged with a
19 felony, and certainly a revocation
20 suitability hearing is absolutely
21 appropriate; and, in fact, there was
22 notice of that. But that is not this
23 event. This is the emergency suspension
24 because of a threat to public safety,
25 health or welfare.

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1 And at the hearing what we realized,
2 what we heard, is that there was a
3 one-time incident where a person entered
4 the bar sometime between twelve and
5 three and got in an argument with --
6 whether it's his girlfriend or former
7 girlfriend, but -- and had a fight, and
8 he was ordered out of the bar or he left
9 the bar and then came back later.

10 And it's important in the fight, he
11 said, you have to leave with me; I want

12 you to leave with me, and the young lady
13 said, no, I'm not going to leave with
14 you.

15 So the person who left the bar, was
16 told to leave the bar, came back, left
17 his car running in the front door, came
18 in and took her purse that had her
19 wallet, ID, cell phone, and left the bar
20 for the stated purpose -- the victim's
21 stated purpose to force her to leave,
22 and that is when the horribly unwise
23 decision was made by the former co-owner
24 of the bar to go to her rescue, if you
25 will, because he was concerned of what

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1 would happen to her because she went out
2 to follow him saying, give me my stuff
3 back. And he wasn't sure whether he'd
4 put her in the car, drive away, they'd
5 get in a physical fight, what would
6 happen, and the fellow drove away.

7 Now, of course, here's the serious
8 part, is the bar owner had a gun in his
9 hand as part of this effort, and it
10 wasn't illegal to have a gun because he
11 can have a gun if he's a owner of a
12 premises. It's certainly illegal to use
13 it in a felonious manner, and he was
14 charged with aggravated assault.

15 His position and our position, of
16 course, is that he was defending this
17 young lady from a person who came in and
18 stole her purse and her things. He does
19 not know what was going to happen.
20 Certainly something far better left to
21 the police than a bar owner, but
22 nevertheless, that's what he did.

23 And at the hearing, there's evidence
24 as to what happened. There was no
25 evidence contrary to that being the

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1 case. In fact, the police report says
2 that the young lady said, he wanted me
3 to leave, I didn't want to leave. The
4 police report says the so-called victim
5 came in and said, I'm taking your purse
6 and things to force you to leave. These
7 aren't things that are subject to, you
8 know, disagreement.

9 Now, it's absolutely true that
10 having a gun's a dangerous situation,
11 but here we have the narrower thing --
12 and this is where the statute comes in.
13 You can have the emergency suspension if
14 you have a threat to public safety or
15 welfare, and it's not a punishment for
16 one thing you did in the past. It
17 should be a fact that there is, in fact,

18 going to be some threat to the future.

19 If it will never, ever occur again,
20 then logically it can't be a threat to
21 the public in the future, but more
22 importantly legally, you have to have a
23 finding in the order of suspension
24 saying that there's a finding of a
25 threat to public safety and welfare.

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1 And here's the problem: In the
2 decision of Hearing Officer Reynolds,
3 the written decision, there's absolutely
4 no finding of a threat to public safety,
5 welfare, and if you go to the actual
6 transcript of the hearing at the end,
7 the last two pages, it's actually very
8 illuminating because what the hearing
9 officer says is that -- and here I'm
10 going to quote it, if I may, briefly.

11 CHAIRMAN JONES: Briefly. We have
12 all read it. We have it in the record.

13 MR. ROOT: Sure. Absolutely. The
14 fact that there's been no charges since
15 '91 or problems afterwards don't negate
16 the nature of the concerns, and there
17 certainly are concerns about a pending
18 charge. The fact that he's learned from
19 his actions, because he said he would
20 never do that again -- he's never done

21 it before but he's never going to do it
22 again -- certainly don't negate the fact
23 that he made a bad decision.

24 But there's no evidence that it
25 would ever happen again other than it's

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1 an unusual circumstance of a trespasser
2 going in and stealing this woman's purse
3 in front of him and her running out
4 after him and the bar owner going, oh,
5 my gosh. Is she going to be attacked
6 outside? What's going to happen,
7 kidnapped?

8 So there actually isn't a -- in the
9 actual hearing officer's oral reasons,
10 there's no finding that there's any
11 future threat other than this, and, in
12 fact, he says that he wishes good luck
13 to him in his proceedings, says that it
14 doesn't matter to me whether you've
15 learned your lesson, but we think
16 legally it's makes a tremendous amount
17 of difference whether you've learned
18 your lesson.

19 Now, to be fair, it may not matter
20 at all in a suitability revocation
21 hearing later on, even though he hasn't
22 been a part of the corporation since
23 September, and that's one other short

24 issue I want to bring up.

25 At the time of the actual hearing,

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1 the corporate documents had been
2 submitted that he had been bought out,
3 was no longer a member. Now, the
4 hearing officer said the Secretary of
5 State website still shows him being a
6 part owner, and wouldn't you know it,
7 later that day the website was changed
8 to reflect the fact that he's not -- he
9 wasn't an owner at the time of the
10 hearing.

11 So unfortunately, the website
12 doesn't control the documents. The
13 documents speak for themselves. The
14 date they're signed and he gives up his
15 interest is the date he gives up his
16 interest. So who's the sole owner is
17 Miss Pullman.

18 But it's important, we think,
19 because a summary suspension is an
20 extraordinary thing. You essentially
21 are told that your license is revoked
22 before we have the hearing, but then due
23 process says we have a hearing because
24 we want to make sure that it's correct
25 and there is a threat to public safety.

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1 In this particular case, the written
2 decision incorporates no finding of a
3 threat to public safety, which is a
4 requirement of the law, and the oral
5 statement of the judge essentially says,
6 well, okay, you might not have been a
7 problem in the past and you're not going
8 to be a problem in the future and you
9 learned your lesson, but you did this
10 bad thing.

11 And I submit to the Board that doing
12 a stupid thing is not good. It
13 certainly should subject them to
14 scrutiny and perhaps a suitability
15 hearing, but to put this lady out of
16 business because her former partner made
17 a one-time bad decision when the hearing
18 officer himself wishes him luck and
19 says, you learn from your mistakes and
20 there's no evidence it will happen
21 again, we argue that does not comport
22 with a threat to public safety and
23 welfare such that the license should be
24 summarily suspended without further
25 investigation in the revocation hearing.

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1 And this is not the strongest point,
2 but we have looked and looked and looked
3 for cases in the appellate, the First

4 Circuit or any circuit, having to do
5 with this narrow issue, and from a
6 practical matter, I would think the
7 Board, who has an absolute interest in
8 making sure that their ability to shut
9 down an emergency threat is as strong as
10 possible, wouldn't -- as a practical
11 matter, not want this case with this
12 record and these facts going up to make
13 the record to have some court tell you
14 now the definition of a threat to public
15 safety and welfare on these sort of
16 weaker facts with no evidence at all of
17 a future threat. Because that might not
18 be a decision, when the smoke clears,
19 that's good for the Board.

20 And absolutely the concept of an
21 emergency revocation is very important,
22 if the they discovered prostitution or
23 they discovered drug sales, something
24 that we know would not be entered into
25 unless there's a mental thought of doing

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1 this in the future and continually doing
2 it. You need to shut that thing right
3 down; that's absolutely true.

4 But when you have here a situation,
5 an ill-advised attempt to be a white
6 knight because a patron didn't want to

7 leave with a man who then came in and
8 stole her things to force them to leave,
9 we don't think this is the case where
10 that particular emergency shutdown
11 statute is appropriate; and for that
12 reason, we urge the Board not to let
13 this be the test case, but more
14 importantly, it would be fairer to not
15 let her business fail because her former
16 partner made this one-time decision that
17 there's zero evidence will be repeated.

18 And I'm certainly happy to answer
19 any questions, and I'm not sure of the
20 format if I --

21 CHAIRMAN JONES: We're going to hear
22 from the Attorney General's Office, and
23 then there may be some questions.

24 MR. ROOT: Thank you.

25 MR. HEBERT: Good morning, Chairman,

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1 Members of the Board.

2 CHAIRMAN JONES: Good morning.

3 MR. HEBERT: Christopher Hebert
4 representing the Louisiana Office of
5 State Police.

6 Mr. Root and I are in agreement on
7 one thing. The sole purpose of this
8 hearing or of the IAS hearing, which was
9 held on September 22nd of 2014, was to

10 determine whether or not the immediate
11 emergency suspension, which was put in
12 place by this Board, should be upheld by
13 the hearing officer based on his
14 determination that the actions of
15 Mr. Richard Ryan on June 19th, which led
16 to his arrest for aggravated assault
17 with a firearm, constitute a threat to
18 the public safety, health and welfare.
19 This is the sole issue on appeal today
20 is whether this interim suspension
21 should remain in place pending a
22 revocation hearing.

23 Mr. Root gave you his version of
24 what the facts state. Let's talk about
25 what the facts actually state and what

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1 led to the hearing officer's decision.
2 The hearing officer had access to the
3 Kenner Police Department's report, which
4 indicated that the officers at the scene
5 noticed that Mr. Ryan seemed heavily
6 intoxicated, exhibited glossy, bloodshot
7 eyes, heavily slurred speech, unsteady
8 footing and was swaying in small circles
9 while standing. The officers also
10 noticed the odor of an unknown alcoholic
11 beverage emitting from both Mr. Ryan's
12 person and breath.

13 Those officers viewed a videotape,
14 along with Miss Joy Pullman and
15 Mr. Ryan. The officers observed on this
16 videotape Mr. Ryan flaunting a handgun
17 before pointing it at a victim. These
18 are not my words; these are the words of
19 officers who were there at the scene.
20 It is to be noted that one officer
21 retrieved the gun believed to be used in
22 the incident, dropped the magazine,
23 ejected the live round from the chamber
24 and then ejected the other nine live
25 rounds from the magazine.

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1 The Kenner police officer's report
2 states that Richard Ryan placed the
3 victim in reprehensible fear of having a
4 firearm used against him by pointing a
5 loaded 45 caliber handgun at him.
6 Mr. Ryan was then arrested, and he was
7 booked at the Kenner Police Department
8 for aggravated assault with a firearm.
9 The law here is perfectly clear. If
10 this Board finds that the public health,
11 safety or welfare imperatively requires
12 emergency action and incorporates a
13 finding to that effect in its order,
14 summary suspension of the license may be
15 ordered pending proceedings for

16 revocation or another action.

17 What you heard from Mr. Root is that
18 there was no finding in the order issued
19 by the hearing officer that Mr. Ryan was
20 a threat to public safety, health and
21 welfare. What you did not hear from
22 Mr. Root is that during his reasons for
23 decision, which are articulated on the
24 record, the hearing officer made it
25 abundantly clear that public safety,

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1 health and welfare were at issue.

2 A reading of the transcript shows
3 that there was a careful consideration
4 of the sole issue at hand. After
5 recessing to consider the evidence for
6 approximately one hour, the hearing
7 officer gave his reasons from the bench.

8 He specifically states, and I quote:

9 Whether the actions of Mr. Ryan on
10 June 19th, 2014, constitute a threat to
11 the public health, safety and welfare
12 are still at issue. He further states,
13 Mr. Ryan used judgment which placed the
14 patrons of Speakeasy Sports Bar & Grill,
15 as well as himself, in peril and the
16 resulting concern for public health,
17 safety and welfare.

18 In an attempt to circumvent these

19 proceedings just three days prior to the
20 immediate emergency suspension hearing,
21 Rolling Bones submitted documents to the
22 Division which purport to show that
23 Mr. Ryan has transferred his 50 percent
24 interest in the business to Joy Pullman
25 on September 18th, 2014. Additionally,

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1 minutes of the meeting held on
2 September 18th, 2014, was submitted by
3 Rolling Bones indicating that Mr. Ryan
4 resigned as secretary and treasurer and
5 that Virginia Pullman had been elected
6 as secretary and treasurer.

7 Virginia Pullman has not previously
8 met suitability, as would be required by
9 the Division. This submission was made
10 to the Division nine days after the
11 Board issued the notice of
12 recommendation of revocation, order of
13 immediate emergency suspension and
14 notice of hearing and did not give the
15 Division an opportunity to properly
16 investigate whether this was a properly
17 executed transfer or whether any other
18 circumstances existed which would call
19 for the Division not to issue an
20 approval in this matter.

21 Subsequent to the submission of

22 these documents and after the immediate
23 emergency suspension hearing was held, a
24 letter dated September 29th, 2014, was
25 sent to the Division by Rolling Bones

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1 indicating that Virginia Pullman
2 resigned as secretary and treasurer of
3 the corporation, and that Joy Pullman is
4 now sole owner --

5 MR. ROOT: Excuse me, Your Honor.

6 MR. HEBERT: -- officer --

7 CHAIRMAN JONES: Pardon, Mr. Root.

8 I didn't interrupt you.

9 MR. HEBERT: -- and director.

10 MR. ROOT: But --

11 CHAIRMAN JONES: Mr. Root, pardon

12 me, okay? I'll be back with you

13 shortly.

14 MR. ROOT: Note my objection to any

15 new information on the record.

16 CHAIRMAN JONES: It is so noted.

17 MR. HEBERT: And excuse me, I'll go

18 back. Subsequent to the submission of

19 these documents, on September 29th there

20 was a letter sent by Rolling Bones to

21 the Division which indicated that

22 Virginia Pullman resigned as secretary,

23 treasurer of the corporation, and that

24 Joy Pullman is now sole owner, officer

25 and director of Rolling Bones. No

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1 letter of resignation was submitted on
2 behalf of Virginia Pullman, and no
3 minutes were provided evidencing this
4 change.

5 Now, Louisiana Revised Statute
6 12:225(A)(1) is clear and states that
7 the board of directors of a corporation
8 shall elect a president, a secretary,
9 and a treasurer, and that any two of
10 these offices may be combined in one
11 person.

12 You just heard from Mr. Root himself
13 that Joy Pullman is now the sole owner
14 of this corporation. By designating Joy
15 Pullman as the president, secretary and
16 treasurer of this corporation, Rolling
17 Bones is in direct violation of
18 Louisiana law which indicates that only
19 two of those three offices may be held
20 by one person.

21 Finally, on this point, even if
22 Mr. Ryan were no longer 50 percent owner
23 of this licensee, Louisiana gaming law
24 regarding suitability does not only
25 extend to owners, but also to those

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1 exercising significant influence over a

2 licensee. There has been no evidence
3 presented by Rolling Bones that Mr. Ryan
4 has separated himself completely from
5 the business, that he separated himself
6 from his accounting duties or his
7 managerial duties. The Division cannot
8 simply take a corporation at its word
9 that it's properly executed a transfer
10 of ownership and no one -- and a person
11 that may be found unsuitable is no
12 longer involved in the business. There
13 has to be a proper investigation done by
14 the Division to ascertain these facts.

15 Because of the timing of this
16 transfer, the Division has been unable
17 to complete this investigation;
18 therefore, no determination of possible
19 hidden ownership or significant
20 influence has been made by the Division.
21 No approval of this change of ownership
22 has been issued by the Division, and
23 this matter is not rendered moot as
24 Mr. Root would have this Board believe.

25 On the date of the hearing, Rolling

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1 Bones sought to continue the matter
2 indicating that unless his client -- or
3 Mr. Root indicated that unless his
4 client was obtained -- or allowed time

5 to obtain a video from the district
6 attorney showing the hearing officer how
7 the video supports his client's claims,
8 that there will be a significant chance
9 of miscarriage of justice. I assert
10 this argument is without merit. The
11 Division was able to verify that one of
12 the officers with the Kenner Police
13 Department, who was called to the scene
14 on the date of the incident, drove home,
15 retrieved his personal USB flash drive
16 and copied the video footage of the
17 incident involving Mr. Ryan from a
18 digital video recorder located in the
19 establishment.

20 At no time did the actual digital
21 video recorder leave the possession of
22 Rolling Bones. The original video
23 footage is in the possession of the
24 licensee, and therefore the licensee
25 could have produced the video footage on

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1 the date of the immediate emergency
2 suspension hearing.

3 Further, the hearing officer
4 considered the testimony of Mr. Ryan
5 himself, who testified as to the
6 version of the -- excuse me, as to his
7 version of these events. His testimony

8 contradicts the findings in the police
9 report, and after recessing to consider
10 these facts and Mr. Ryan's testimony,
11 the hearing officer made the decision to
12 uphold this Board's immediate emergency
13 suspension. Rolling Bones was in no way
14 prejudiced on the date of that immediate
15 emergency suspension hearing.

16 In conclusion, the Division, and
17 more particularly this Board, has a
18 compelling interest to protect the
19 public safety -- public health, safety
20 and welfare of all individuals
21 participating in this gaming industry.

22 In determining whether an immediate
23 emergency suspension is warranted in the
24 current case, the hearing officer
25 carefully deliberated regarding the

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1 testimony given by Mr. Ryan during the
2 immediate emergency suspension,
3 including the fact that Mr. Ryan
4 admitted that he was under the influence
5 of alcohol while brandishing a handgun
6 on the date of the incident. Based on
7 his statement to the Kenner Police
8 Department, the victim asserts that a
9 gun was pointed at him and not at the
10 ground.

11 The Kenner Police Department report
12 states that Richard Ryan placed this
13 victim in reprehensible fear of having a
14 firearm used against him by pointing a
15 loaded handgun at him. The Division
16 asserts that based on the Kenner Police
17 Department report, that Mr. Ryan placed
18 the victim in fear of his life and
19 created an extremely dangerous
20 atmosphere for all involved. At no
21 point did the investigating officers
22 indicate that a theft had been committed
23 by the victim, as Mr. Ryan attempted to
24 assert.

25 Additionally, Mr. Ryan, when

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1 questioned by myself, indicated that at
2 no point did he consider contacting
3 local law enforcement; although, he
4 thought a theft had been committed.
5 Mr. Ryan further testified that it's
6 never the practice of the establishment
7 to call the police when thefts occur on
8 the premises.

9 The facts of this incident were
10 investigated by the Kenner Police
11 Department who listened to Mr. Ryan's
12 assertions on the night of the incident
13 yet arrested him based on his actions on

14 June 19th, 2014.

15 So based on the assertions made by
16 the Kenner Police report, the fact that
17 Mr. Ryan seems to have a propensity for
18 brandishing firearms as evidenced by a
19 previous arrest in 1992 for unlawful
20 carrying of a weapon, and Mr. Ryan's
21 testimony during the immediate emergency
22 suspension, it is clear that the hearing
23 officer took into careful consideration
24 the facts of this case, and I'm sorry.
25 Mr. Root cannot sit here and guarantee

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1 that Mr. Ryan will not behave in this
2 manner again.

3 The Division believes that the
4 hearing officer did not hear in
5 upholding the suspension of the license
6 of the appellate pending a revocation
7 hearing in this matter. By his
8 useless -- excuse me, by his careless
9 use of a firearm and placing that victim
10 in reprehensible fear, as well as
11 placing the patrons of Speakeasy Bar &
12 Grill and himself in peril, Mr. Ryan
13 created a great concern for public
14 health, safety and welfare, and the
15 Division feels that it imperatively
16 requires emergency action.

17 CHAIRMAN JONES: Thank you.
18 Mr. Root, I suspect you disagree with
19 some of this, but I prefer not a point
20 by point rebuttal. It you can just
21 summarize your objection.

22 MR. ROOT: I have an in globo
23 problem. I'm very troubled and very
24 unhappy after hearing Chairman Jones.
25 You explained how the system works and

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1 how we don't introduce new testimony at
2 the hearing, to have a long list of
3 things that were not introduced in the
4 hearing that we have rebuttals to,
5 including evidence as to how long videos
6 are at an establishment and what
7 possession they have of a video, things
8 which we absolutely deny and will be
9 happy to have a trial about, let alone
10 all these other facts having to do after
11 the hearing. We had ten minutes worth
12 of actual fact testimony from the A.G.'s
13 Office about things that were not in the
14 hearing. That is deeply improper. It
15 has to affect the Board; and yet I can't
16 rebut them because it wasn't a part of
17 the record, and I wasn't prepared to
18 rebut issues and charges that we haven't
19 been placed before us.

20 Having said that, as to him being
21 drunk, if you read the record -- I don't
22 have the exact cite -- he said he had a
23 drink; he said he wasn't intoxicated.
24 I'd like the Board to note, it's not
25 uncommon for police departments to try

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1 to justify arrests, especially when the
2 arrests aren't -- turn out to be not as
3 well thought of as they should. In this
4 case, there was no blood alcohol test of
5 any kind done on the gentleman they said
6 was outrageously drunk, so they didn't
7 bother to have him blow into a tube.

8 So there is no testimony that he has
9 any management and control of the
10 corporation other than one page. They
11 said, what do you do, Mr. Ryan? He
12 says, I cut payroll and accounting and
13 financial. That's the sum total of the
14 evidence that the man has control over
15 the corporation of any type.

16 The incident in question when he was
17 18 and people were burglarizing cars and
18 his apartment, he ran out with a gun and
19 went back in his apartment and somebody
20 said you had a gun. This is in 1992,
21 gentlemen and ladies, and they said,
22 well, that's improper so they had a

23 misdemeanor citation, 1992, and this
24 incident when the trespasser came in and
25 took this lady's purse.

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1 I don't want to make light in any
2 way of how serious that is, but this
3 pattern they're talking about, I guess,
4 will result in an AARP meeting gun show
5 in 2036. It's ludicrous to think
6 there's a pattern of gun use and
7 misbehavior on this gentleman's part.
8 It's simply not in the record, and what
9 is in the record, despite what my
10 colleague says, is absolutely in the
11 record and in the police report that the
12 gentlemen who came in came in after the
13 young lady refused to leave, and he came
14 in and took her purse. It says in there
15 he took her purse to force her to leave,
16 and he left. We didn't make that up.
17 Using the word "stole" her purse versus
18 "took" her purse without permission to
19 force her to leave, if that's a
20 definition of note to the Board, we
21 don't think it is.

22 The gentleman who was in the bar saw
23 the fight, saw her refuse to go with the
24 guy, saw him come back in with the car
25 running and take her things. He had an

1 instant to make a decision, and he was
2 worried about her life and welfare and
3 very unwisely took a gun and went out to
4 make sure she wasn't harmed. That is
5 what the record shows and the police
6 report show.

7 And we did, in fact, after we got
8 notice of the hearing, say, well, we
9 would like to get a copy of what the
10 D.A. has so we can present that if
11 they're making these allegations,
12 because we have a police report, and we
13 have the testimony of Mr. Ryan; and we
14 said, well, God help the man if his
15 testimony doesn't match up with the
16 video. We'd like to see the video. We
17 think it's the best evidence. Rather
18 than hearing a person talk on what's on
19 the video, there it is, and that's why
20 we made that request for a continuance
21 or the record be kept open so we can put
22 that in there.

23 That was denied, and we think that's
24 also -- was an important question.
25 Because what the hearing officer had was

1 solely the testimony of Mr. Ryan
2 explaining what happened and quotes from

3 the police report, that was not even a
4 complete police report, that essentially
5 said, yeah, this is what happened. He
6 came in after he was told to leave, took
7 her purse, they ran out. So that's the
8 isolated incident that we had regarding
9 his major point. We don't think it's
10 true.

11 Let's say it is true that he was
12 drunk and did this stupid thing as
13 opposed to doing the stupid thing not
14 being so drunk. There's zero evidence
15 that this is a bad person who will do
16 this on any regular basis, that he's any
17 threat to the public from this point on.
18 His effort to be a white knight has
19 resulted in criminal charges, the
20 revocation of his former gambling
21 license, and a whole list of problems,
22 and if the law says there has to be a
23 finding of a threat to public health,
24 welfare and safety and it's not in the
25 written decision -- and the hearing

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1 officer says, the fact you didn't do
2 anything for 20 years is not important
3 and the fact that you won't do anything
4 since then is not important and you
5 learned your lesson, but we're going to

6 grant the suspension, is essentially
7 punishing him for something that
8 happened in the past that won't happen
9 again, which is not the purpose of the
10 emergency suspension. That purpose is
11 ongoing threats.

12 There's zero record of an ongoing
13 threat. I don't know what to do -- I
14 don't represent them in corporate
15 matters, and so I have no idea about the
16 filing of those things. If, in fact,
17 they've done a corporate impropriety
18 regarding the gambling laws, I'm sure
19 that they will take some finding of that
20 and at some later stage maybe this Board
21 will consider that, but I believe it's
22 absolutely improper to inject that
23 testimony.

24 And if that's important to the
25 Board, I'd request that it be remanded

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1 so we could get a copy of the video from
2 the D.A. The information they think is
3 so critical to, I guess, Miss Joy's
4 credibility they could put in, and we
5 can figure this out. And certainly
6 there's always a revocation hearing and
7 a suitability hearing that is threatened
8 and I'm sure that will come down the

9 pike; but the narrow issue of an ongoing
10 threat to public safety, we believe it's
11 just not there, and this matter should
12 either be remanded to fill out the
13 record and look at all these things with
14 more specificity or simply denied
15 because of the lack of finding and the
16 lack of the facts supporting this
17 finding.

18 CHAIRMAN JONES: Thank you,
19 Mr. Root. Before we get to questions,
20 I just want to remind the Board that
21 we'll make a decision based on the
22 record as it is without regard to any
23 additional, extraneous information
24 related to, on either side, outside of
25 the record, and your questions should be

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1 limited to that which is in the record.
2 Mr. Stipe's been waiting for some time.

3 MR. STIPE: And what is before us is
4 a suspension.

5 CHAIRMAN JONES: Yes, emergency
6 suspension.

7 MR. STIPE: Until there is a hearing
8 on the revocation, right?

9 CHAIRMAN JONES: Yes.

10 MR. ROOT: Right.

11 MR. STIPE: And a suspension of the

12 gaming license.

13 MR. ROOT: That's right. There's
14 currently a stay, but, yes.

15 MR. STIPE: A suspension of the
16 gaming license is what's before us.

17 MR. ROOT: Yes.

18 MR. STIPE: Speakeasy Bar & Grill
19 can still serve burgers, beer. What's
20 before us is a suspension of a gaming
21 license until we can have or there can
22 be a revocation hearing on all this
23 ownership, all these other issues that
24 are relevant, apparently; is that
25 correct?

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1 MR. ROOT: Based on a finding of a
2 threat to health, safety and welfare of
3 the public, correct, sir.

4 MR. STIPE: Which as I read the
5 record on page 86 and 87, the hearing,
6 the administrative officer dealt with.

7 MR. HEBERT: That's correct.

8 MR. ROOT: Well --

9 MR. STIPE: And it's in his order,
10 correct?

11 MR. ROOT: I would say, no, in that
12 we say -- there's no record of an
13 ongoing threat, no. There's a record he
14 was very unhappy with what happened,

15 absolutely. My question is whether --
16 it's absolutely true that that was a
17 threat to have a person with a gun in a
18 volatile environment is a threat to
19 public safety. There's no doubt about
20 that. That event was a bad thing.

21 We're saying that it's not -- that
22 it has to be an ongoing threat of some
23 type to warrant the emergency
24 suspension, because if it will never be
25 repeated or the likelihood of it being

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1 repeated is nil, it's as if I had taken
2 a bad prescription and had a personality
3 change, attacked a patron, and then they
4 found about it, changed the medication.
5 It's clear it will never happen again.

6 CHAIRMAN JONES: Mr. Root, would you
7 suggest that the Board or the hearing
8 officer have to wait for a second time,
9 perhaps, for a gun to be brandished in a
10 bar? Is that what you're suggesting?

11 MR. ROOT: I'm saying there has to
12 be some likelihood that it will happen
13 again.

14 CHAIRMAN JONES: A pattern.

15 MR. ROOT: A pattern, if you will.

16 CHAIRMAN JONES: So that's your
17 position. Is that your position?

18 MR. ROOT: Not just a pattern, there
19 has to be some evidence --

20 CHAIRMAN JONES: Like brandishing a
21 gun a second or third time; is that what
22 you're suggesting?

23 MR. ROOT: I'm not suggesting that.
24 I'm suggesting there would have to be
25 some evidence either from personality or

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1 habitual drunkenness or criminal
2 character there's an indication it would
3 happen again as opposed to --

4 CHAIRMAN JONES: A second or third
5 time.

6 MR. ROOT: Chairman Jones, I'm not
7 saying there's a magic number. I'm
8 saying that if something --

9 CHAIRMAN JONES: Anything above one,
10 pick a number. I'm really trying to
11 understand you here, all right. You
12 seem to be isolated on this one
13 incident, a person brandishing a weapon,
14 all right, and that's based on the
15 language from the police report.

16 MR. ROOT: Legally brandishing a
17 weapon in legal defense of a third
18 party, yes, sir.

19 MR. HEBERT: There's no proof of
20 any --

21 CHAIRMAN JONES: Did he ever put his
22 hands on her?

23 MR. ROOT: Did he put her [sic]
24 hands on her? No. The gentleman who
25 came in and trespassed?

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1 CHAIRMAN JONES: Did he grab her by
2 the hair; did he drag her out; did he
3 have her by the skirt?

4 MR. ROOT: He grabbed her purse.

5 CHAIRMAN JONES: Did he grab her?

6 MR. ROOT: No.

7 CHAIRMAN JONES: Thank you.
8 Mr. Stipe, were you finished? Any other
9 questions from the Board?

10 MR. BRADFORD: I had a question, I
11 think. I can't remember it now. The
12 issue before us is to affirm or not
13 affirm the immediate emergency
14 suspension --

15 MR. HEBERT: That is correct.

16 MR. BRADFORD: -- is that correct?

17 MR. ROOT: That is correct.

18 MR. BRADFORD: Okay. Got that. And
19 there is a date -- is there a date set
20 for a revocation hearing, and what is
21 that date?

22 MR. ROOT: There has not been a date
23 set for a revocation hearing.

24 MR. BRADFORD: There is no date. So
25 you are under immediate emergency

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1 suspension at this time and have been
2 for sometime.

3 MR. ROOT: Maybe not, for this
4 reason: There was a stay request that
5 was heard by 19th JDC that was granted
6 pending this Honorable Board's ruling.
7 So if that was signed -- it was
8 submitted Monday, and I can't actually
9 tell the Board whether the judge signed
10 it Monday or Tuesday or Wednesday. I
11 was at the state swim championships
12 yesterday with my son, and I don't know
13 what the court did. As talking to my
14 colleague, I think you know --

15 MR. HEBERT: I'm not aware of
16 whether that was signed.

17 MR. ROOT: So there may be a stay as
18 we sit here.

19 MR. BRADFORD: My position is -- and
20 I sometimes verbalize my position out
21 loud so the rest of my board members
22 will know where I'm coming from. I do
23 believe that the owner pulling the gun,
24 pointing the gun and running the guy out
25 of the bar with a gun pointed at him is

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1 a -- affects public safety. I must tell
2 you that's my position on that. You
3 don't have to rebut that, and I don't
4 think this -- it's this Board's position
5 to hear a whole bunch of evidence, old
6 or new. It's our business to affirm the
7 hearing officer, and if there's new
8 evidence, which apparently there is,
9 that that should be presented at the
10 revocation hearing. That's my position
11 so...

12 MR. ROOT: Well, Mr. Bradford,
13 one -- actually, the victim said that
14 the barrel was pointed down at the
15 ground to show if he had a gun.

16 MR. HEBERT: But the officer said
17 that it was pointed at the individual.

18 MR. BRADFORD: I don't think we need
19 to hear all that.

20 MR. ROOT: Right. But I'm just
21 saying that.

22 MR. BRADFORD: I heard it both ways
23 in the -- I read all the documents and
24 people who have witnessed the video,
25 so...

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1 MR. ROOT: But that's why what
2 actually happened is so darn important,
3 and the fact that we couldn't get the

4 video in is frustrating to me when we're
5 talking about --

6 MR. HEBERT: Again, the licensee had
7 access to the video the entire time. So
8 I take exception to you saying -- the
9 owner is there. You can ask her. At no
10 point did that video evidence leave the
11 premises.

12 CHAIRMAN JONES: Pardon me, if I
13 might. A couple of quick things.
14 Mr. Root, having been a member of the
15 Louisiana State Police for more than 32
16 years, I can tell you it is totally
17 immaterial, if an out-stretched arm with
18 a gun at it, a barrel is pointed down.
19 He's lucky. Your client, you're a great
20 advocate for your client, and I applaud
21 you for that; but a person brandishing a
22 weapon, I don't care if the barrel is
23 pointed down. An out-stretched arm with
24 a gun in it concerns me.

25 MR. ROOT: It concerns everyone.

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1 CHAIRMAN JONES: And as you suggest,
2 some police officers might embellish
3 reports, okay, just like defendants
4 might be disingenuous with their
5 testimony, so we have to consider all of
6 those things.

7 MR. ROOT: Certainly.

8 CHAIRMAN JONES: And your analogy
9 that prostitution might be a bigger
10 issue, I'd rather confront a prostitute
11 in that parking lot at night than
12 someone with an out-stretched arm and a
13 gun, okay?

14 MR. BRADFORD: I think,
15 Mr. Chairman, I'd like to make a motion
16 that the -- and I think you have new
17 evidence which may be strong evidence in
18 your favor, so I'm going to make a
19 motion that we affirm the hearing
20 officer, and I'm also going to add to
21 that that the date for the revocation
22 hearing be set within two weeks.

23 MR. SINGLETON: I'll second the
24 motion.

25 MR. HEBERT: Mr. Bradford, I would

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1 like to suggest that two weeks does not
2 afford the opportunity for the Division
3 to do its proper investigation regarding
4 the ownership issue. Okay. We feel
5 that it's a clear attempt to circumvent
6 these proceedings, but in a normal
7 course and scope of the Division's
8 business -- this is not the only
9 business that submits transfers of

10 ownership. Those transfers of ownership
11 are sent out to the field offices for
12 investigation. Two weeks does not
13 afford the Division that opportunity to
14 conduct that.

15 CHAIRMAN JONES: Can we ask for an
16 expedited hearing, to the extent that
17 that's possible, and State Police can
18 conclude their work?

19 MR. HEBERT: We would ask for 30
20 days.

21 CHAIRMAN JONES: Mr. Stipe.

22 MR. STIPE: I would just echo that
23 notion of an expedited hearing. I've
24 not had much luck practicing law telling
25 a judge when to have a hearing.

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1 MR. BRADFORD: How long have you
2 been under the immediate emergency
3 suspension?

4 MR. ROOT: Sorry?

5 MR. BRADFORD: How long have you
6 been under the immediate suspension?

7 MR. ROOT: Well, the September 9th,
8 I believe.

9 MR. BRADFORD: But you've been
10 operating your video? You're still
11 under the immediate suspension, and you
12 may get that lifted with a stay. But

13 that's your business, okay? Thirty
14 days, I'd agree to change my motion to
15 30 days.

16 MR. HEBERT: Thank you.

17 MR. SINGLETON: I'll agree to the
18 second.

19 CHAIRMAN JONES: So you move to
20 affirm and ask for a 30-day.

21 MR. BRADFORD: Order a 30 day --
22 revocation hearing within 30 days.

23 CHAIRMAN JONES: Do I have a second?

24 MR. SINGLETON: I'll second.

25 CHAIRMAN JONES: All in favor?

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1 [Collective "aye."] Any opposition? [No
2 response.] Motion carries. Thank you,
3 gentlemen.

4 MR. ROOT: Thank you so much for
5 your time. I appreciate it.

6 VII. ADJOURNMENT

7 CHAIRMAN JONES: Do I have a motion
8 to adjourn? Mr. Singleton.

9 MR. JACKSON: Second.

10 CHAIRMAN JONES: Second by
11 Miss Noonan. All in favor? [Collective
12 "aye."] Opposed? [No response.] Thank
13 you. The meeting is adjourned.

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1 REPORTER'S PAGE

2

3 I, SHELLEY PAROLA, Certified Shorthand

4 Reporter, in and for the State of Louisiana, the

5 officer before whom this sworn testimony was

6 taken, do hereby state:

7 That due to the spontaneous discourse of this

8 proceeding, where necessary, dashes (--) have been

9 used to indicate pauses, changes in thought,

10 and/or talkovers; that same is the proper method

11 for a Court Reporter's transcription of a

12 proceeding, and that dashes (--) do not indicate

13 that words or phrases have been left out of this

14 transcript;

15 That any words and/or names which could not

16 be verified through reference materials have been

17 denoted with the word "(phonetic)."

18

19

20

21

22

23

24 SHELLEY PAROLA

 Certified Court Reporter #96001

25 Registered Professional Reporter

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1 STATE OF LOUISIANA

2 PARISH OF EAST BATON ROUGE

3 I, Shelley G. Parola, Certified Court

4 Reporter and Registered Professional Reporter, do

5 hereby certify that the foregoing is a true and

6 correct transcript of the proceedings on November

7 20, 2014, as taken by me in Stenographic machine

8 shorthand, complemented with magnetic tape

9 recording, and thereafter reduced to transcript,

10 to the best of my ability and understanding, using

11 Computer-Aided Transcription.

12 I further certify that I am not an

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

14 am neither related to nor employed by any attorney

15 or counsel connected with this action, and that I

16 have no financial interest in the outcome of this

17 action.

18 Baton Rouge, Louisiana, this 8th day of

19 December, 2014.

20

21

22

SHELLEY G. PAROLA, CCR, RPR

CERTIFICATE NO. 96001

23

24