

1: 1

2

3 LOUISIANA GAMING LOUISIANA CONTROL BOARD

4

5

6 BOARD OF DIRECTORS' MEETING

7

8

9

10

11 Thursday, March 26th, 2012

12

13 Natchez Room - Galvez Building

14 602 North Fifth Street

15 Baton Rouge, Louisiana

16

17

18

19 TIME: 2:00 P.M.

20

21

22

23

24

25

2

1 APPEARANCES

2

3 VELMA ROGERS
4 Vice-Chairman
5
6 AYRES BRADFORD
7 Board Member
8
9 BOB JONES
10 Board Member
11
12 JAMES SINGLETON
13 Board Member
14
15 DENISE NOONAN
16 Board Member
17
18 MAJOR NOEL
19 EX-OFFICIO BOARD MEMBER
20
21 LANA TRAMONTE
22 Executive Assistant to the Chairman
23
24 REPORTED BY:
25 SHELLEY G. PAROLA, CSR, RPR

3

| 1 | PAGE | |
|---|---|---|
| 2 | I. CALL TO ORDER | 5 |
| 3 | II. PUBLIC COMMENTS | 5 |
| 4 | III. AUTHORIZATION FOR VICE-CHAIRMAN TO | |
| 5 | SIGN NOTICES, TIME AND ATTENDANCE, | |

6 DISBURSEMENTS AND TO EXECUTE CASINO
7 SUPPORT SERVICES CONTRACT 6

8 IV. CASINO GAMING ISSUES

9 A. Consideration of acceptance of
10 Construction Contract for approved
11 project by Bossier Casino Venture,
12 Inc., No. R011000841 7

13 B. Consideration of approval of
14 Restricted Deposit Account Agreement
15 with Ameristar Casinos, Inc.,
16 through Creative Casinos, L.L.C.,
17 No. R016502995 11

18 C. Consideration of the following:

19 1. Anthony Paul Rodio - (found
20 suitable) 15

21 2. Daniel P. Condon - No.
22 PO20008082 (renewal) 15

23 3. Mark Lemon - No. PO20056237
24 (renewal) 15

25 4. Domenic Ricciardelli - No.
4

1 PAGE
2 PO20052553 (renewal) 15

3 5. Sherri L. Sosa - No. PO20056008
4 (renewal) 15

5 6. Geno Iafrate - No. PO20052774
6 (renewal) 15

7 7. Lillian McKinney - No. PO20049132
8 (renewal) 15

9 8. Joe L. Robertson, Jr. - No.
10 PO20005337 15

11 V. PROPOSED SETTLEMENTS TO THE BOARD

12 1. In Re: Daiquiris Sports & Grill, LLC
13 d/b/a Daiquiris Sports & Grill - No.
14 0505116246 16

15 2. In Re: Maria T. Grayson -
16 No. PO40020586 17

17 VI. ADJOURNMENT 23

18
19
20
21
22
23
24
25

5

1 I. CALL TO ORDER

2 VICE-CHAIR ROGERS: I'd like to call
3 this meeting to order, please.

4 THE CLERK: Miss Rogers?

5 VICE-CHAIR ROGERS: Here.

6 THE CLERK: Mr. Bradford?

7 MR. BRADFORD: Here.

8 THE CLERK: Mr. Jones?

9 MR. JONES: Here.

10 THE CLERK: Mr. Stipe. [No
11 response.] Mr. Singleton?

12 MR. SINGLETON: Here.
13 THE CLERK: Miss Noonan?
14 MS. NOONAN: Here.
15 THE CLERK: Colonel Edmonson?
16 MAJOR NOEL: Major Noel for Colonel
17 Edmonson. Secretary Bridges? [No
18 response.]
19 VICE-CHAIR ROGERS: We have a
20 quorum.

21 II. PUBLIC COMMENTS

22 VICE-CHAIR ROGERS: Do we have any
23 public comments? Anybody want to
24 comment about anything?

25 III. AUTHORIZATION FOR VICE-CHAIRMAN TO SIGN

6

1 NOTICES, TIME AND ATTENDANCE, DISBURSEMENTS
2 AND TO EXECUTE CASINO SUPPORT SERVICES
3 CONTRACT

4 VICE-CHAIR ROGERS: Next go to the
5 authorization for Vice-Chair to sign
6 notices, time and attendance
7 disbursements and to execute casino
8 support services contract. Do we have a
9 motion?

10 MR. BRADFORD: Madam Chairman, I
11 make a motion.

12 VICE-CHAIR ROGERS: Mr. Bradford.

13 MR. BRADFORD: I move to authorize
14 the Vice-Chairman to sign notices, time

15 and attendance sheets, disbursements and
16 to execute the casino's support services
17 contract, which has been reviewed by the
18 Board, and sign all orders and approvals
19 and decisions acted on by the Board
20 today.

21 MR. SINGLETON: Second.

22 VICE-CHAIR ROGERS: We have a motion
23 and a second. Role call, please.

24 THE CLERK: Miss Rogers?

25 VICE-CHAIR ROGERS: Yes.

7

1 THE CLERK: Mr. Bradford?

2 MR. BRADFORD: Yes.

3 THE CLERK: Mr. Jones?

4 MR. JONES: Yes.

5 THE CLERK: Mr. Stipe is out.

6 Mr. Singleton?

7 MR. SINGLETON: Yes.

8 VICE-CHAIR ROGERS: Miss Noonan?

9 MS. NOONAN: Yes.

10 VICE-CHAIR ROGERS: Motion carries.

11 IV. CASINO GAMING ISSUES

12 A. Consideration of acceptance of Construction

13 Contract for approved project by Bossier

14 Casino Venture, Inc., No. R011000841

15 VICE-CHAIR ROGERS: All right. We
16 have Consideration of our Casino Gaming
17 Issues: Consideration of Acceptance of

18 Construction Contract for Approved
19 Project by Bossier Casino Venture, Inc.,
20 Number RO11000841.

21 MR. GAUTREAU: Good afternoon --
22 it's different -- good afternoon, Board
23 Members. This is the acceptance of the
24 construction contracts for Bossier
25 Casino Venture. As you recall, under

8

1 the conditions that were placed on the
2 licensee, they had certain time lines
3 that they had to meet. Condition 15(b)
4 required them to submit construction
5 contracts within 45 days of the
6 Louisiana Gaming Control Board's
7 acceptance of the plans of design. The
8 plans were accepted at the February 16th
9 board meeting.

10 Under the conditions, therefore, the
11 construction contract would have been
12 due by April 1st, 2012, but for the
13 first time in my handling of these
14 things, we have somebody who is ahead of
15 the timeline and ready to get going, in
16 fact, started construction. So they
17 submitted their contract on
18 January 27th, 2012. They made a
19 decision to submit it in advance of the
20 timeline so they could start

21 construction as soon as possible, which
22 they started February 13th, 2012.

23 Once the contract is accepted under
24 the conditions, they have 30 days to
25 commence construction and 18 months to

9

1 complete construction thereafter. As I
2 already said, they have started
3 construction.

4 Just, basically, the construction
5 contract is a guaranteed maximum price
6 contract for \$97.2 million for the
7 construction of the riverboat, hotel,
8 casino and all buildings. The time
9 under the contract is -- allots for 16
10 months construction time from
11 commencement to substantial completion.

12 There are some penalty provisions if the
13 contractor is late, and there are some
14 bonus provisions if the contractor comes
15 in early.

16 So today before the Board is just
17 the formal acceptance of the
18 construction contract so that we can get
19 the commencement of construction date
20 going.

21 VICE-CHAIR ROGERS: You think maybe
22 they're afraid of a woman vice-chair?

23 We are asking for a motion from one of

24 the board members, please.

25 MR. BRADFORD: I have a quick

10

1 question. Leonce, the performance and
2 payment bonds are already in place?

3 MR. GAUTREAU: Yes.

4 MR. SINGLETON: Is anyone here
5 from --

6 MR. GAUTREAU: Miss Harkins is
7 here, their attorney.

8 MR. SINGLETON: You know what my
9 question is. You can answer it now.

10 MS. HARKINS: Pardon?

11 MR. SINGLETON: I said, you know
12 what my question is going to be.

13 MS. HARKINS: I know that they are
14 considering all MBEs and DBEs as part of
15 the formal bid process.

16 MR. SINGLETON: They are or will be?

17 MS. HARKINS: They are.

18 MR. GAUTREAU: And I will say this,
19 Mr. Singleton, that much like the last
20 one, the contract does provide for them
21 to make a good faith effort to consider
22 MBEs and DBEs in the -- for the
23 subcontractors.

24 MR. SINGLETON: Okay.

25 VICE-CHAIR ROGERS: Any other

11

1 questions?

2 MR. SINGLETON: I'll make the

3 motion --

4 MR. BRADFORD: Motion to accept the

5 contract.

6 MR. SINGLETON: -- to approve.

7 MR. BRADFORD: Second.

8 VICE-CHAIR ROGERS: Roll call,

9 please.

10 THE CLERK: Mr. Bradford?

11 MR. BRADFORD: Yes.

12 THE CLERK: Mr. Jones?

13 MR. JONES: Yes.

14 THE CLERK: Mr. Singleton?

15 MR. SINGLETON: Yes.

16 THE CLERK: Miss Noonan?

17 MS. NOONAN: Yes.

18 THE CLERK: Miss Rogers?

19 VICE-CHAIR ROGERS: Yes. Motion

20 carries.

21 MS. HARKINS: Thank you.

22 B. Consideration of approval of Restricted Deposit

23 Account Agreement with Ameristar Casinos, Inc.,

24 through Creative Casinos, L.L.C., No.

25 R016502995

12

1 VICE-CHAIR ROGERS: Consideration of

2 Approval of Restricted Deposit Account

3 Agreement with Ameristar Casinos, Inc.,

4 through Creative Casinos, LLC, Number
5 RO16502995. Mr. Gautreaux.

6 MR. GAUTREAU: Thank you. If you
7 remember at the last board meeting in
8 regards to the proposed transfer of the
9 membership interest in Creative Casinos
10 to Ameristar, the Board expressed a
11 desire to have Ameristar escrow a
12 certain amount of money in cash while
13 the state conducts its review and
14 investigation of the transaction.

15 They agreed to deposit \$5 million in
16 a restricted deposit account, which
17 funds shall remain in that account in
18 accordance with the agreement until
19 disbursed. The dispersal can occur in
20 one of three ways: If the -- transfer
21 to the Louisiana Gaming Control Board
22 \$25 million escrow account which has to
23 be established at commencement of
24 construction, which as of right now that
25 date is July 20th, 2012.

13

1 So at that point, the \$5 million
2 will be transferred into that escrow
3 account which will be set up so that --
4 plus another \$20 million, so it will get
5 the total of \$25 million required by the
6 condition.

7 It can be disbursed to the Board, if
8 construction does not commence, by
9 July 20th, 2011, or such later date as
10 approved by the Board; or finally, to
11 Ameristar if the Louisiana Gaming
12 Control Board does not approve the
13 transfer of interest when its brought
14 before them.

15 The \$5 million shall be maintained
16 at all times in that account until it's
17 disbursed under one of those conditions,
18 and our audit staff will have
19 unrestricted verification rights to the
20 funds in that account at all times.

21 VICE-CHAIR ROGERS: Any questions?

22 MR. GAUTREAUX: Mr. Kelly Duncan is
23 here on behalf of the licensee if there
24 are any questions.

25 VICE-CHAIR ROGERS: Any questions?

14

1 [No response.] Any public comment?

2 MR. BRADFORD: So we're going to get
3 \$5 million?

4 MR. GAUTREAUX: Within ten days of
5 this approval, they will deposit
6 \$5 million in that account, and it has
7 to stay in that account until either one
8 of these three things happen later on.

9 VICE-CHAIR ROGERS: Are we ready for

10 a motion?
11 MR. JONES: I'll make the motion.
12 MR. BRADFORD: Second.
13 VICE-CHAIR ROGERS: Roll call,
14 please.
15 THE CLERK: Mr. Bradford?
16 MR. BRADFORD: Yes.
17 THE CLERK: Mr. Jones?
18 MR. JONES: Yes.
19 THE CLERK: Mr. Singleton?
20 MR. SINGLETON: Yes.
21 THE CLERK: Miss Noonan?
22 MS. NOONAN: Yes.
23 THE CLERK: Miss Rogers?
24 VICE-CHAIR ROGERS: Yes. Motion
25 carries.

15

1 C. Consideration of the following:
2 1. Anthony Paul Rodio - (found suitable)
3 2. Daniel P. Condon - No. PO20008082 (renewal)
4 3. Mark Lemon - No. PO20056237 (renewal)
5 4. Domenic Ricciardelli - No. PO20052553
6 (renewal)
7 5. Sherri L. Sosa - No. PO20056008 (renewal)
8 6. Geno lafrate - No. PO20052774 (renewal)
9 7. Lillian McKinney - No. PO20049132 (renewal)
10 8. Joe L. Robertson, Jr. - No. PO20005337
11 (renewal)
12 VICE-CHAIR ROGERS: The Board will

13 consider the following Consideration of
14 Applications: Anthony Paul Rodio and
15 the permit renewals of Daniel Condon,
16 Mark Lemon, Domenic Ricciardelli, Sherri
17 Sosa, Geno Iafrate, Lillian McKinney and
18 Joe L. Robertson, Jr.

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

20 VICE-CHAIR ROGERS: Any questions?
21 Motion?

22 MR. BRADFORD: Motion to approve.

23 MS. NOONAN: I'll second.

24 VICE-CHAIR ROGERS: Roll call? No.

25 All in favor? "Aye." Any opposed? [No

16

1 response.] Motion carries.

2 V. PROPOSED SETTLEMENTS TO THE BOARD

3 1. In Re: Daiquiris Sports & Grill, LLC, d/b/a

4 Daiquiris Sports & Grill - No. 0505116246

5 VICE-CHAIR ROGERS: We have the
6 proposed settlements to the Board. The
7 first one is the Attorney General's
8 Office will present the settlement. The
9 licensee/permittee may or may not appear,
10 and do we have anybody from the office?
11 Come on up.

12 MS. COLLY: Good afternoon,
13 Miss Rogers, Members of the Board. I am
14 Nicolette Colly, Assistant Attorney
15 General, representing the Office of

16 State Police in the matter of Daiquiris
17 Sports & Grill, LLC, d/b/a Daiquiris
18 Sports & Grill.

19 Daiquiris is a Type 1 video draw
20 poker licensee whose annual licensee
21 form, annual fee, records update form,
22 ATC permit and state and local tax
23 clearances were due on July 1st, 2011.
24 The documents and fees were not received
25 by the Division until September 13th,

17

1 2011, approximately two months late.

2 In lieu of administrative action
3 against Daiquiris' license, the parties
4 have stipulated that the licensee shall
5 pay a total penalty of \$750 for its
6 failure. The order to approve the
7 compromise and settlement agreement was
8 signed by Hearing Officer Reynolds on
9 March 19th, 2012, and is now being
10 submitted for the Board's approval.

11 VICE-CHAIR ROGERS: Any questions by
12 board members?

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

14 VICE-CHAIR ROGERS: Motion by Miss
15 Noonan.

16 MR. JONES: Second.

17 VICE-CHAIR ROGERS: Second by
18 Mr. Jones. All in favor? "Aye."

19 Opposed? [No response.] Motion
20 carries.

21 2. In Re: Maria T. Grayson - No. PO40020586

22 VICE-CHAIR ROGERS: Maria Grayson.

23 MS. COLLY: Good afternoon again.

24 I'm Nicolette Colly, Assistant Attorney

25 General, appearing for Ashley Wimberly

18

1 and on behalf of Louisiana State Police

2 in the proessed settlement matter of

3 Maria T. Grayson. Miss Grayson holds a

4 non-key gaming employee permit.

5 On May 12th, 2011, the Jefferson

6 Parish Sheriff's Office arrested Miss

7 Grayson for violation of simple criminal

8 damage to property, possession of a

9 Schedule II controlled dangerous

10 substance and possession of contraband

11 in a correctional facility. These

12 charges were refused by the Jefferson

13 Parish District Attorney's Office on

14 June 3rd, 2011, and November 4th, 2011.

15 In lieu of an administrative

16 hearing, the Division and Miss Grayson

17 have entered into a joint compromise and

18 settlement agreement with the Division.

19 Under this agreement, Miss Grayson

20 agrees to pay a \$250 civil penalty for

21 her failure to notify the Division of

22 her arrest on May 12th, 2011. This
23 joint compromise and settlement
24 agreement was approved and signed by
25 Hearing Officer Reynolds on March 19th,
19

1 2012. I now submit it for the Board's
2 approval.

3 VICE-CHAIR ROGERS: Any questions?

4 MR. JONES: Just a curiosity
5 question. I understand criminal damage
6 and possession of a controlled
7 substance, but contraband in a
8 correctional facility, what kind of
9 contraband might that be?

10 MS. COLLY: I'm actually not
11 familiar with what actually that
12 contraband is. I can look through the
13 file and let you know.

14 MR. JONES: I was just curious.

15 MS. COLLY: I could find out,
16 though.

17 VICE-CHAIR ROGERS: Any other
18 questions?

19 MS. NOONAN: I have a question.
20 Does the State Police feel comfortable
21 resubmitting this license even though
22 the -- she was arrested -- the charges
23 were refused?

24 MS. COLLY: Yes.

25 MS. NOONAN: There's nothing else in

20

1 her --

2 MS. COLLY: Nothing pending, no.

3 SERGEANT SIBLEY: Good morning,
4 Miss Rogers, Board Members. My name is
5 Sergeant Sibley with the Louisiana State
6 Police.

7 I think to answer your question:
8 Whenever this young lady was arrested,
9 she was in possession of prescription
10 medication, and when she was booked in
11 jail, they charged her with contraband.

12 VICE-CHAIR ROGERS: Any other
13 questions?

14 MS. NOONAN: It was prescription
15 medication for her?

16 SERGEANT SIBLEY: Yes, sir.

17 MR. BRADFORD: State Police is in
18 favor of the settlement?

19 SERGEANT SIBLEY: Yes.

20 VICE-CHAIR ROGERS: Any other
21 questions?

22 MS. NOONAN: I'll motion.

23 VICE-CHAIR ROGERS: Motion by Miss
24 Noonan.

25 MR. BRADFORD: I'll second.

21

1 VICE-CHAIR ROGERS: Seconded by

2 Mr. Bradford. All in favor? "Aye."

3 Opposed? (No response.) Motion

4 carries.

5 MR. BRADFORD: I move we adjourn.

6 MS. NOONAN: I'll second.

7 VICE-CHAIR ROGERS: Second by Miss

8 Noonan. The Board's adjourned.

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

22

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

23

1 STATE OF LOUISIANA
2 PARISH OF EAST BATON ROUGE
3 I, Shelley G. Parola, Certified Court
4 Reporter and Registered Professional Reporter, do
5 hereby certify that the foregoing is a true and
6 correct transcript of the proceedings given under

7 oath in the preceding matter on March 26, 2012, as
8 taken by me in Stenographic machine shorthand,
9 complemented with magnetic tape recording, and
10 thereafter reduced to transcript, to the best of
11 my ability and understanding, using Computer-Aided
12 Transcription.

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

19 Baton Rouge, Louisiana, this 9th day of
20 April, 2012.

21

22

23

SHELLEY G. PAROLA, CCR, RPR

CERTIFICATE NO. 96001

24