

1: 1 LOUISIANA GAMING LOUISIANA CONTROL BOARD

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4 BOARD OF DIRECTORS' MEETING

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9 MAY 16, 2013

10

11 Natchez Room, Galvez Building

12 602 North Fifth Street

13 Baton Rouge, Louisiana

14

15

16

17 TIME: 10:00 A.M.

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23

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2

1 APPEARANCES

2

VELMA ROGERS

3 Vice-Chairwoman (At Large)

Third Congressional District

4 June 30, 2012

5

6 FRANKLIN AYRES BRADFORD

(Economic Planner)

7 Fifth Congressional District

June 30, 2013

8

9 ROBERT G. JONES

(MBA/CPA)

10 Seventh Congressional District

June 30, 2013

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12 MARK STIPE

(Attorney)

13 Seventh Congressional District

June 30, 2014

14

15 JAMES SINGLETON

(Public/Business Administration)

16 Second Congressional District

June 30, 2014

17

18 DENISE NOONAN

(At Large)

19 First Congressional District

June 30, 2015

20

21 MAJOR CLAUDE MERCER

(Law Enforcement)

22 Fifth Congressional District

June 30, 2018

23

24

25

3

1 APPEARANCES CONTINUED

2

3 CLAUDE D. JACKSON

(At Large)

4 Fourth Congressional District

June 30, 2015

5

6 MAJOR MARK NOEL

Ex-Officio Board Member

7 Louisiana State Police

8

9 MICHAEL E. LEGENDRE

LDR Director, Office of Charitable Gaming

10

11 LANA TRAMONTE

Executive Assistant

12

13 TRUDY SMITH

Confidential Assistant

14

15 REPORTED BY:

SHELLEY G. PAROLA, CSR, RPR

16 Baton Rouge Court Reporters

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1 I. CALL TO ORDER

2 VICE-CHAIRWOMAN ROGERS: Ladies and
3 gentlemen, this meeting is called to
4 order. This meeting is called to order.
5 Please take your seats. Roll call,

6 please.

7 THE CLERK: Chairman Hall? [No
8 response.] Miss Rogers?

9 VICE-CHAIRWOMAN ROGERS: Here.

10 THE CLERK: Mr. Bradford?

11 MR. BRADFORD: Here.

12 THE CLERK: Mr. Jones?

13 MR. JONES: Here.

14 THE CLERK: Mr. Stipe?

15 MR. STIPE: Here.

16 THE CLERK: Mr. Singleton?

17 MR. SINGLETON: Here.

18 THE CLERK: Miss Noonan?

19 MS. NOONAN: Here.

20 THE CLERK: Major Mercer?

21 MAJOR MERCER: Here.

22 THE CLERK: Mr. Jackson?

23 MR. JACKSON: Here.

24 THE CLERK: Colonel Edmonson?

25 MAJOR NOEL: Major Noel.

11

1 THE CLERK: Secretary Barfield?

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

4 VICE-CHAIRWOMAN ROGERS: There is a
5 quorum; therefore, we shall proceed.

6 II. PUBLIC COMMENTS

7 VICE-CHAIRWOMAN ROGERS: Are there
8 any public comments? Anybody have any

9 public comment? [No response.]

10 III. APPROVAL OF MINUTES

11 VICE-CHAIRWOMAN ROGERS: I'm going
12 to ask the Board to waive the reading of
13 the minutes, please, since we have a
14 large agenda.

15 MR. BRADFORD: So moved.

16 VICE-CHAIRWOMAN ROGERS: Second?

17 MR. STIPE: I'll second.

18 VICE-CHAIRWOMAN ROGERS: All in
19 favor? [Raising of hands.] Anybody
20 opposed? [No response.] Motion
21 carries.

22 IV. REVENUE REPORTS

23 VICE-CHAIRWOMAN ROGERS: Revenue
24 Reports, please.

25 MS. JACKSON: Morning, Miss Rogers,

12

1 Board Members. My name is Donna Jackson
2 with the Louisiana State Police Gaming
3 Audit Section.

4 Following is the riverboat revenue
5 report for April 2013. During April,
6 the 13 operating riverboats generated
7 Adjusted Gross Receipts of \$137,886,095,
8 a decrease of \$23 million or
9 14.5 percent from last month, but a \$6.5
10 million or 5 percent increase from
11 April 2012.

12 Adjusted Gross Receipts for fiscal
13 year 2012-2013 to date are
14 \$1,381,000,000, up 8.5 million or
15 1 percent when compared to fiscal year
16 2011-2012.

17 During April, the State collected
18 fees totaling \$29,645,510. As of
19 April 30th, 2013, the State has
20 collected \$297 million in fees for
21 fiscal year 2012-2013.

22 Next is the summary of the
23 April 2013 gaming activity for Harrah's
24 New Orleans found on page three. During
25 April, Harrah's generated \$25,801,196 in

13

1 gross gaming revenue, a decrease of
2 almost \$6 million or 18 percent from
3 last month, and a 4 percent or
4 \$1 million decrease from April 2012.

5 Fiscal year-to-date gaming revenues
6 for 2012-2013 are \$280 million, down
7 \$1.5 million or 1 percent from fiscal
8 year 2011-2012.

9 During April the State received
10 \$4,931,507 in minimum daily payments.
11 As of April 30th, 2013, the State has
12 collected over \$62 million in fees for
13 fiscal year 2012-2013.

14 Slots at the Racetracks revenues are

15 shown on page four. During April, the
16 four racetrack facilities combined
17 generated Adjusted Gross Receipts of
18 \$32,699,224, a decrease of \$6.5 million
19 or 17 percent from last month, and
20 1.5 percent or \$500,000 decrease from
21 April 2012.

22 Adjusted Gross Receipts for fiscal
23 year 2012-2013 are \$334 million, an
24 increase of \$500,000 for fiscal year
25 2011-2012.

14

1 During April, the State collected
2 \$4,960,472 in fees. As of April 30th,
3 2013, the State has collected almost
4 \$51 million in fees for fiscal year
5 2012-2013.

6 Overall, Riverboats, Landbased and
7 Slots at the Racetracks combined
8 generated \$196 million in AGR, which is
9 \$4.9 million or 3 percent more than last
10 April. Fiscal year-to-date revenues for
11 all three venues total \$1,995,000, up
12 almost \$8 million or .4 percent from
13 last fiscal year.

14 Are there any questions before I
15 present the Harrah's employee
16 information?

17 VICE-CHAIRWOMAN ROGERS: Any

18 questions? [No response.]

19 MS. JACKSON: Harrah's New Orleans
20 is required to maintain at least 2,400
21 employees and a bi-weekly payroll of
22 \$1,750,835. This report covers the two
23 pay periods in April 2013.

24 For the first pay period, the Audit
25 Section verified 2,453 with a payroll of
15

1 \$1,999,000. For the second pay period,
2 the Audit Section verified 2,465
3 employees with a payroll of \$2,005,000.
4 Therefore, Harrah's met the employment
5 criteria during April.

6 VICE-CHAIRWOMAN ROGERS: Any
7 questions? [No response.] Thanks, Miss
8 Jackson.

9 MR. BOSSIER: Good morning,
10 Miss Rogers and Board Members. My name
11 is Jim Bossier with Louisiana State
12 Police Gaming Audit Section. I'm
13 reporting video gaming information for
14 April 2013 as shown on page one of your
15 handout.

16 During April 2013, seven new video
17 gaming licenses were issued: Two bars,
18 two restaurants, one truckstop and two
19 device owners.

20 Nine new applications were received

21 by the Gaming Enforcement Division
22 during April and are currently pending
23 in the field: Four bars, four
24 restaurants and one device owner.

25 The Gaming Enforcement Division

16

1 assessed \$1,870 and collected \$7,600 in
2 penalties in April, and there are
3 currently \$15,000 in outstanding fines.

4 Please refer to page two of your
5 handout. There are presently 14,192
6 video gaming industry activated at 2,077
7 locations.

8 Net device revenue for April 2013
9 was \$52,018,085, a \$6.9 million decrease
10 or 11.7 percent when compared to net
11 device revenue for March 2013, and a
12 \$1.8 million increase or 3.7 percent
13 when compared to April 2012.

14 Net device revenue for fiscal year
15 2013 is \$509,892,040, a \$3.6 dollar
16 increase or seven-tenths of 1 percent
17 when compared to net device revenue for
18 fiscal year 2012. Page three of your
19 handout shows a comparison of net device
20 revenue.

21 Total franchise collected for
22 April 2013 were \$15,513,709, a
23 \$2.1 million decrease when compared to

24 March 2013, and a \$542,000 increase when
25 compared to April 2012.

17

1 Total franchise fees collected for
2 fiscal year 2013 are \$152,256,393, a
3 \$1.2 million or eight-tenths of
4 1 percent increase when compared to last
5 year's franchise fees. Page four of
6 your handout shows a comparison of
7 franchise fees.

8 Does anybody have any questions?

9 VICE-CHAIRWOMAN ROGERS: Any
10 questions? [No response.] Good job.

11 MR. BOSSIER: Thank you.

12 V. AUTHORIZATION FOR VICE-CHAIRMAN TO SIGN

13 NOTICES, TIME AND ATTENDANCE, AND DISBURSEMENTS

14 VICE-CHAIRWOMAN ROGERS: The next
15 item is authorization for the
16 Vice-Chairman to sign notices,
17 attendance and disbursements. Do we
18 have a motion from the Board?

19 MR. JONES: So moved.

20 MR. BRADFORD: Second.

21 VICE-CHAIRWOMAN ROGERS: Second,
22 Mr. Bradford. Would you call the roll,
23 please.

24 THE CLERK: Miss Rogers?

25 VICE-CHAIRWOMAN ROGERS: Yes.

18

1 THE CLERK: Mr. Bradford?

2 MR. BRADFORD: Yes.

3 THE CLERK: Mr. Jones?

4 MR. JONES: Yes.

5 THE CLERK: Mr. Stipe?

6 MR. STIPE: Yes.

7 THE CLERK: Mr. Singleton?

8 MR. SINGLETON: Yes.

9 THE CLERK: Miss Noonan?

10 MS. NOONAN: Yes.

11 THE CLERK: Major Mercer?

12 MAJOR MERCER: Yes.

13 THE CLERK: Mr. Jackson?

14 MR. JACKSON: Yes.

15 VICE-CHAIRWOMAN ROGERS: I don't

16 know if I should say thank you.

17 MR. BRADFORD: You're stuck now.

18 VICE-CHAIRWOMAN ROGERS: Yeah, I

19 know.

20 VI. CASINO GAMING ISSUES

21 A. Request by Churchill Downs, Inc., for
22 amendment to \$500 million Revolving Credit
23 Facility with a \$225 million Incremental
24 option

25 VICE-CHAIRWOMAN ROGERS: The next

19

1 issue is Casino Gaming Issues. The

2 first one is a request by Churchill

3 Downs, Inc., for amendment to a

4 \$500 million revolving credit facility
5 with a \$225 million incremental option.

6 MS. FICKLIN: Good morning, Ms.
7 Rogers and Board Members, I'm Evie
8 Ficklin with State Police in the Gaming
9 Audit Section.

10 Licensee Churchill Downs Louisiana
11 Horseracing Company, LLC, doing business
12 as the Fairgrounds Race Course & Slots,
13 the Fairgrounds, seeks Board approval of
14 its third amended and restated credit
15 agreement. Churchill Downs' new credit
16 agreement will increase its revolver
17 from \$375 million to \$500 million. The
18 new agreement also provides for an
19 incremental loan option that it exercise
20 preapprove's the company to seek
21 additional commitments up to
22 \$225 million without having to get the
23 lender's consent.

24 Churchill Downs' new credit facility
25 terminates five years from closing.

20

1 Guarantors of the proposed loans include
2 Fairgrounds and Churchill Downs'
3 subsidiaries overseeing the company's
4 Louisiana video poker operations.

5 In addition to the approximate 620
6 slot machines operated at the

7 Fairgrounds site, Churchill Downs also
8 operates an aggregated 725 video poker
9 machines and all of its off-track
10 betting, or OTB facilities, except its
11 Covington OTB.

12 Churchill Downs provided actual and
13 projected capital expenditures on page
14 22. The company stated that projected
15 capital expenditures above maintenance
16 CAPEX in 2014 and 2015 reflect Churchill
17 Downs' ongoing efforts to add new OTB
18 locations in Louisiana within that
19 projection period.

20 The company also intends to use the
21 proceeds from the increase in its credit
22 facility for general corporate purposes,
23 including working capital and for
24 acquisitions. Because of a decline in
25 interest in horseracing, Churchill

21

1 Downs' strategy since 2007 has been to
2 diversify its operations to include
3 other forms of gaming in addition to
4 horseracing. The company's businesses
5 now include riverboat gaming, video
6 poker and slots at the track gaming. As
7 shown on the chart on page ten,
8 Churchill Downs classifies its
9 properties under four operating

10 segments. Churchill Downs provides
11 certain administrative expenses to the
12 Fairgrounds, services to the
13 Fairgrounds, including payroll
14 processing, disbursement, self insurance
15 and employee benefits.

16 Fairgrounds incurred \$4.9 and
17 \$4.6 million in management fees for
18 those services in 2012 and 2011
19 respectively.

20 Churchill Downs' projections are
21 shown on page 19. The company projects
22 positive cash flows subsequent to 2013.

23 A substantial amount of Churchill Downs'
24 2013 free cash flows will be used in the
25 construction of the casino related to

22

1 the company's joint venture in Ohio.

2 Churchill Downs is a publicly traded
3 company listed on NASDAQ. As of closing
4 May 14th, 2013, its stock was \$80.13 per
5 share.

6 No financial issues came to our
7 attention to preclude the Board's
8 approval of Churchill Downs' third
9 amended and restated credit agreement.

10 Are there any questions?

11 VICE-CHAIRWOMAN ROGERS: Are there
12 any questions, any board members?

13 Mr. Stipe.

14 MR. STIPE: I understand a large
15 amount of this is for a facility outside
16 of the state, but, I mean, part of these
17 loan proceeds are going to be used for
18 capital improvements within this state,
19 correct?

20 MS. FICKLIN: The capital
21 expenditures that I think are on page
22 ten probably give a better idea of the
23 CAPEX that they have. Some of that
24 money is going to be used for
25 maintenance -- well, I don't know if

23

1 that particular fund. I think it's
2 already budgeted to use the \$4 million
3 per year for capex, but they have two
4 years, '14 -- 2014, 2015, where they're
5 projecting to spend additional in
6 capital expenditures, and that's just to
7 open up new OTB sites.

8 But they have two new facilities
9 that are onboard. One, I think they
10 have a definitive agreement to buy an
11 Oxford, Maine, casino, and then there's
12 a big joint venture.

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

14 Thanks.

15 VICE-CHAIRWOMAN ROGERS: Any other

16 questions? [No response.] Is there a
17 motion from this Board to adopt the
18 resolution?

19 MR. BRADFORD: So moved.

20 VICE-CHAIRWOMAN ROGERS: Mr.
21 Bradford moves. A second?

22 MS. NOONAN: I'll second.

23 VICE-CHAIRWOMAN ROGERS: Miss Noonan
24 seconds. Roll call, please. Read the
25 resolution first.

24

1 THE CLERK: On the 16th day of May,
2 2013, the Louisiana Gaming Control Board
3 did, in a duly noticed public meeting,
4 consider the issue of Churchill Downs,
5 Incorporated's, request for approval of
6 third amended and restated credit
7 agreement, and upon motion duly made and
8 second, the Board adopted this
9 resolution.

10 Be it resolved that Churchill Downs,
11 Incorporated's, third amended and
12 restated credit agreement consisting of
13 a \$500 million revolving credit facility
14 and a \$225 million incremental loan
15 facility option is hereby approved.

16 Thus done and signed in Baton Rouge,
17 Louisiana, this 16th day of May, 2013.

18 VICE-CHAIRWOMAN ROGERS: Roll call,

19 please.

20 THE CLERK: Miss Rogers?

21 VICE-CHAIRWOMAN ROGERS: Yes.

22 THE CLERK: Mr. Bradford?

23 MR. BRADFORD: Yes.

24 THE CLERK: Mr. Jones?

25 MR. JONES: Yes.

25

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 VICE-CHAIRWOMAN ROGERS: This motion

12 carries.

13 B. Consideration of Certificate of Compliance for

14 the Alternate Riverboat Inspection of the

15 gaming vessel of Louisiana Riverboat Gaming

16 Corporation d/b/a DiamondJacks Casino - No.

17 R010800195

18 VICE-CHAIRWOMAN ROGERS: The next is

19 the Consideration of the Certificate of

20 Compliance for the Alternate Riverboat

21 Inspection of the gaming vessel

22 Louisiana Riverboat Gaming Corporation
23 d/b/a DiamondJacks Casino, No.
24 RO10800195.

25 MR. TYLER: Good morning, Board

26

1 Members, I'm Assistant Attorney General,
2 Michael Tyler, and today I'm joined by
3 John Francic of the American Bureau of
4 Shipping Consultants, also known as
5 ABSC. We come before you in the matter
6 of the issuance of the renewal
7 Certificate of Compliance to
8 DiamondJacks Casino.

9 On April 16th, 2013, DiamondJacks
10 began the inspection process for the
11 renewal of its Certificate of
12 Compliance. For more on this, I now
13 turn this presentation over to John
14 Francic.

15 MR. FRANCIC: Good morning, Board
16 Members. I'm John Francic with ABS
17 Consulting here to report on the annual
18 certification for DiamondJacks Casino
19 onboard the riverboat Margaret Mary.

20 The inspectors, Doug Chapman and
21 Brett Conklin, did, on April 16th, 2013,
22 attend the riverboat Margaret Mary to
23 conduct the annual inspection in
24 accordance with the Alternative

25 Inspection Riverboat Gaming Vessel's

27

1 program in the State of Louisiana.

2 The inspectors reviewed the fire
3 protection equipment, fire control plan,
4 egress routes, mooring systems,
5 machinery spaces, electrical systems and
6 even conducted a fire drill.

7 All found in good order without any
8 deficiencies noted, it is the
9 recommendation of ABS Consulting that
10 DiamondJacks Casino be reissued the
11 Certificate of Compliance for one year.

12 MR. TYLER: We now present these
13 findings to this Honorable Board and
14 request that upon the Board accepting
15 the report submitted by ABSC, the Board
16 will move for the renewal of
17 DiamondJacks' Certificate of Compliance.

18 VICE-CHAIRWOMAN ROGERS: Are there
19 any questions?

20 MR. STIPE: Just one.

21 VICE-CHAIRWOMAN ROGERS: Mr. Stipe.

22 MR. STIPE: You had some
23 correspondence indicating that the Coast
24 Guard had granted some exemptions.
25 That's applicable to this inspection; is

28

1 that right?

2 MR. FRANCIC: Correct. We're
3 just -- on DiamondJacks we're still --
4 the exemption is what the Coast Guard
5 granted initially, as far as, like, the
6 manning and that --

7 MR. STIPE: Yeah.

8 MR. FRANCIC: -- and that's what
9 we'll -- until we revise the manning and
10 then go before the Board again for the
11 revised manning, but we still continue
12 with what the Coast Guard had initiated
13 on that.

14 VICE-CHAIRWOMAN ROGERS: How long do
15 you have to depend on the Coast Guard
16 agreement?

17 MR. FRANCIC: As long as the
18 vessel is --

19 VICE-CHAIRWOMAN ROGERS: Are there
20 any other questions? Do we have a
21 motion to issue this Certificate of
22 Compliance?

23 MS. JACKSON: So moved.

24 MR. JONES: Second.

25 VICE-CHAIRWOMAN ROGERS: Mr.

29

1 Jackson, and a second, Mr. Jones. All
2 in favor? [Collective "aye."] Any
3 opposed? [No response.] Motion
4 carries.

5 C. Consideration of Certificate of Compliance for
6 the Alternate Riverboat Inspection of the
7 gaming vessel of Treasure Chest Casino, LLC,
8 d/b/a Treasure Chest Casino - No. R012600098

9 VICE-CHAIRWOMAN ROGERS: C, the
10 Consideration of Certificate of
11 Compliance for the Alternate Riverboat
12 Inspection of the gaming vessel Treasure
13 Chest Casino, LLC, d/b/a Treasure Chest
14 Casino, No. R012600098.

15 MR. TYLER: Thank you very much.
16 Again, Board Members, Assistant Attorney
17 General, Michael Tyler, appearing in
18 this matter joined by John Francic with
19 the American Bureau of Shipping
20 Consultants, also known as ABSC. I come
21 before you in the matter of the issuance
22 of the renewal Certificate of Compliance
23 of Treasure Chest Casino.

24 On March 13th, 2013, Treasure Chest
25 Casino began the inspection process for

30

1 the renewal of its Certificate of
2 Compliance. Submissions were noted and
3 a follow-up inspection conducted.

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

6 MR. FRANCIC: Board Members, I'm
7 John Francic with ABS Consulting here to

8 report the annual certification for
9 Treasure Chest Casino.

10 The inspectors, Doug Chapman and
11 Mort Downie, did, on March 13th, attend
12 the riverboat Treasure Chest to conduct
13 the annual inspection in accordance with
14 the Alternate Inspection Program. The
15 inspectors reviewed the fire protection
16 equipment, fire control plans, egress
17 routes, mooring systems, machinery
18 spaces, electrical systems and conducted
19 a fire drill.

20 It was found during this inspection
21 that the vessel was not afloat and
22 sitting on the bottom of the mooring
23 facility. Because the riverboat was
24 aground, the rams could not be adjusted,
25 and the slopes of the ram did not meet

31

1 ADA requirements.

2 It was reinspected May 3rd, and the
3 vessel was found satisfactory as the
4 rams were lengthened into their
5 entertainment barge decreasing the slope
6 of the rams to meet the ADA Standards.
7 Treasure Chest has plans and began the
8 process to dredge the slip, but this is
9 a lengthy process.

10 Accordingly, the 2013 annual survey,

11 as required by the Louisiana Gaming
12 Control Board, is complete and presents
13 no safety concerns to its patrons or
14 employees onboard the riverboat. It is
15 the recommendation of ABSC that Treasure
16 Chest Casino be reissued the Certificate
17 of Compliance.

18 MR. TYLER: We now present these
19 findings to this Honorable Board and
20 request that upon the Board accepting
21 the report submitted by ABSC, that the
22 Board will move for the renewal of the
23 Treasure Chest Casino's Certificate of
24 Compliance.

25 VICE-CHAIRWOMAN ROGERS: Any

32

1 questions, Board Members?

2 MR. STIPE: There weren't any claims
3 or incidents associated with this
4 walkway, were there?

5 MR. FRANCIC: No. There wasn't, no.
6 They -- they had somebody there at the
7 ramp that was noted to help the patrons
8 as they were coming down; but, again, we
9 made them redo the ramps, and they
10 extended the length so they reduced the
11 slope.

12 MS. NOONAN: And you're not
13 concerned about it being -- are they in

14 the process of dredging, or have they
15 done that?

16 MR. FRANCIC: No. They're in the
17 process. Again, it's a lengthy process
18 because they have to go through the Army
19 Corps of Engineers to get all the
20 permits to do all that. Plus, the --
21 you know, the concern is because it sits
22 on the bottom, of course, you have the
23 hull that -- you know, it's faster for
24 it to get the -- the material in the
25 hull and everything, we need to get it

33

1 dredged properly.

2 MS. NOONAN: What's the anticipated
3 time for them to complete the dredging,
4 and will you reinspect the hull once
5 they're finished?

6 MR. FRANCIC: We have a -- probably
7 their new hull is coming next year, so
8 between the time that they get the
9 dredging done, we'll look at the hull
10 again at that time.

11 MS. NOONAN: And because of where
12 its located, do they have to do this
13 often because of the -- it's on the Lake
14 Pontchartrain.

15 MR. FRANCIC: It's on Lake
16 Pontchartrain, right. The slip, you

17 know, that goes in there, there's a lot
18 of silk that comes in there and forms in
19 that basin there.

20 MS. NOONAN: So are there any plans
21 to raise it up higher so they don't have
22 to do the dredging?

23 MR. FRANCIC: I don't know what
24 their plans are. I don't know.

25 MS. NOONAN: Thank you.

34

1 VICE-CHAIRWOMAN ROGERS: Any more
2 questions? [No response.] Is there a
3 motion now to issue a Certificate of
4 Compliance to Treasure Chest?

5 MR. SINGLETON: I'll move approval.

6 MS. NOONAN: I'll second.

7 VICE-CHAIRWOMAN ROGERS: Mr.
8 Singleton, seconded by Miss Noonan. All
9 in favor. [Collective "aye."] Any
10 opposition? [No response.] Motion
11 carries.

12 D. Consideration of riverboat staffing proposal
13 for Belle of Orleans, LLC, d/b/a Amelia Belle
14 Casino - No. R013600020

15 VICE-CHAIRWOMAN ROGERS: The next
16 item is consideration of the riverboat
17 staffing proposal for Belle of Orleans
18 d/b/a Amelia Belle Casino, No.
19 R013600020. Mr. Tyler.

20 MR. TYLER: Board Members, Assistant
21 Attorney General, Michael Tyler,
22 appearing in this matter. I'm joined
23 today by John Francic of ABSC. We come
24 before you to present the findings of
25 ABSC with respect to Amelia Belle's

35

1 request to alter their current marine
2 staffing arrangements.

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

5 MR. FRANCIC: Board Members, I'm
6 John Francic with ABS Consulting. A
7 review of the riverboat staffing
8 proposal for Amelia Belle began on
9 January 2nd, 2013, with the initial
10 letter to ABSC. Our reviewer, Senior
11 Marine Risk Consultant, Walt Hanson,
12 visited the riverboat on April 2nd and
13 3rd, and amplifying data and amendments
14 were provided by Amelia Belle on
15 April 1st, 5th, 22nd, 24th and 30th.
16 Through these interchanges with casino
17 management, a letter dated May 1st
18 represented their final manning variance
19 request.

20 Our review concludes that the
21 designated riverboat staff provides an
22 adequate organization to maintain the

23 reliability of safety equipment
24 associated with a permanently moored
25 riverboat and the performance of routine

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1 and emergency duties to safeguard the
2 public and employees aboard it.

3 MR. TYLER: We now present these
4 findings and recommendations to this
5 Honorable Board for a decision.

6 VICE-CHAIRWOMAN ROGERS: Are there
7 any questions, Board Members? Mr.
8 Stipe.

9 MR. STIPE: You don't take into
10 account the hurricane procedures in this
11 particular analysis?

12 MR. FRANCIC: They don't have a
13 hurricane procedure quite -- I mean,
14 yes, we do, but I don't think they had
15 it at the time. But, yes, we do -- we
16 do consider that for Amelia Belle.

17 MR. STIPE: I mean, for this
18 particular vessel, facility, it's kind
19 of -- that's a component of your review
20 when you're evaluating these staffing
21 concerns.

22 MR. FRANCIC: Yes, it is.

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

24 VICE-CHAIRWOMAN ROGERS: Any other
25 questions? [No response.] Is there a

1 motion to accept ABSC's recommendation
2 for riverboat staffing for the Amelia
3 Belle Casino riverboat gaming vessel
4 which will be incorporated in the
5 Certificate of Compliance? Do we have a
6 motion?

7 MR. JONES: I'll move.

8 VICE-CHAIRWOMAN ROGERS: Mr. Jones.

9 MR. BRADFORD: Second.

10 VICE-CHAIRWOMAN ROGERS: A second,
11 Mr. Bradford. Roll call, please.

12 THE CLERK: Miss Rogers?

13 VICE-CHAIRWOMAN ROGERS: Yes.

14 THE CLERK: Mr. Bradford?

15 MR. BRADFORD: Yes.

16 THE CLERK: Mr. Jones?

17 MR. JONES: Yes.

18 THE CLERK: Mr. Stipe?

19 MR. STIPE: Yes.

20 THE CLERK: Mr. Singleton?

21 MR. SINGLETON: Yes.

22 THE CLERK: Miss Noonan?

23 MS. NOONAN: Yes.

24 THE CLERK: Major Mercer?

25 MAJOR MERCER: Yes.

1 THE CLERK: Mr. Jackson?

2 MR. JACKSON: Yes.

3 VICE-CHAIRWOMAN ROGERS: Motion
4 carries. Thank you.
5 E. Consideration of request by Bossier Casino
6 Venture, Inc., d/b/a Margaritaville Bossier
7 City for approval of Floor Plan - No.
8 R011000841
9 F. Report by ABS on staffing of Bossier Casino
10 Venture, Inc., d/b/a Margaritaville Bossier
11 City - No. R011000841
12 G. Consideration of Certificate of Compliance for
13 the Alternate Riverboat Inspection of the
14 gaming vessel of Bossier Casino Venture, Inc.,
15 d/b/a Margaritaville Bossier City - R011000841
16 H. Consideration of petition for Determination of
17 Substantial Completion, Commencement of Gaming
18 Operations and Release of Escrowed Funds by
19 Bossier Casino Venture, Inc., d/b/a
20 Margaritaville Bossier City - No. R011000841

21 *** SUMMARY OF ITEMS E THROUGH H ***

22 VICE-CHAIRWOMAN ROGERS: Leonce
23 Gautreaux, Executive Director of the
24 Gaming Division, will address the Board
25 regarding the next four agenda items.

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1 Mr. Gautreaux.

2 MR. GAUTREAUX: Good morning,
3 Vice-Chairman Rogers and Members of the
4 Board. We thought the next four items
5 all pertain to a similar issue, so we

6 thought it would be a good idea to
7 summarize the process before we get into
8 each one. Matters E through H on the
9 agenda all concern the Bossier Casino
10 Venture, Inc., Margaritaville.

11 As you know, the licensee petitioned
12 the Board for authorization to commence
13 gaming on June 13th, 2013. In order to
14 achieve that goal, certain events,
15 procedures, approvals and authorizations
16 are necessary, particularly the issuance
17 of the Certificate of Compliance and the
18 issuance of the Certificate of
19 Substantial Completion. These two
20 events must occur before the
21 preoperative inspection can begin. As
22 you may recall, this process is similar
23 to what we went through with L'Auberge
24 when they were trying to go from
25 completion to opening.

40

1 Two matters have been reviewed and
2 are ready for presentation today, the
3 gaming floor plan, which is agenda Item
4 E, and the riverboat staffing
5 recommendation, which is agenda Item F.
6 If approved, these staffing levels will
7 be included in the COC that is
8 subsequently issued by the Board, as is

9 normal course. The final two items on
10 the agenda pertain to events which must
11 occur prior to authorization.

12 Margaritaville has representatives
13 here who will make a presentation to the
14 Board about the status of the project,
15 where they are now and their expected
16 timeline, and then ABSC and Michael
17 Tyler will make a presentation on what
18 ABSC has yet to do for status for
19 completion of the inspections and
20 exactly what that will entail.

21 And then we'll conclude, and I'll
22 wrap it all up making the final
23 presentation on what they have requested
24 and the suggested resolutions and
25 proposed resolutions.

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1 VICE-CHAIRWOMAN ROGERS: Do we have
2 our Margaritaville representatives?

3 MS. HARKINS: Good morning, Madam
4 Chairman, my name is Deborah Harkins.
5 I'm happy to be here with you today.
6 I'm with the law firm of McGlinchey
7 Stafford, and I'm here on behalf of
8 Bossier Casino Venture, Inc., doing
9 business as Margaritaville Casino
10 Resort.

11 I'm very excited to be here today.

12 It seems like it's been fast and
13 furious, but we're close and we're
14 looking forward to showing you a
15 beautiful new project. The purpose of
16 our being here today is to make a
17 determination on the petition for
18 substantial completion, commencement of
19 gaming operations and release of escrow
20 funds.

21 I have with me the senior staff and
22 personnel for the Bossier Casino
23 Venture, Inc., here to present to you to
24 show you the status of completion.

25 Mr. William Trotter is our Chairman of

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1 the Board. Although he will not be
2 speaking, I wanted to mention that he is
3 here with us. Mr. Alanis is here with
4 us and will be speaking, and he's our
5 Chief Executive Officer; and he will
6 introduce the members of his staff to
7 show you the status of where we are.

8 Mr. Alanis.

9 MR. ALANIS: Good morning,
10 Miss Rogers, Members of the Board. My
11 name is Paul Alanis. I am the Chief
12 Executive Officer of Bossier Casino
13 Venture, that is the owner and developer
14 of the Margaritaville Resort Casino in

15 Bossier City.

16 So I'm pleased to appear before you
17 this morning. It's been a long time
18 since I've been here, but I'm also -- I
19 think that's a good thing. I'm pleased
20 to note that we have not had to come
21 before you to seek any extensions of
22 time to complete, for any modifications
23 in terms of the amount of money we would
24 invest or the improvements we would
25 construct. In fact, I believe the only

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1 time we have sought your approval was to
2 modify the configuration of our parking
3 lot and expand it from 1,300 cars to
4 1,500 cars.

5 So I'm here today to go through with
6 you the status of our project. It has
7 been an aggressive development schedule
8 that I have set forth for the
9 contractor, and I'm sure there are times
10 they have cursed me for that. But we
11 have worked together very closely with
12 them and cooperatively with them, and I
13 am pleased to tell you that we are on
14 schedule to be able to complete this
15 project within the next month, which is
16 two months in advance of the deadline
17 set forth in our statement of

18 conditions. So we will be two months
19 ahead of our deadline in the statement
20 of conditions.

21 In addition, in paragraph 16 of our
22 Statement of Conditions, it requires
23 that we invest a minimum of \$171 million
24 into this project. I'm pleased to
25 advise you that this project is on

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1 budget with approximate completion and
2 total investment of around \$200 million.

3 So at this time, I'd like to go
4 through actually Condition 7, which
5 relates to the various elements of our
6 project and to show you some pictures
7 which are current, and I can tell you
8 there is obviously a flurry of activity
9 that is occurring on this property as we
10 speak. It changes daily, if not hourly,
11 in terms of the level of finishes that
12 are going into the property, and I have
13 with me today Cliff Kortman, who is our
14 Project Manager, who can review with you
15 in detail the elements of construction
16 and certainly answer any of your
17 technical questions, as well as Barry
18 Regula, who is my General Manager, who
19 will talk about other approvals and
20 where we are on that, staffing and the

21 like.

22 So we started 15 months ago with raw
23 land, and here we are today with a
24 beautiful hotel that is 395 rooms, an
25 18-story structure. Our condition was
45

1 to do 390 rooms. It is actually 395
2 with 36 suites and a total of 54 rooms
3 with balconies -- balconies on the ends
4 of the each of the floors. This will be
5 a non-smoking hotel, but if you want to,
6 we can accommodate smokers. Just book
7 that end room, and we're happy. You can
8 smoke on the balcony.

9 Here you see the hotel. It is
10 dramatic. It has murals on three sides
11 of it that reflect the spirit and the
12 tropical nature of Margaritaville as a
13 concept, and our entire facility will be
14 sophisticated but yet very comfortable
15 and friendly; and we think it will be
16 one of the premier facilities in this
17 state.

18 One of our other conditions was to
19 create a 1,300 surface parking lot. You
20 see here that parking lot under
21 construction. That is the north end of
22 it which is already covered with asphalt
23 and as we speak is being striped. The

24 southern part of it is receiving asphalt
25 within the next few days. It will be

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1 fully complete and operational, all
2 1,500 spaces, by the time we propose to
3 open, which is June 13th, and then
4 subject to, you know, approval of the
5 State Police, fully open to the public
6 thereafter.

7 Our casino is a one-level casino Las
8 Vegas styled with dramatic ceiling
9 treatments, dramatic column treatments,
10 carpet designed specifically for
11 Margaritaville. It is a facility which
12 will have 1,237 slot machines, 54 table
13 games with a dramatic center bar, which
14 will include a high limit table games
15 area. It will have a glass railing
16 around the perimeter of the casino with
17 controlled access, obviously, but it
18 will be very much open and accessible
19 from three different sides; and I think
20 we'll be one of the finest casino
21 facilities, again, in the state.

22 Here are our rooms within that
23 395-room hotel tower. They are spacious
24 rooms, again with the ceiling fans, you
25 know, reflective of the Margaritaville

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1 style, carved vanities, beautiful TV
2 cabinets, all of the furniture done,
3 capiz shell panels in the dressers, and
4 in the night stands granite bars over --
5 covering our bars there. It's a -- it
6 will be, again, a beautiful room. I
7 think our customers will enjoy every
8 night they stay in this room, large
9 windows which create beautiful views
10 over the Red River.

11 One of the conditions was to create
12 a 900-seat live entertainment complex,
13 and here it is; and you can see there
14 are palm trees there. There is a major
15 screen being installed as we speak.
16 There are 250 theater seats and a
17 balcony that you can see have been
18 installed. There are 50 seats in a VIP
19 luxury box that is even above that.
20 There are 600 additional -- 600 plus
21 seats on the ground level which are
22 flexible seating, so we will be able to
23 accommodate 900 patrons in this facility
24 with the person farthest away being
25 probably 30 yards away from the

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1 entertainer. Once again, I'm intent on
2 this being the absolute best performance
3 hall in the market, if not in the entire

4 state.

5 Here is our Margaritaville
6 restaurant. One of our conditions is to
7 create a 350-seat buffet, a 4,600 seat
8 Margaritaville restaurant and a
9 24-hour -- a fine dining restaurant and
10 24-hour cafe. This is the
11 Margaritaville restaurant nearing
12 completion. Again, it is dramatic. I'm
13 confident this will be the finest
14 Margaritaville restaurant in their 30
15 restaurant chain.

16 Over on the far right, you see our
17 \$800,000 volcano, which is a major
18 feature which has a blender which a
19 young lady will slide down into and be
20 taken out of. My wife insists that
21 there should be some good looking men
22 that should slide down that volcano, as
23 well, and it will be -- we have live
24 entertain in there. We have dramatic
25 ceiling treatments, and it will be a

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1 dramatic, I think, addition to the
2 community, a wonderful place that will
3 be a three-meal a day seven-day a week
4 restaurant.

5 Here is our buffet nearing
6 completion. You see the carpet going

7 down. That was yesterday. The
8 chandelier, the big double vaulted
9 ceiling in the middle, all of the
10 kitchen equipment is in, all of the
11 buffet stations are in. We are just --
12 all of the banquettes and the booths and
13 all of the tables and chairs are on-site
14 and ready to be installed.

15 This is our fine dining restaurant,
16 which will be Jimmy's Seafood &
17 Steakhouse. Once again, you see it
18 nearing completion. Over on the left
19 are all the booths that will be put into
20 place. It will be a first-class
21 restaurant, once again casual elegance
22 but the finest dining emphasizing fresh
23 seafood, as well as the finest steaks,
24 seating approximately a hundred guests.

25 And here is our -- on the left is

50

1 our banyan tree, 24-hour coffee shop,
2 which will serve a variety of sandwiches
3 and salads, deserts, pastries and
4 coffee; and as you can see, the counters
5 going in there on the back wall will be
6 various monitors that are being
7 installed, and that will be completed
8 well in advance of our intended opening
9 date.

10 On the right you see our 5 O'Clock
11 Somewhere Bar, which is off of the
12 casino floor and next to our lobby, and
13 it is nearing completion. It will be, I
14 think, again, a wonderful gathering
15 place. That bar actually penetrates
16 through the glass and into the
17 performance hall, so it serves as a bar
18 for the performance hall as well as for
19 the casino floor and for the lobby.

20 And here's one of the most dramatic,
21 I think, elements of our development.
22 We have talked, as a condition, of
23 having a pool with deck of approximately
24 8,500 feet. This is really one of the
25 highlights. There will be 80 seats of

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1 dining outside there with the beautiful
2 palapas bar Margaritaville style, a
3 jacuzzi, fire pit, swimming pool. It
4 will be -- music is out there. It will
5 be a lively spot at happy hour, I assure
6 you, beautiful views overlooking
7 downtown Shreveport and over the Red
8 River and dramatic landscaping on that
9 deck and access directly from the second
10 floor of the Margaritaville restaurant
11 directly into this and down from our spa
12 and fitness center directly to this.

13 And here is our spa and fitness
14 center. That will be complete. It is a
15 spa with approximately 2,500 square
16 feet, three treatment rooms, men's and
17 women's lockers, saunas. Our fitness
18 center is quite large overlooking, once
19 again, the pool area and the river,
20 large windows overlooking these areas.
21 It will create a wonderful atmosphere in
22 which to work out.

23 Once again, one of our conditions
24 was 2,500 square feet of meeting space,
25 and here it is. It is complete. All we

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1 have to do is move in the tables and
2 chairs -- you know, the conference
3 tables and various chairs into this, but
4 these areas are complete.

5 And then once again, we had a retail
6 area condition for 1,500 square feet.
7 It is here. It is the Margaritaville
8 retail store. We have been operating
9 since December a retail store within the
10 Boardwalk, and one of the unique
11 elements of this site, I consider it to
12 be an A plus location. And I've been in
13 this business for 20 years, and this is
14 probably the best site I've ever been
15 fortunate enough to develop. We are at

16 the north terminance (phonetic) of the
17 Boardwalk, which is next-door to a Bass
18 Pro Shop, which is one of the most
19 successful within their chain. The
20 Boardwalk is a 92-store factory outlet
21 mall. Development, which has -- is the
22 largest tourist attraction now in
23 northeast Louisiana, including a 14
24 movieplex cinemas, about a dozen
25 restaurants and, as I said, 92 factory

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1 outlet mall stores. And we are directly
2 connected to the Boardwalk.

3 So we have been operating this
4 retail store within the boardwalk
5 signing up players to our players club
6 for the last four months.

7 On May 29th we will move all of the
8 fixtures from that store. We'll close
9 it; and we'll move into this retail
10 store, and the retail store will be
11 complete.

12 So once again, this is looking out
13 over our site to the north, and this is
14 the parking area that is under
15 construction now, under development and
16 will be completed, as I say, before our
17 opening. I've done a lot of these
18 projects, and clearly I set a very

19 aggressive time schedule on this; but I,
20 based upon my experience and the
21 architect based upon theirs and the
22 contractor based upon theirs, which Roy
23 Anderson and Cunningham Group -- which
24 have obviously done a lot of projects in
25 the gaming sector -- all of us are of

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1 the belief and have all stated in
2 writing that we believe this project
3 will be complete by June 13th, and that
4 we will be able to provide our customers
5 with a dramatic entertainment experience
6 and terrific customer service, and I'm
7 excited to get it open.

8 So with that, I'll turn it over to
9 Cliff Kortman, who is my Project
10 Manager, who will just go through very
11 quickly a few of the details of our
12 actual work ahead to complete this over
13 the next four weeks.

14 MR. KORTMAN: Good morning,
15 Vice-Chairman Morgan [sic] and esteemed
16 Members of the Board. It's good to see
17 a lot of you. It's been some time since
18 I've been away, but it's really great to
19 be back and presenting in front of this
20 board today.

21 We are on a pretty aggressive

22 timeline, as you can see from the
23 photos. I'm really pleased to present
24 that the project is now moving well into
25 the finished stages. We are putting the

55

1 final touches on the bars, a lot of the
2 restaurant areas. We're pretty much
3 ready to go. This place has a sound
4 system like you wouldn't believe. The
5 AB system in this place is going to
6 knock your socks off.

7 So all of the infrastructure,
8 backbone, utilities are all in place
9 now. On the ground floor, you can see
10 from this highlighted diagram that the
11 orange area has already been turned over
12 to operations to occupy. We have worked
13 with the City of Bossier, the state fire
14 marshal and other local agencies and
15 American Bureau of Shipping, ABS, and we
16 are actually occupying some space in the
17 building right now with our operating
18 group. Barry and some of his senior
19 staff members are in the facility and
20 will start kitchen burn-off next week.

21 So that area in orange that you see
22 on that first floor map is the kitchen
23 for Margaritaville, kitchens for the
24 buffet and then the back of house areas.

25 So for all practical purposes that area

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1 has been completed by the contractor and

2 has been turned over to us.

3 The yellow area is going to be

4 turned over to us on the 22nd of May.

5 It's about a week away. That is

6 basically the promenade circulation,

7 podium circulation that goes throughout

8 fine dining and Margaritaville and the

9 buffet. 5 O'Clock somewhere bar, I

10 think you saw from the photo that Paul

11 just showed you, it's pretty much done

12 now. All the finishes are on. The

13 event center chairs are going in, the

14 permanent seating is going in; we're

15 going to start sound systems in there

16 next week. So it's -- we're going to be

17 ready for turnover on the 22nd of May.

18 In addition to that area is the

19 north podium on the ground floor.

20 That's the last little strip on the top

21 there. That includes cash cage, count

22 rooms, bathrooms, all the support

23 facility for a casino.

24 Obviously, we have State Police

25 coming next week to do testing, so the

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1 last area for us to turn over or for the

2 contractor to turn over to us is the
3 casino and then the lobby area, which is
4 on the upper right-hand corner of the
5 diagram. Those areas will turn over
6 right at the end of the month, first of
7 June. The contractor is on schedule to
8 do that. If you saw it a week ago,
9 you'd say, no way. If you saw it
10 yesterday, you'd say, I believe. It's
11 really coming along and really looking
12 quite nice.

13 Maybe go to the next slide, Barry.
14 On the mezzanine level, again in the
15 orange, those are beneficial areas that
16 we've already occupied, so various
17 group -- operating group is in the
18 building. They're getting used to our
19 facility; they're, you know, ringing it
20 out, so to speak, for us well in advance
21 of our actual certificate of occupancy.
22 The area in yellow on this diagram are
23 the IDF, NDF rooms near the casino, and
24 then the second level of the event
25 center, all of those areas, again, are

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1 going to turn over on the 22nd of May.

2 And then the pool deck, I think you
3 saw from the pictures, you know, we've
4 got a lot of landscaping already in on

5 the pool deck, but there's a lot of
6 little intricate things that happen on
7 the pool deck and a lot of finishing
8 touches that will bring us to completion
9 on that area. But we'll turn that over
10 on or about June 1, also.

11 Again, on the second level,
12 that's -- everything in orange has been
13 turned over. We're beneficially
14 occupying that area. Everything in
15 purple is, again, going to be turned
16 over on June 1; that's the spa, fitness
17 and VIP area. And then finally up in
18 the hotel tower, we have stocked FF & E
19 up through 11 now -- actually, up
20 through 10. Bed bases, mirrors,
21 headboards, you know, vanities in the
22 restrooms, all of the furniture that
23 goes in the rooms complete on the lower
24 floors. We've got all of our lighting
25 and everything is being installed now on

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1 those lower floors, and then we just
2 received clearance to go ahead and move
3 FF & E into 15, 16, 17 and 18 yesterday.
4 So the last three floors that we'll be
5 filling with FF & E, which is 19, 11 and
6 12, should be turned over to us for FF &
7 E installed within the next week.

8 So the job's going very well. Any
9 questions?

10 MR. REGULA: Good morning,
11 Vice-Chairman and Members of the Board.
12 I'm Barry Regula, Senior Vice-President
13 and General Manager for the project.
14 I'll give you an update on approvals and
15 our HR staffing and our opening
16 timeline.

17 We've been working with the
18 compliance, enforcement, gaming audit
19 section and the technical section to get
20 all the approvals lined up that we need,
21 and everything is going well and on
22 schedule. Our security plan is
23 approved; our temporary surveillance
24 plan is approved. We expect to have our
25 full system up and running and tested by

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1 May 23rd.

2 We received keys -- sensitive keys
3 and restricted keys. We had an audit
4 with the local division on that, and
5 that's all working well. Our electronic
6 key box is being installed as we speak
7 and expected to be inspected next week.

8 We'll be receiving cards, chips,
9 dice, layouts by the end of the month.
10 Our drop routes have been drafted and

11 are ready to submit, and we're working
12 with the technical division. We have
13 authorizations for primary slot
14 accounting system; slot machines are
15 being installed; open tape (phonetic) is
16 next week; the following week will be
17 coin test; and we're working with the
18 Division on installing DCCS and DCFS as
19 we speak.

20 Our target employment, opening
21 employment is over 1,400 people. We had
22 put in our application 1,200 people, but
23 we're going to open a little heavy on
24 that. We've identified 1,200 of those
25 1,400 folks, and we've processed 1,123

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1 of them. Our target gaming permitted
2 employment is 550, and we've identified
3 498 of those folks and are working with
4 the local office to get those folks
5 processed.

6 New hire orientation starts May 28th
7 right after Memorial Day, and then we're
8 getting our local responsible vendor
9 training in right with orientation. Our
10 systems training for all departments on
11 all our primary operating systems
12 commences on -- well, it's been underway
13 and will continue through June 9th, and

14 that will lead us up to staff playdates
15 on the 10th and 11th where we get out
16 there and prepare for our preoperative
17 inspection.

18 So that will leave us to the final
19 week. Those playdates with the casino
20 staff on the 10th and 11th will lead up
21 to the preopening inspection, if we
22 obtain our COC and CSC, and then we'll
23 have one shift open for the public, 1:00
24 to 4:00 p.m. Then we'll close the
25 ballast on Friday, and with the Division

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1 approval we'll open to the public on
2 Saturday. And then following that we'll
3 have our grand opening on July 3rd.

4 Any questions?

5 VICE-CHAIRWOMAN ROGERS: How do you
6 select your employees?

7 MR. REGULA: We had a couple of ways
8 of doing that. We've held -- we've
9 participated or held four job fairs in
10 the market. We ran two of our own and
11 tied on to two other ones in the market;
12 and then we had an online application,
13 and we received a lot of inquiries and
14 applications through that online
15 process.

16 VICE-CHAIRWOMAN ROGERS: Any

17 questions?

18 MS. NOONAN: I have a question.

19 VICE-CHAIRWOMAN ROGERS: Ms. Noonan.

20 MS. NOONAN: The majority of your
21 applicants, are they from Louisiana, or
22 are you seeing some infiltration from
23 Texas?

24 MR. REGULA: Well, the majority are
25 from Louisiana. There's a very small

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1 percentage that live in Texas and a few
2 folks that have come from Alabama and
3 Mississippi but overwhelmingly
4 Louisiana.

5 MS. NOONAN: And are you seeing them
6 with experience, or are you training a
7 lot of these employees?

8 MR. REGULA: Quite a few -- the vast
9 majority with experience, and we're
10 training -- we're training folks. We
11 have a dealers' school. We've been
12 running, actually, two dealers' schools,
13 and we're also seeing some folks in the
14 non-gaming areas that don't have
15 experience in, say, food service or
16 things like that that we'll train to
17 deliver great guest service.

18 MS. NOONAN: Thank you.

19 VICE-CHAIRWOMAN ROGERS: Any other

20 questions? [No response.]

21 MR. ALANIS: Thank you very much.

22 E. Consideration of request by Bossier Casino

23 Venture, Inc., d/b/a Margaritaville Bossier

24 City for approval of Floor Plan - No.

25 R011000841

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1 VICE-CHAIRWOMAN ROGERS: We're going

2 to move on to E: Consideration of

3 request by the Bossier Casino Venture,

4 Inc., d/b/a Margaritaville Bossier City

5 for approval of the their floor plan,

6 No. RO11000841.

7 SR. TROOPER TAYLOR: Good morning,

8 Vice-Chairman and Members of the Board.

9 I'm Senior Trooper Bennie Taylor with

10 the Louisiana State Police Gaming

11 Enforcement Division.

12 Margaritaville Resort Hotel & Casino

13 is requesting approval for the

14 designated gaming area. The maximum

15 allowable designated gaming area is

16 26,806 square feet, which is 60 percent

17 of the 44,676 square feet of passenger

18 access area. According to this

19 submitted floor plan drawings, the

20 designated gaming area for

21 Margaritaville Resort Hotel and Casino

22 will be 26,624. They're within the

23 mandated square footage.
24 Lay Pitman & Associates,
25 Incorporated, prepared the floor plan.

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1 John Francic with ABS Consulting has
2 stated in writing that the gaming reg
3 drawing was found adequate for the
4 intended purpose, and the verification
5 of the gaming arrangements will be
6 conducted prior to the opening of the
7 casino.

8 The Division has reviewed the
9 proposed floor plans and concurs with
10 Lay, Pitman & Associates and ABS
11 Consulting. I'm happy to answer any
12 questions you might have.

13 VICE-CHAIRWOMAN ROGERS: Are there
14 any questions any board members? Any
15 questions? [No response.] Do we have a
16 motion to approve the floor plan?

17 MR. JACKSON: I'll make a motion.

18 VICE-CHAIRWOMAN ROGERS: Mr.
19 Jackson, and second?

20 MR. BRADFORD: Second.

21 VICE-CHAIRWOMAN ROGERS: Call the
22 roll, please.

23 THE CLERK: Miss Rogers?

24 VICE-CHAIRWOMAN ROGERS: Yes.

25 THE CLERK: Mr. Bradford?

1 MR. BRADFORD: Yes.

2 THE CLERK: Mr. Jones?

3 MR. JONES: Yes.

4 THE CLERK: Mr. Stipe?

5 MR. STIPE: Yes.

6 THE CLERK: Mr. Singleton?

7 MR. SINGLETON: Yes.

8 THE CLERK: Miss Noonan?

9 MS. NOONAN: Yes.

10 THE CLERK: Major Mercer?

11 MAJOR MERCER: Yes.

12 THE CLERK: Mr. Jackson?

13 MR. JACKSON: Yes.

14 VICE-CHAIRWOMAN ROGERS: Motion
15 carries, thank you.

16 F. Report by ABS on staffing of Bossier Casino

17 Venture, Inc., d/b/a Margaritaville Bossier

18 City - No. R011000841

19 VICE-CHAIRWOMAN ROGERS: F, Report

20 by ABS on staffing for Bossier Casino

21 Venture, Inc., d/b/a Margaritaville

22 Bossier City, No. R011000841.

23 MR. TYLER: Board Members, Assistant

24 Attorney General, Michael Tyler, back

25 again joined by John Francic with the

1 American Bureau of Shipping Consultants,

2 also known as ABSC. We come before you

3 to present the findings of ABSC with
4 respect to Margaritaville's proposed
5 initial marine staffing arrangements.

6 With more on this and the
7 recommendation of ABSC, I now turn this
8 over to John Francic.

9 MR. FRANCIC: Morning, Board
10 Members. I'm John Francic with ABSC.

11 A review of the riverboat staffing
12 proposal for Margaritaville Resort &
13 Casino began on January 18th with the
14 initial correspondence to ABSC. Our
15 reviewer, Senior Marine Risk Consultant,
16 Walt Hanson, initiated contact soon
17 after to visit with the casino, which
18 was under construction, on February 28th
19 and March 1st. Amplifying data and
20 amendments were provided thereafter by
21 correspondence dated February 10th,
22 12th, 19th and 20th through March 11th
23 and 26th, April 13th, 15th, 19th and
24 22nd.

25 Through these interchanges with

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1 casino management, the process led to
2 the casino submitting a April 22nd final
3 version of the manning variance request.

4 Our review concludes that the
5 designated riverboat staff provides an

6 adequate organization to maintain the
7 reliability of safety equipment
8 associated with the permanently moored
9 riverboat and the performance of routine
10 and emergency duties to safeguard the
11 public and the employees aboard it.
12 These staffing arrangement will be
13 reviewed prior to opening.

14 MR. TYLER: We now present these
15 findings and the recommendation of ABSC
16 to this Board for a decision on the
17 proposed staffing arrangements for
18 Margaritaville.

19 VICE-CHAIRWOMAN ROGERS: Are there
20 any questions? Mr. Stipe.

21 MR. STIPE: The riverboat
22 superintendent is an employee or a
23 contractor that's on --

24 MR. FRANCIC: It's an employee.

25 MR. STIPE: An employee.

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1 MR. FRANCIC: Yes.

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

3 VICE-CHAIRWOMAN ROGERS: Any other
4 questions? [No response.] Is there a
5 motion to adopt this resolution?

6 MAJOR MERCER: I move the approval.

7 MR. JACKSON: Second.

8 VICE-CHAIRWOMAN ROGERS: Will you

9 read the resolution into the record,
10 please.

11 THE CLERK: On the 16th day of May,
12 2013, the Louisiana Gaming Control Board
13 did, in a duly noticed public meeting,
14 consider the issue of Bossier Casino
15 Venture's, Incorporated, request for
16 approval of riverboat staffing and the
17 report and recommendation of ABS
18 Consulting, and upon motion duly made
19 and second, the Board adopted this
20 resolution.

21 Be it resolved that Bossier Casino
22 Venture's, Incorporated, riverboat
23 staffing request be and is hereby
24 approved as follows: One riverboat
25 superintendent on call, one assistant

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1 riverboat superintendent, one riverboat
2 technician, twelve security officers.
3 This riverboat staffing requirement is
4 to be included in Bossier Casino
5 Venture, Inc.'s, riverboat gaming vessel
6 Certificate of Compliance when that
7 certificate is approved and issued by
8 the Board.

9 Thus done and signed in Baton Rouge,
10 Louisiana, this 16th day of May, 2013.

11 VICE-CHAIRWOMAN ROGERS: Roll call,

12 please.

13 THE CLERK: Miss Rogers?

14 VICE-CHAIRWOMAN ROGERS: Yes.

15 THE CLERK: Mr. Bradford?

16 MR. BRADFORD: Yes.

17 THE CLERK: Mr. Jones?

18 MR. JONES: Yes.

19 THE CLERK: Mr. Stipe?

20 MR. STIPE: Yes.

21 THE CLERK: Mr. Singleton?

22 MR. SINGLETON: Yes.

23 THE CLERK: Miss Noonan?

24 MS. NOONAN: Yes.

25 THE CLERK: Major Mercer?

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1 MAJOR MERCER: Yes.

2 THE CLERK: Mr. Jackson?

3 MR. JACKSON: Yes.

4 VICE-CHAIRWOMAN ROGERS: Motion

5 carries.

6 MR. TYLER: Thank you very much.

7 G. Consideration of Certificate of Compliance for

8 the Alternate Riverboat Inspection of the

9 gaming vessel of Bossier Casino Venture, Inc.,

10 d/b/a Margaritaville Bossier City - R011000841

11 VICE-CHAIRWOMAN ROGERS: Next item,

12 Consideration of Certificate for the

13 Alternate Riverboat Inspection for the

14 gaming vessel of Bossier Casino Venture,

15 Inc., d/b/a Margaritaville Bossier City,
16 No. RO11000841.

17 MR. TYLER: Thank you very much,
18 Vice-Chairman Rogers. Again, Assistant
19 Attorney General, Michael Tyler,
20 appearing with John Francic in this
21 particular matter. This concerns a
22 conversation with respect to the initial
23 issuance of a Certificate of Compliance
24 for Margaritaville. This will be their
25 first issuance. They're originally

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1 coming under the particular program
2 pursuant to the Board's authority to
3 issue a Certificate of Compliance to a
4 newly constructed vessel under Revised
5 Statute 27:44.1.

6 This particular vessel began with
7 construction on or about March 13th,
8 2012, in the Bossier City area. For
9 more on the construction process,
10 everything that's been inspected and
11 where ABSC thinks we are right now, I
12 now turn this matter over to John
13 Francic with ABSC.

14 MR. FRANCIC: Board Members, John
15 Francic with ABSC here to report on the
16 certification for Margaritaville Casino.

17 This process began on March 13th,

18 2012. Our primary inspection staff
19 consisted of Mort Downie, Jeff Boyle and
20 Sam Mautin.

21 The hull is constructed of concrete
22 and is measuring 298 feet in length
23 overall by 154 feet wide. The hull was
24 held in place with 55 restraining rods.
25 The hull floats in a concrete basin that

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1 is filled with municipal water and will
2 be treated accordingly to prevent algae
3 and bacteria growth.

4 The upper structure above the main
5 deck is built to 2009 International
6 Building Code. The casino
7 superstructure houses the gaming floor,
8 mezzanines for the electrical room,
9 powerhouse and the emergency generators.

10 A list of the inspection reports that
11 was done during this process, other
12 construction is found on page three of
13 the summary report for Margaritaville
14 Casino.

15 A final inspection phase for the
16 casino will begin on May 22nd and is
17 scheduled to be complete on June 7th. A
18 list of the final inspection procedures
19 were provided as enclosures in the
20 Margaritaville report. A fire drill and

21 review of the staffing arrangements will
22 be conducted during the first week of
23 June to coincide with the final
24 inspection date. Upon completion of the
25 final testing and fire drill to the

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1 satisfaction of the attending
2 inspectors, a Certificate of Compliance
3 will be issued to Margaritaville.

4 VICE-CHAIRWOMAN ROGERS: Any
5 questions? Any Board Members, do you
6 have any questions? If there -- is
7 there is motion now to adopt this
8 resolution?

9 MS. NOONAN: I'll move to adopt the
10 resolution.

11 VICE-CHAIRWOMAN ROGERS: Miss Noonan.

12 MR. JACKSON: Second.

13 VICE-CHAIRWOMAN ROGERS: Mr.
14 Jackson. Would you read the resolution
15 into the record, please.

16 THE CLERK: On the 16th day of May,
17 2013, the Louisiana Gaming Control Board
18 did, in a duly noticed public meeting,
19 consider the issue of Bossier Casino
20 Venture, Inc.'s, request for riverboat
21 gaming vessel Certificate of Compliance
22 and the report and recommendation of ABS
23 Consulting, and upon motion duly made

24 and second, the Board adopted this
25 resolution.

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1 Be it resolved that upon
2 satisfactory completion of all life
3 safety systems testing and acquisition
4 of all required state and local permits
5 and upon receipt of the recommendation
6 of ABSC, Bossier Casino Venture, Inc.,
7 be issued a temporary riverboat gaming
8 vessel Certificate of Compliance for the
9 Alternate Inspection of the gaming
10 vessel. Be it further resolved that the
11 temporary riverboat gaming vessel
12 Certificate of Compliance issued to
13 Bossier Casino Venture, Inc., shall
14 expire three months from the date of
15 issuance or the date of final riverboat
16 gaming vessel Certificate of Compliance
17 is issued, whichever first occurs.

18 Be it further resolved that the
19 members of the board hereby authorize,
20 upon receipt of the recommendation of
21 the ABSC, the Chairman to issue a
22 temporary riverboat gaming vessel
23 Certificate of Compliance to Bossier
24 Casino Venture, Inc.

25 Thus done and signed in Baton Rouge,

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1 Louisiana, this 16th day of May 2013.

2 VICE-CHAIRWOMAN ROGERS: Roll call,
3 please.

4 THE CLERK: Miss Rogers?

5 VICE-CHAIRWOMAN ROGERS: Yes.

6 THE CLERK: Mr. Bradford?

7 MR. BRADFORD: Yes.

8 THE CLERK: Mr. Jones?

9 MR. JONES: Yes.

10 THE CLERK: Mr. Stipe?

11 MR. STIPE: Yes.

12 THE CLERK: Mr. Singleton?

13 MR. SINGLETON: Yes.

14 THE CLERK: Miss Noonan?

15 MS. NOONAN: Yes.

16 THE CLERK: Major Mercer?

17 MAJOR MERCER: Yes.

18 THE CLERK: Mr. Jackson?

19 MR. JACKSON: Yes.

20 VICE-CHAIRWOMAN ROGERS: Motion
21 carries.

22 MR. TYLER: Thank you very much.

23 H. Consideration of petition for Determination of
24 Substantial Completion, Commencement of Gaming
25 Operations and Release of Escrowed Funds by

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1 Bossier Casino Venture, Inc., d/b/a

2 Margaritaville Bossier City - No. R011000841

3 VICE-CHAIRWOMAN ROGERS: We'll now

4 go on to H, the next item.
5 Consideration of petition for
6 Determination of Substantial Completion,
7 Commencement of Gaming Operations and
8 the Release of Escrowed Funds by Bossier
9 Casino Venture, Inc., d/b/a
10 Margaritaville Bossier City, No.
11 RO11000841. Mr. Leonce Gautreaux will
12 address the Board.

13 MR. GAUTREAUX: Good morning, again,
14 Vice-Chairman and Members of the Board.
15 This is the final petition where they're
16 asking for the Board's authority to
17 commence gaming operations on June 13th.

18 As you heard today, Conditions 8 and
19 9 require that the entire approved
20 project be substantially complete before
21 the gaming operations can commence. The
22 Board has the absolute authority and
23 discretion in determining when that
24 happens. A review of the conditions
25 reveal that licensee's progress and

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1 compliance with preopening conditions
2 have indicated that most have been met
3 and satisfied. They've submitted their
4 monthly work in progress reports and
5 expenditure reports as required, made
6 the submissions and approvals on the

7 design documents and the construction
8 contract.

9 The remaining conditions are either
10 preopening conditions which need to
11 still be satisfied or continuing
12 conditions in nature, such as following
13 the rules and regulations and things
14 that they will have to continue to do
15 throughout the term of the license.

16 The outstanding preopening
17 conditions are Condition 12, which is
18 obtaining the Certificate of Compliance,
19 which was previously referenced in the
20 previous presentation, successfully
21 completing the preoperative inspection
22 conducted by the Division, and then
23 submission of the Certificate of
24 Substantial Completion for readiness of
25 occupancy and use by the project

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1 architect and confirmed by the Division.

2 The licensee's proposed opening date
3 obviously places it in between board
4 meetings. If these timelines are met,
5 the resolution proposed authorizes the
6 Chairman to accept the Certificate of
7 Substantial Compliance as confirmed by
8 the Division and determine substantial
9 completion.

10 This can only occur if the following
11 events occur prior to June 13th of 2013:
12 Issuance of the riverboat gaming
13 vessel's Certificate of Compliance,
14 successful completion of the
15 preoperative inspection as determined by
16 the Division, and determination of
17 substantial completion by the Chairman
18 upon submission of the architect's
19 certificate and confirmation by the
20 Division. Again, this is very similar
21 to the process that was used with
22 L'Auberge who were in the same
23 circumstances.

24 As a final request, they've asked
25 for release of the remaining amount in

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1 the Board escrow account. As you
2 recall, licensee placed a million
3 dollars in a dedicated escrow account
4 for assurance of timely completion of
5 the approved project. Under the escrow
6 agreement, if the licensee failed to
7 achieve certain benchmarks and after a
8 notice and cure period still failed,
9 there was a possibility to submit the
10 million to the Board as a nonperformance
11 condition. On the other hand, if the
12 approved project is completed and all

13 the timelines have been met, it would be
14 disbursed back to the licensee. The
15 mechanism for release is written notice
16 to the Board, to the escrow agent that
17 the approved project has been determined
18 substantially complete and the gaming
19 operations are commenced.

20 Again, since the planned opening
21 date falls in between board meetings,
22 the proposed resolution authorizes the
23 Chairman to issue that written notice
24 upon the confirmations.

25 VICE-CHAIRWOMAN ROGERS: Thank you.

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1 Are there any questions for the Board?
2 Any questions? [No response.] Is there
3 a motion that we adopt the resolution?

4 MR. JONES: So moved.

5 VICE-CHAIRWOMAN ROGERS: Mr. Jones.

6 MR. JACKSON: Second.

7 VICE-CHAIRWOMAN ROGERS: Mr.
8 Jackson. Would you read the resolution
9 into the record, please.

10 THE CLERK: On the 16th day of May,
11 2013, Louisiana Gaming Control Board
12 did, in a duly noticed public meeting,
13 consider the issue of Bossier Casino
14 Venture, Inc.'s, petition for
15 Determination of Substantial Completion,

16 Commencement of Gaming Operations and
17 Release of Escrowed Funds, and upon
18 motion duly made and second, the Board
19 adopted this resolution.

20 Be it resolved that the Chairman be
21 authorized to accept the architect's
22 Certificate of Substantial Completion
23 and readiness for occupancy and use as
24 confirmed by Louisiana State Police
25 Gaming Enforcement Division and to

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1 determine substantial completion of the
2 approved project on behalf of the Board.

3 Be it further resolved that Bossier
4 Casino Venture, Inc.'s, request to
5 commence gaming operations on June 13th,
6 2013, be approved subject to: One,
7 issuance of a riverboat gaming vessel
8 Certificate of Compliance; two,
9 successful completion of the
10 preoperative inspection to be conducted
11 by the Division; and three, the
12 Determination of Substantial Completion
13 of the approved project by the Chairman.

14 Be it further resolved that the
15 Chairman be authorized to execute the
16 notice to the escrow agent for release
17 of the escrow funds upon receipt of
18 confirmation from the Division that

19 gaming operations have commenced at the
20 approved project.

21 Thus done and signed in Baton Rouge,
22 Louisiana, the 16th day of May 2013.

23 VICE-CHAIRWOMAN ROGERS: Would you
24 call the roll, please.

25 THE CLERK: Miss Rogers?

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1 VICE-CHAIRWOMAN ROGERS: Yes.

2 THE CLERK: Mr. Bradford?

3 MR. BRADFORD: Yes.

4 THE CLERK: Mr. Jones?

5 MR. JONES: 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 VICE-CHAIRWOMAN ROGERS: Motion
17 carries.

18 MS. HARKINS: Thank you very much,
19 Madam Chairman and Members of the Board.

20 I. Consideration of renewal permits for the

21 following:

22 1. Tech Art Manufacturing, Inc. - No.

23 PO76501710

24 2. Denmark Owens - No. PO20004395

25 VICE-CHAIRWOMAN ROGERS: Next item

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1 we have two items, so we're going to ask
2 the Board for a motion to renew the
3 permits of Tech Art Manufacturing, Inc.,
4 and Denmark Owens. Do we have a motion?

5 MR. BRADFORD: So moved.

6 VICE-CHAIRWOMAN ROGERS: Mr.
7 Bradford moves. Mr. Jones seconds. All
8 in favor? [Collective "aye."] Any
9 opposition? [No response.] Motion
10 carries.

11 J. Consideration of conditional permits for the
12 following:

13 1. Sharon A. Barnes - No. PO20004802

14 2. Johnathan W. Ervin - No. PO20061470

15 VICE-CHAIRWOMAN ROGERS: Let's go to
16 consideration of conditional permits for
17 the following. There a motion to issue
18 condition permits to Sharon Barnes and
19 Johnathan Ervin. Do we have a motion?

20 MR. JONES: I'll move.

21 VICE-CHAIRWOMAN ROGERS: Mr. Jones,
22 and a second?

23 MR. BRADFORD: Second.

24 VICE-CHAIRWOMAN ROGERS: Mr.

25 Bradford. All in favor? [Collective

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1 "aye."] Okay. The motion carries.

2 K. Consideration of permits for the following:

3 1. Genesis Gaming Solutions, Inc. - PO66503148

4 2. Genesis Gaming Solutions, Inc. - PO76503137

5 VICE-CHAIRWOMAN ROGERS: And then we

6 need to consider the permits for the

7 following: Genesis Gaming Solutions,

8 Inc., Genesis Solutions, Inc., two

9 different numbers, PO66503148 and

10 PO7650317 [sic]. Do we have a motion to

11 issue these permits?

12 MR. SINGLETON: Move approval.

13 MR. BRADFORD: Second.

14 VICE-CHAIRWOMAN ROGERS: All in

15 favor? [Collective "aye."] Any

16 opposition? [No response.] Motion

17 carries.

18 L. Consideration of Suitability:

19 1. Richard P. Garza (Genesis)

20 2. John W. Knust, Jr. (Genesis)

21 3. Randall L. Knust (Genesis)

22 4. Alton E. Schoppe (Genesis)

23 5. Todd F. McTavish (MultiMedia Games, Inc.)

24 VICE-CHAIRWOMAN ROGERS:

25 Consideration of suitability: Is

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1 there a motion to find Richard P. Garza,

2 John Knust, Randall Knust, Alton Schoppe
3 and Todd McTavish?

4 MR. SINGLETON: Move approval.

5 MR. JONES: Second.

6 VICE-CHAIRWOMAN ROGERS: All in
7 favor? [Collective "aye."] Any
8 opposed? [No response.] Motion
9 carries.

10 VII. VIDEO GAMING ISSUES

11 A. Consideration of the following truckstop:

12 1. Harlaicyn, LLC, d/b/a Avondale Truck Stop
13 - No. 2600511909 (transfer of interest)

14 VICE-CHAIRWOMAN ROGERS: All right.
15 Consideration of the following
16 truckstops. First we have a transfer of
17 interest in Avondale Truck Stop.

18 MR. PITRE: Board Members, I'm
19 Assistant Attorney General, Earl Pitre,
20 Jr., here in the matter of Harlaicyn,
21 LLC, doing business as Avondale Truck
22 Stop.

23 The licensee currently owns a Type 5
24 video poker gaming license and operates
25 a truckstop facility in Avondale in

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1 Jefferson Parish.

2 On March 31st, 2013, Betty Adams
3 transferred and assigned her entire
4 ownership interest, representing

5 50 percent in the licensee, to Kai Chin.

6 As a result of this transfer, Kai Chin
7 will own 100 percent of the licensee.

8 Trooper Vincent Lenguyen conducted
9 the investigation of the transfer of
10 ownership and of the relevant person
11 associated with the licensee. He is
12 here to present the Board with State
13 Police's findings.

14 TROOPER LENGUYEN: Morning,
15 Vice-Chairwoman and Board Members. My
16 name is Trooper Vincent Lenguyen with
17 Louisiana State Police Gaming
18 Enforcement Division.

19 I conducted an investigation of the
20 transfer of ownership. Kai Chin
21 previously met suitability, and no
22 information was found that would
23 preclude him from continuing to
24 participate in the gaming industry.

25 MR. PITRE: The Office of the

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1 Attorney General has reviewed the file
2 compiled as a result of State Police's
3 investigation. Our review indicates
4 that no information has been found which
5 would preclude the continued licensing
6 of the Harlaicyn, LLC, doing business as
7 Avondale Truck Stop, or the

8 participation of Kai Chin.

9 VICE-CHAIRWOMAN ROGERS: Any
10 questions from any board members? Any
11 questions?

12 MR. BRADFORD: I move the approval
13 of the transfer.

14 MS. NOONAN: I'll second.

15 VICE-CHAIRWOMAN ROGERS: Miss Noonan
16 seconds. All in favor? [Collective
17 "aye."] Opposed? [No response.]
18 Motion carries.

19 B. Consideration of video gaming license in the
20 following:

21 1. Genco's Amusement Company, Inc., d/b/a
22 Genco's Amusement Company, Inc. - No.
23 4601616838

24 VICE-CHAIRWOMAN ROGERS:
25 Consideration of video gaming

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1 licenses in the following: Is there a
2 motion that we issue the license to
3 Genco's Amusement Company, Inc?

4 MR. JONES: I'll move.

5 VICE-CHAIRWOMAN ROGERS: Mr. Jones.
6 Second?

7 MR. BRADFORD: Second.

8 VICE-CHAIRWOMAN ROGERS: Mr.
9 Bradford. Any questions? [No
10 response.] All in favor? [Collective

11 "aye.]" Opposed? [No response.]

12 Motion carries.

13 C. Consideration of renewal licenses in the

14 following:

15 1. Quality Inn Motel/QI Truck Stop d/b/a Lucky

16 Bayou - No. 4400505787

17 2. J & N Truck Stop, Inc., d/b/a J & N Truck

18 Stop - No. 5501505917

19 3. State Oil Fuel Center, Inc., d/b/a State Oil

20 Fuel Center, Inc., No. 3800512397

21 4. Sarah of Washington d/b/a 5 Star Truck Stop

22 - No. 1000513087

23 5. LA Gaming Operations, Inc., d/b/a LA Gaming

24 Operations, Inc. - No. 3601600068

25 6. Chalmette Amusement Co., Inc., d/b/a

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1 Chalmette Amusement Co., Inc. - No.

2 4400600077

3 7. Fred's Amusement, Inc., d/b/a Fred's

4 Amusement - No. 0300600170

5 8. Gerald J. Lands d/b/a Suburban Club - No.

6 2600607688

7 9. Carolyn M. St. Philip d/b/a C & S Gaming -

8 No. 3800608608

9 10. Sandi's Bar & Grill, Ltd., d/b/a Sandi's

10 Grill - No. 5101611508

11 11. Mean Jean Entertainment, LLC, d/b/a Mean

12 Jean

13 Entertainment - No. 5500615703

14 VICE-CHAIRWOMAN ROGERS:
15 Consideration of the renewal licenses in
16 the following: Is there a motion to
17 renew the licenses of the following that
18 you have on your list, that's agenda
19 Item VII. C.1. to 11?

20 MR. BRADFORD: So move for approval.

21 MR. JACKSON: Second.

22 VICE-CHAIRWOMAN ROGERS: Bradford
23 and Jackson. All in favor? [Collective
24 "aye."] Opposed? [No response.]
25 Motion carries.

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1 VII. PROPOSED SETTLEMENTS/APPEALS FROM HEARING

2 OFFICER'S DECISIONS

3 1. In Re: Iguana's Daiquiri Express, Inc.,
4 d/b/a Iguana's Daiquiri Express - No.
5 3800110025 (proposed settlement)

6 VICE-CHAIRWOMAN ROGERS: And the
7 next item is Proposed Settlements or
8 Appeals from the Hearing Officer's
9 Decisions. Okay. We have Iguana's
10 Daiquiri Express, Inc., No. 3800110025,
11 proposed settlement.

12 MS. COLLY: Morning,
13 Vice-Chairperson Rogers, Board Members.
14 I'm Assistant Attorney General,
15 Nicolette Colly, representing the Office
16 of State Police in the matter of the

17 Iguana's Daiquiri Express, Inc., d/b/a
18 Iguana's Daiquiri Express.

19 This settlement arises from the
20 licensee's failure to remain current in
21 the filing and payment of federal taxes
22 and the 100 percent owner, Terry
23 Landry's, failure to remain current in
24 the filing of state taxes.

25 The licensee was advised of the

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1 problem on or about November 6th, 2012,
2 and was given 30 days by the Division to
3 obtain the tax clearances. All
4 associated persons and the business were
5 not cleared until February 14th, 2013.

6 The settlement agreement includes a
7 penalty of \$500 for the period of
8 non-compliance. The settlement has been
9 reviewed and signed by Hearing Officer
10 Reynolds and is now being submitted for
11 this Board's approval.

12 VICE-CHAIRWOMAN ROGERS: Is there a
13 motion to approve this settlement?

14 MS. NOONAN: I'll motion.

15 MR. JACKSON: Second.

16 VICE-CHAIRWOMAN ROGERS: Miss Noonan
17 and Mr. Jackson. All in favor?

18 [Collective "aye."] Any opposition?

19 [No response.] Motion carries.

20 2. In Re: Iberville Lounge, L.L.C., d/b/a The
21 Alibi - No. 3601115238 (rehearing)

22 VICE-CHAIRWOMAN ROGERS: Second,
23 Iberville Lounge, LLC, d/b/a The Alibi,
24 No. 3601115238. It's a rehearing
25 request.

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1 MS. COLLY: Good morning,
2 Vice-Chairperson Rogers and Members of
3 the Board. I am Assistant Attorney
4 General, Nicolette Colly, representing
5 the Office of State Police in this
6 matter.

7 MS. GAUTREAUX: Good morning. My
8 name is Jill Gautreaux, and I, along
9 with Miss Deborah Harkins -- who I
10 believe may be out in the hallway, we
11 are here representing Iberville Lounge.
12 Also here with me are the sole owner,
13 Mr. Kyle Arceneaux, and the general
14 manager, Mr. David Morel.

15 VICE-CHAIRWOMAN ROGERS: So you need
16 to present your request.

17 MS. GAUTREAUX: This is a request
18 for a rehearing, when, in fact, there
19 actually has not been a hearing, and I
20 will explain to you the sequence of
21 events on how we got here. All that
22 we're seeking here today is an

23 opportunity to be heard before an
24 administrative law judge.

25 In connection with The Alibi's 2012

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1 renewal application, the State Police
2 requested the federal and state tax
3 clearances, you know, as is usual in
4 those types of situations. What came
5 back was that the -- that The Alibi, the
6 sole owner, Mr. Kyle Arceneaux, and the
7 general manager, Mr. David Morel, were
8 tax delinquent both state and federal.

9 There was a compliance conference
10 that was held on February 5th, 2012. At
11 that time, my partner, David Halpern,
12 advised Miss Colly and Sergeant Sibley
13 that they were working to resolve those
14 issues and had been working diligently
15 to resolve those issues since first
16 receiving the notice back in the fall.

17 I don't know whether any of you have
18 ever had to go through this experience,
19 but dealing with the IRS can be a very
20 lengthy one.

21 The Alibi had contested the amount
22 of assessment that the IRS had made.

23 The assessment was ultimately reduced
24 from \$138,000 to about a quarter of that
25 amount. Since that date, the Louisiana

1 Department of Revenue has cleared all
2 three: Iberville Lounge, Mr. David
3 Morel and Mr. Kyle Arceneaux. The IRS
4 has also cleared all three of them:
5 Mr. David Morel, Mr. Kyle Arceneaux and
6 the Iberville Lounge.

7 The sequence of events is the
8 compliance conference was held on
9 February 5th, 2013. Twelve days later
10 on February 27th, 2013, the Notice of
11 Recommendation of Revocation was sent to
12 The Alibi. A copy was not received by
13 counsel who had attended, Mr. David
14 Halpern. The return receipt indicates
15 that there was a delivery on March 8th
16 that was signed for by an employee.
17 Unfortunately, that notice never made it
18 into the hands of either the general
19 manager or the owner of the business.

20 So twelve days later on March 20th,
21 the Notice of Revocation was sent to The
22 Alibi, and that was received on
23 March 23rd. On April 2nd, 2013, The
24 Alibi sent a request for a rehearing,
25 which is what's set for consideration

1 before you today.

2 The fact of the matter is: We would

3 just like an opportunity to be heard
4 before the administrative law judge so
5 that we can explain to them the issues
6 that we were facing with the IRS and the
7 Louisiana Department of Revenue. I
8 mean, there were -- there were issues
9 such as one of the -- one of the matters
10 that required resolution was actually a
11 20-year-old assessment of \$10 for
12 corporate taxes on a company that
13 Mr. Morel ran 20 years ago. Those were
14 the issues that were continually popping
15 up.

16 So they're all resolved now. We
17 would like the opportunity to be heard
18 prior to the revocation of the license.
19 The revocation was recommended.
20 Unfortunately, due to the fact that the
21 Notice of Recommendation did not make it
22 into my client's hands, it was made
23 final.

24 A revocation is a very harsh penalty
25 for a situation that -- especially in

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1 light of the fact that it is now
2 resolved, and so, therefore, we ask for
3 a rehearing for an opportunity to remand
4 before an administrative law judge.

5 MS. COLLY: Of course, as

6 Miss Gautreaux stated, all three
7 persons, The Alibi, Mr. Arceneaux,
8 Mr. Morel, were tax delinquent, and that
9 was as far back of June of 2012, when
10 the clearances were run during the
11 renewal process.

12 The Alibi was notified by State
13 Police of those delinquencies on
14 October 30th of 2012. It was not until
15 four months later that the actual
16 revocation recommendation was sent to
17 the A.G.'s Office for review and action.

18 Miss Gautreaux also stated that the
19 compliance conference was held
20 February 5th, 2012. That's actually
21 February 5th, 2013. At that compliance
22 conference, the compliance conference
23 itself was actually continued for 30
24 days, which was 90 days after the
25 initial notice. At that compliance

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1 conference, The Alibi offered no
2 evidence that the statuses had been
3 cleared, that they had entered into a
4 payment plan or formally appealed or
5 contested their taxes.

6 The Alibi, after already being given
7 90 days to clear the statuses, came to
8 the compliance conference simply to say

9 that they were working on the LDR
10 delinquencies and in negotiations with
11 the IRS. They offered no formal
12 documents or anything to show that.
13 They even, of course, admitted that all
14 three persons were both LDR and IRS
15 delinquent.

16 Despite the delinquencies and no
17 showing by The Alibi, the Recommendation
18 of Revocation was not forwarded to the
19 Board by the Attorney General's Office
20 until about 30 days after the compliance
21 conference. Typically, licensees are
22 given another week at the most, and that
23 is simply to allow State Police to
24 receive updated clearances.

25 At this point, we're now four months

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1 after the initial notice from State
2 Police. From the submitted exhibits,
3 you will see that The Alibi received
4 notice of the revocation at the address
5 they provided. The actual notice of
6 recommendation was the third written
7 notice that The Alibi received regarding
8 the delinquencies.

9 Upon The Alibi's failure to request
10 a hearing and while remaining they were
11 still all tax delinquent, the Board in

12 its authority and in accordance with
13 gaming laws, revoked The Alibi's license
14 almost five months now after the first
15 notice from State Police.

16 The Alibi since October of last year
17 was provided ample opportunity to clear
18 its delinquencies and avoid revocation
19 altogether. Had The Alibi requested a
20 hearing, they would have had even more
21 time to clear the delinquencies, at
22 least another five to six weeks. It was
23 not until the actual revocation took
24 place that The Alibi resolved the tax
25 issues, as late as yesterday. The final

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1 person, Mr. Morel, cleared his IRS tax
2 clearance yesterday. Mr. Arceneaux
3 wasn't cleared by LDR until March 27th
4 of this year, Mr. Morel with LDR not
5 until April 10th of this year, both of
6 these after the revocation took place.
7 The IRS delinquencies, as I stated, were
8 not clear until as late as yesterday,
9 six months after the initial notice.

10 From the compliance conference to
11 the actual recommendation notice, The
12 Alibi was informed in person and by
13 telephone and e-mail through counsel
14 that once the recommendation is made, it

15 is imperative that The Alibi request a
16 hearing. I was in constant
17 communication with The Alibi's counsel
18 and stressed this in every conversation.

19 As of this date, it has taken The
20 Alibi approximately six-and-a-half
21 months to come into compliance, and now
22 that they have and dropped the ball in
23 requesting the hearing, The Alibi is
24 asking the Board to find that it
25 wrongfully revoked The Alibi's license.

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1 This is not the case at all. The
2 Division had all the information
3 necessary to its recommendation at the
4 time the notice was sent to the Board.
5 At the time the recommendation was made,
6 Mr. Arceneaux and Mr. Morel were still
7 state tax delinquent. The Alibi,
8 Mr. Arceneaux and Mr. Morel were all
9 still IRS delinquent. Again, the
10 statuses were not cleared until after
11 the revocation took place and as late as
12 yesterday.

13 Any information relative to that
14 would not have changed that
15 recommendation. The Division had every
16 piece of information necessary to its
17 recommendation, especially considering

18 that The Alibi came into the compliance
19 conference, admitted that it was tax
20 delinquent and offered nothing to the
21 contrary.

22 The Alibi was offered the
23 opportunity to show compliance and
24 failed to do so. At the compliance
25 conference, The Alibi was also offered

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1 its opportunity to be heard and failed
2 to seize that opportunity by not
3 requesting the hearing as advised.

4 This Board should not be misled by
5 The Alibi's belief that the decision was
6 wrong or deprived The Alibi of any due
7 process, especially considering the
8 time, notices and opportunities that The
9 Alibi was given to come back into
10 compliance and prove its suitability.

11 A ruling in The Alibi's favor would
12 be an affront to those licensees who
13 timely and expeditiously handle their
14 compliance issues with the Division.
15 The Division had the information it
16 needed and followed the proper procedure
17 before it made its recommendation. A
18 hearing was not requested, and
19 revocation was the proper action, not
20 only because The Alibi failed to request

21 the hearing but because The Alibi, its
22 owner and manager was still tax
23 delinquent and unsuitable at the time of
24 the revocation, again as late as
25 yesterday.

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1 For these reasons and based on the
2 evidence and facts before you, the
3 revocation of The Alibi's license should
4 be affirmed and The Alibi's request for
5 rehearing denied. This Board should not
6 sacrifice its procedure and proper
7 decision-making because The Alibi failed
8 to resolve its delinquencies and act
9 within the statutory timeline.

10 VICE-CHAIRWOMAN ROGERS: Are there
11 any questions?

12 MR. JONES: I have a question.

13 VICE-CHAIRWOMAN ROGERS: Mr. Jones.

14 MR. JONES: Assuming the revocation
15 is upheld, what's the timeframe if they
16 wanted to reapply again?

17 MS. COLLY: It would be five years.

18 MR. JONES: Okay.

19 VICE-CHAIRWOMAN ROGERS: Mr.
20 Bradford?

21 MR. BRADFORD: I just want to thank
22 the Attorney General for their excellent
23 work on this case, and I would -- and

24 I've got a couple of comments or
25 questions, however you choose to

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1 interpret it. Your client broke a lot
2 of rules here repeatedly, and whose
3 fault is it if we send registered mail
4 to the address of record and -- and they
5 don't get it?

6 MS. GAUTREAU: You're absolutely
7 correct. You're absolutely correct.

8 MR. BRADFORD: You know, I mean,
9 that's a huge -- we're charged with
10 treating everybody here the same because
11 these rules are pretty hard rules, and
12 they are in place. Having said that, I
13 am -- and I certainly don't know if this
14 Board will go along with me, but I
15 understand IRS problems. I do not
16 understand your client's responsiveness;
17 nonetheless, I am going to make a motion
18 to grant the rehearing and let this
19 Board decide. I move --

20 MS. GAUTREAU: I appreciate that.

21 MR. BRADFORD: -- move to grant
22 rehearing.

23 VICE-CHAIRWOMAN ROGERS: Do we have
24 a second?

25 MR. STIPE: I'll second.

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1 VICE-CHAIRWOMAN ROGERS: All in
2 favor -- okay, let's call the roll.
3 THE CLERK: Miss Rogers?
4 VICE-CHAIRWOMAN ROGERS: No.
5 THE CLERK: Mr. Bradford?
6 MR. BRADFORD: Yes.
7 THE CLERK: Mr. Jones?
8 MR. JONES: No.
9 THE CLERK: Mr. Stipe?
10 MR. STIPE: Yes.
11 THE CLERK: Mr. Singleton?
12 MR. SINGLETON: Yes.
13 THE CLERK: Miss Noonan?
14 MS. NOONAN: No.
15 THE CLERK: Major Mercer?
16 MAJOR MERCER: No.
17 THE CLERK: Mr. Jackson?
18 MR. JACKSON: No.
19 THE CLERK: Okay. The motion fails.
20 VICE-CHAIRWOMAN ROGERS: The motion
21 fails, so the rehearing is denied.
22 MS. COLLY: Thank you.

23 3. In Re: Lands Carson, Inc., d/b/a Kellegan's -
24 No. 2600101105 (rehearing)

25 VICE-CHAIRWOMAN ROGERS: Lands
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1 Carson, Inc., d/b/a Kellegan's, No.
2 2600101105. This is a rehearing -- a
3 request for rehearing. We have

4 Kellegan's request for a rehearing?

5 MS. BOGRAN: Correct.

6 VICE-CHAIRWOMAN ROGERS: Kellegan's
7 presents first.

8 MS. BOGRAN: Miss Rogers, Board
9 Members, I'm Olga Bogran, Assistant
10 Attorney General, in the Gaming
11 Division. We're here for Lands Carson,
12 Inc., d/b/a Kellegan's.

13 MS. GERACI: I'm Laurie Geraci,
14 Secretary.

15 COURT REPORTER: Can you spell the
16 last name, please.

17 MS. GERACI: G-E-R-A-C-I.

18 COURT REPORTER: Thank you.

19 MS. GERACI: For Kellegan's.

20 MS. SMITH: Official secretary,
21 corporate secretary?

22 MS. GERACI: Yes, official. I'm not
23 a lawyer. It's an LLC, and Miss Jean
24 Geraci is the President, G-E-R-A-C-I,
25 J-E-A-N.

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1 MS. SMITH: It's your request.

2 MS. GERACI: I believe that all the
3 taxes have been cleared up, and I was
4 hoping to have this hearing so that we
5 don't get our license revoked. We had
6 a -- I'm sorry, y'all, I'm nervous. We

7 had an accountant that was supposed to
8 be keeping up with this stuff; and we
9 trusted them, unfortunately, and the
10 stuff wasn't kept up with.

11 As soon as we were notified, we
12 started working on that, and, again,
13 we've had our issues with IRS as far as
14 timely processing.

15 JEAN GERACI: But we don't owe
16 anything now.

17 MS. GERACI: We're free and clear at
18 this point, I hope.

19 JEAN GERACI: We have the tax
20 clearance and everything with us.

21 MS. SMITH: We don't accept any
22 evidence.

23 MS. GERACI: I'm just hoping that we
24 get another chance -- I'm just hoping
25 for another chance. I haven't had that

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1 big of a role in the business. My
2 mother is having some issues emotionally
3 and physically that she's not -- unable
4 to keep up with things like she used to
5 be, so I plan on taking over should we
6 keep our license.

7 MS. BOGRAN: Okay. As you've heard,
8 we're here for a case similar to the
9 prior one with tax issues that have not

10 been resolved. 24:05(B)(1)(A) indicates
11 that all licensees have a continuing
12 duty to remain suitable during the time
13 of the license, and part of that
14 suitability is remaining current in the
15 filing and payment of all taxes, as you
16 can see in front of you.

17 The Division initially tried to
18 notify the licensee of the tax issues
19 with the Louisiana Department of Revenue
20 in July of 2012. Both the corporation
21 and Miss Jean Geraci, President and
22 Treasurer of the licensee, were
23 ineligible for tax clearances at that
24 time, but the notice was returned
25 unclaimed even though it was sent to the

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1 correct business address.

2 By November of 2012, the Division
3 had been notified by the IRS that the
4 corporation was also ineligible for a
5 tax clearance, and so the Division took
6 the opportunity to put the two letters
7 together, the initial one that had been
8 returned and the new one containing the
9 information about the IRS tax clearance;
10 and they were both personally served, I
11 believe, to you, on November 8th. And
12 those letters both gave the Division --

13 gave the licensee 30 days to resolve the
14 tax clearances both for LDR and the IRS.

15 On January 30th, 2013, LDR notified
16 the Division that the tax issues had not
17 been resolved. This was a result of a
18 follow-up check. Also, on January 30th,
19 the IRS notified that the IRS issues had
20 not been resolved. At this point, 83
21 days have elapsed since the original
22 notice was sent to the licensee.

23 On February 26th, the licensee was
24 offered a compliance conference, but
25 they didn't attend it. Miss Jean Geraci

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1 spoke to me by phone on March 13th, the
2 day before the compliance conference,
3 and at that time, she indicated that she
4 was going to contact the people that she
5 had been directed to as part of the
6 notification at both LDR and IRS, and
7 resolve the problems as soon as
8 possible. I spoke to her about the
9 process and explained that the next step
10 would be a notice of revocation. In the
11 notice of revocation it would specify
12 that you could request a hearing, and
13 that it was important that she request
14 the hearing. If not, the revocation
15 would happen by operation of law.

16 On March 18th, 30 days after the
17 initial notification of the tax issues,
18 LDR finally granted a tax clearance to
19 the corporation; however, the other half
20 of the original problem, which was Miss
21 Geraci's tax clearance, was still
22 unresolved. On that same day,
23 March 18th, 2013, the IRS notified that
24 the corporation was still ineligible for
25 a tax clearance, and at this point, we

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1 are at 130 days since the original
2 notice.

3 On March 26th, 2013, 145 days from
4 when the licensee was first told of the
5 tax issues, the Board issued a Notice of
6 Recommendation of Revocation. The
7 framed text in the box in front of you
8 shows the Board's clear and unambiguous
9 language detailing the requirements for
10 a hearing and clearly stating the
11 consequences of failing to timely
12 request a hearing, and at this point,
13 we're at the 145-day mark.

14 This certified mail receipt shows --
15 it's a little tricky to see -- April 2nd
16 that the Notice of Recommendation of
17 Revocation was signed for by Jean
18 Geraci. On April 17th, 2013, 15 days

19 after the receipt of the Notice of
20 Recommendation of Revocation, a full
21 five days beyond the stated deadline of
22 ten days, the Board issued a Notice of
23 Revocation. By this time, 160 days had
24 elapsed, and the license -- from when
25 the licensee was first told of the tax

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1 problems.

2 On April 18th the Board received the
3 licensee's request for rehearing, and,
4 again, rehearing here is a misnomer
5 because no original hearing had ever
6 been requested. The box text shows you
7 that the licensee asserts that they want
8 the opportunity to introduce new
9 evidence proving that the tax matters
10 that were of concern have been cleared.

11 On April 23rd, 166 days after the
12 licensee was first asked to resolve the
13 tax issues and five days after the
14 licensee had claimed that there were
15 no -- that all the tax matters had been
16 cleared, LDR notified the Division that
17 Miss Geraci still remained ineligible
18 for a tax clearance. Also on the 23rd,
19 the IRS notified the Division that the
20 corporation remained ineligible for a
21 tax clearance. Therefore, clearly the

22 tax matters that were of concern had not
23 been cleared. We are now at the 166-day
24 mark.

25 On May 14th, the IRS notified the

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1 Division that the corporation was
2 finally cleared for a tax clearance;
3 however, Miss Geraci was still
4 ineligible for a tax clearance. This
5 was as late as two days ago. At this
6 point, 187 days has elapsed since the
7 original notice.

8 Okay. This timeline illustrates
9 that although the licensee had more than
10 half a year, they didn't resolve all
11 their tax clearances and no hearing was
12 timely requested, and the consequence,
13 consistent with cases that are similarly
14 placed over the years, is revocation.

15 On April 17th, 2013, when the Board
16 revoked this licensee's license, they
17 did so properly. The Board has already
18 made the right decision, and in this
19 matter there are no grounds for
20 rehearing.

21 VICE-CHAIRWOMAN ROGERS: Are there
22 any questions?

23 MS. NOONAN: Just a comment, again,
24 thanking the A.G.'s Office for doing

25 such a good job.

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1 VICE-CHAIRWOMAN ROGERS: Is there a
2 motion?

3 MR. STIPE: I move to deny the
4 rehearing.

5 MS. NOONAN: I'll second.

6 VICE-CHAIRWOMAN ROGERS: To deny the
7 rehearing. All in favor? [Collective
8 "aye."] Do you want to do a roll call?
9 Let's do roll call.

10 THE CLERK: Miss Rogers?

11 VICE-CHAIRWOMAN ROGERS: Yes.

12 THE CLERK: Mr. Bradford?

13 MR. BRADFORD: The motion is to
14 deny? Yes.

15 THE CLERK: Mr. Jones?

16 MR. JONES: Yes.

17 THE CLERK: Mr. Stipe?

18 MR. STIPE: Yes.

19 THE CLERK: Mr. Singleton?

20 MR. SINGLETON: No.

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 VICE-CHAIRWOMAN ROGERS: Motion is
3 denied.

4 MS. NOONAN: I want to make a
5 comment to both of you. I know this is
6 difficult; however, as a Board, as one
7 of the Board Members said before, we
8 have laws to follow, and because of poor
9 judgment, we can't allow this to
10 continue to happen.

11 MS. GERACI: I understand.

12 MS. NOONAN: I'm sorry for the
13 troubles, but we have an obligation.

14 MS. GERACI: I understand.

15 4. In Re: Amanda Kent - No. V000016215

16 (continuation from April)

17 VICE-CHAIRWOMAN ROGERS: Next item,
18 Amanda Kent.

19 MS. BROWN: Good morning.

20 VICE-CHAIRWOMAN ROGERS: Amanda
21 Kent, No. V000016215. It's an appeal
22 which is continued from the April board
23 meeting. Miss Kent will present her
24 appeal and argue first. Is she here?

25 MS. BROWN: I haven't seen her.

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1 VICE-CHAIRWOMAN ROGERS: Is Amanda
2 Kent here? [No response.] She's
3 obviously not here. Thank you.

4 MS. BROWN: Good morning,

5 Vice-Chairman, Board Members. I'm Mesa
6 Brown, Assistant Attorney General,
7 appearing in the matter of, In Re:
8 Amanda Kent, Case No. VOOOO16215.

9 The Division asks this Board to
10 uphold the hearing officer's decision
11 denying Miss Kent's video poker employee
12 permit application. Here State Police
13 issued a notice of denial of Miss Kent's
14 video gaming employee permit application
15 as a result of Miss Kent's failure to
16 meet general suitability based on her
17 extensive criminal history, numerous
18 arrests and convictions.

19 As a result of Miss Kent's criminal
20 past and repeated instances of
21 noncompliance with the law, State Police
22 has determined that she is not a person
23 of good character, honesty and
24 integrity, and that she is a person
25 whose prior activities, arrests,

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1 criminal record, reputation, habits and
2 associations do pose a threat to the
3 public interest of the State and the
4 effective regulation of video poker.

5 An administrative hearing was held
6 on January 2nd, 2013, after which the
7 hearing officer issued a decision

8 denying Miss Kent's application as a
9 result of her failure to meet general
10 suitability. The Division asks this
11 Board to uphold the hearing officer's
12 decision denying Miss Kent's video poker
13 employee permit application.

14 VICE-CHAIRWOMAN ROGERS: Are there
15 any questions?

16 MR. STIPE: And other than Miss Kent
17 was here last month, you have not had
18 any contact with her?

19 MS. BROWN: I have not.

20 MR. STIPE: I just move to uphold
21 this decision.

22 MR. JACKSON: Second.

23 VICE-CHAIRWOMAN ROGERS: It's moved
24 and seconded by Mr. Stipe and Mr.
25 Jackson. Roll call, please.

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1 THE CLERK: Miss Rogers?

2 VICE-CHAIRWOMAN ROGERS: Yes.

3 THE CLERK: Mr. Bradford?

4 MR. BRADFORD: Yes.

5 THE CLERK: Mr. Jones?

6 MR. JONES: Yes.

7 THE CLERK: Mr. Stipe?

8 MR. STIPE: Yes.

9 THE CLERK: Mr. Singleton?

10 MR. SINGLETON: Yes.

11 THE CLERK: Miss Noonan?

12 MS. NOONAN: Yes.

13 THE CLERK: Major Mercer?

14 MAJOR MERCER: Yes.

15 THE CLERK: Mr. Jackson?

16 MR. JACKSON: Yes.

17 VICE-CHAIRWOMAN ROGERS: Motion

18 carries.

19 MS. BROWN: Thank you.

20 5. In Re: Courtney Mongrue d/b/a Pier 90 - No.

21 4500115139 (appeal)

22 VICE-CHAIRWOMAN ROGERS: Next item

23 is Courtney Mongrue d/b/a Pier 90, No.

24 4500115139. This is an appeal.

25 MS. SCOTT: Yes, ma'am. Ashley

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1 Scott.

2 VICE-CHAIRWOMAN ROGERS: Pier 90

3 will present its appeal and argument

4 first.

5 MS. SCOTT: I don't believe they're

6 here, Miss Rogers.

7 VICE-CHAIRWOMAN ROGERS: Oh, they're

8 not here? Then the Assistant Attorney

9 General.

10 MS. SCOTT: Thank you. Ashley Scott

11 appearing this morning on behalf of

12 State Police in the matter of Courtney

13 Mongrue d/b/a Pier 90.

14 As the Vice-Chair stated, this
15 matter is an appeal on an order of
16 revocation, and the appeal was filed by
17 the licensee. The issue presented on
18 appeal is whether the hearing officer
19 committed reversible error in issuing an
20 order of revocation of the licensing
21 Type 1 gaming license when the
22 100 percent owner of Pier 90, Courtney
23 Mongrue, was found to be delinquent with
24 his federal and state taxes.

25 State Police believes that the

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1 resounding answer to that question is
2 "no." We presented evidence at the
3 hearing -- revocation hearing proving
4 that Mr. Mongrue was delinquent with his
5 federal and state taxes at the time of
6 hearing.

7 Now, as you know, the licensee
8 requested this appeal. They did not
9 present a written brief, but I'm
10 assuming that the basis of the appeal is
11 as maintained in the request for the
12 appeal that Mr. Mongrue's taxes are now
13 current. Based on the appeal and
14 reversal based on that purported fact is
15 not only a little bit too late, but it
16 is inaccurate at this point.

17 State Police gave the licensee ample
18 opportunity through the process of this
19 matter over the course of approximately
20 seven months to resolve their taxes. We
21 conducted a compliance conference in
22 October of last year wherein the
23 licensee assured State Police that they
24 had resolved their taxes. They had not
25 done so.

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1 As such, this Board issued a Notice
2 of Recommendation of revocation, and a
3 revocation hearing was scheduled for
4 December 2012. On the day before the
5 hearing, the licensee contacted me and
6 requested a continuance of that hearing
7 based upon the purported fact that
8 Mr. Mongrue's taxes had been resolved.
9 They had not been resolved at that time.

10 When the matter was reset for
11 hearing in January of this year, the day
12 before the hearing, the licensee
13 contacted us again and again alleged
14 that the taxes had been resolved. State
15 Police did an updated check and found
16 out that they had not been resolved.

17 When the revocation hearing went
18 forward, Mr. Mongrue remained delinquent
19 with his federal and state taxes. When

20 Judge Brown issued the Order of
21 Revocation, Mr. Mongrue was delinquent
22 with his federal and state taxes, and
23 Mr. Mongrue has not fully resolved his
24 taxes to date.

25 Now, as of yesterday Mr. Mongrue was

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1 still delinquent with his IRS taxes.

2 His state taxes had been resolved, but

3 he is still delinquent with his IRS

4 taxes.

5 Judge Brown's Order of Revocation is

6 based on the clear dictates of law and

7 the uncontradicted evidence put on by

8 the State Police at the hearing office.

9 There is nothing in the record to

10 support reversal of Judge Brown's order,

11 and we ask the Board to uphold his

12 decision.

13 VICE-CHAIRWOMAN ROGERS: Any

14 questions?

15 MR. STIPE: Other than this one

16 handwritten appeal, you have not heard

17 any contact from him, not had any

18 counsel?

19 MS. SCOTT: That's correct.

20 VICE-CHAIRWOMAN ROGERS: Any other

21 questions?

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

23 MR. JACKSON: I'll second.
24 VICE-CHAIRWOMAN ROGERS: Call the
25 roll, please.

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1 THE CLERK: Miss Rogers?

2 VICE-CHAIRWOMAN ROGERS: Yes.

3 THE CLERK: Mr. Bradford?

4 MR. BRADFORD: Yes.

5 THE CLERK: Mr. Jones?

6 MR. JONES: Yes.

7 THE CLERK: Mr. Stipe?

8 MR. STIPE: Yes.

9 THE CLERK: Mr. Singleton?

10 MR. SINGLETON: Yes.

11 THE CLERK: Miss Noonan?

12 MS. NOONAN: Yes.

13 THE CLERK: Major Mercer?

14 MAJOR MERCER: Yes.

15 THE CLERK: Mr. Jackson?

16 MR. JACKSON: Yes.

17 VICE-CHAIRWOMAN ROGERS: Motion
18 carries. Thank you.

19 IX. ADJOURNMENT

20 VICE-CHAIRWOMAN ROGERS: Do we have
21 a motion to adjourn?

22 MR. BRADFORD: I'll move.

23 VICE-CHAIRWOMAN ROGERS: Mr.

24 Bradford moves and --

25 MR. SINGLETON: Second.

1 VICE-CHAIRWOMAN ROGERS: -- Mr.

2 Singleton seconds. All in favor?

3 [Collective "aye."] Motion carries.

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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 I, Shelley G. Parola, Certified Court
2 Reporter in and for the State of Louisiana,
3 Certificate No. 96001, as the officer before whom
4 these proceedings were taken, do hereby certify

5 that on May 16, 2013, these proceedings took place
6 as hereinbefore set forth in the foregoing 124
7 pages; that these proceedings were reported by me
8 in the Stenotype reporting method, was prepared
9 and transcribed by me or under my personal
10 direction and supervision, and is a true and
11 correct transcript to the best of my ability and
12 understanding; that the transcript has been
13 prepared in compliance with transcript format
14 guidelines required by statute or by rules of the
15 board, that I have acted in compliance with the
16 prohibition on contractual relationships, as
17 defined by Louisiana Code of Civil Procedure
18 Article 1434 and in rules and advisory opinions of
19 the board; that I am not related to counsel or to
20 the parties herein, nor am I otherwise interested
21 in the outcome of this matter. Baton Rouge,
22 Louisiana, this 19th day of June, 2013.

23

24

SHELLEY G. PAROLA, CCR, RPR