

COPY OF TRANSCRIPT

INDIANA GAMING COMMISSION

BUSINESS MEETING

November 15, 2002

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Held at the offices of the Indiana Gaming Commission, 115 West Washington Street, Suite 950 South Tower, Indianapolis, Marion County, Indiana, at 10:00 a.m. on November 15, 2002.

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COMMISSION MEMBERS

Glenn R. Lawrence,  
Executive Director

Donald R. Vowels,  
Chairman

ALSO PRESENT:

Dale Gettelfinger  
David Carlton  
Thomas Milcarek  
Cynthia Dean  
Billy Hamilton



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INDIANA GAMING COMMISSION

BUSINESS MEETING

NOVEMBER 22, 2002

1  
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3  
4 MR. VOWELS: We'll go ahead and call  
5 the meeting to order.

6 Show that it is almost 10:15  
7 Indianapolis time, and that there is a forum.  
8 All commissions present, with the exception  
9 of Dr. Ross and Commissioner Bochnowski.

10 And the first matter on the agenda,  
11 then, is the approval of the minutes from  
12 the September 27, 2002 business meeting that  
13 took place in Michigan City.

14 We all had an opportunity to review  
15 these minutes. Is there a motion in  
16 reference to the minutes?

17 MR. MILCAREK: So moved.

18 MR. VOWELS: Is there a second?

19 MS. ROSE: Second.

20 MR. VOWELS: Further discussion? All  
21 those in favor say aye.

22 (COMMISSIONERS RESPOND)

23 MR. VOWELS: Show it approved.

24 Then the next matter on the agenda is  
25 the report of the Executive Director.

1 MR. LAWRENCE: Thank you, Mr.  
2 Chairman. Three issues I'd like to bring  
3 up.

4 Mark Mason and I toured the northern  
5 boats last week. It was quite an experience  
6 for me. I recommend it to the Commissioners  
7 and some of the staff. I appreciate the  
8 hospitality of the folks that were up there.  
9 Showed me around, showed me behind the  
10 scenes. Got up and watched a variety of  
11 things that the general public doesn't see.  
12 Very informative, and I want to thank the  
13 folks of the northern boats for given me  
14 those tours and the information they  
15 supplied.

16 Two other issues. One, a previous  
17 vote at a Commission hearing dealt with a  
18 vendor, Hornblower -- I don't know the exact  
19 name of the company. But at that time a  
20 vote was taken on a resolution, and the vote  
21 was unanimous and a quorum present.

22 Commissioner Gettelfinger, at a later  
23 date, learned that Hornblower is actually a  
24 client of his firm and has recused himself  
25 from that vote and from any other action

1 which may be taken with that vendor. We  
2 have looked at the record and determined  
3 there was sufficient votes to pass that  
4 resolution.

5 Finally, the other issue is hopefully  
6 a closure on the Belterra issue and the  
7 settlement that was made with them. They,  
8 as you are aware, were closed down for a  
9 period of three days. During that time the  
10 Commission had required them to not only pay  
11 the taxes that they would have had to pay if  
12 they would have been in operation, but also  
13 to ensure that the employees were made whole;  
14 that they got their tips and their wages as  
15 they would have had they been open.

16 We have met with Belterra. Have  
17 audited their records. Based upon some  
18 issues that arose concerning tips, amounts of  
19 tips previously during that period of time,  
20 and also just recently we had a discussion  
21 and got verification from Belterra that they  
22 will be issuing additional checks, I think  
23 today, to some of the part-time people whose  
24 time on the job may not have coincided with  
25 the closure, but we made sure that we feel

1 -- the staff of the Commission feels that  
2 this issue now can be put behind us and that  
3 we can move forward.

4 That's my report.

5 MR. VOWELS: Thank you.

6 Any questions for Mr. Lawrence?

7 MR. Gifford, I see you're here today.  
8 People from Belterra, is there anything you  
9 would like to address on that particular  
10 issue, or just let it lay?

11 MR. GIFFORD: No, sir.

12 MR. VOWELS: Give you the opportunity.

13 MR. GIFFORD: Thank you.

14 MR. VOWELS: All right, then. Is  
15 there any old business, as it's on the  
16 agenda?

17 Never appears to be any old business,  
18 so we'll move along to new business. Under  
19 new business we're going to go to Ms. Dean  
20 dealing with the Delegation of Authority  
21 under certain resolutions of Mr. Lawrence  
22 that were previously delegated to Mr. Thar.

23 And, Ms. Dean, it's with you, then.

24 MS. DEAN: Yes. Thank you.

25 Good morning, Commissioners. You



1 have before you Resolution 2002-30. It is a  
2 resolution granting the Executive Director  
3 authority to initiate disciplinary actions  
4 against riverboat licensees, supplier  
5 licensees and occupational licensees.

6 Pursuant to Indiana Code 4-33-4-8,  
7 the Commission has the statutory  
8 responsibility to consider initiating  
9 disciplinary actions against riverboat  
10 licensees, supplier licensees and  
11 occupational licensees for violating Indiana  
12 Code 4-33 or Indiana Administrative Title 68,  
13 or both.

14 In order to efficiently and timely  
15 resolve these matters, the Executive Director  
16 or the Executive Director's designee needs  
17 the ability to initiate disciplinary actions  
18 against riverboat licensees, supplier  
19 licensees and occupational licensees on an  
20 expedited basis.

21 The Commission originally granted the  
22 authority to initiate Disciplinary Actions to  
23 the Executive Director on November 11, 1996,  
24 by Resolution 1996-54. Governor Frank  
25 O'Bannon appointed Glenn Lawrence as the

1 Executive Director of the Indiana Gaming  
2 Commission on October 14, 2002.

3 The Commission is being asked to  
4 reaffirm the authority granted to the  
5 succeeding Executive Director, Glenn  
6 Lawrence.

7 MR. VOWELS: Thank you, Ms. Dean.

8 Any questions for Ms. Dean?

9 All right, then. In front of us is  
10 Resolution 2002-30 granting the Executive  
11 Director authority to initiate disciplinary  
12 actions against riverboat licensees, supplier  
13 licensees and occupational licensees.

14 Is there a motion in reference to  
15 this resolution?

16 MR. GETTELFINGER: Move adoption.

17 MR. VOWELS: Is there a second?

18 MR. MILCAREK: Second.

19 MR. VOWELS: Any further discussion?

20 All those in favor say aye.

21 (COMMISSIONERS RESPOND)

22 MR. VOWELS: Congratulations.

23 MR. LAWRENCE: Thank you.

24 MR. VOWELS: Then Ms. Dean.

25 MS. DEAN: You have before you a

1 second resolution of three, Resolution  
2 2002-31, granting the Executive Director  
3 authority to enter into settlement agreements  
4 with applicants for an occupational license.

5 The Commission is continuing in the  
6 process of completing background  
7 investigations on applicants for occupational  
8 licenses.

9 The Commission has discovered and  
10 will continue to discover that some  
11 applicants omit or misrepresent background  
12 information, including criminal history  
13 information and employment records.

14 In order to efficiently and timely  
15 resolve these matters, the Executive Director  
16 or the Executive Director's designee needs  
17 the ability to determine whether or not a  
18 temporary or a permanent Occupational License  
19 should be issued and whether or not  
20 conditions should be placed on the  
21 Occupational License.

22 Again, this resolution was granted to  
23 the Executive Director originally on October  
24 11, 1996, by Resolution 1996-52, and Governor  
25 O'Bannon has appointed Glenn Lawrence as

1 Executive Director on October 14, 2002, and  
2 you are being asked to reaffirm the authority  
3 granted to the Executive Director.

4 MR. VOWELS: Any questions for Ms.  
5 Dean?

6 Then in reference to Resolution  
7 2002-31, is there a motion?

8 MR. MILCAREK: So moved.

9 MR. VOWELS: Is there a second?

10 MR. GETTELFINGER: Second.

11 MR. VOWELS: There's a motion and  
12 second to approve. Any further discussion?

13 All those in favor say aye.

14 (COMMISSIONERS RESPOND)

15 MR. VOWELS: Show it is approved.

16 MS. Dean, one more there?

17 MS. DEAN: Yes. Resolution 2002-32  
18 granting the Executive Director the authority  
19 to issue permanent occupational licenses to  
20 Levels 1, 2 and 3.

21 Pursuant to Indiana Code 4-33-8 and  
22 68 IAC 2-3, the Commission is to issue  
23 occupational licenses to Levels 1, 2 and 3  
24 to individuals the Commission has determined  
25 need to hold a license and who have been

1 found suitable for licensure.

2 Due to the large volume of  
3 applications for occupational licenses,  
4 Levels 1, 2 and 3 that the Commission  
5 receives, and the length of time that may  
6 elapse between Commission meetings, it would  
7 be more expeditious and efficient to delegate  
8 the authority to issue permanent occupational  
9 licenses, Levels 1, 2 and 3 to the Executive  
10 Director.

11 The Commission previously granted the  
12 authority to the Executive Director on  
13 December 15, 1997, by Resolution 1997-44.  
14 And Glenn Lawrence was appointed by the  
15 Governor on October 14, 2002, and we're  
16 asking that you reaffirmed as a Board.

17 MR. VOWELS: This is off the record.

18 (A brief discussion was held off the  
19 record at this time).

20 MR. VOWELS: Any questions, then, for  
21 MS. Dean?

22 All right. Is there a motion in  
23 reference to the Resolution 2002-32?

24 MR. CARLTON: Move to approve.

25 MR. VOWELS: Is there a second?

1 MS. ROSE: Second.

2 MR. VOWELS: All those in favor say  
3 aye.

4 (COMMISSIONERS RESPOND)

5 MR. VOWELS: Show the resolution is  
6 approved.

7 Thank you, Ms. Dean.

8 Then Ms. Brodnan.

9 MS. BRODNAN: Good morning. You have  
10 before you for approval Resolution 2002-33  
11 concerning the new table game Play Four  
12 Poker.

13 Kings Gaming has submitted the game  
14 for approval, and Horseshoe Casino has  
15 submitted proposed rules of the game and has  
16 indicated it will sponsor the game if the  
17 approval is granted.

18 Play Four Poker is a variation of the  
19 approved game of Poker and uses a standard  
20 52-card deck. Each player places an ante  
21 wager and receives five cards, which are then  
22 used to make the best possible four cards  
23 Poker hand. The player may fold, forfeiting  
24 their ante bet, or place an additional bet  
25 called a Play Bet. The dealer must have at

1 least a King and a Queen to qualify. If the  
2 dealer is not qualified, ante bets pay even  
3 money. If the dealer qualifies, dealer pays  
4 even money to each player who has a higher  
5 hand than the dealer's hand. Tie hands are  
6 pushes. If the player has a straight flush  
7 or better, the player receives an additional  
8 award, which is independent of the dealer's  
9 hand and is awarded regardless of whether or  
10 not the dealer qualifies and whether or not  
11 the player's hand beats the dealer's.

12 There's also an Optional side wager  
13 that players can make called the Bonus Side  
14 Bet. It pays when the player's hand is of  
15 Jacks or better, regardless of what the  
16 dealer's hand is.

17 There are two pay tables that can be  
18 used for this bet. The base table pays an  
19 average return rate of 98.12 percent. The  
20 side bet has an average return operate of  
21 93.12 percent to 94.99 percent, depending on  
22 which pay table is being used.

23 The Commission's staff recommend that  
24 you grant additional approval of this game.

25 MR. VOWELS: Any questions?

1 In front of us is Resolution 2002-33,  
2 the conditional approval of the game of Play  
3 Four Poker. Is there a motion in reference  
4 to this resolution?

5 MR. GETTELFINGER: So moved.

6 MR. VOWELS: Is there a second?

7 MR. CARLTON: Second.

8 MR. VOWELS: We have a motion and a  
9 second to approve. Any further discussion?  
10 All those in favor say aye.

11 (COMMISSIONERS RESPOND)

12 MR. VOWELS: Show that it is approved.

13 MS. Brodnan, do you have another?

14 MS. BRODNAN: Yes.

15 You have before you for approval  
16 Resolution 2002-34 concerning the game of Pai  
17 Gow Mania.

18 New Vision Gaming has submitted the  
19 game and Majestic Star Casino submitted  
20 proposed rules, indicating it will sponsor  
21 the game if approval is granted.

22 Pai Gow Mania is a variation of the  
23 traditional game of Pai Gow Poker. Players  
24 place their bets, receive seven cards and set  
25 their hands into two hands; a five-card high



1 hand and a two-card low hand. Players are  
2 paid based on whether their hand beats the  
3 dealer's hand.

4 This game has two optional side bets  
5 to the traditional game. First, the  
6 three-card bonus bet; second, the Pai Gow  
7 bonus bet. Bonus bets must be placed prior  
8 to the dealing of any cards and they result  
9 independently of the underlying game.

10 Side bets can be used with or without  
11 a Joker included in the deck. If Jokers are  
12 included and the player gets a Joker and  
13 uses it to form a winning combination of the  
14 side bet, the optional side bet is returned  
15 as the player may not use the Joker to form  
16 a winning combination on those bets. The  
17 three-card bonus bet is resolved after the  
18 first three cards are dealt.

19 Players who qualify for a winning  
20 combination will be paid according to a pay  
21 table. The pay out varies, depending on  
22 whether a Joker is included or not and which  
23 pay table is being utilized. The return  
24 ranges from 96.51 percent to 97.81 percent.

25 The second optional bet, the Pai Gow

1 Bonus Bet, is resolved after all seven cards  
2 are dealt, and is awarded based on the  
3 highest possible five-card hand the player  
4 can make. Regardless of how he or she sets  
5 their Pai Gow hand depends, and also varies  
6 depending on if a Joker is used. And the  
7 return rate is from 90.95 percent to 92.27  
8 percent.

9 The object of Pai Gow Mania is still  
10 to form a winning two and five-card hand in  
11 a way to beat the dealer's hand. Players  
12 must participate in the underlying game to be  
13 eligible for the side bets, but the game  
14 does not require that the side bets are  
15 placed.

16 Commission staff recommends that you  
17 grant conditional approval of this game.

18 MR. VOWELS: All right. Any  
19 questions, then, for Ms. Brodnan?

20 I would imagine that once you play  
21 Pai Gow Mania, however, you want to play it  
22 again.

23 MS. BRODNAN: Yes, sir.

24 MR. VOWELS: Before you is Resolution  
25 2002-34, conditional approval of the game of

1 Pai Gow Mania. Is there a motion in  
2 reference to this resolution?

3 MR. CARLTON: Move to approve.

4 MR. VOWELS: Is there a second?

5 MR. GETTELFINGER: Second.

6 MR. VOWELS: Any discussion?

7 All those in favor of the resolution  
8 say aye.

9 (COMMISSIONERS RESPOND)

10 MR. VOWELS: Show that it is approved.

11 And Ms. Brodnan, thank you. And Ms.  
12 Chelf, with you; right?

13 MS. CHELF: Good morning,  
14 Commissioners. You have before you a  
15 resolution regarding Hop Bets for craps.

16 A Hop Bet is a one roll wager that  
17 can be made in the game of Craps. The wager  
18 may be made at any time during the game and  
19 you will win if the dice point is thrown on  
20 specific combination. A Hop Bet wager will  
21 lose if any point total or combination other  
22 than the one specified is thrown.

23 I've attached in your packets a  
24 letter from GLI indicating dice combination  
25 pay out odds to the player and percentage

1 pay back to the player. GLI also notes the  
2 best possible bet on a crap table involves  
3 the use of the pass-no pass line, and any  
4 other one-roll bet will detract from the  
5 optimum strategy. There are other such  
6 one-roll bets that are standard on a crap  
7 table. I believe Caesars Indiana is the  
8 property that specifically requested to be  
9 allowed to offer these bets.

10 MR. VOWELS: Questions for Ms. Chelf?

11 In front of us is Resolution 2002-35  
12 which deals with the approval of Hop Bets.  
13 Is there a motion in reference to this  
14 resolution?

15 MR. MILCAREK: So moved.

16 MR. VOWELS: Is there a second?

17 MR. CARLTON: Second.

18 MR. VOWELS: There's a motion and  
19 second to approve. Any further discussion?

20 All those in favor say aye.

21 (COMMISSIONERS RESPOND)

22 MR. VOWELS: Show the resolution is  
23 approved.

24 And Ms. Brodnan, back with you; is  
25 that right?

1 MS. BRODNAN: Yes. You have before  
2 you for approval Resolution 2002-37 regarding  
3 the table game Crazy 4 Poker. I don't  
4 believe this made it into your packets that  
5 were sent. This was sort of a late  
6 addition.

7 You granted conditional approval of  
8 this game on September 27, 2002, pursuant to  
9 Resolution 2002-24. Since that time Shuffle  
10 Master Gaming has submitted a revised version  
11 of the game of Crazy 4 Poker.

12 Crazy 4 Poker is a variation of Poker  
13 using a standard 52-card deck. The game  
14 features head-to-head play against the dealer  
15 with two bonus bets. One, which is  
16 mandatory, called the Super Bonus Bet. The  
17 other optional Bonus Bet. The object is to  
18 make a four-card Poker hand that beats the  
19 dealer. Players must make two bets to start  
20 the game, an ante bet and the Super Bonus  
21 Bet. Players receive five cards. To remain  
22 in the game they must place an additional  
23 bet called a Play Bet. The player then  
24 arranges his best four-card Poker hand. Two  
25 players can beat the dealer. The Ante and

1 the Play Bet pay one-to-one. If the hands  
2 match the bets push.

3 The original version of the game that  
4 was approved does not require the qualifying  
5 hand for the dealer. The revised version of  
6 this game requires the dealer to have a  
7 qualifying hand of King high. If the dealer  
8 does not qualify, the Play Bets pay  
9 one-to-one and the Ante Bet pushes. Players  
10 are paid one-to-one on both Play and Ante  
11 bets if they beat the dealer.

12 In the original version of the game  
13 the mandatory is the Bonus Bet pays when the  
14 player gets three of a kind or better. The  
15 revised version submitted pays when a player  
16 gets a straight or better, regardless of  
17 whether or not he beats the dealer. So it  
18 adds two additional times you can win if you  
19 have a Straight or a Flush. This bet will  
20 push if the player gets less than a Straight  
21 but still better the dealer.

22 The original version of the game  
23 offered two pay tables for the Super Bonus  
24 Bet. The revised version only offers one.  
25 The return percentage for this bet is 98.91

1 percent. In the original version it was  
2 approximately 98.87 percent.

3 In addition to the base game the  
4 players still have the option of placing an  
5 additional side bet at the beginning of the  
6 game called Bonus Bet. This is not changed  
7 from the original submission and does not  
8 affect the underlying game.

9 Commission staff recommends that you  
10 grant conditional approval of the revised  
11 version of Crazy 4 Poker.

12 MR. VOWELS: Before you is Resolution  
13 2002-37, conditional approval of the game of  
14 Crazy 4 Poker. Is there a motion in  
15 reference to this resolution?

16 MR. CARLTON: I move to approve.

17 MR. VOWELS: Is there a second?

18 MS. ROSE: Second.

19 MR. VOWELS: Further discussion?

20 All those in favor say aye.

21 (COMMISSIONERS RESPOND)

22 MR. VOWELS: Show the resolution is  
23 approved. That takes care of the game  
24 approvals and occupational license matters.

25 And, Ms. Brodnan, still with you on

1 that; is that right?

2 MS. BRODNAN: Yes. You have before  
3 you for approval settlement agreement number  
4 2002-OL-TR-1 regarding Raymond T. Willis.

5 MR. Willis held a Level 3  
6 occupational license to work as a bar back  
7 at Trump Casino. He was issued a temporary  
8 license in August of 1999, and a permanent  
9 license on November 5, 2001.

10 On November 6, 2001, Mr. Will was  
11 arrested at Trump Casino due to an active  
12 arrest warrant for failing to appear on a  
13 driving while suspended charge. Mr. Willis  
14 had not disclosed this information to the  
15 Commission.

16 The Commission staff sent him a  
17 letter in January of this year requesting  
18 court documentation showing that the matter  
19 was resolved, as well a copy of his complete  
20 driving record. Mr. Willis responded to the  
21 letter, but did not include the requested  
22 documentation. Mr. Willis was sent two  
23 additional letters requesting the same  
24 information and received no response.

25 Pursuant to Indiana Gaming



1 regulations, occupational licensees shall  
2 notify the Commission of any changes in the  
3 information submitted in their application  
4 that may render them ineligible to hold a  
5 license.

6 On or about March 19th of this year,  
7 Commission staff initiated a disciplinary  
8 action against Mr. Willis due to his failure  
9 to update the Commission regarding his  
10 criminal history.

11 Mr. Willis was terminated from Trump  
12 on March 28, 2002 due to attendance  
13 violations, and as a result, the disciplinary  
14 action was never resolved.

15 In September, 2002, Mr. Willis  
16 submitted an application to work at Horseshoe  
17 Casino as a slot attendant. At that time  
18 Commission staff and Mr. Willis agreed to  
19 enter into a settlement agreement to resolved  
20 the pending disciplinary action from his  
21 employment at Trump. Mr. Willis also agreed  
22 to receive a temporary license to work at  
23 Horseshoe on a nine-month probationary status  
24 due to his failure to timely submit the  
25 requested information. A settlement

1 agreement has been executed.

2 Commission staff recommends, and Mr.  
3 Willis will agree, that the violations  
4 alleged in the complaint do not render him  
5 unlicensable in the State of Indiana. Mr.  
6 Willis will agree to comply with future  
7 requests from the Commission regarding issues  
8 relating to the suitability of licensure, and  
9 the Commission agrees not to pursue further  
10 sanctions against Mr. Willis regarding this  
11 complaint.

12 Commission staff recommends that you  
13 approve the terms of the agreement to resolve  
14 this matter.

15 MR. VOWELS: Any questions, then, for  
16 Ms. Brodnan?

17 All right. There's the Commission  
18 action in this disciplinary action initiated  
19 against Mr. Willis. Is there a motion to  
20 approve or disapprove the purposed terms of  
21 the settlement agreement?

22 MR. GETTELFINGER: Move to approve.

23 MR. VOWELS: And is there a second?

24 MR. CARLTON: Second.

25 MR. VOWELS: Any further discussion?

1 All those in favor say aye.

2 (COMMISSIONERS RESPOND)

3 MR. VOWELS: Show it is approved.

4 And, Ms. Brodnan, are you still  
5 going?

6 MS. BRODNAN: Yes. One more.

7 You have before you for approval  
8 Commission staff action denying the  
9 application of an occupation license of Mary  
10 McGill.

11 In January, 2001, Ms. McGill was  
12 issued a temporary Level 3 license to work  
13 at Horseshoe Casino as an environment service  
14 technician. The application for a license  
15 asks for the applicant's complete criminal  
16 history, and Ms. McGill failed to disclose a  
17 1994 misdemeanor arrest. The Commission  
18 staff sent Ms. McGill four letters requesting  
19 court documentation showing the outcome of  
20 the charge, as well as a written explanation  
21 regarding why she failed to disclosed the  
22 information on her application. Three of  
23 these letters were hand delivered to Ms.  
24 McGill by a Commission agent on the property.  
25 She failed to respond to any of the

1 Commission's request for information.  
2 Pursuant to Indiana Gaming regulations, the  
3 Commission may revoke the temporary license  
4 of an applicant if it is determined that the  
5 applicant did not disclose or falsely states  
6 any information required by the application.  
7 Commission staff revoked Ms. McGill's  
8 temporary license and denied her application  
9 for a permanent license due to her failure  
10 to disclose her complete criminal history.  
11 You will need to vote to uphold or overrule  
12 the denial of her application.

13           The Commission staff recommends that  
14 you deny her application for license. If  
15 you do deny the application, she will have  
16 an opportunity to appeal the matter to an  
17 Administrative Law Judge.

18           MR. VOWELS: Thank you, Ms. Brodnan.

19           Any questions?

20           In front of us is the Commission  
21 action on Revocation of the temporary license  
22 and denial of an application for an  
23 occupational license of Mary McGill. Our job  
24 is to deny or approve the application. Is  
25 there a motion to deny or approve the

1 application for the occupational license?

2 MS. ROSE: I move to deny the  
3 application for an occupational license.

4 MR. VOWELS: Is there a second?

5 MR. CARLTON: Second.

6 MR. VOWELS: Any further discussion?

7 All those in favor say aye.

8 (COMMISSIONERS RESPOND)

9 MR. VOWELS: Show it is denied.

10 Then, Ms. Chelf, with you.

11 MS. CHELF: On or about January 26,  
12 2000, Mr. Michael Padon applied for and  
13 received a level 2 occupational license so  
14 that he could work at Caesars Casino as a  
15 Dealer. On or about June 5, 2001, the  
16 Commission issued Mr. Padon a permanent level  
17 2 occupational license. Caesars terminated  
18 Mr. Padon on or about September 2, 2002. He  
19 was terminated because Caesars personnel  
20 became aware that he had generated a false  
21 player rating card in order to provide  
22 compensation benefit to a patron who had not  
23 earned it.

24 On or about October 23, 2002, Mr.  
25 Padon applied for a temporary occupational

1 license to work for Belterra Casino in the  
2 Table Games Department.

3 Pursuant to Indiana Code 4-33-8-3,  
4 4-33-0-7 and 68 IAC 2-3-5, an individual must  
5 be of good moral character to hold an  
6 occupational license. Because of Mr. Padon's  
7 actions while working for Caesars, the  
8 Commission staff denied Mr. Padon's  
9 application for an occupational license to  
10 work for Belterra. The Commission staff  
11 formally advised Mr. Padon of this action on  
12 or about November 7, 2002.

13 I believe in your packet from today  
14 you have a letter from Mr. Padon. He asked  
15 the Commission staff that they give that  
16 letter to you to review prior to making your  
17 decision. The Commission will need to vote  
18 to uphold or overrule the denial for the  
19 application for permanent license or for a  
20 temporary license.

21 The Commission staff recommends that  
22 the Commission uphold the denial. If the  
23 Commission upholds the staff's actions. Mr.  
24 Padon will have the opportunity to appeal the  
25 matter to an Administrative Law Judge.

1 MR. VOWELS: We did receive the letter  
2 just this morning, and I think a couple  
3 Commissioners need a moment to review the  
4 letter.

5 MR. LAWRENCE: Should be attached to  
6 your executive summary.

7 MR. VOWELS: Whenever you finish, let  
8 me know and we'll move along on it.

9 MR. VOWELS: Ms. Chelf, you've spoken  
10 to this person; have you not? Had some  
11 contact with him?

12 MS. CHELF: Yes.

13 MR. VOWELS: Have you explained to him  
14 the importance of going through the  
15 administrative procedure through the AL Judge  
16 and the options that the Commission staff  
17 might have during that process as far as any  
18 type of agreement, or at least questioning  
19 flushing out some of the supposed facts here  
20 or the witnesses that he may have or the  
21 Commission might have? Is he aware -- he  
22 seems like a fairly articulate person from  
23 his letter, so I would assume he's  
24 intelligent and could grasp the magnitude of  
25 going through that process and not just

1 ignoring it.

2 MS. CHELF: I spoke to him on  
3 Wednesday and I explained to him that he  
4 would have the process available to appeal to  
5 an Administrative Law Judge after the  
6 Commission made its decision, and he just  
7 indicated he wanted a chance to tell you his  
8 side of the story is the way he put it  
9 today. So that's why he submitted the  
10 written --

11 MR. VOWELS: Okay.

12 MS. CHELF: -- statement as opposed to  
13 coming here and speaking or that kind of  
14 thing.

15 MR. VOWELS: All right. Any  
16 questions, then, for Ms. Chelf?

17 In front of us we have the Commission  
18 action on the revocation of the temporary  
19 license and application for occupational  
20 license of Mr. Michael Padon. Is there a  
21 motion to deny or approve the application for  
22 the occupational license?

23 MS. ROSE: Move to deny the  
24 application for an occupational license.

25 MR. VOWELS: Is there a second?



1 MR. GETTELFINGER: Second.

2 MR. VOWELS: Any further discussion?

3 All those in favor say aye.

4 (COMMISSIONERS RESPOND)

5 MR. VOWELS: Show it is denied.

6 And, then, the next matter on the  
7 agenda. Still with you, Ms. Chelf?

8 MS. CHELF: Yes. On or about July 8,  
9 1999, Ms. Danielle Franklin applied for and  
10 received a level 2 occupational license so  
11 that she could work at Caesars Casino as a  
12 Dealer. On or about October 25, 2002,  
13 Caesars Surveillance and Commission agents  
14 gathered information that Ms. Franklin had  
15 take two chips worth \$500 each from the  
16 table while performing her duties as a  
17 Dealer.

18 Because of this the Commission staff  
19 revoked the temporary occupational license  
20 and denied her application for a permanent  
21 license. The Commission staff formally  
22 advised her of this action on or about  
23 November 7, 2002.

24 The Commission will need to uphold or  
25 overrule the revocation of her temporary

1 license and the denial of her application for  
2 a permanent license.

3 The Commission staff recommends that  
4 the Commission uphold the revocation and  
5 denial. If the commission uphold the  
6 revocation and denial.

7 If the Commission upholds the staff's  
8 actions, Ms. Franklin will be able to appeal  
9 the matter to an Administrative Law Judge?

10 MR. VOWELS: Okay. Any questions for  
11 Ms. Chelf?

12 In front of us is the Commission  
13 action on the revocation of temporary license  
14 and application for an occupation license for  
15 Ms. Franklin. The document that was  
16 forwarded at least to me, and I assume the  
17 others, it shows in that one paragraph the  
18 Commission staff formally advised Ms.  
19 Franklin of this action on or about November  
20 blank of 2002, and I think you said today it  
21 was November 7, 2002?

22 MS. CHELF: Yes.

23 MR. VOWELS: So our final draft,  
24 depending on how this turns out, will read  
25 November 7, 2002, that second paragraph of

1 the Commission action.

2 Is there a motion to deny or approve  
3 the application for the occupational license?

4 MR. GETTELFINGER: Move to deny.

5 MR. VOWELS: Is there a second?

6 MR. MILCAREK: Second.

7 MR. VOWELS: Any further discussion?

8 All those in favor say aye.

9 (COMMISSIONERS RESPOND)

10 MR. VOWELS: Show it is denied.

11 And you have one more for us?

12 MS. CHELF: Yes. On or about June 5,  
13 2002, Mark Lewis applied for and received a  
14 level 2 occupational license to work for  
15 Belterra as a Cage Cashier. On or about  
16 August 17, 2002, Belterra Surveillance and  
17 Commission agents gathered information that  
18 Mr. Lewis had stolen \$600 while performing  
19 his duties as a Cage Cashier. Belterra  
20 terminated Mr. Lewis because of this  
21 incident.

22 The Commission staff revoked his  
23 temporary license and denied his application  
24 for a permanent license. The Commission  
25 formally advised Mr. Lewis of this on

1 November 7th, also. The Commission will need  
2 to vote to uphold or overrule the revocation  
3 of the temporary license and denial of the  
4 application for a permanent license.

5 The Commission staff recommends that  
6 the Commission uphold the revocation and  
7 denial. If so, Mr. Lewis will have the  
8 opportunity to appeal the matter to an  
9 Administrative Law Judge.

10 MR. VOWELS: Any questions for Ms.  
11 Chelf?

12 Is there a motion to deny or approve  
13 the application for an occupational license  
14 of Mr. Lewis?

15 MS. ROSE: Move to deny the  
16 application.

17 MR. VOWELS: Is there a second?

18 MR. CARLTON: Second.

19 MR. VOWELS: Any further discussion?

20 All those in favor say aye.

21 (COMMISSIONERS RESPOND)

22 MR. VOWELS: Show it is denied.

23 Thank you, Ms. Chelf. Now we're off  
24 to Ms. Marsden.

25 MS. MARSDEN: Good morning. Before

1 you is Resolution 2002-36 concerning renewal  
2 of the supplier's license for Tech  
3 Innovations, Inc.

4 On December 6, 2001, by Resolution  
5 2001-41, the Commission issued a Supplier's  
6 License for Tech Innovations, Inc.  
7 Conditions placed on the supplier's license  
8 is that they must be renewed annually, and  
9 the request for the renewal of the supplier's  
10 licenses at least 30 days before the  
11 expiration of the license, in accordance 68  
12 IAC 2-2-8 and pay the annual renewal fee.

13 Tech Innovations, Inc. has requested  
14 a renewal of licensure. There were no  
15 moving conditions upon payment of the renewal  
16 fee in accordance with 68 IAC 2-2-33 and 68  
17 IAC 2-2-8. If payment of the renewal fee is  
18 not received as directed by the Commission  
19 staff, the license will be subject to  
20 revocation.

21 The Commission staff has determined  
22 that Tech Innovations, Inc. remains in  
23 compliance with licensure.

24 So before you is 2002-36 for renewal  
25 of Tech Innovations, Inc. Supplier's

1 License.

2 MR. VOWELS: Any questions for Ms.  
3 Marsden?

4 In the packets that were sent to us  
5 by Fed Ex that Resolution was originally  
6 2002-37 --

7 MS. MARSDEN: Correct.

8 MR. VOWELS: -- which was with  
9 something else. So 36 is the proper number  
10 on this one in the packet we have this  
11 morning.

12 Is there a motion in reference to  
13 this resolution concerning the renewal of  
14 supplier's license?

15 MR. MILCAREK: I so motion to approve.

16 MR. VOWELS: Is there a second?

17 MR. CARLTON: Second.

18 MR. VOWELS: Any further discussion?

19 All those in favor say aye.

20 (COMMISSIONERS RESPOND)

21 MR. VOWELS: Show it is approved.

22 And, Ms. Marsden, that takes care of  
23 you for today. Back to Ms. Brodnan.

24 MS. BRODNAN: You have before you for  
25 approval the request of Caesars Indiana to

1 reduce the amount of their Surety Bond.

2 In September of 1998, Caesars posted  
3 a bond in the amount of \$35 million to  
4 insure performance of various obligations.  
5 Since that time the Commission has approved  
6 reduction of the bond amount. At this time  
7 they currently have a bond posted in the  
8 amount of \$5 million.

9 The amount of \$1 million was posted  
10 to secure the performance of Caesars with  
11 obligation to construct an indoor swimming  
12 pool at the hotel. The swimming pool was  
13 completed and opened on March 1st of this  
14 year. Therefore, Caesar's requests a  
15 reduction of the bond in the amount of \$1  
16 million.

17 The amount of \$2 million was posted  
18 to secure the performance of Caesars of its  
19 obligation to complete construction of a golf  
20 course. The golf course was completed and  
21 open to the public on October 1, 2002.  
22 Therefore, Caesars request a reduction of the  
23 bond in the amount of \$2 million.

24 Based upon the performance of Caesars  
25 and the satisfaction of these obligations,

1 the Commission staff recommends that you  
2 approve the request to reduce the bond from  
3 \$5 million to \$2 million.

4 MR. VOWELS: All right. Any  
5 questions, then, for Ms. Brodnan?

6 I see Mr. Joyce and Mr. Gifford here.  
7 Anything you want to address on this issue?

8 MR. GIFFORD: No, Commissioner.

9 MR. VOWELS: I don't know if any other  
10 -- any Commissioners have any questions for  
11 either of them?

12 All right. Then in front of us is  
13 this request to reduce the surety bond posted  
14 by Caesars. Is there a motion in reference  
15 to this request?

16 MR. GETTELFINGER: So move.

17 MR. VOWELS: Is there a second?

18 MR. CARLTON: Second.

19 MR. VOWELS: Show there's a motion and  
20 second to approve the request. Is there any  
21 further discussion?

22 All those in favor say aye.

23 (COMMISSIONERS RESPOND):

24 MR. VOWELS: Show it is approved.

25 And, Ms. Brodnan, looks like we're



1 into the MBE/WBE. You have the first couple  
2 of those?

3 MS. BRODNAN: Yes. I don't really  
4 have a whole lot to add. We received the  
5 plans submitted by Trump and Majestic Star,  
6 which I believe you've received. And there  
7 are representatives of each of the properties  
8 here to answer questions if anyone has any.

9 MR. VOWELS: It looks like the numbers  
10 are going well.

11 MS. BRODNAN: Yes.

12 MR. VOWELS: So actually the only time  
13 we really want to talk to them is when we  
14 can give them a hard time. Unless they  
15 really want to come up here.

16 MR. LAWRENCE: And you give them a  
17 hard time.

18 MR. VOWELS: Just for sport, I guess.

19 We've received this in our packets  
20 today and you can see the numbers there that  
21 they are hitting what they are supposed to  
22 hit. I don't know, is there someone from  
23 Trump who would like to come and tell us how  
24 wonderful you are? Anything you would like to  
25 say that --

1 MR. ROGERS: No. Just, you know,  
2 things are going great and we're going to  
3 keep up the effort.

4 MR. VOWELS: Sounds good. And  
5 Majestic Star, you just want to repeat that?

6 MS. ROGERS: Yes, why not. Actually,  
7 we're at nine months and we've done basically  
8 the same we did for 2001. So ...

9 MS. DEAN: For the Court Reporter, it  
10 was Keith Rogers speaking on behalf of Trump,  
11 and I believe Karen Rogers --

12 MS. ROGERS: Correct

13 MS. DEAN: -- on behalf of Majestic  
14 Star.

15 MR. VOWELS: Okay. We reviewed those.  
16 Are there any questions in reference to  
17 these?

18 Okay. All right. We appreciate  
19 that.

20 Looks like the remaining matter,  
21 then, is with Ms. Smith of Belterra; is that  
22 right?

23 MS. DEAN: Yes. And I believe  
24 Belterra would like to speak to the  
25 Commission today. Ron Gifford is here

1 representing them, along with Jack Godfrey  
2 and Alain Uboldi.

3 (A brief discussion was held off the  
4 record at this time).

5 MR. GIFFORD: Mr. Chairman, fellow  
6 Hoosiers, I'm Ron Gifford. You already know  
7 Mr. Uboldi, the General Manager of Belterra.  
8 I think you met Gwen Smith, who is the  
9 MBE/WBE business development coordinator. I  
10 don't think you've had a chance to formally  
11 meet Jack Godfrey.

12 Jack became the General Counsel at  
13 Pinnacle the end of August of this year.  
14 Before that was in private practice doing  
15 game regulatory work in Nevada for about 20  
16 years. That's how Jack and I first met,  
17 working on some prior regulatory matters here  
18 in Indiana.

19 I think there are just three things  
20 we wanted to bring to the Commission's  
21 attention today. One is just the normal  
22 report on Belterra's MBE compliance, and  
23 Alain and Gwen are prepared to do that.

24 Then we had submitted a couple items.  
25 One item in particular dealing with the

1 membership of the Development Fund Advisory  
2 Committee, and then another item we wanted to  
3 address relating to the amounts that go into  
4 that fund.

5 So if it's all right with you, Mr.  
6 Chairman, if we could maybe just do the  
7 report first, then move through those other  
8 matters.

9 MR. VOWELS: Sure. That's fine.

10 MS. SMITH: I was going to say good  
11 morning, Commissioners.

12 The report, if there's any questions  
13 to you all it speaks for itself. If you  
14 have any questions to ask.

15 MR. GETTELFINGER: I don't believe I  
16 have a copy of that report.

17 MR. VOWELS: I don't think we got  
18 that, either.

19 MS. SMITH: You don't have a copy of  
20 the progress report?

21 MR. VOWELS: I assume that you  
22 submitted a progress report to the  
23 Commission?

24 MS. SMITH: Yes.

25 MR. UBOLDI: I might be able to

1 summarize the figures, maybe.

2 For the third quarter MBE is 15.53  
3 percent, and WBE 16.28 percent. The  
4 year-to-date figures were, for the MBE, 16.69  
5 percent, and WBE 14.11 percent. That's for  
6 nine months.

7 MR. VOWELS: All right. Are there any  
8 questions in reference to that?

9 We'll get a copy of that report. I  
10 would assume that those same numbers will be  
11 in that report that we just heard.

12 MR. GIFFORD: You should have that  
13 report sitting someplace here.

14 I'm sure the numbers will be the  
15 same.

16 MR. VOWELS: She went to make a copy  
17 of it.

18 All right. Well, let's -- any  
19 questions, then, about the MBE/WBE matters?

20 Okay. Let's move along. Why don't  
21 you go ahead with the next issue.

22 MR. GIFFORD: Thank you. As you know,  
23 Belterra had an action plan approved by the  
24 Commission last year relating to MBE/WBE  
25 issues. And one of the aspects of that was

1 creation of a development fund for seeding  
2 business development initiatives as related  
3 to minority women in businesses.

4 That fund is overseen by an Advisory  
5 Committee, and in the action plan itself the  
6 individuals of the Advisory Committee are the  
7 -- the members of the Advisory Committee are  
8 specifically identified as individuals.

9 As the fund moves forward and as  
10 changes in the membership of that committee  
11 are appropriate or the like, under the  
12 current document every time an individual  
13 changes that requires formal Commission  
14 action.

15 So, we've simply submitted a request  
16 that instead of having individuals  
17 specifically named as the Advisory Committee,  
18 that they are more generally described. For  
19 example, instead of identifying four specific  
20 members of the Indiana General Assembly, as  
21 it now states, a more generic description of  
22 the Advisory Committee membership would be  
23 four members of the Indiana General Assembly,  
24 at least two of whom have been members of  
25 the Indiana Black Legislative Caucus. And,

1 then, changes of those individual members  
2 could be made under our proposal and  
3 recommendation with the approval of the  
4 Executive Director. So that the committee  
5 membership would still be subject to  
6 Commission oversight and review, but it  
7 wouldn't require the Commission to actually  
8 get into that level of administrative detail  
9 on the membership of the Advisory Committee.

10 So we've talked with staff about  
11 those changes and how best to approach it,  
12 and this seemed to have made the most sense  
13 how to approach that document. So the  
14 request is actually a formal amendment to the  
15 action plan that tracks the changes that I  
16 just identified.

17 MS. DEAN: And I believe in the  
18 packets you may have received an original  
19 draft of the order and not the current  
20 draft. So if you'll bear with me, I would  
21 like to read it so we get the accurate  
22 document in the record.

23 MR. VOWELS: What we're referring to  
24 is what was Fed Ex'd to us as Commission  
25 action on request to amend the minority and

1 women business development action plan  
2 submitted by Belterra Casino and Resort. If  
3 you have that in front of you, it appears is  
4 the first paragraph the same?

5 MS. DEAN: Yes, it is. The first  
6 paragraph is the same.

7 MR. VOWELS: Then the second paragraph  
8 and the third paragraph are where the changes  
9 are. What it does is it makes general  
10 reference instead of specific reference, is  
11 that the low down on this?

12 MS. DEAN: Yes, it does.

13 MR. VOWELS: Okay. Ms. Dean will read  
14 that to us now.

15 MS. DEAN: You have before you  
16 Commission action on request to amend the  
17 minority and women business development  
18 action plan submitted by Belterra Casino and  
19 Resort.

20 In November, 2001, Belterra Casino  
21 and Resort submitted to the Commission a  
22 Minority and Women Business Development  
23 Action Plan. The Commission approved the  
24 Action Plan on December 5, 2001. Pursuant  
25 to Section XI of the Action Plan, all



1 amendments must be reviewed and approved in  
2 writing by the Commission.

3 Belterra has submitted a request to  
4 amend Section Viii (B)(a) of the Action Plan.  
5 The original section required Belterra to  
6 establish a Fund Advisory Committee. The  
7 Fund Advisory Committee was established and  
8 individuals were specifically named.

9 Belterra is requesting the ability to amend  
10 the Minority and Women Business Development  
11 Action Plan to include a general description  
12 of each individual that comprises the Fund  
13 Advisory Committee. Secondly, Belterra  
14 requests the ability to replace individuals  
15 that are no longer able to serve with  
16 notification and approval by the Executive  
17 Director. Upon notification to the Executive  
18 Director, the Executive Director would have  
19 the ability to deem the individual's service  
20 unsuitable and require replacement of the  
21 individual by Belterra.

22 Pursuant to Belterra's request, the  
23 Indiana Gaming Commission approves the  
24 amendment to Section VIII of the Action Plan,  
25 and specifically paragraph (B)(a).

1 MR. VOWELS: All right. Any  
2 questions, then, for Ms. Dean?

3 All right. Is there a motion in  
4 reference to Belterra's request to approve  
5 the amendment of this section of the Action  
6 Plan?

7 MR. GETTELFINGER: I have some  
8 questions, is this appropriate?

9 MR. VOWELS: Sure.

10 MR. GETTELFINGER: Who now serves on  
11 the Advisory Committee?

12 MR. GIFFORD: Specifically?

13 MR. GETTELFINGER: Yes.

14 MR. GIFFORD: Four legislators. State  
15 Representative Bill Crawford. Representative  
16 Greg Porter, both from Marion County.  
17 Representative Earl Harris, who is from Lake  
18 County. And Senator Connie Sipes, who is  
19 from southern Indiana. Dr. Ross, as liaison  
20 from the Gaming Commission. Then the general  
21 manager of Belterra, the finance director at  
22 Belterra and Kay Fleming, who was Belterra's  
23 regulatory counsel at the time this was put  
24 together.

25 MR. GETTELFINGER: Where does the

1 committee meet?

2 MR. GIFFORD: Gwen can speak I think  
3 more specifically as to where it has met in  
4 the past. I know the meeting set for  
5 December the 9th will be here in  
6 Indianapolis.

7 MS. SMITH: Actually, we coordinate  
8 that. We would meet at several different  
9 places. We meet at restaurants. Have met  
10 at Ice Miller at their executive conference  
11 room before. And we've done conference calls  
12 through Belterra, and I think Kay may have  
13 had some up here at Indianapolis in her  
14 office for conference calling, because  
15 sometimes it hard to get the representatives  
16 all together to meet. We try to meet in a  
17 central location convenient for everybody.

18 MR. GETTELFINGER: My observations  
19 would be to make sure that that committee  
20 has appropriate local representation,  
21 individuals who are as knowledgeable as  
22 possible about our local minority community.  
23 And when possible -- I understand the  
24 difficulties of getting people together from  
25 all over the state -- but when possible, if

1 they could be meeting in the southern Indiana  
2 area to be as convenient and as accessible  
3 as possible by our minority-owned businesses.

4 So those are the reasons I ask those  
5 questions is to share my observations to get  
6 as many local people as possible and meet  
7 locally whenever possible.

8 MR. VOWELS: These four representatives  
9 that you spoke of, are any from down in that  
10 area?

11 MR. GIFFORD: Well, Senator Sipes.

12 MR. VOWELS: And where is she from? Is  
13 she --

14 MR. GIFFORD: I think New Albany is  
15 where she lives. Her district encompasses  
16 Switzerland County.

17 MR. VOWELS: So she is the  
18 representative for that particular district?

19 MR. GIFFORD: Yes.

20 MR. VOWELS: And there are  
21 African-Americans.

22 MR. GIFFORD: Representatives Crawford,  
23 Porter and Harris are all African-Americans.

24 MR. VOWELS: Okay.

25 MR. MILCAREK: How many meetings have

1 you held since the inception of this  
2 committee?

3 MR. GIFFORD: We've held three  
4 meetings.

5 MS. ROSE: Ron, is the intention to  
6 amend the plan to say four State  
7 Representatives from, you know, Indiana; or  
8 is it just to say, you know, the two -- the  
9 general categories?

10 You've named specific people to the  
11 fund, right?

12 MR. GIFFORD: There are currently  
13 specific members of the committee. The  
14 intent of the amendment is not to change the  
15 committee membership, other than in the  
16 category of regulatory counsel. The other  
17 members of the committee will continue to  
18 serve, until such time as a request would go  
19 to the Executive Director. And, then, he  
20 would change -- he would approve or disprove  
21 any proposed changes.

22 But hypothetically, Representative  
23 Crawford, for example, is about to become the  
24 Chairman of House Ways and Means Committee.  
25 Although we've not had the discussion with

1 him, his increased duties there might make it  
2 difficult for him to serve. And under the  
3 current document, that change would have to  
4 come to the full Commission for approval at  
5 a regular meeting and there could be a  
6 timing issue, et cetera.

7 MS. ROSE: And when you come to the  
8 full Commission for approval of that, would  
9 you specifically name who would replace  
10 Representative Crawford, if that would be the  
11 case?

12 MR. GIFFORD: Under the current  
13 document that's what would happen, yes.

14 MS. ROSE: And is that your intention,  
15 then?

16 MR. GIFFORD: Our intention is to not  
17 have to go through that level of  
18 administrative detail of a full Commission,  
19 but rather if Representative Crawford in that  
20 hypothetical said my responsibilities  
21 elsewhere preclude my service.

22 MS. ROSE: Right. Right. I  
23 understand.

24 MR. GIFFORD: That, then, the  
25 committee -- and Belterra doesn't control, by

1 virtue of the numbers, doesn't control the  
2 committee of the decisions. The committee  
3 would make a recommendation of someone to  
4 replace Representative Crawford. That would  
5 come to the Executive Director, then, for his  
6 approval. Presumably he would then talk with  
7 the Commissioners as he deemed appropriate  
8 for the circumstance.

9 MR. VOWELS: The Commission or the  
10 Action Plan here that I have in front of me  
11 that the other commissioners don't have, this  
12 is the final one; right?

13 MS. DEAN: Yes.

14 MR. VOWELS: It says you're requesting  
15 the ability to amend the Action Plan to  
16 include a general description of each  
17 individual comprising the Fund Advisory  
18 Committee. Now when we're talking about  
19 that, rather than saying State Representative  
20 William Crawford, it would just say State  
21 Representative? Does it tie it down more  
22 specifically, or just generally in that  
23 regard?

24 MR. GIFFORD: It would be, in practice  
25 -- I mean, as a practical matter it would

1 continue to be these members of the  
2 committee, but it would not be more specific  
3 than that moving forward. So if a  
4 Representative or Senator Sipes wanted to  
5 step off of the committee, then any other  
6 member of the General Assembly could be  
7 appointed to the committee.

8 MR. VOWELS: All right. So it's  
9 essentially saying that there will be four  
10 members; State Representatives, Senators?

11 MR. GIFFORD: Yes.

12 MR. VOWELS: Any other thoughts on  
13 that?

14 MR. GETTELFINGER: How are new members  
15 selected? How are members replaced?

16 MR. GIFFORD: Until now, Commissioner  
17 Gettelfinger, we haven't confronted the issue  
18 of replacing committee members.

19 MR. GETTELFINGER: Do your governing  
20 documents address this?

21 MR. GIFFORD: I don't think they do.  
22 No, they don't. That's part of the reason  
23 why WE'RE in this process right now.

24 MR. GETTELFINGER: So, then, is this  
25 request premature until knowing how the



1 organization will choose new members?.

2 MR. GIFFORD: I don't think it is  
3 premature. We do need to make a replacement  
4 as relates to regulatory counsel. We could,  
5 if it makes sense from the Commission's  
6 prospective, we could add to the resolution.  
7 Just a statement that said that replacements,  
8 that the committee itself will make  
9 recommendations to the Executive Director as  
10 to replacing a committee member to  
11 disformalize that. That's what would happen  
12 in practice. We could certainly formalize  
13 that in resolution. So it would be the  
14 committee members themselves who would make  
15 the representation to the Executive Director.

16 MR. GETTELFINGER: I think that would  
17 be helpful.

18 MR. VOWELS: Make sense to you?

19 MS. DEAN: Yes.

20 MR. VOWELS: All right. Anything  
21 else?

22 Then as the discussion was in  
23 reference to the amendment, what you heard  
24 Ms. Dean recite, is there a motion in  
25 reference to Belterra's request to amend that

1 Section VIII of the Action Plan?

2 MR. GETTELFINGER: So moved.

3 MR. VOWELS: Is there a second?

4 MS. ROSE: Second.

5 MR. VOWELS: Any further discussion?

6 All those in favor say aye.

7 (COMMISSIONERS RESPOND)

8 MR. VOWELS: Show it is submitted and  
9 approved.

10 All right, then. We did receive this  
11 minority and women business development  
12 progress report while we were talking. Is  
13 there anything in this document -- we do see  
14 that the numbers are --

15 MR. LAWRENCE: You want the Court  
16 Reporter to read back the numbers?

17 MR. VOWELS: Any question in reference  
18 to that?

19 Anything further, then, Mr. Gifford?

20 MR. GIFFORD: There is one other issue  
21 that relates to the action plan and  
22 development fund.

23 When the action plan was approved  
24 last October, October 18, 2001, Belterra was  
25 required to deposit \$750,000 into the

1 development fund. That's the money that the  
2 Advisory Committee oversees and distributes  
3 and takes applications for.

4 Under the terms of the action plan,  
5 and I'll read this to you, if Belterra has  
6 not demonstrated substantial improvement as  
7 determined by the Commission in meeting its  
8 MBE or WBE goals, on October 18, 2002,  
9 Belterra will deposit another \$750,000 into  
10 the fund.

11 In other words, if there was not  
12 substantial compliance as of the year after  
13 the plan's adoption and the Commission found  
14 that, Belterra would have been required to  
15 have put more money into the fund.

16 Certainly, it would be our position  
17 that Belterra has been in substantial  
18 compliance with the action plan. The  
19 numbers, I think, and the information in the  
20 progress report I think demonstrate that.  
21 Certainly, the Commission has not made a  
22 finding to the contrary. So we have not put  
23 an additional \$750,000 into the fund, and  
24 would understand that the obligation to do  
25 that at this point is no longer upon

1 Belterra. But since that -- it, by its  
2 language, is a little bit in the negative.  
3 If the Commission didn't take action, then  
4 Belterra was not required to do anything.  
5 Obviously, the Commission has not taken  
6 action that would require it, and we just  
7 wanted to make the Commission aware that, in  
8 fact, we weren't doing that. And I guess  
9 insure that everyone is in agreement that  
10 Belterra is in substantial compliance with  
11 its action plan at this point.

12 MR. VOWELS: Ms. Dean, do you have any  
13 thoughts on that?

14 MS. DEAN: No. We have received the  
15 plans from Belterra. You do have the  
16 numbers before you and they are making  
17 substantial steps toward making their number  
18 and making up the back noncompliance MBE/WBE  
19 area. So there has been no movement  
20 concerning staff towards requiring Belterra  
21 to put up the additional funds.

22 MR. VOWELS: Mr. Lawrence, any  
23 thoughts?

24 MR. LAWRENCE: No. As long as they  
25 continue on with the program as it exists, I

1 think they have a continuing obligation to  
2 review that. I'm not saying it's done by  
3 the board necessarily. Might hold \$750,000  
4 in escrow just in case, but ...

5 MR. VOWELS: The figures here that we  
6 received on page 4 are unaudited figures.  
7 Take them at face value. But is there some  
8 point where the State of Indiana audits those  
9 to verify those numbers?

10 MS. DEAN: They are audited by  
11 Department of Administration and again by our  
12 office, but there is some delay and Susan  
13 may be able to address that more  
14 specifically.

15 MR. BRODNAN: These numbers haven't  
16 been audited yet. I usually wait until  
17 year-end numbers come in and then I look at  
18 them as a whole for the entire year.

19 MR. VOWELS: What I would suggest is  
20 that we grant -- go with what Mr. Gifford is  
21 suggesting here with the caveat that if these  
22 unaudited figures come out to be something  
23 different, then we can address this again.  
24 Which, of course, would be a bigger problem  
25 if they did come out to be much different

1 than what we verify. So that there wouldn't  
2 have to be this deposit of the additional  
3 \$750,000.

4 Is there any thought or discussion on  
5 that issue?

6 Okay. Seems like everybody is pretty  
7 much in agreement there. So with that  
8 caveat in there, we could revisit it if it  
9 turns out something is different when the  
10 state does the audit. So don't worry about  
11 the 750,000. You might want to keep it  
12 handy just in case.

13 MR. GIFFORD: We understand the  
14 concept of continuing jurisdiction.

15 MR. VOWELS: All right. Anything else  
16 for MR. Gifford or anything?

17 Thank you.

18 MR. GIFFORD: Thank you very much.

19 MR. VOWELS: All right, then. The  
20 next matter on the agenda, back with Ms.  
21 Brodnan under disciplinary actions with  
22 Horseshoe.

23 MS. BRODNAN: You have before you for  
24 approval settlement agreement 02-HH-1  
25 involving Horseshoe Hammond, Inc.

1           In October of 2001, Commission staff  
2 sent a memo to all riverboat licensee general  
3 managers regarding occupational licensing  
4 issues. The memo addressed the riverboat's  
5 responsibility to notify the Commission of  
6 employee changes within 15 days of the  
7 change. Commission staff notified Horseshoe  
8 in August of 2002 of two instances where  
9 Commission agents were not notified of  
10 termination and reinstatement of employees.  
11 Horseshoe submitted a written response  
12 outlining the procedures that would be  
13 implemented to prevent future violations.

14           Commission staff responded that  
15 disciplinary action would not be initiated at  
16 that time, but that future violations would  
17 result in disciplinary action.

18           In October, 2002, Commission agents  
19 received notification that a dealer at  
20 Horseshoe returned from a week of medical  
21 leave in September. The Commission agent  
22 tried to process the information in the  
23 database. It was discovered that human  
24 resources notified the Commission that the  
25 employee was voluntarily terminated in

1 November of 2001. It was later discovered  
2 the employee changed her mind and did not  
3 quit; however, Commission agents were not  
4 notified of this decision and she remained as  
5 an inactive employee in our system from  
6 November, 2001, and continued working on an  
7 inactive gaming badge for that entire time.

8 Pursuant to this incident, Horseshoe  
9 submitted correspondence to the Commission  
10 staff indicating that they will audit its  
11 active employee list approximately every two  
12 weeks to ensure that future violations do not  
13 occur.

14 Commission staff recommended that  
15 Horseshoe agree to pay a fine in the amount  
16 of \$1,500 to resolve this matter, and a  
17 settlement agreement has been executed.

18 Commission staff recommends that you  
19 approve the terms of the agreement to resolve  
20 this issue.

21 MR. VOWELS: All right. Any questions  
22 for Ms. Brodnan?

23 All right. We have in front of us  
24 the Commission action in re the settlement  
25 agreement dealing with Horseshoe Hammond. Is



1 there a motion to approve or disapprove the  
2 proposed terms of the settlement agreement?

3 MR. CARLTON: Move to approve.

4 MR. VOWELS: Is there a second?

5 MS. ROSE: Second.

6 MR. VOWELS: Any further discussion?

7 All those in favor say aye.

8 (COMMISSIONERS RESPOND)

9 MR. VOWELS: Show the settlement  
10 agreement is approved.

11 And, Ms. Brodnan, you're finished.

12 We'll go to the renewal of license.

13 And, Ms. Dean, first on the agenda is the  
14 Aztar renewal.

15 MS. DEAN: Yes, it is. I think I  
16 understand Kay Fleming here representing  
17 Aztar.

18 MR. VOWELS: Good morning, Ms.  
19 Fleming.

20 MS. FLEMING: Good morning.

21 MS. DEAN: Commissioners, you have  
22 before you an order of the Indiana Gaming  
23 Commission renewing the riverboat owner's  
24 license of Aztar Indiana Gaming Company.

25 In accordance with and subject to

1 Indiana Code 4-33 and Title 68 of the  
2 Indiana Administrative Code, the Indiana  
3 Gaming Commission issued a Riverboat Owner's  
4 License to Aztar Indiana Gaming Company on  
5 December 4, 1995, with an effective date of  
6 December 8, 1995. On March 2, 2001, the  
7 Commission granted the renewal of Aztar's  
8 Riverboat Owner's License for a period of one  
9 year. On December 6, 2001, the Commission  
10 granted the renewal of Aztar's license for a  
11 period of one year, effective through  
12 December 4, 2002.

13 By letter dated October 22, 2002,  
14 James Brown, Sr. Vice Present and General  
15 Manager of Aztar provided a request for  
16 renewal of the license and submitted payment  
17 of \$5,000 annual renewal fee.

18 The renewal is conditioned upon  
19 compliance with Indiana Code 4-33 and Title  
20 68 of the Indiana Administrative Code and the  
21 conditions directed by the Commission on  
22 December 7, 2001. The renewal shall be  
23 valid from December 10, 2002, to December 9,  
24 2003.

25 No, I'm sorry. Those are the wrong

1 dates. It would be through December 5,  
2 2002, through December 4, 2003. I apologize.

3 MR. VOWELS: Any questions, then, for  
4 Ms. Dean?

5 Any questions for Ms. Fleming?

6 Ms. Fleming, is there anything you  
7 would like to add?

8 MS. FLEMING: No. Aztar would be very  
9 pleased if their license is renewed. Very  
10 happy with location in Evansville and like to  
11 continue on.

12 MR. VOWELS: And I see from living in  
13 Evansville that their advertising that they  
14 are the home of dockside gaming. So all the  
15 others don't get confused, that is the home  
16 of dockside gaming.

17 Everyday is a party I sort of  
18 dispute, because I've been there and everyday  
19 is not a party.

20 MS. FLEMING: We'll try to change  
21 that.

22 MR. VOWELS: That's just me.

23 All right. Anything?

24 Then we have in front of us the order  
25 of the Indiana Gaming Commission renewing the

1 Riverboat Owner's License of Aztar Indiana  
2 Gaming Company, which would be valid for one  
3 year from December 5, 2002, through December  
4 4, 2003.

5 Is there a motion in reference to  
6 this order?

7 MR. MILCAREK: I would motion to  
8 renew.

9 MR. VOWELS: All right. Is there a  
10 second?

11 MR. CARLTON: Second.

12 MR. VOWELS: Any further discussion?  
13 All those in favor say aye.

14 (COMMISSIONERS RESPOND)

15 MR. VOWELS: Show it is approved.

16 Thank you, Ms. Fleming.

17 Ms. Dean, you have another?

18 MS. DEAN: Order of the Indiana Gaming  
19 Commission renewing the Riverboat Owner's  
20 License of Indiana Gaming Company, LP.

21 The Indiana Gaming Commission issued  
22 a Riverboat Owner's License to Indiana Gaming  
23 Company, LP, known as Argosy, on December 10,  
24 1996. On December 7, 2001, the Commission  
25 granted the renewal of Argosy's owner's

1 license for a period of one year pursuant to  
2 Indiana Code Section 4-33-6-12.

3 In a letter dated November 13, 2002,  
4 the general manager, Larry Kinser, made a  
5 request for renewal of the license owned by  
6 Argosy and payment was submitted. The  
7 renewal is conditioned upon continuing  
8 compliance with Indiana Code 4-33 and Title  
9 68 of the Administrative Code, and the  
10 conditions directed by the Commission on  
11 December 7, 2001. The renewal shall be  
12 valid from December 10, 2002, to December 9,  
13 2003.

14 And Mr. Kinser is present today  
15 before the Commission.

16 MR. KINSER: Good morning, Mr.  
17 Chairman, Commissioners.

18 MR. VOWELS: Good morning, Mr. Kinser.  
19 is there anything you would like to add?

20 MR. KINSER: No, sir. I think we  
21 about covered it.

22 MR. VOWELS: Your position would be  
23 that you would want us to renew your  
24 license?

25 MR. KINSER: Certainly would.

1 I guess it's my opportunity to  
2 introduce myself to the Commissioners.  
3 Relatively new at this property. I've had  
4 five years with Argosy Gaming in Kansas City  
5 and been at this property about five months  
6 now. So I'm pleased to be in Indiana,  
7 pleased to be part of this organization and  
8 we would certainly be pleased if you would  
9 renew our license.

10 MR. VOWELS: Thank you. Any questions  
11 for Mr. Kinser?

12 Then in front of us the order of the  
13 Indiana Gaming Commission renewing the  
14 Riverboat Owner's License of Indiana Gaming  
15 Company, LP, which would be valid for a  
16 period of one year, from December 10, 2002,  
17 to December 9, 2003.

18 Is there a motion in reference to the  
19 renewal?

20 MR. GETTELFINGER: So move.

21 MR. VOWELS: Is there a second?

22 MR. CARLTON: Second.

23 MR. VOWELS: Any further discussion?

24 All those in favor say aye.

25 (COMMISSIONERS RESPOND)

1 MR. VOWELS: Show it is approved.

2 Congratulations.

3 MR. KINSER: Thank you.

4 MR. VOWELS: Then the next matter on  
5 the agenda is other business. Is there any  
6 other business?

7 MR. LAWRENCE: Point of personal  
8 privilege. I've been here now I guess a  
9 month, and I just want -- probably ought to  
10 be off the record on this so they don't  
11 bring this up later. But just want to  
12 advise you and the rest of the Commissioners  
13 how - what a terrific staff you have here.  
14 You probably are aware of that. Taking me  
15 under their wing and stupid guy doesn't know  
16 much about things going on here. Just want  
17 to express my appreciation to the staff the  
18 month I've been here and let you know, which  
19 you already know, I'm sure, how terrific they  
20 are.

21 MR. VOWELS: Thank you. I'll say on  
22 behalf of them, thank you. I'm not a staff,  
23 but they don't have a microphone. We've  
24 always been, as we told you from the  
25 beginning, very proud of our staff. We

1 think they are unparalleled throughout the  
2 country as far as this industry and this  
3 regulatory type of bodies. So I'm glad you  
4 agree with us, because there would be a  
5 problem if you didn't.

6 MR. LAWRENCE: The only other issue I  
7 did want to bring up, Mr. Chairman, is the  
8 establishment of set dates for the next  
9 meeting of the Commission. Statutorily we're  
10 required to meet quarterly, and I would  
11 propose to the Commission that the following  
12 dates for 2003 be established as Commission  
13 meeting dates. That would be January 10th,  
14 March 14th, May 9th, July 11th, September  
15 12th, and November 14th. Two of those  
16 dates, One in January and one in July, are  
17 not required statutory dates, and because of  
18 weather or vacation and things might change.  
19 But the others are established.

20 The date of 11/14 is the day before  
21 the necessary proposed renewal of the license  
22 for Caesars, and we would propose that the  
23 meeting take place at Caesars on that date,  
24 or on September 12, in the event that  
25 Caesars could get their documentation in very



1 quickly so that we could proceed with the  
2 background check and the analysis, we might  
3 be able to meet there in September rather  
4 than November.

5 MR. VOWELS: All right. Sounds good.

6 So our next meeting is January 10,  
7 2003 date and time or the time and place be  
8 more specific at a later time. The odds are  
9 might be in this room, but always reserve  
10 the right to some other place in  
11 Indianapolis.

12 Okay. Anything further?

13 Last matter on the agenda is our  
14 favorite, the adjournment. Is there a motion  
15 to adjourn?

16 MR. CARLTON: So move?

17 MR. VOWELS: Is there a second?

18 MS. ROSE: Second.

19 MR. VOWELS: All in favor of  
20 adjourning say aye.

21 (COMMISSIONERS RESPOND)

22 MR. VOWELS: So adjourned.  
23  
24  
25



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