

STATE OF MICHIGAN
MICHIGAN GAMING CONTROL BOARD

PUBLIC MEETING
Cadillac Place
3062 W. Grand Blvd., Suite L-700
Detroit, Michigan

Thursday, April 15, 2010
9:30 a.m.

MINUTES

On Thursday, April 15, 2010, the Michigan Gaming Control Board held a public meeting at the Board office in the Cadillac Place, 3062 W. Grand Boulevard, Suite L-700, Detroit, Michigan.

Present: In attendance were the following Board members:

Ms. Barbara Rom, Chairperson
Judge Benjamin Friedman
Mr. Jim Plakas
Mr. Michael Watza

Also attending were:

Richard Kalm
Fred Cleland
Thomas Barker
Inspec. Ellis Stafford
Don McGehee
Diane Brown

Business:

Ms. Rom called the staff briefing of the public meeting to order at 9:32 a.m. There was no preliminary business to discuss.

Ms. Rom stated that the first order of business was to approve the minutes from the March 9, 2010, regular public meeting. Ms. Rom noted that all Board members had previously received the minutes, and asked if there were any questions or concerns.

It was then moved by Mr. Watza and seconded by Judge Friedman that the minutes of the March 9, 2010, meeting be approved. A voice vote was taken.

Motion carried.

Next Mr. Kalm presented the Executive Director's report. Mr. Kalm reported that since the last Board meeting, Mike McDonald had been reassigned as a Regulation Officer in the Employee Licensing Section, leaving 13 authorized positions to fill.

In regard to the Board's budget, Mr. Kalm reported that as of March 31, 2010, total expenditures were \$8,230,156, which leaves an unexpended balance of \$14,046,794 in appropriated funding for fiscal year 2010, which includes the Horse Racing Budget which was transferred to Gaming and funds for anticipated expenditures to the Attorney General's Office and the Michigan State Police.

Mr. Kalm next reported that the casinos continue to operate 24/7 and for the month of March, 2010, the aggregate revenue and taxes for all 3 Detroit casinos were up 6% compared to the same month last year and were up 10.7% compared to the previous month, February, 2010. Revenue for MGM Grand Detroit and Greektown Casinos were up by 8.5% and 11.7% respectively, while MotorCity Casino was down by 1.7% compared to the same month last year.

For the month ending March 31, 2010, gaming taxes for the 3 Detroit casinos were \$8.6 Million compared to \$10.9 Million for the same period last year. It was also noted that Greektown Casino has been granted a tax rollback, effective March 9, 2010 for \$14.97 Million, which will be offset against future wagering tax payments to the State and that is anticipated to last through July 2010.

Mr. Kalm further reported that for the first quarter ending March 2010, the aggregate revenue and taxes for all 3 Detroit casinos were up by 2.8% compared to the same month last year. Revenue for MGM Grand Detroit and Greektown Casinos were up 3.5% and 11.6%, respectively, while MotorCity Casino was down by 4% compared to the same period last year.

For the three months ending March 31, 2010, gaming taxes for the 3 Detroit casinos were \$29.2 Million compared to \$31.1 Million for the same period last year.

In regard to supplier licensing and vendor registration, Mr. Kalm advised the Board that as of March 31, 2010, 3,368 active vendor exemptions are registered, 229 casino supplier companies have been granted exemptions from supplier licensing requirements, 19 active temporary nongaming-related supplier licenses and 4 active temporary gaming-related supplier licenses are in effect. In addition, a total of 125 full annual supplier licenses have been granted by the Board and to date, remain in effect.

In regard to employee licensing, Mr. Kalm advised the Board that as of March 31, 2010, the Board's Employee Licensing Section had issued a total of 2,278 occupational licenses to MGM Grand Detroit Casino employees; 1,782 occupational licenses to MotorCity Casino employees; and 1,681 occupational licenses to Greektown Casino employees. In addition, for March 2010, 1,284 employees of various licensed casino suppliers have been granted occupational licenses. To date, the Board has authorized the issuance of 17,275 occupational licenses to casino and supplier license employees; renewed 18,473 occupational licenses and denied 393 occupational license applications.

Mr. Kalm advised the Board for the month of March the required background investigations for 70 pending Level 1 and 2 licenses had been completed and would be considered for approval by the Board at today's meeting and pursuant to Board Resolution No. 2002-02 he has approved 447 renewal requests on behalf of the Board.

Next, Mr. Kalm reported on the MSP Board related activity. Since the March 9, 2010 report, Detective Specialists, John Gora and Andrew Hlinka have been selected to fill the two vacant positions in their Casino Operations, effective April 19, 2010. During the month of March 2010, the MSP Gaming Section investigated 115 criminal complaints and made 31 arrests. Mr. Kalm also reported that on Saturday, April 3, 2010, there was an attempted robbery of the Greektown Casino. The cashier fled and activated the alarm. MSP detectives from the Gaming Section responded and reviewed the video and were able to obtain a description and name for the suspect. There was also a robbery of the First Independent Bank located in the Greektown business district. It was noted that there were similarities between the attempt at Greektown and the robbery of the bank. The suspect was apprehended on April 7, 2010, when he was spotted playing roulette at MotorCity Casino. The suspect was taken into custody and gave permission to search his room where \$2400 was recovered. The Wayne County prosecutor has authorized unarmed bank robbery charges and attempted robbery charges against the suspect. MSP is assisting DPD and FBI with their investigation.

Next the Board considered for approval the recommendations of the Executive Director and the Licensing Division's staff regarding the 70 Level 1 and 2 occupational license applications.

It was moved by Judge Friedman and seconded by Mr. Watza that the Board enter an order accepting and adopting the recommendations of the Executive Director and the Licensing Division's staff for the 70 Level 1 and 2 occupational license applications. A voice vote was taken.

Motion carried.

Next the Board considered the Executive Director's Reports and Licensing Division's staff recommendations regarding the pending supplier license applications of Dee Cramer, Inc. and PCT Security, LLC and their qualifiers.

There being no questions from Board members, it was moved by Mr. Watza and seconded by Judge Friedman that the Board enter orders approving the supplier license application requests of Dee Cramer, Inc. and PCT Security, LLC, and their qualifiers for licensure under the licensing standards and requirements of the Act and Rules of the Board. And accordingly, grant these requests based upon the background investigation reports and the recommendations of the Board's Licensing Division staff. A voice vote was taken.

Motion carried.

Next the Board considered the Executive Director's Reports and Licensing Division's staff recommendations regarding the pending supplier license renewal applications of Kipco

Enterprises, Inc., LR Linens, LLC, Midwest Pro Painting, Inc., Northern Lakes Seafood & Meats, LLC, Resource Data Systems Corporation and The LaSalle Group Incorporated.

There being no questions from Board members, it was moved by Mr. Watza and seconded by Judge Friedman that the Board enter orders finding and concluding that Kipco Enterprises, Inc., LR Linens, LLC, Midwest Pro Painting, Inc., Northern Lakes Seafood & Meats, LLC, Resource Data Systems Corporation and The LaSalle Group Incorporated, and their qualifiers are eligible and suitable for licensure under the licensing standards and requirements of the Act and Rules of the Board. And accordingly, grant these requests for a one-year period beginning April 15, 2010. A voice vote was taken.

Motion carried.

Next the Board considered the Acknowledgment of Violation of MGM Grand Detroit.

Assistant Attorney General Melinda Leonard requested that the Acknowledgment of Violation for MGM Grand Detroit be approved by the Board.

Ms. Leonard proceeded to outline the violation of MGM Grand Detroit for the Board members.

After Ms. Leonard's summarization, Ms. Rom noted for the record the presence of Ms. Cindy Bliss for MGM Grand Detroit and invited Ms. Bliss to address the Board.

After comments from Ms. Bliss and all questions from Board members were answered, it was moved by Judge Friedman and seconded by Mr. Watza that the Board accept the proposed Acknowledgment of Violation as agreed to by the Michigan Gaming Control Board Staff and casino licensee MGM Grand Detroit, and issue an order adopting, accepting, and incorporating the Acknowledgment of Violation as the Board's final decision. A voice vote was taken.

Motion carried.

The next agenda item was to consider the Acknowledgments of Violation of casino licensee Greektown Casino. Ms. Rom then asked Mr. Geissler to step forward and give a brief synopsis of the violations of Greektown Casino.

Upon conclusion of Mr. Geissler's summation, there were no comments made on behalf of Greektown Casino.

After all questions from Board members were answered, it was moved by Mr. Plakas and seconded by Mr. Watza that the Board accept the proposed Acknowledgments of Violation as agreed to by the Michigan Gaming Control Board staff and casino licensee Greektown Casino, and issue orders adopting, accepting, and incorporating the Acknowledgments of Violation as the Board's final decision. A voice vote was taken.

Motion carried.

The Board next considered the Executive Director's Report and Licensing Division's staff recommendations regarding the requests of Pizzarelli Enterprises, LLC and Star Trax Corporate Events, d/b/a Pulse 220, for leave of the Board to waive the one-year waiting period for reapplication of their supplier license applications.

There being no questions from Board members, it was moved by Mr. Watza and seconded by Judge Friedman that the Board enter orders granting the requests of Pizzarelli Enterprises, LLC and Star Trax Corporate Events, for leave of the Board to waive their one year waiting period for reapplication of their supplier license applications based upon the Board staff's reports and recommendations. A voice vote was taken.

Motion carried.

The Board next considered the Executive Director's Report and Licensing Division's staff recommendation regarding the request to withdraw the pending supplier license application of Gaming Entertainment, Inc.

There being no questions from Board members, it was moved by Mr. Watza and seconded by Mr. Plakas that the Board enter an order granting the request of Gaming Entertainment, Inc. for withdrawal of its supplier license application, based upon the Board staff's report and recommendation. A voice vote was taken.

Motion carried.

Next, Chuck Moore presented the Greektown Casino, LLC Monthly Status Report Pursuant to Show Cause Board Order of June 10, 2008.

Next, Ms. Rom stated that the Board needed to consider a motion to go into closed session immediately following public comment for the purpose of receiving legal advice and counsel from the Board's attorney regarding pending Board litigation, and receiving confidential notification regarding the names of the individuals placed on the Board's Dissociated Persons List since the Board's last public meeting as required by the Act.

Therefore, it was moved by Judge Friedman and seconded by Mr. Watza that the Board consider a motion to go into closed session immediately following this portion of today's public meeting for the purpose of discussing pending Board litigation with the Board's attorney, discussing background investigations, and receiving confidential notification of persons placed on the Board's disassociated persons list since the Board's public meeting on March 9, 2010. A roll call vote was taken.

Ms. Rom	Aye
Judge Friedman	Aye
Mr. Plakas	Aye
Mr. Watza	Aye

Motion Carried.

After the closed session the public meeting was reconvened and there being no other business, Ms. Rom adjourned the meeting at 10:39 p.m.

Diane Brown, Board Secretary