



## VICCC Quarterly Hearing and Meeting No. 004 202411202024

Casino Control Commission (VICCC)

September 11, 2024 · 2.3 hours · gov

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- 0:00:00 Thank you. good morning everyone good morning this fourth regular meeting for 2024 is there by a call to order today is wednesday november 20th 2024. roll call please Good morning, Commissioner Luther F. Rene. Present. Commissioner Carolyn P. Herman Purcell.
- 0:01:15 Present. Chairman Marvin L. Pickering. Present. Mr. Chairman, we present no absence. Thank you, thank you. uh the commission is comprised of three members all members are present thereby a forum is established and i'm close please read the rest of the agenda into the record item number three approval of minutes of september 11 2024 item number four reports of officers a secretary treasurer's report b vice chairs report c chairman's report item five report of the division of gaming and enforcement dge item six new business a approval of licensure resolution number zero zero seven dash two zero two four B. Approval of BICTC FY 2025 operating budget.
- 0:02:38 C. Update from Divi Carina Bay Resort on room readiness for 2024-2025 tourist season. D. Update from Caravelle Hotel on room readiness for 2024-2025 tourism season. item number six update from bigl operations llc on the casino at randall doc james racetrack seven any other business item number eight adjournment mr chairman the trip the agenda has been wrecked thank you uh before proceeding uh once again good morning to all i would like to remind all the attendance degrees for this cell phone to me my great turn them off i'd like to acknowledge the uh presence uh welcome to our new legal council uh uh uh uh uh I believe I missed out on Mr. Tavala, IT Sports Specialist in the back, and our stenographer Ms. Andrew. Joining us via the Zoom is Mr. Andrew DeBuke of VIGL. Good morning, sir.
- 0:04:45 Good morning, Chairman. Good, good. Okay, great. okay did i miss anyone so uh let us proceed with the next agenda item which is item number three the approval of the commission committee from our september 11 24th meeting i move that the commission accept and approve the verbatim transcript dated september 11 24 as the official minutes of our meeting held on september 11 2024 i still move this is when i second the motion to approve the minutes of september 11

the motion to approve the minutes from our september 24 meeting has been moved by commissioner harman pissell seconded by commissioner luther hearing no objections the motion is hereby approved the next item on the agenda item number four uh report of officers um and we do this uh i say this um we've added this portion to our agenda so the public is informed that the commission does in fact function in between uh for the meetings and so we have our duties and responsibilities and our activities that we engage in on a day basis send me some of those activities um so we are going to begin with the secretary with the secretary treasurer's report followed by the next year

0:06:58 uh commissioner you may proceed thank you mr chairman before i continue with my prepared scripted statement i would like to digress a little bit in keeping with what the chairman just said that we do function between what we need Friday of this week will mark the 18 months since I joined the commission and I thought that I needed to say something i'm just a little experience mr chair i wish that the public would get and some senators too would be able to get a sense of what will really happen at the casino control commission i'm asked so many times when i see i work at the ccc and say well what do you do And I think if it could explain to people what we do, they will not even understand.

0:08:27 It is something that you have to limit. This place is intense. The daily work that goes on at the CCC is tremendous. There is no two days that's the same. Every day solve problems and you manage situations that you never expect. When I was first appointed, I said to myself, you have gone through the jungle of the Senate.

0:09:13 then ccc must be a piece of cake what a surprise what a surprise however with all of what goes on we work extremely hard solving different a variety of problems With all of that said, I feel very fortunate that I work with two consummate professionals who mentor me, and I have never worked with a group of people that are so intense on mission and purpose.

0:10:03 I really thank the two of you for mentoring me and the staff at CCC, but somehow we need to tell people exactly what happens that you need to understand. I thank you all very much for the mentoring and the support you deal with in my 18 months, a year and a half. Thank you. Thank you. Thank you. The following is a report of some of the activities that I have engaged in since the last quarterly meeting of the VICCC, which was September 11, 2024.

0:10:49 On September 13, several meetings were held with Mr. Alvarez of on-site environment as relates to the restoration project to be undertaken in this building september 17th all commissioners all commissioners and several members of the executive staff met with on-site on-site environmental again to have him explain the scope of work to be taken in this building the meeting also addressed the possibility of having to close the office while the restoration september 20 of 2024 accompanied vice chair um to provide testimony before the committee on culture use aging sports parks of the 35th legislature concerning issues related to vigilance and i'd like to operate the casino at brandon dot james registrar september 24th join my fellow commissioners and members of the executive staff at a meeting in the management of caraville casino to discuss the compliance all is prepared by spectrum on september 24th the same thing was done with the casino september 30th attended meetings with mango media to discuss the next step towards the launching of [www.playwise.playwisevi.org](http://www.playwise.playwisevi.org) the icop news some new responsible giving website september 27th spend the morning hours with mr o'reilly the icc's archive specialist to once again educate me on

0:12:47 the role his important role at the icc as the first person who paternity when it comes to apply for a license october 1 2024 in conjunction with executive director and licensing compliance officer intended a meeting with the icc casino inspector to discuss the spectrum given compliance audit findings result results and the commissions in-house training module this meeting also highlighted the inspectors during the hearing and club zoo what is it they see as far as the party was concerned october 1 2024 Next four, the medical representative of innovative group for discussions in a market study related to Internet gaming in the Virgin Islands.

0:13:45 October 2, held a meeting with Ms. Delisa Williams of Vitima Disaster Program Specialist and Executive Director Smith related to the completion of mandated public assistance large product quarterly report. that was due on october 7th 2024 the report was completed and submitted to the agency before the two day october 7th to the 10th attended the global gaming expo gpe in las vegas nevada the exhibition of squash is put out by american gaming association Once again, it was a fabulous display, 25,000 people in attendance from 115 people. There is always a learning process because many of the educational sessions benefited us quite a bit.

0:14:45 Some of those, I will not go through all of them, but some of those I attended were navigating cyber, Extortion, strategies from casino leaders, responsible online gaming, what's next, internal controls, why, how and when, cultivating the ideal workplace culture, follow the money, navigating the ever-changing AML compliance landscape, and many, many more. However, the highlight of that for me was a visit to GLI testing lab.

0:15:24 This was a tremendous experience when I realized how much mathematics was involved in calculating some of those issues. It was truly, truly amazing. October 24, 2024, attended an in-house meeting with BICC's Legal Council to discuss

pending legal margins. October 25, BICC Commissioners, Executive Director, Legal Counsel, and Licensing and Compliance Officer visited the proposed site of the B.I.G.L. Lucino at the Rundel Dock page. us racing track discussions we have with mr jason williams general manager of racing operation the vendor 27th 2024 participated in the icc executive meeting number 008 2024 active at the building right here at the building for a number of important issues we discuss this is thank you i'm glad that you've enjoyed the experience at g2e i too um had the opportunity to tour uh glis and i agree with you it is a fascinating experience um i don't know uh but i'm vice chair thank you chairman oh i'm sorry um we are going to take a uh five minute research

0:17:31 thanks uh it just is over we're back on the weekend uh yes thank you mr chairman mr chairman before i begin i request your lead to my report to correctly state the date of the last morning weekend last september 11 the board stands correctly thank you sir um since the commission last met in the morning meeting and hearing on september 11 20 24 is why share participated in certain activities while fulfilling my duties and responsibility as a member of this commission a particular note um on october 3rd of 2024 i attended the jackpot payout process um training that was held by the bi division of gaming enforcement where they explain how they go about um fair applying jackpots when they do occur that was very um informative for me i now totally better understand the process and i thank the division of gaming enforcement on that that workshop training session and that's november 14 2024 i attended the 2024 national conference on problem gaming digital symposium entitled cultural awareness and sensitivity in problem gambling and responsible program September 24 to 20 24 to 25th of 2024 I with my colleagues and executive staff review the compliance pilots prepared by Spectre and Gateman in meetings with TV and Caragall personnel

0:19:25 September 20th 2024 I testify on behalf of Chairman Prickland before the Committee on culture, youth, Asian, sports, and parks of the 35th Legislature Divergent Islands concerning by license issued on April 19, 2024, VIGL Operations, LLC, to operate a casino at the Randall.James Restaurant. Commissioner Renee accompanied me at that Senate hearing. On September 25, 2024, I am paired with Chairman Pickering as a guest and analyzed this wtjx fm 93.1 hosted by neville james to discuss responsible gaming education month 2024 and zicc operations on october 16 2024 i appeared with chairman pricklin before the committee of the whole on the whole of the 35th 35th legislature virgin islands to offer testimony and the governor's proposal to allow cruise ships to operate the casinos while docked in st throy when the legislature can be into formal session the measure passed as bill number 35-0389 and included the recommendations made by the commission on october 31st 2024 the major was signed by the governor and enacted as act number 8935 during the month during the period we continue to work along with our council and the bi department of health staff instructing the joint initiative to train and certify six counselors three in each island's district who are employing a division of behavioral health to treat problem gambling disorders and addictions on october 24th of 2024 i'm pleased to say the memorandum of understanding between the two agencies was fully executed the commission has

0:21:36 already paid the funds for the training sessions and is committed to paying the funds necessary for the supervise supervision leading to national and international certification and after that my attendance to that symposium that i explained covered the topic of culture how is affecting the problem gambling and responsible gaming i left them more convinced that that action taken by the commission with joining with the department of health was a very good move that training emphasized that effective treatment of problem gambling must be culturally adapted yes we have the 1-800-800-1-800 gambler and other natural resources but the counselor has to understand the culture on which the patron is located the patron has to be able to say speak to that counselor in a way the counselor can understand and I think what the commission has done by funding we will have counselors in both items district is to ensure accessibility to maybe make treatment more effective or where people say you know what i will go because i know this person or this person understands my community and i'm really proud of that of the work that has led to this it took some time it had some time but it didn't believe it would be resolved but we know how government function and we and we do

0:23:26 now have that memorandum of understanding in place and finally with my colleagues and executive staff we inspected the construction site of the proposed casino at the randall dot james restaurant and that occurred on october 25th at 2020 mr chair that concludes my report thank you so much my new voice chair i keep feeling you're just reading my instinct i was going to actually look to uh to uh to expand on the that uh training with cpg and cultural awareness and you spread my mind again thank you thank you very much i'd like to uh before i begin my report i'd like to recognize the presence of the sinkhole association commission chairman good morning sir thank you for joining us okay uh the chamber's report uh my colleagues uh have uh mentioned some activities that uh i you know participated in um so i won't go over those but um to begin um i'm a member of the nagra uh conference planning committee i attended a planning meeting on thursday september 26th for the 2025 annual conference in nashville um director david is also a member of the nagra um monday september 30th we met with uh flyer for discussion and review of the telephone system upgrade to our office uh and installation of a new system for our st thomas office that's right we're gonna have an office over in st thomas which will be staffed by christopher

- 0:25:37 government result okay so we are making our provisions to have that office um the uh that meeting was uh i was joining that meeting by uh particular director smith uh ea executive assistant smith it support specialist so dingo davila who is uh tasked with leading this project uh assisted by mr variety or archive specialist um the this project is novel as the service agreement was reviewed by the attorney vodal recommended corrections were made and the agreement was signed by the chair submitted to viner representative for further processing on tuesday On Tuesday, October 1st, 2024, I met with Mr. Brian Weinman, he is the Executive Vice President of the Innovation Group. The Innovation Group is conducting the market analysis of the Commission as it relates to internet gaming and gambling.
- 0:26:49 Mr. Weinman was on Ireland as part of the research for this project and I was joined daniel first line information every day and executive director smith on tuesday october 22nd 2024 along with bd smith and ea smith met with uh jamie khan who's a senior auditor for smith and company to discuss the progress of the commission's fiscal year 2022 financial audit uh we discussed uh proposed adjusting entries for the commission's books for that life period um after that meeting i received a draft audit report from uh along with the mdna management discussion and analysis and uh i just have a good comments uh they will return to the civilian company on april 29th 2024 hopefully our 2022 audit would um uh reflect uh more or less what happened with our first year 2021 audit um which was uh one minor finding uh it was fast unqualified unmodified audit and we are hopeful that 2022 will be the same and going forward uh uh the commission is extremely proud that we could pass a muster of a financial audit uh we are coming october 28th to november 1st i attended the sbc summit latino america conference at the hard rock hotel in hollywood florida this conference moves together casino industry leaders
- 0:28:45 and regulators from the community and latin america session dedicated to issues that are tunnel throughout the region such as famous betting on the rich gaming gambling marketing and responsible gaming i convene uh executive meeting number zero eight dash 2024 on thursday november 7 2024 the commission acted on certain matters to include the approval of statements of compliance licenses the commission's fiscal year 2025 operating budget and our petition for removal from the voluntary self-exclusion list resolutions from that executive meeting are on today's agenda for um in addition to that the commission viewed and acted upon investigation reports uh submitted by the dg regarding five uh employees the commissioner is like the legal council attorney keldin vidal on tuesday 1 12 to receive an update on outstanding legal matters to include active cases in the superior court uh petition for removal from the exclusion list that said that itself um on november 13 2024 the commission submitted comments to the office of senator diane cave bar on bill number 35-0396 which is a proposal to re-establish harmonites and required commission to issue mobile casino licenses for proper casinos to current casino licensees on a rotated basis the uh commission was not in favor of the performance measure as it related to the mandates of the commission due to a lack of guidance on definition and structure we were
- 0:30:57 not afraid of that i don't know if any of the uh the uh uh licensees were approached by the official of our central report on that vision to offering comments yeah thank you that's what i okay and it relates to statement of the commission um as was mentioned at our quarter meeting on september 11 2024 the commission filled the position of legal counsel to replace attorney devin carrington who is on the position effective june 18 2024 the commission selected attorney elvin without uh who's sitting uh to our right uh and was introduced earlier he was awarded on september 23 24 and we wish him much success in this role the commission also onboarded casino inspector one will do it it's also on september 23rd 24th following inspector blew it the commission on boarding casino inspector one carissa daniel she was on board in uh on october 7 2024. uh these individuals were selected after an exhaustive uh search within those vacancies that resulted from voluntary resignation commission wishes uh inspectors bluebird and daniel much success in the new role and thank uh our casino licensees for welcoming our new casino inspectors thank you very much financial matters and related activities licenses issued by the commission
- 0:32:47 for the 3rd october 1st 2023 the commission issued a total of 333 licenses and statements of compliance in various categories as follows at 101 casino employees licenses 43 casino key employees even related licenses nine non-gainment related seven statements of compliance for casino employees 108 statement of compliance for casino p employees 51 inhibited five also statement of compliance non-gainment related six and casino license three for the same period the commission issued 357 work permits 104 exemptions from licensure and 86 waivers from registration and licensure uh regarding the financial statements for the uh commission uh i was hoping to report on the fiscal year ending uh september 30th for that uh that report because it's uh at the end of the fiscal year we don't have to make sure that we capture every single thing and so it's uh it's usually delayed uh uh by some time so the latest report that we can report the latest statement that we can report on is uh through um august 31st 2024 the for this period of total revenues including the gbi's contribution of one million twenty fifty thousand twenty two dollars for payroll and fringe costs amounted to two million three hundred ten thousand three hundred and ten thousand uh iterative nine dollars expenses including payroll uh total one million six

- 0:34:48 hundred seventy one thousand twenty four six dollars resulted in surplus for the period of six hundred thirty nine thousand five hundred ninety three dollars the largest expenditure amount is for payroll which consists of salaries in the amount of eight hundred seventy nine thousand one hundred fifty dollars and related french breakfast amounted to three hundred one thousand one hundred fifty two dollars the commission's total budget for fiscal year 2024 is two million three hundred ninety four thousand five hundred dollars in presenting revenues and two million two hundred ninety two thousand nine hundred dollars in projected expenditures for projected surplus of one hundred one thousand six hundred dollars which we expect to be surpassed once the final what is in fiscal year uh ending september 30th 2024. regarding uh gross casino revenues or those casino revenues from the period october 1st 2023 to september 30th 2024 the fourth is clear as reported by our casino licensees amounted to 18 million 527 093 dollars it was casino revenue is the total amount received by a casino licensee less amounts paid out as winnings to patrons the gross casino revenue is taxed at a rate of 12 percent which is paid into the casino revenue fund the commission receives 25 percent of those tax revenues with the remaining 75 percent allocated to support certain other government agencies employment stats uh for the fiscal year well at the end of the quarter and it's september 30th and these include mixed class related to the casino uh industry um the reported payroll of 2 million
- 0:36:50 six hundred ninety two thousand eight hundred fifty one dollars for the total average has come of 320 employees the total period for the entire fiscal year and it's september 30th 2024 amongst to 10 million 511 233 dollars with an average head count of 313 employees other spending for bridging services the casino hotel licensees reported spending for other goods and services in the amount of 21 million 994 255 dollars which was to be at end of september uh examples of other groups and services include food the occur advertising insurance the professional services etc etc therein hence the chairman's report we now move on to item number five on the agenda which image report from the division gary's enforcement you went to david thank you sir good morning uh mr chair good morning commissioners morning uh as the chairman indicated i am r oliver david i am the director of division of gaming
- 0:38:38 enforcement which is the department of justice basically uh since dge's last quarterly performance report dated august 28 to 24 the dge accomplished the following uh due diligence investigation the DGE completed due diligence investigations for the fallen categories of applicants. Customer hotel key employees four, consumer key employees one. The DGE closed off its investigation of 15 applicants, that's applicants who were terminated or resigned prior to the DGE completing its investigation. The DGE partially completed due diligence investigation of three customer services entity giving related applicants and the qualifiers. During that period, the DGE opened 26 new hard copy and electronic application files. Complaints. The DGE filed one complaint against the DGE and the Bay Casino for a late violation of the Bay Casino laws and rules and regulation and at this point is continuing to work with the respondents to bring the matter to conclusion. The DG is also in the process of filing a criminal complaint in the Superior Court of the Virgin Islands against a former patron of the casino for alleged trespass at the DV Garino Bay Casino.
- 0:40:07 The DG successfully completed a case filed against Caraval Hotel and Casino in January 2024. In that matter, the party stipulated to a fine of \$75,000 in addition to certain conditions that had to be met by the respondent and its staff. All fines were paid, all conditions were met, and the matter has been successfully concluded with an order of dismissal being issued by the VICCC on October 3, 2024. Request for technical assistance and job for verification. During the period mentioned, the DGE technical staff have responded to approximately 14 requests technical assistance from both the DV Carrier De Bay and the Caravelle Casino. DGE staff assisted the gaming technicians at the casinos in addressing technical problems with the EGMs to have these machines returned to the gaming floor. A compliance audit. The DGE convent meetings with the BICCC and management staff of both the DV Carrier De Bay Resort and the Caravelle Hotel Casimo to discuss the findings and recommendations of Spectrum Games Group compliance audit reports, which were the result of a comprehensive compliance audit of the operations of both PIGL and the DB Curl Releby. Both Casimo licenses presented to the BICCC steps that they will be taken to address the concerns raised by the BICCC and the recommendations of Spectrum.
- 0:41:41 Some of the changes have been completed and the remainder of the changes should be completed in the common weeks. Office upgrade. In my continued choice to make our office more comfortable and conducive to increase productivity and efficiency, DGE purchased new furniture and equipment for the staff of the DGE. We are also continuing to solve our filing cabinets to remove unnecessary wires which are either being placed in storage or are going to be shredded training dge continues to provide training to all staff members both online but at various conferences staffing that's a perennial tissue that i talk about every time i come here that's the issue of the the inadequate staffing level at the dge um we still have only three employees including myself and we have to do everything that is required to be done i know the commission chair at this presentation lobbied for increased um staffing uh presentation before the senate uh they said did the same thing and i'm constantly evolving for that to happen uh in fact one of the things that we have tried and uh the commission chair sent a letter to the to the senate finance finance channel to the senate president requesting that the dga

receive 10 percent of the customer revenue fund i have been pushing for that for quite some time and it's an ongoing effort in fact just recently um i brought that up the appellate that was sent to by the chairman and also previously that was um signed by the chairman and the former uh lieutenant general that was i think over a year ago one was sent to the governor and one of the city was supposed to the same president and uh i brought the game to the aj and we're still trying to get that i recently had a meeting with our personnel director and looking at ways that you know we can get to get the necessary staffing that we need and it's um it's a all almost an impossible task to do what we'd like to do in a timely manner with only three at once i mean that if anybody that would just take some time to understand everything that we have to do it's about that we are to be juggling from one day to the next as to what becomes priority so again that's an ongoing issue and um hopefully building

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is up i don't know when but that would buy people that for over a decade so that that is the issue um two things i did not have in my report i would like to to talk about and then related to to the commission to regard to the issues that we have in the ncic um that's the the crime we when we are doing an investigation we request a report from the national crime information center fingerprint card is submitted and uh it goes through our liaison and the vipd send it to the fbi and the report comes back so we know exactly what what what is the criminal background of that type of individual we have been having problems with we had some issues before it was resolved but we have problems again and i spoke to the liaison and as of last week we had 87 outstanding requests and uh she said that she's working on it there are some issues between what was not given but there are some issues why they cannot get it done i have scheduled to meet with her uh in early december because besides that there are some other um issues besides just the report there are some issues regarding to the um the invoicing of what has been done so i'm scheduled to meet you for early in december so that we could have these matters are resolved. Commissioner Herman Pussell talked about the demonstration that DGE did with regard to the testing machine, and I think I'd like to elaborate upon that slightly because we talked about the JAPOT, but in addition to the JAPOT that we have to, DGE has to test the machines prior to authorizing the clinic. Every time a machine is removed from the floor or a machine goes wrong and the casino has to get the machine back and running, DGE staff member has to be there. And I think the demonstration that we did, at least

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we hope that it gave the commission members and the executive a bit understanding of what is that has to be done the steps that we have to follow because for those of you who might not be aware if the casino wants to change certain computer chips in the machine they cannot do it unless DGE staff is notified and whatever action that we have to take and that involves back and forth to the location to get that done and that is something that we have to do and I have always given that priority so when we get a call or a text or email from either give your car a bell with the guide to the they want people or the systems my staff might have been doing an investigation drop what you're doing address that issue because to me with all commissions up and running there is only 24 years than anything else because we don't generate any revenue so i've always made out the priority and i continue to make that so that's when we got to that uh on a perpetual note i was recently accepted as an affiliated regulatory member of international masters of gaming law that's imgl one of the premier organizations in the gaming industry to be accepted to that organization one was sponsored by a regular member i deal with an application detailing his and her involvement in the gaming industry that application then goes to the membership committee which reviews it and makes a recommendation regarding the applicants suitability for membership i would say in addition to the information that i and by extension the dge obtained with regards to gaming regulation as a result of my exposure to the organization as a result of exposure to my organization such as

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nagra and iaga and as mr chairman said both me and i we are members of the conference planning committee of nagra my membership in imgl will provide dge access to involved information pertaining to the diverse areas of giving laws so i think that's going to enhance not only the regulatory aspect of it but the legal aspect of giving is super that one was wonderful thank you very much uh dr david yes and um welcome to img as i'm also in regards to uh ncic right um is there a reason why you don't have direct access to that uh how was that years ago the justice department was able to have their own terminal and we were able to access the ncic report through it to justice department yeah even the department of justice justice right right there were some issues and they were no longer allowed to do that everything was channeled through the vipd i think except for criminal criminal uh criminal uh requests because i guess if someone if you have the advice rights then they can get that done but for employment purposes it is channeled through the vip so vipd does the background for all government agencies for employment purposes recently at the managers meeting at doj the discussion with regard to NCIC access came about from our investigator investigation section and I asked the AG I would like DG to be involved in any discussion with regard to NCIC to see if it is possible that we'll be able to get that be involved in that process and do it also so there is a there might be an

0:50:21

opportunity I don't know but as I know everything goes through Lieutenant Charlewell in St Thomas And so everything has to go from our office to VIP to St. Thomas, it is done and then it gets back to us. And I think that goes for all government agencies there. But I'm still trying to see if we can get it done without having to go through that process. So

that's what we're going to do, but that's all of this. As it relates to your staffing, as Professor Clinton once said, once said, I feel your pain. but you know we have done you know uh what you know what we can and try to encourage um the powers that we need to uh to to define a funding source um everything that we do have in fact um private funding choice right and perhaps um with a little uh lobbying to um she has a president probably could she that could be part of the uh what do you call it let's see uh you know i'm really going to um to uh call him okay and see um you know where that is thanks yeah yeah because i you know i have every opportunity that i have i i take that opportunity to try to talk the way I can to push that through but um I don't know if I could be able to get money from the fund for that that's what I was talking about at the end of the day but I'm still trying to see what I can do but uh because of our inability to get this additional

0:52:09 staff and you know as we saw when we uh did the um the uh workshop with you uh what you know what what your staff you and the staff yes regarding uh the great final jackpots and the movement of uh of the machines getting into the to the inner workings of the machine you know it is a lot yeah and that's only one aspect and you have their investigation that's also you know a huge um so we're doing the best we can we have but um i wish everybody would appreciate a quicker turn around yeah i agree absolutely i i just received that from one of my staff yesterday filed about 40 applications 40 50 applications that have dropped over by uh mr o'reilly uh within the past couple of months once an application comes in my staff has to scan everything and then once it is scanned there's a convoluted process it is scanned and you have to get what the documents that is scanned and the process it and put it in the file and do the hard copy and then that hard copy file is given to me I review and then I assign it to my staff I prioritize whether it's a CKE or a CE or CHE so I have to go through everything in there something that they say that's critical, make a note on it so that they would be aware of that.

0:53:33 So I have, what, 55 ads I just received yesterday. So what am I going to do is I have to put more side to consider that because I have to assign that to them. So in case there is an applicant that requires immediate attention, at least as opposed to something that they were working on, so that is the process that we do and we have to do, we have to join. We are doing the best we academy open at some point in time when we talk about the number of applications and it's submitted to the commission it won't be fair apply it might be 10 15 okay okay thank you very much uh any questions from the college i just i was much better able to understand And I think that's why you did it at a time, and I wanted you guys to understand it.

0:54:39 Thank you for that. And did you understand the math? Yes. Just congratulations on your membership. okay thank you very much so we move now on to new business uh on the agenda we have uh six uh five sub sections there uh any is approved of the licensure resolution on the c204 we've got a fiscal year and we have the uh various updates from the casino licenses so um we get a little city man yes yes i mean i move that the commission approved licensure resolution which is zero zero 7 2024 which is a resolution of the gordon alas casino control commission to approve statements of compliance and conceal an employee and casino servicing entity licenses approved at the executive meeting held that will review an executive meeting held on november 7th 2024 fair at the commission's headquarters in st glory i so move mr chair i second the motion to approve licensure resolution number zero zero seven dash twenty twenty four thank you uh commissioner the motion to approve licensure resolution number 007 that's 2024 has been moved by

0:56:32 commissioner and secondly by commissioner renee hearing no objection the motion is hereby approved item 6b before the um making a motion i i alluded to it uh earlier but just for the uh purposes of uh of uh information class the um we usually wait until the the center has approved the uh salary and fringe portion of of the uh of uh of budget um and that is usually done uh prior to the end of uh of september so along with the the uh government's contribution for salaries and fringe we also the commission is also supported by revenues from the casino revenue fund as i mentioned earlier and also from the casino uh revolving fund of which uh the commission receives 80 percent of those uh revenues and dge uh receive here 20 to combine you know we we project our operating revenues and operating expenses you know for the history with that background i'm going to turn to you chairman i move this commission adopt and approve resolution viccc resolution number 007-2024 which is a resolution of the guardian islands casino control commission concerning the adoption of the

0:58:37 fiscal year 2025 budget i so move mr chairman i second the motion to approve for the official year 2025 operating budget of the regional system control commission has been moved by commissioner seconded by the commission hearing no objections the motion is hereby approved okay that takes us to the uh next item on the agenda which is uh uh and succeed updates from the dv carolina baby short on the morning readiness for the 2024-2025 for the season who will be on testing for uh dv good morning good morning questions that's um yes you just me thank you to stand and raise your right hand do you solemnly affirm under the penalty of perjury that the testimony you are about to give to this commission would be the truth the old truth and nothing but the two if you do so i affirm and stay today i have from iron belt thank you good morning again thank you for the opportunity jerry commissioners everyone here um the opportunity to present and speak

about kivi korea bay resorts readiness for the upcoming 2024 2025 season

1:00:37 um better yeah rich much better okay now you can hear me again thanks for the opportunity uh we're excited to be hosting members from the united states special services from mid december to early january due to president biden's holiday visit for the island expecting nearly 150 rooms to be occupied by members of the united states secret service white house organization additionally we have 25 rooms for the marine corps during that period of time as we prepare for our upcoming expected busy season we are currently going through the rooms in the hotel to perform various levels of preventive maintenance fresh paint general area measurements and are very excited and ready to host our guests for the 2024-25 season we've also enclosed the presentation uh developed by our corporate marketing team that details some of the efforts that have been made and are going to be made uh during and within the next season um including large national campaigns uh with big names such as real fortune and the price is right where uh the free of a resort will be featured as a prize for those uh game shows which is very exciting and that will be to rerun through the summer hiatus when they're not producing new shows so will be featured heavily throughout those uh i'm happy to answer any questions that you all have for me and appreciate the opportunity to speak in front of okay so thank you very much for that um well you submitted along with uh your um your market update yes um would you like to walk us through that um uh we could put it up on the screen or if you would if you would like to i i can it's a

1:02:37 lengthy presentation going through all the details of the marketing campaign i wanted to provide that just as um good understanding so again to save everybody's time i'm happy to address any specific questions if you have them but i don't necessarily need to go through the entirety of the presentation colleagues what's your footer that's what we said before us it is a lengthy you can read at your leisure but we want to highlight some of the important ones which we did in the letter there which are kind of our i guess three were flashier campaigns but um it does detail the ongoing efforts that we're putting forth to attract uh visitors and retain visitors uh to come to us at creative bay college any questions from mr bro um i did you still have the issue with this on your beach we do and it will be an ongoing issue that will you know remain in perpetuity um i i came over to st croix to creta bay uh three months ago was previously employed belonging by saint thomas another south facing beach with an almost identical angle of incidence to the sargassum seaweed that does come in so having dealt with that uh challenge uh for quite a few years we know that the uh the guest perception of that can be negative however what we did discover and what we are really excited to go forward with in the future one are increased mitigation processes we've created an internal landscaping team that will be significantly focused on mitigating that during the summer months we've also committed a large amount of funding towards upgrading equipment that will be continuously operating to remove sargassum seaweed from the beach to the best of our ability and then furthermore we found to be effective and what we intend to do during that season where the sargassum most impacts our beach um in the following season we will be more transparent and uh communicative with the guests about the reasoning for why it exists our ability or inability depending on the restrictions that are placed on us um and the influx and the amount that comes in but ultimately that we feel that uh coming to karina bay well wonderful experience in and of itself does not fully encapsulate your visit to st croix and so our encouragement is to see it through our marketing and through our ongoing campaigns is that our guests because when many people think of all inclusive they think of staying in one place we're trying to change that mindset where we are encouraging our guests to explore through our initiative called base camp for adventure so we're really advocating for our guests to uh rent cars and venture out and show them that while our resort again has every amenity and meet their needs there's so much more to explore they shouldn't leave behind the wonderful opportunities that they have um so in the summertime uh it's imperative on us and we've worked hard to cut off with our strategy to uh one mitigate to the best of our ability but to communicate and give great alternatives whether it be shuttles for alternative activities so that the guests understand and have an expectation set we're still going to have a wonderful experience will be mitigated effectively by the property staff but also to understand that their vacation is more than just the one beach in front of the resort

1:06:05 i think that the communication yes probably will be like key it's huge yeah if i were to go somewhere and expected to be on the beach and everything but if i know absolutely before yeah um i had another question i'm gonna go down so now i'm gonna pass i have a few questions you know it is are you able to project i mean you're talking about uh president biden and and what he does what's important when he comes but are you able to see from now what's the tokens are looking for looking like as you go into absolutely and what we found um especially in 2024 is we're in the world of last-minute booking right where people who are uh seeing a tiktok video of something and booking and making a decision at that you know within days to find a flight come down and uh make their vacation so our numbers uh i'll give you a good example of this in this month of november in the start of the month we had seen you know average occupancy uh around 20 percent and we had no significant spikes of occupancy which is pretty normal based on the year-over-year data that i've seen come that hotel however this past weekend we ended up over almost 40 occupancy with last minute bookings for airfare deals that happened to pop up um so we we are seeing a large uh spike in this last minute travel so

we're trying to prepare ourselves to be ready and for these spikes that occurred so in in terms of our you know 2024 season through the end of the year we can certainly see uh very strong numbers including the groups coming in supported by uh president biden's trip but in addition you are seeing those last minute bookings as available bolster those numbers so in addition to that for the 2025 season um our numbers are in line with previous we're not seeing decline um however i do expect that with the increased efforts and the you know increased communication and the stronger marketing strategic planning that we will see that you know when those airfare deals pop up when people are able to make those decisions to come down we will see those spikes and we will be ready and excited to welcome them because i know in the past couple weeks when you talk about the um drop in camp players that's now where my children are now able to travel home currently for for the holidays so it has been significant and so if you benefit me from that yes thank you so uh mr bell uh dv korea george is 200 200 okay uh of those 200 rooms uh are they all available right about right now so as uh you know i'm sure you all are aware for general hotel operations

1:09:29 we always have some rooms that are out of service as we all know because our cisterns are very full we've had a significant amount of rain that has come in so we have approximately 15 rooms that suffered some water damage which are being repaired actively we have engaged with contractors that we've done in the past to make to mitigate those issues in rooms that experienced um any kind of damage to turn those around very quickly our goals set out for us by our corporate office and all ones that we don't let ourselves accountable to are to always have our uh any out of service rooms only for uh you know a matter of a week or less and then additionally try to keep those in single digits whenever possible during the off season we do attempt to do additional work in rooms as we know with travelers there's never a you know consistent ability to keep rooms perfect as people may have a little bit too much fun and that room needs to get some work done um there's a variety of uh issues that are faced by all hoteliers in this regard because we're that close to the water and because we do deal with the environment we expect to have um you know we'd like to keep it under 10 rooms that will be out at any one point in time but those are ongoing in renovation so anything that has come out of service is already being worked on and or has a contract for an outside care party contractor to complete the repairs and return and be as close to this during the room availability at any point in time so uh i want to understand that and if i understand you correctly uh you just said about 15 rooms correct so if you had um

1:11:24 if you had uh you know bookings for 185 rooms you are able to accommodate them right now as we speak um it's a variety of additional factors so staffing being one at this point in time because we generally don't have 85 rooms of staffing available to be clean service etc i wouldn't say that we're ready to handle that if that came across the board tomorrow um but given you know the plan again president biden's group being a good example knowing that we have approximately that many rooms needed we are able to adjust and get that staffing up for that time since we don't often find our occupancy at that level okay so so your occupancy you may have answered the question before your occupancy right now is at what rate just about 30 percent or 30 percent yes um would you have the staffing in place um for the uh recall you have the required necessary staffing to to to cover yes absolutely any follow-up questions for mr bill but you wouldn't need to be up already that you're taking this you have uh so obviously you ramp up and down based on the seasonal uh time so you have additional seasonal workers that are already planned interviewed and hired and have start dates uh to be trained ready to operate uh during that spending additionally we've engaged with third party vendors since it isn't always a normal occupancy we don't necessarily hire a full staff to run that in rooms but we do uh escalate and you know ramp up and down as needed to ensure that we are ready to be serving those people okay thank you to fully be prepared for

1:13:54 the president's visit do you have any workers you can get stuff in your neighborhood um we've been very fortunate in that we've been able to source a significant portion of our staff locally right now we have i believe four individuals who are stateside employees but we have been ramping up our efforts and specifically targeting the local population to be able to support us as much as possible we do have several individuals who are uh repeat return workers from the states who come back you know during busy season to help us supplement and that's almost all of those are in the food and beverage area servers bartenders um in those front of house service areas but we do and uh it is our goal and multiple personally to uh do everything in our power to employ virgin islanders um and move away from having the need to bring in others from outside inevitably that always be the case if possible but it is our our effort and we do endeavor to do that all the time that's perfect okay well thank you very much thank you one question that the life of dv are you expecting it to i mean that's not within your control it's not i've been out there and i think it's really yeah become much maybe when the president comes on volleyball to let me by about you know 10 minutes for them to let me pass by so they had them cutting it's a

1:15:47 lot better than i was oh yeah because i've been on that road and i thought it was like this is so sure it can be for sure yeah okay well eventually i spoke to someone from from public works this morning um and uh as i was talking about my road when he told me that uh and i did mention that our uh inspectors and others have reported to us about the uh overgrown

bush yes uh and uh uh the gentleman did um they didn't care to me that they were going to be yeah we've seen them out it's definitely been a good thing both for our staff um coming we're not close again coming from saint thomas i'm still getting used to to the road trips that I have to take on St. Croix, by comparison, but it is a concern also, as I mentioned, we are pushing our guests heavily to engage with rental cars that can export the island and, you know, someone who isn't used to driving on the left for one, but also, you know, the narrowness that that causes can be challenging. So yeah, any efforts that can be made to make that drive, it is a beautiful drive, but it can be, you know, truck is coming on the side as you all know it can be dangerous and we want to you know ensure the safety of our guests and encourage them that it is a safe and easy place to drive on the island so that they can feel confident that they've booked their rental car and can go explore outside of just following the farthest end um thank you thank you very much thank you appreciate it Next up next up we have an update from Caravelle Hotel and who would be testimony for Caravelle this time okay um will you solemnly affirm under the penalty of perjury that the testimony you are about

1:18:04 to give to this commission will be the truth, the whole truth, nothing but the truth. If you do say I affirm and say I affirm. I affirm Ted Sheehan. Do you? I affirm. Thank you. Do you have any written number of someone? I do. Thank you. i will provide the email with claude thank you mr sheathen um good morning commissioners good morning with me today it's sandy felt director of operations and thank you for this opportunity to discuss our readiness of tyson's our occupancy forecast is we are 100 both best of december during the holiday season and we continue on with uh basically until mother's day is our kind of uh time of the week we drop off of it and then it definitely becomes a struggle after that uh staffing wise we have five of the positions uh these positions are to bring us back to full

1:20:02 strength for the season we are able to operate without those five positions we may incur some overtime without those five positions but we're actively recruiting we feel like we can have those people in place licensed by December 21st and to bring it into focus is uh you know we have 75 rooms they are all all occupied generally speaking that probably isn't the best practice for adult you have issues with the door rooms and you know you might have an extra but you know we really have to make hate when the sun shines now so we are going after 100 occupancy and we do not turn people uh room repairs uh we currently have some rooms in a state of uh renovation we're they will be online by the 20th uh some water penetration in various rooms uh there's retiling that needs to be done at four rooms at the company house but again we have no choice that's why we will be ready to go and we are not turning power generators probably one of our biggest struggles uh we need to have been experiencing power spikes from guapa they blew up our our power filtering we're adding additional power filtering on each uh each power panel so when you guys probably i'm sorry the commissioner should probably have realized that we've had a series of power issues recently uh there's back feed coming from panels back to the generator so when the generator sees that power come back from the panels it shuts off thinking is waffle power that's a product of this spikes from water i met with carla selector representatives they're right now in the process of installing this additional power filtering at the panel level we hope that solves the problem however huge spikes through the line with great problems on them so you know it's really a war with wapa at this point kind of where they're

1:22:01 acid uh and adding on to that our water and sewage issue we have water and systems available on both properties uh however when the pumping station at uh over to the wapa uh water treatment station goes down the sewage comes up we're at the bottom of the building everything mixes together and everything comes up so i mean when i walked into work today uh there was sewage washing into the ocean and coming down so it is uh something that's a little out of our control the best thing we can do is just try to mitigate it as much as possible with our instances and if it affects if you see that more than the hotels that we just probably have to shut down i was privy to a meeting that there is a plan to fix that problem although it's probably measured in years not in mice uh so you know we'll just fight for as best as we can for now but that's not where we're at the ac systems were all tested we did affect repairs to the ac systems at the company house uh like the city pestifier indicated you know again there's going to be problems we're going fix them as we go but uh as of today we're ready to go for 75 minutes uh oh sorry double-sided here cleaning and painting and deplaning i mean we're ongoing deplaning and fixing up things as we go uh so that that would be practically uh service training in october we sponsored and participated in the service training provided by care about hotel search tourism the training of a critical campaign for leaders being a guest ambassador and the guest guest experience and advancement uh in pleasure we feel very well that we're in a good position to be able to service our guests throughout the season and ongoing thank you very much um

1:24:08 Um, Ms. Bell. No relation. Take your name and your position here. Your title? Sorry, St. Bell, Director of Hotel Operations. Okay, thank you. So back in September 12, you notified the commission that you were doing some managerial work at the uh company post correcto um what's the standard here uh we completed a great deal of accessibility items that we indicated uh the projects are ongoing like this is the forums that i discussed uh you know i would hope that they were done during a period of time but as i also mentioned in that letter that we weren't going to turn into business as soon as we happens that hasn't impacted you haven't had to turn in hotel guests away but uh those all

those repairs will be affected before we get to that 28th okay uh you're anticipating that uh those are going to be completed by uh november 4th well we did experience some water penetration issues that take care of all and it was important that we went and that was our opening up and we wanted to be able to be maximum capacity necessary so we have heard some of our resources there but again those repairs uh they're not impactful enough where we close things so they oh yeah absolutely it's real open uh you know they had to drill into the wall uh jackhammer um now it's just a matter of retailing at least that's pretty quiet process so you can be cognizant

1:25:58 of how much noise we make uh so anything loud or uh intrusive to the guests you've got done during that period the rest is just clean up so you you are a casino for establishment um uh you have that license uh which requires 75 units so you have two two properties what's what's the number How much do you have at Company House and 43 at Canada? Okay, thank you very much. Do you have to season normally once with November 2 or April?

1:26:42 I would say that it probably runs from mid-December to Mother's Day. the sweet spot for us you know our hotel is a little bit different than diddy and we have a little more of a retail hotel more business customers more uh for instance bulky will call us and say hey we need a room just like that delays uh you know i think diddy is more in the horse business uh so you know our marketing strategies are a little bit different uh ours is built on business space and there's obviously a little more space so i think our uh we probably kind of have more of a a baseline uh day in day out for specifically for the care of all the companies struggling but uh we have loyal guests uh that the same with us uh 25 years i guess it's a little easier in that way for us uh college any questions from mr i i don't have a question i i will say i've read saw the article and i think it's in course source about a sewage leaking into the christianson harbor and they have photographs and i was like how could any business you know you're trying to do a tourist sell a tourist product i'm coming there you say you're taking me out on a detail and say in that um i just don't know what can be done and it seems based on the article it seems risk management has known about this this is a vulnerable issue and because i just can't understand why there's no push i mean that's that's just not just for us but i mean just help help help in the same years right i mean it is

1:28:28 is a pretty impactful one I wouldn't say don't swim in the harbor but I would say don't swim and you know I think it's like anything else it's such a beautiful harbor it is I mean you know I have thought but it's a beautiful harbor I think we all have our struggles and I certainly am not trying to go off on the bus but you know it's just a matter of having fun so you know probably easiest thing to do but again one is operating to my understanding right now so you know if it goes down the sewage comes up here we are so yeah not a good look for the hotel guests it's not a good look for casino guests and again we can probably keep the hotel going uh with the sewage issue but the casino it's first the fact that the toilets come up comes up everywhere it reported that there's a stench i mean it's not even my so we're going into to the hotel because you know there are restaurants there you know and our team is so prepared for you and they still it was just angry what we have to do to treat it but you know it's a little it's difficult when it continues to come on it's a solution you know there's been times where we you know we've got a truck to come out to suck out some of it but get this back fills from down the hills yeah you know it's a and it wasn't this isn't a problem that is unique for the virgin islands every city on the east coast on sewage and the water brings too much uh but you know it's a a little more of a tragedy here exactly where it is from next to no one's part thank you very much and it's um it's nice to hear check one of those out and it's you open the door it's like say i took pictures and i sent my children i said is that for real i mean yes you brought it out as it is from you you just have to come home more i guess i should add one thing or two things onto my list uh the police camera that's very nice so it's always a problem and the garbage

1:30:54 situation so it's an issue i mean it's you know that that courtyard is the center of all activities and i i think if you're a tourist and you see a police camera in your first implementation is like i might probably not want to be on the air uh and then uh between uh derek shew and us to try to keep them under control and it's not either one of us necessarily we don't have anything to do with that but there's another situation everybody thinks it's terrible it's not terrible it's that's where the tracks trash relax we've uh explored some options uh to move it when you say a police camera you mean one of the spot checkers thing yeah so it's uh you know it's a solar powered police camera and it's right you know you know where we have the concerts yeah oh yes that would be good we did spend much money on some really nice lines so but uh yeah probably not the first look all right you know i i wouldn't i don't know the statistics to say prime is lower because of it i mean certainly would probably be a deterrent but commissioner i'm just curious i drove from the christian center so the poor condition of the road never hunger dance hotel that affects you somewhere no i mean so that i i think i'm not a geologist but i think that's like a natural but that's uh just water is washed down there forever and adding on is if you go down that uh you will see sewage coming out of the ground and security and then you know when you get things high it comes in it deteriorates that that i just think it's probably not worth fixing because it's going to end up right where it was but it's there's some uh tank trap problems in there right now sure and on your bandwidth uh situation is that still you still have the required we do uh

- 1:33:05 make the commission happy with you uh you know we don't want to get into that business however we hasn't any queries for it but it'd be pregnant one month no we're not yeah but if we do make it available to anyone who's going to use it just didn't take us so far okay i think we just make the show we adhere to law but you do have it available if requested you can meet the numbers it's exactly as we described uh the presentation was that you're at okay okay um i want to thank you mr sheifer i guess you are you will be around for the next item on the agenda i would probably not be a testifier but uh i will listen thank you um before we move on to that uh let's take a five minute recess uh so the uh commission we can stand in the recess for five minutes we just get back on the record uh the next item on the alternative is uh six e should update from your operations lc on the casino at the run Mr. Williams and I will both be uh here here to answer any questions you have sir so i need to swear uh would you raise your right hand please in your case i don't understand
- 1:35:06 do you solemnly affirm the penalty of perjury that the testimony you are about to give to this commission that would be the truth the whole truth and nothing but the truth if you do should i affirm and state your name and your title i affirm jason williams general manager racing operations my firm andrew dubuque managing member thank you so much uh do you have uh any prepared testimony mr dubuque so we're not okay so i will uh will you to you all mr dubuque uh to give us uh an update from where we are with the casino okay thank you uh uh thank you commissioner and uh thank you to all the commission um but but before i get on that topic um i i will i i would like to mention real briefly um that that i i i second the testimony that mr schieffer and miss bell just provided about the problems we've incurred downtown as it relates not only to the sewage but to the garbage um it's it's been an ongoing problem we've had for years it's a terrible look for our customers it's a terrible look for our island and um i sincerely hope that uh the government does fix this problem sooner rather than later because it's not only affecting our businesses but it's affecting uh our employees as well it's a health concern so um anyway now that i said my piece on that um since we got together last um we've begun uh work on the the track um itself we've started uh work on the repair of the barns um we completely stripped the barns off we took the roof off we found that the pylons needed to be redone um probably should have just uh leveled those barns but i think at the request of much of the community who did like those barns and do like those barns uh we were we're in the process of repairing them um in addition um we're in the next couple of uh well depending on on on on on weather and availability we're going to start working on the track surface and uh the track railings as well um uh we've had uh as as you know i i think uh chairman you were not at the meeting at the legislature um but i i do know that uh your colleagues uh miss herman purcell and mr renee uh those two commissioners were um and we described in that meeting that we would begin on the track uh infrastructure um despite the fact that we didn't have the racino built which has been a departure from our uh our operating model uh for the past two years um as i've mentioned to the commission to the legislature to the governor to anybody that'll listen that um spending money on the track without having revenue sources is um is not the not the most intelligent of business models um however um it's it i i i think that we vigil and the carabelle group appreciate that the community uh it so desperately wants uh functioning racetrack and and And there's no reason why the that we should be any stopgap to the community being able to to afford that. So we did begin on those projects. We're working with the government in order to ensure that those projects are done in a timely fashion. I have a meeting with actually the governor next Monday to discuss to discuss the the phasing, if you will, of the racetrack and the Racino. Now, what's what you're really asking about is the Racino, as you know, the Racino has not begun yet.
- 1:39:10 um in july we had a change of contractors uh that that you might have been aware of i did mention it in the uh the legislative hearing um uh our our previous contractor um has has filed for chapter 11 bankruptcy um um we did not know it was the right uh approach to move forward with that contractor since then we've hired uh additional construction managers and owners reps in order to get us contractors. We have received bids to build the racino based on the approved set of plans that the commission approved earlier this year. The costs for the casino as designed have become so large that they become un-economically feasible. We've had numerous meetings and numerous design reviews on how to value engineer those costs. And the reality of it is that the casino as designed is not an economically viable situation. So I, I, I, I respectfully request two items from the commission. Number one, that you extend our Racino license to provide us time to begin construction on the Racino. And number two, that you provide us with, with no more than four weeks to come, come back to you with a, with a construction schedule that will include a potentially reduced size casino
- 1:41:02 that will allow us to potentially reduce footprint, potentially, but more likely different materials as well that will allow the redesign of the racino to more properly match the economic realities of where we are today in terms of construction costs. um the we're in the middle of redesigning that right now um I don't think it will take any longer than four weeks to to come to the casino with uh to the Commission with a design uh for for either approval or denial obviously um but I respectfully request that time to do that okay uh those are your those are your comments yes sir okay thank you thank you very much um where do i begin you uh mentioned earlier that um um you were at the hearing uh along with one of my uh colleagues testified uh that was on September 20th um and during our testimony we uh went through a chronology as to how we got to issuing the uh licensing or the license for the casino to restrict um you also heard that there was a six

month or six month period wherein the uh there was supposed to be substantial construction of the casino and um within that six month period of the timeline

1:43:09 like that was up over 19 from april 19 to october 19 was the uh six month uh period um and you also heard that uh if uh the construction did not commence then it was incumbent upon the like to see to request uh an extension um another verbal one as you as you just requested but um to to submit an application to the commission for an extension of that uh period uh the the the uh commission we we wrote you uh these two letters in addition to hearing the testimony at the um at the legislature which you know we reminded you you know of those requirements and the commissioner is somewhat concerned that uh nothing was nothing was done one of my colleagues said uh uh in one of our meetings the no action the silence is uh deafening uh he didn't use exactly those words but that would uh that wasn't my words you know um and it is concerning to the commission that you know given you know given the the requirements of the law which we all agree that we are going to follow that uh nothing has happened and um we think that the that the the the commission by extension the community is uh uh concerned as to whether or not this uh

1:45:00 project is going to be moving forward so uh given what you just said uh it is your intention to move this project forward correct well i think i i think the the the to answer your question first and foremost i was not aware that it had to be a written request for the extension but i will uh circle back with council uh mr plaska whom i believe you know and make sure that that gets done um ex post facto um uh you know before the week is out for sure so we apologize for that. But secondly, yes, our intention is to move forward with the project, which is why we're also requesting that you allow us to redesign the Racino to make it more economically viable, because as currently approved, it doesn't make any sense. It's over a thousand dollars a square foot to build. And I don't think that the shareholders have any interest in losing money just for the sake of it. The costs for construction have more than tripled over the past two years and it's it's as designed just not economically viable so what we're requesting is to is is four weeks to come back to you with with a design that we do believe is economically viable given the environment you you mentioned the that you had uh you had a previous contractor um which went bankrupt or filed for um protection and uh you we know that we issued a license to atlantic uh atlantic construction construction yeah yeah okay consultant oh yeah consultant yes uh are they contractors

1:47:08 no commissioner those are owners rep slash construction managers okay so uh do you currently have a contractor we have we have bids from contractors but we have not hired one okay and those bids are based on the current construct of the of the casino footprint yes commissioner okay and just for just to put some numbers on it because i we we provided this information to the legislature we're not i'm i'm not you know i i i'm not embarrassed to say that our original bid to build the casino was \$7.4 million, which in and of itself is pretty expensive for a 15,000-square-foot building that has no gold in it or anything of that nature. But our last bid that we received for the exact same building was over \$15.5 million, plus on top of that furniture, fixtures, and equipment that need to go in. We're talking about close to a \$20 million investment for something that two years ago we thought was going to be in the realm of \$7 to \$7.5 million. So as you can appreciate, in order to get something done, instead of throwing our hands up and giving up, what we'd like to do is come back to the commission with a redesign that will hopefully, number one, please the commission, but number two make it economically viable for the shareholder group okay and you know uh there was a concern with commission that you know uh you know and you know i heard you say that that you weren't aware of um you know of of uh that uh requirement that they have to be writing etc etc because the

1:49:02 commission has to do certain things you know but um you know you you had uh in our uh estimation you had a couple of notices one and two uh including the the the appearance of the legislature that uh there was that there was a certain or is a certain timeline um and uh we um we expected some action uh the commission you know for the record has um has uh throughout this whole process the commission has endeavor to work you know with vigl to get you to where you are need to be um we don't say that we have been an impairment to to to any progress but if we are going to if we are going at this project we're going to move forward you know we need to have you need to have that that that communication we need to have uh uh certain movement on the on on this project and the progress of this project um i'm going to stop here for now and ask my colleagues if they have any questions for you mr dubuque uh chair i just um i i heard what mr dubuque has testified to that he didn't know it needed to be in writing but i know by our letters october 8th and november 7th of 2024 the commission took great pains to pull out the requirements of title 32 burton allen's code section 439 which in part concerning um where and the failure to commence and continue with substantial construction the licensee is required to submit an application for an extension because thereafter the commission has to conduct an investigation and have a hearing so it's i guess for me i was taken about that he would uh he could make an oral request that he didn't know it had to be in writing um and i'm just saying in the time i've been in this commission this particular this commission with these colleagues we have made it clear that we do not operate but word of mouth we are all people who want documents we want writing and and it requires that application because it gives us the reasons why you would consider and then go into investigation for you to then adhere to requirements of law the law says

- 1:51:54 commence and continue substantial construction and that's why we're here it expired october 19th was the six month period and and and i echo what the chairman has said has indicated we're not here to put up roadblocks for your project a project that i think the entire community wants but you have to adhere to the law i'm i'm i'm law driven i and because i think with with the law the law has been set up the legislature has told me how we should do this and if i follow the law i can't get in any any problems correct and it's just clear what you have to do what bigl operations llc has to do because you know what it's also clear what the commission then the action the commission has to then take in in that field and i just wanted to put that on the record because i know we've taken these pains to communicate with bigl twice to ask where are we on this project and because we we too have the requirements of 32 bic 439 that we have great heritage and that's all i want to say thank you my concern at this point is that i understand you to be saying that you've got to redesign and send it to the commission for approval i'm concerned that all of what you've described will get you out of the time limits granted towards my law a redesign will take some time so i am concerned about that project becoming a reality anytime soon what's your comment on that well like i said i believe that uh that i think a redesign will take
- 1:54:00 no longer than than four weeks to come to come to you with something um that we can act on uh quite quickly and in fact reducing the size it makes it considerably easier not more difficult and i also have a concern at the legislative hearing there were questions raised about the igl having another project in antigo what is the status of that as it relates to what you're doing here the comments that i made in the legislative hearing remain exactly the same as i'll tell you today is i i we don't have any formal agreements with any concern um um as it relates to casinos or or racetracks with anyone on the island of antigua i i am left to wonder whether that venture in a tigre is precluding you from doing what you told that you're going to do oh you know that's interesting no i mean we have uh commissioner that's a good question i i think i understand your concern now i i didn't appreciate that no i mean we we look at projects throughout the caribbean the u.s and frankly the world in order to expand our business i don't don't think that there's any shortage of equity dollars that are looking for good returns and solid businesses. I don't think that our management team, our equity dollars, or expertise should preclude one project over another. Businesses look at multiple projects all the time. And in fact, I would hope, I would think that the commission would frankly be excited about uh the caravelle group looking to expand uh racing offerings throughout the caribbean in order to make a a a more holistic racing community um i would think that would be a positive thing frankly but but no the the the projects don't preclude each other to to uh answer your question directly in fact uh there's more uh there's more um there's more of a symbiotic relationship uh among the projects that we look at than there are uh competing projects if you will i understand the
- 1:56:28 commission should be excited if the Caribbean island decides employee has a similar project but you mentioned an increase from 7 million 7.4 million for construction to 24 million i mean if i were if i'm in a business of that nature spreading myself too thin in the case of rising costs and really reconsider why the both projects are viable well commissioner i i would argue differently i would say i would say that that i wouldn't do the one that was 24 million that's what i'm sitting here saying is to make it on the the the returns are on a dollar basis they're not on on on a holistic basis um so so spreading yourself too thin is is really not uh something that we think of because like I said there are you know there are there's a never-ending pool of of of equity for profitable projects that don't make the projects compete with each other on a dollar for dollar basis does that answer your question I do have some real concerns um and I the commission as a whole has had some concerns and we'll move forward and see what your next steps would be my other question is we had a visit to the restaurant and uh the camera was being removed how far are we with the shed what else needs to be done i mean what's what's going on at this point between time we're here and now okay so you're referring to the metal roofing that was removed from the virus recurrent
- 1:58:28 so what we're doing right now is um changing out some of the columns because um the the when dpnr came and did the inspection they informed us that and pointed out to us that certain columns have to be changed along the shed rows um that's what we're doing right now as a matter of fact i was at the track yesterday and that's going on right now um the metal roofing will actually hopefully start going on within another couple of weeks that should start going on um in addition to the columns that's being installed where they're also installing the hurricane clips at this point on all the rafters so a lot of them are corroded and have to be changed it's interesting this project went from just you know us having to change the metal roofing as was indicated in the ccm um hearing to now this has morphed into a huge project um um you know I think the emission of the cost was like if i'm not mistaken um Mr Dubuque I think was like 160 or 180 thousand dollars or something it's almost well I think it's double that at this point so um you know but again you know it has to be done we're we're committed to it and that's what's taking place at this moment um as recently as yesterday when I was there I'm sure I heard also that we're going to begin on the tracks very soon.
- 2:00:05 Yes. So, Andrew, again, correct me if I'm wrong. What Mr. Dubuque said during the Senate hearing, and yourself and Afram and Kersel was there, i think he said that the um the barns and the track surface and the rail would be installed hopefully by springtime um next year so yes we are we actually have made contact um because we are i am the one that

made the contact with um the state site concern of ours and um we've initiated that process to begin um looking at uh installing the running surface so but you know that will be phased in uh after the barn work is completed barn work is to be completed the surface is going to be done correct give me a set and there is the reason to give me a projection when can i see the first i am not going to give you the projection on when the horse race will take place and i'm going to tell you why that's not solely up to the idea that's a conversation that has to be had with the horsemen association and with the racing commission that's in changes in terms of infrastructure when can you be ready to have a discussion announcement and we're aware well

2:01:52 again i have we can we can we'll start to have conversations hopefully within a few months we'll be having these conversations but i can't say at this stage and again that i'm going to keep calling his name he's sitting right behind me i cannot say what the racing commission will be required from us in order to have a race will they require parametral wagering i don't know will they require a completed outfitted jockey quarters add up an elevated platform for for judges and and i mean i don't know at this point let me simplify with the surface oh well again the surface will be ready it's our intent to have the surface ready by springtime up next year that's what we said if you testify to that that's the most i can give you at this point i really can't say what is going to be horse racing thank you uh mr williams um um was the project to replace the roof the roofs on the uh barns stables um was that halting by vpnr uh well yes because we had to end up getting the permit for the um for the installation of the new okay okay okay so uh the the the room will show don't mind understanding okay okay um yeah is that moving yes yes like i said i i was there up to yesterday um i don't think there's anything else i need to ask the contractor uh there isn't anything

2:03:45 else we need from a permitting standpoint to finish the bar repairs uh and so if something else comes up that will be used to me and and the contractor and that project is uh the hl hl yes in your testimony you indicated you're requesting two things one was to extend the recital license could you expound on that and explain to me what you mean by extend the recital license uh um commissioner like i said i i i apologize for not knowing that request had to be in writing and and i i will work with council to get that request to you in writing by the end of the week that is uh 100 our fault and and i apologize for not getting it to you in writing which we will by the end of this week um but um that's what i mean by that and then what was the second question okay well the second question was when you believe you would file the application as required by 32 um vic 439 but you're indicating to me by the end of this week the end of this week is what date uh today's wednesday you're saying by close of business friday november 22nd yes i will make sure that gets done by the end of the week yes by close of business friday november 22nd and i and and we were discussing this i mean at times we're challenged by what the stat a statute says as it applies to um title 32 virgin isles hold section 439 is very clear clear to me and i think that it's clear to

2:05:48 me it's pretty much it's clear it's very straightforward as to what is required okay i will i i will ensure that that that that council gets exactly what what you need by the end of the week and again if the council it's set out in in the resolution the resolution issue their license um vicc resolution number 005 at 2024 it's in there it's it was um stated in the letter dated uh to you dated october 8th at 2024 and again by letter dated november 7th at 2024. so i think the commission took great claims to guide the igl operations in the matter again that's why that's why we're very concerned because these things you know uh there were many opportunities as uh uh commissioner is in the uh uh granted the license and then and you know this is a process and this commission is committed to following the process you submit an application There is an investigation, there's a hearing. So as to my, to Commissioner Renee's concern that this pushes, naturally pushes this project for the house.

2:07:17 And we happen to hear that we'll be submitting the application by closing business on Friday. And then the commission has this work to do. but you know, you understand our position. Hopefully you do. Completely understand your position and don't get us wrong, the commission has done a fantastic job. We are not questioning that whatsoever. I will get with counsel, completely care of our group's fault for not submitting this in writing. Mea culpa, we absolutely should have. Especially when the initial license is only for a year.

2:07:57 Correct, and that's why it's for you. That's why it's for a year, because it's required you to do things within that 6 months. Show me that you can fulfill the terms of this license. Okay, we look forward to to receiving that information, and you know the the the the commission would to see with work. um things may not happen as quickly as you know we uh approaching the holiday season and uh some places are in that in that mode so but hopefully uh we didn't get that move because this part of me and there's no question about it it has to work it has to move and as commissioner uh according to the statute uh the uh the commission has certain responsibilities as well so i i don't want to belabor the point but yeah it's it uh it has to move thank you thank you okay um on that you know uh do you have anything further to add um mr Mr Williams I'm fine uh no Commissioner thank you okay thank you so much uh for your update and again you know we look forward to receiving that information so that at some point in the future that um uh horse racing uh does in fact

return to uh to uh to st corey you know our sister

2:09:57 all right thank you so much appreciate it uh so that was the last um item on the uh agenda under uh new business can you move on to item number seven on the agenda any other business colleagues nothing from me chair okay um thank you very much so if there is no further business for today's meeting and hearing i would like to thank all of you for um participating here today i want to extend extend express attention appreciation you know to to our staff uh the commission staff so mr man before uh ms andrews my body of contributions our next party meeting uh is what we schedule for um uh probably the first quarter in 2025 we have not uh set that schedule but um more than likely probably uh in march and once that date is confirmed once that date has been set we will confirm it and uh distribute that information the um the holidays uh quickly approaching and next week is uh thanksgiving and let me take this opportunity to wish all of you and your families uh happy times giving uh joyful and peaceful time together um and since we

2:12:13 more than like the only meeting for the christmas holidays let me extend uh christmas wishes to you to you as well um the uh the commission you know has uh seen some some uh challenges has overcome some challenges uh during the year but we've had uh you know really some some good successes that uh we are very uh proud of commissioner mentioned one of them earlier today that um that uh is it uh mou with the um with the department of health um is one of them uh we are so we are so embarking on our um responsible gaming uh website which is playwise bi that's going to be uh publicly announced it's that that um that uh website is live right that yes okay so uh but we're uh you know as well um to our industry partners uh you know again challenges we um uh for the most part for the most part um you have uh communicated uh with us um at times uh you had to be prodded but um nonetheless um uh uh together you know we can make progress uh just the the the the issue there is is always you know communication and um so once once we communicate you could work you know collectively to together to to address uh those uh those issues and make improvements wherever we can

2:14:06 you know for our shared shared interest um and i want to say thank you thank you again um and uh any closing comments from my from my colleague before we adjourn i would just say this year has was a busy year chair because we kind of the licensing process of renewal caravel and the issuance of the initial for the receipt of several times where the legislature and so the commission commission i think plus the things that we do in the regular force of our business but it has been um i think we've done well with with what we have and the resources we have i'm proud of the work of this commission but we could not do this without our staff so and and our industry part or who when something comes out a directive comes out or you need this they respond yes and i think you see that that the um the the from the statistics that were reported you know earlier in my report you know it is it is moving along well you know it it uh seems to be healthy um i don't know if my if my pilot would agree but uh from from those numbers it looks pretty healthy you know i mean um uh employing uh 300 uh virgin islanders is uh uh a period of over 10 million dollars annually it's no small fee you know and we certainly we certainly you know again appreciate you know your

2:15:53 efforts and we thank you commissioner also while we're doing that we're also training your employees new employees for the year so that that is a major feat achieving so much new people coming on board throughout the year okay um with that the quarterly regular meeting for november 20th 2024 is hereby adjourned thank you all thank you You

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## People named in this transcript

SUSPECTED, and a finding aid only. Names were matched by machine against the spellings used across all 426 of our transcripts, and the title is the one used in the room. Being named here is NOT evidence that a person attended or spoke · only that the name was said. Speech recognition mishears names, so a spelling may be wrong even where no alternative is offered.

3x **Commissioner Luther F. Rene**  
heard in this transcript as: Renee

2x **Commissioner Carolyn P. Herman Purcell**

## Bills and acts referred to

Matched by number against our own acts corpus. The number is what the recognition heard, so it may be wrong; where it resolved, the title is the one the Legislature gave the act.

**Act 8935**      Act 8935 · October 16, 2024 · An Act allowing the operation of casinos on cruise ships while docked in St. Croix, Virgin Islands pee | Sey

Referred to but not found in our acts corpus: Bill 35-0389, Bill 35-0396