

The Virgin Islands Consortium

Divi Attorneys Slam AG Walker And Golden For 'Careless' Behavior; Contend Casino Is Owed Full Refund

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ST. CROIX -- The payment of \$473,350.00 that was made to the Virgin Islands Casino Control Commissioner (CCC) by Divi Carina Casino, [first reported by The Consortium](#), was only to allay threats of closure by Acting Attorney General Claude Walker, and not necessarily because the casino, located on the east end of this island, owes any money to the Virgin Islands Government or any of its entities, a press release issued by Treasure Bay VI Corp., owner of Divi Carina Casino, contends.

The release, issued late Friday, came with two separate attachments revealing conversations between Attorney Walker and the casino's attorneys, and contends that the CCC and the AG's Office, through their "careless" actions, have damaged Divi's reputation that it took years to build.

The release further stated that articles in media outlets (VI Consortium and VI Daily News), "mischaracterized" the overall conflict with the AG's Office and the CCC. It went on to say that the payments were only made because the AG's threat to shutdown the casino was real, and that once the firm is allowed full due process, it is expected to recoup all of the \$473,350.00 payment.

"We are happy that our representatives had the opportunity to meet with Acting Attorney General Walker on October 15 to share our position that although we do not believe that any amount is due, we are very willing to work with the office of the Department of Justice, and have in good faith made this payment," TBVI's President Susan Varnes said. "It has also been agreed with the Casino Control Commission (CCC) and the office of the Department of Justice that once due process has been served, and if TBVI is vindicated, we will then be entitled to a return of the funds."

Via email communication dated October 14, Divi Attorney Nichols Newman wrote to Ann Violet Golden, chairperson of CCC, Henry Richardson and Dr. Roderick Moorhead, both commissioners of the CCC.

In the email, Newman, who had attached the AG's "[demand letter](#)" as proof, which he said was emailed to him for the first time by Anton Kuipers on October 14 at 9:30 a.m., and hand-delivered to him the same day by a Division of Gaming Enforcement Officer (DGE) named "Soto" (the officer's full name was not revealed) at his office at 11:15 a.m., said the Attorney General had "seriously misconstrued what we can only assume were the findings of Mr. DeLuca's account reporting." Mr. Newman was referring to a CCC forensic audit that ostensibly showed Divi owing the Commission \$1.3 million, a report that Mr. Newman said they had yet to see, and one that Ms. Golden told the Senate at a [hearing in June](#) was not complete. Furthermore, Newman argued that the amounts revealed as owed in the forensic report are owed to the CCC by the Virgin Islands Government; not the casino.

AG Walker fired back with a scathing response, stating that while he was in receipt of the letter that disputes the CCC's findings, the Department of Justice's ultimatum to the casino went further than monies owed; but other grievances as well, including employees, among them the casino's general manager, who are currently working at the gambling firm without being licensed.

"First, this is not simply a matter about the amount of money that Divi Casino owes VICCC," Mr. Walker wrote in his response. "This is far more serious than that because the Attorney General's Office has learned that as of today, 99 of Divi Casino personnel, including the General Manager, are not licensed, or whose licenses have expired. Of that number, the licensure fees are as follows: 20 are key casino employees at \$600 each, 64 are regular casino employees at \$400 apiece, and 15 are security employees at \$50 each."

Mr. Walker continued: "Second, such regulatory non-compliance is further evidence that Divi Casino has engaged in a pattern and practice of outright defiance of Virgin Islands casino laws and regulations for which there are very serious sanctions. Each Divi Casino employee, manager and owner must ensure that his license is current, regardless of whether VICCC has issued to each of them an individualized annual bill. Every Divi Casino employee is given an expiration date for licenses and work permits, and also has an obligation to know and understand the applicable Virgin Islands statutes and regulations pertaining to working as a licensed employee at a casino."

But in an embarrassing rebuttal, Divi cast the blame back to the CCC for failing to do its job of ensuring that casino employees were granted licenses, chastised the AG for acting prematurely and therefore damaging Divi's reputation, rebuked Ms. Golden for acting on her own accord and not consulting with other CCC commissioners when making decisions directly affecting Divi, and, at other times, going against rules that she'd previously agreed to.

"Not until our local counsel's call with you on the evening of October 14, 2015 was TBVI aware that Chairman Golden was still taking the position that any of TBVI's employees were improperly licensed," TBVI's Counsel for Casino Management Scott Redman of [CBK Law](#), pointed out in a separate letter to Mr. Walker.

He went on to note other discrepancies as well:

"At the CCC public meeting on October 9, 2015, the CCC passed a resolution granting temporary licenses to all employees as necessary," said Mr. Redman.

"The granting of temporary licenses made complete sense because, as you now know, to the extent that prior to that resolution any employee who did not have a current license, such status was not due to the acts or omissions of TBVI or such employee but due to the fact that the CCC and/or DGE are years behind in processing employee license applications and investigations. The granting of the temporary licenses was the CCC's remedy to clean up the mess that had been created by the inaction of the CCC and the DGE.

Mr. Redman continued: "As you also now know, before any employee is allowed to work for TBVI, that employee must be issued a work permit by the CCC. Beyond that work permit, the CCC and DGE are in complete control of the license process and TBVI has no way of monitoring that activity. TBVI has regularly inquired as to the status of the pending employee licenses to no avail. These inquiries were made to both the CCC and the DGE. TBVI has been diligent in maintaining that all employees hold valid work permit which are required to be renewed annually with the CCC.

"In reaction to your demand that TBVI pay all outstanding employee license fees and that TBVI "figure out what it owes", TBVI immediately made inquiry to the CCC to obtain a list of licensees. The CCC was not able to produce such a list and as of today are still unable to do so," Mr. Redman noted.

For full details, TBVI's letter to the Attorney General is [here](#). Find Mr. Walker's "demand" letter to Mr. Nichols Newman atop. And the back-and-forth between AG Walker and Mr. Newman, along with a letter addressed to the commissioners of the CCC and Chairperson Golden can be found and read [here](#).

