

# Stateline casino turmoil: Bill's closing, MontBleu staff cuts

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**By Kathryn Reed**

STATELINE – Bill's Casino in Stateline will cease to exist as of Jan. 4 when the world's largest casino company closes one of its smallest gaming venues.

Letty Garay, who has been a slot host for 19 years at the casino, said the nine employees were told about the closing on Monday. Seven work part time and two are supervisors.

The casino, which opened in 1987, once employed about 200 people. Before it was Bill's, it was Barneys Casino.



Bill's Casino  
in Stateline  
is empty Dec.  
9. It will  
close Jan. 4.  
Photo/Kathryn  
Reed

On Wednesday, it was hard to find an employee or patron to speak with.

Walking the casino floor, Garay appeared to be the only employee on duty. The bar was closed. A sign said go next door to Harrah's if you need change or to cash a check.

Garay, who lives in South Lake Tahoe, doesn't know what she will do next. She plans to take the severance pay.

Bill's officials said employees have the choice to be relocated or take the money.

Garay wasn't surprised about the closing. "I understand with the economy," she said.

It has been the Y in South Lake Tahoe with its boarded up buildings that was the eyesore of the South Shore. Now the east end of the South Shore may look no better with a vacant casino joining the bankrupt concrete-rebar site known locally as the "hole in the ground" (one day it might be a convention center-hotel-retail complex).

Tourism officials don't believe plywood will be used to shutter Bill's – realizing the image it provokes and how nasty it looks in South Lake Tahoe.

The one good thing about the would-be convention center is it looks like a construction site and doesn't scream economic strife like empty buildings do.

Casino officials are optimistic the closure will be good in the long run.

"One of the key things I think is between Harrah's and Harveys we can work more on positioning to make them stronger as we move through and get through the current recessionary problems," casino spokesman John Packer told *Lake Tahoe News*. "When we get out of the recession, it will be key to be in the right position."

Only three people were playing slots Wednesday afternoon at Bill's. TVs and the one-armed bandits made noise, but it still

had the feel of a ghost town. It was almost sad. This casino that has operated for than 20 years has been slowly dying, much like all of Nevada gaming.

Harrah's Entertainment owns Bill's, Harrah's and Harveys at Stateline. Harveys was acquired in 2001.

Bill Harrah started the company in Reno 70 years ago. On Jan. 28, 2008, Harrah's Entertainment was acquired by affiliates of private-equity firms TPG Capital and Apollo Global Management.

Bill's Casino had been completely remodeled in 2006 and went smokeless in December of that year.

In July 2008, the casino eliminated all of its table games and with it, 28 employees.

The corporate website says, "Harrah's Entertainment is focused on building loyalty and value with its customers through a unique combination of great service, excellent products, unsurpassed distribution, operational excellence and technology leadership. We concentrate on building loyalty and value for our customers, employees, business partners, and communities by being the most service-oriented, technology-driven, geographically-diversified company in gaming."

It might need to rewrite that statement.

Lake Monster Tattoo has one of its shops inside Bill's. Owners Reed and Nerissa Murin had planned to consolidate into their store at the Y in South Lake Tahoe before getting the official word from management at Bill's about the closure.

They have had the casino shop for four years.

"We've seen it coming for a long time," Reed Murin said.

The couple said that while the casino floor has lacked patrons, their shop and Bar 24 have stayed busy in these lean times.

The phone at Bar 24 has been ringing off the hook for more than a week. It is not known how many employees lost their job there.

Bill's used to be the spot where locals would hang out. It had a more laid back feel than the big four.

Like all the casinos at Stateline, Bill's used to be packed. It would be wall-to-wall people on weekend nights. When other casinos had \$5 blackjack tables, people were hovering at Bill's \$2 tables waiting for a seat.

There was a time when Bill's didn't have doors. The entrance – on both ends of the casino corridor were open 24 hours day. It wasn't quite gaming al fresco, but it had that funky, Tahoe feel.

Packer remembers in the early days of the casino when people filled the sidewalks outside of Bill's and the other casinos. He also acknowledges in recent times it has seemed like employees have outnumbered customers at the small facility.

Bill's clients are considered "retail customers" – ones who just show up. No player cards were issued, which in turn meant not knowing the players by name or address. This meant they could not be marketed to to lure them to Lake Tahoe with specials.

In the late 1980s the upstairs McDonald's was popular with locals and tourists craving junk food. Various restaurants have come and gone from what was Bar 24.

What will happen to the property is not known. Harrah's Entertainment owns the building and land.

"Once it is closed, we will look at our options," Packer said. "We will button it down. The parking lot will be used as overflow for Harrah's. The building itself will be closed."

**MontBleu layoffs**

The Tuesday before Thanksgiving 27 people were laid off from MontBleu casino in Stateline. The casino still has more than 600 employees.

The pit is closed during the graveyard shift because the casino floor looks like a cemetery at that time of night "no one walking around.

The reservations desk is open only from 11am-7pm

Many of the lost jobs are people who earned \$7 or \$8 an hour. But also out of work is the director of casino operations. The director of food and beverage has been replaced.

Tropicana Entertainment out of Las Vegas owns MontBleu. It renegotiated its lease with Edgewood Companies (formerly Park Cattle) earlier this year. It now expires in 2028.

### **Indian gaming's role**

Indian casinos have increasingly been the nemesis of Stateline and Reno gaming halls. But even they are having to layoff workers. Red Hawk in Shingle Springs just laid off more people.

Tom Davis, who last month was laid off from MontBleu and is a former mayor of South Lake Tahoe, said at the Dec. 8 City Council meeting, "It's the Indian wars now."

Billboards throughout the Central Valley are for the Indian casinos in Jackson, Shingle Springs and Roseville. On Highway 99 between Sacramento and Turlock not a single Tahoe or Reno casino is advertised. Interstate 80 and Highway 50 west of Sacramento have limited advertising for Nevada casinos.

Workers at Thunder Valley in Roseville agreed this week to join the Teamsters union. But unions are no guarantee of a job.