

# Casino boat settles contract dispute

Freeport – The odds are now on the house as Texas Star Casino is one step closer to putting its gambling boat in the water.

The company's operators are making repairs to the boat two weeks after settling a dispute with a contractor.

The dispute, which had the 167-foot boat seized by U.S. Marshals almost a year ago, was over services rendered on the boat by Instrumentation Inc. to install an air conditioning system.

Instrumentation Inc. declared that Texas Star Casino owed them USD 55,000 for installing the system. Casino operators claimed they were overcharged and took the matter to federal court. The suit was settled in mediation this month with Texas Star Casino agreeing to pay USD 32,000, said the company's new general manager Larry Kirkland.

"They were billing for excessive amounts of labor," Kirkland said. "We're happy it finally got resolved."

Attorneys for Instrumentation Inc. did not return calls seeking comment.

Though the dispute with its former contract now is settled, Kirkland said it could be a while before the floating casino actually is operational.

"It will be several months before we can operate the boat," he said.

Texas Star Casino was denied a passenger loading permit by Freeport City Council by a 3-2 vote in February. The company had too many internal problems to be given a permit, said Councilwoman Norma Garcia, who voted against the permit

request.

If the company gets everything together, she said she would have no problem granting them a permit in the future.

"I love to gamble," Garcia said. "I wanted to give them a chance to straighten things out. If they're moving forward, I would have no problem issuing them a permit."

The company cannot apply for a loading permit until a year after being denied, said Freeport Mayor Jim Phillips, who voted in favor of granting the permit.

"We will work with them any way we can," Phillips said. "I don't think it will set them back much."

The casino company now is focusing more on starting up its 12,000-square-foot on-shore entertainment facility, Kirkland said.

The facility will host musical and comedy acts from Branson, Mo., and is planning to host its first event with country singer Moe Bandy, he said.

"We plan on having something every weekend," Kirkland said.

During the casino company's hearing about its loading permit, several contractors complained about the company's former general manager. Kirkland was brought in as the new general manager Jan. 8.

Texas Star Casino was started about a year and a half ago and has not yet been operational, Kirkland said.