

LOUISIANA GAMING CONTROL BOARD

Minutes of April 20, 1999

APPROVED
5/18/99

The Louisiana Gaming Control Board conducted a meeting on Tuesday, April 20, 1999, 10:00 a.m., Dept. of Natural Resources Bldg., Mineral Board Hearing Room.

Present at this meeting were: Hillary J. Crain, Chairman; Robert M. Fleming, Vice-Chairman; Sherian Cadoria, Marcia Morgan, Dudley Lastrapes, Rupert Richardson, and ex-officio member Sec. John Kennedy. Absent were board members James Boyer, Ralph Perlman, Ecotry Fuller and ex-officio member Col. W.R. "Rut" Whittington.

The meeting was called to order. The Chairman stated that the gaming study had been completed by Dr. Tim Ryan and his staff and a press conference was scheduled for Wednesday, April 21, in the Fourth Floor Press Room of the Capitol. Dr. Ryan and his associates would be available to answer questions with reference to the study.

Vice-Chairman Fleming made a motion to adopt the minutes of the March 16th meeting. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

Mr. Robert Tucker, riverboat gaming, presented the monthly riverboat revenue report and Mr. Mike Legendre and Ms. Janice Adolf, presented the video poker figures.

Ms. Jennifer Murray, Asst. Attorney General, presented a report on the underage video poker citations.

The next item on the agenda was the consideration of a construction waiver on behalf on Paradise Truck Stop. Mr. Brett Sulzer, attorney, and Mr. & Mrs. Ted Hammers of Paradise Truck Stop addressed the Board on this issue. Because the fuel sales had not been met, state police shut down some of the machines at the truck stop. Mr. Sulzer was requesting a waiver stating the lack of fuel sales was the fault of road construction.

The Board found there was no provision in the statute to allow the machines to stay on without the proper fuel sales.

Next was a request from Lott's O' Luck Truck Stop for a video gaming license. Mr. Young Bonner, Asst. Attorney General in the Gaming Division, and Trooper Shropshire, investigating officer with state police, addressed Board members concerning this request.

Following their presentation, it was moved by Mr. Richardson to approve the license of Lott's O' Luck Truck Stop. That motion was seconded by General Cadoria and unanimously approved by the Board.

Ms. Lonna Willingham and Ms. Maggie Malone, auditors with state police riverboat gaming,

presented a report to the Board with reference to refinancing of the Isle of Capri Casinos.

Following their presentation, it was moved by Ms. Morgan to approve the refinancing of the casinos. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

The next item on the agenda was a Petition for approval of transfer of interest in QNOV. Representing Hollywood Casino Corporation were: Mr. Jack Pratt, Chairman & C.E.O.; Ed Pratt, III, President; Paul Yates, C.F.O.; Walt Evans, General Counsel; and Jim Wise, Director of Marketing. Representatives of New Orleans Paddlewheels and Sodak Gaming were also available to answer any questions.

Following their presentation, it was moved by Mr. Dudley Lastrapes to approve the transfer of interest. That motion was seconded by Vice-Chairman Fleming and unanimously approved by the Board.

The Chairman proceeded with the next item on the agenda, Escrow of Bally's. The Chairman scheduled a meeting for April 27th between the parties, Metro Gaming and Bally's, requesting they submit to the Board a list of funds that it is contended should be escrowed.

Mr. Beaver Brantley, attorney representing both the Belle of Baton Rouge and Casino Rouge, addressed the Board with the Baton Rouge boats cruising concerns. Also available to answer questions on this issue were various representatives of the Belle of Baton Rouge and Casino Rouge.

Mr. Jay Quinlan, Asst. Attorney General in the Gaming Division, addressed the Board concerning the procedure that will be used to approve hotel contracts for the land based casino. The contracts will be submitted to the Attorney General's land based division for consideration and approval. The approved contracts will be forwarded to the Board for their information and review.

Following his presentation, it was moved by Ms. Richardson to adopt the proposed procedure. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

The Board then heard from representatives of the Treasure Chest Casino who asked for a public hearing with reference to the proposed changes to Title 42, dealing with accounting. The Board had published a Notice of Intent to adopt these rules. After discussion between the division and industry, general agreement was reached on some changes to the rules after publications of the original Notice of Intent.

Following this discussion, Mr. Morgan moved to amend the Notice of Intent that had previously been published. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

Following a presentation on rules dealing with the land based casino, Mr. Lastrapes made a motion to institute the rule-making procedure for these rules and repeal the rules formerly adopted by the Louisiana Economic Development Gaming Corporation. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

General Cadoria made a motion to go into Executive Session to discuss pending litigation. That motion was seconded by Vice-Chairman Fleming and unanimously approved by the Board.

Following the Executive Session, the Board returned to the regular session.

Upon a motion by General Cadoria, the agenda was amended and three settlements were added to the agenda for Board action. That motion was seconded by Ms. Richardson and unanimously approved by the Board.

The Board acted upon hearings/recommendations, and settlements in the following cases:

1. **In Re: Showboat Star and Players - Nos. RGS98065 and RGS980683.** There being no objections, the Board acted on these settlements simultaneously. It was moved by Mr. Lastrapes to approve the settlements in both cases. That motion was seconded by General Cadoria and unanimously approved by the Board.
3. **In Re: Harry Thompson - No. 510160513** - Motion by Vice-Chairman Fleming to approve the settlement. That motion was seconded by Ms. Morgan and unanimously approved by the Board.
4. **In Re: Crescent City Dev. d/b/a Casino Magic - RGS980678** - Motion by Vice-Chairman Fleming to approve the settlement. That motion was seconded by General Cadoria and unanimously approved by the Board.
5. **In Re: O'Henry's Nos. 3601203057 & 3601204108** - Motion by Ms. Richardson to deny attorney fees. That motion was seconded by Vice-Chairman Fleming and unanimously approved by the Board.
6. **In Re: Lucky Lady Distributors - No. 5200806002** - Motion by Vice-Chairman Fleming to affirm decision of Hearing Officer denying application. That motion was seconded by General Cadoria and approved 5 to 1 by the Board. Mr. Lastrapes voted against the recommendation.
7. **In Re: Anthony Fontan - No. P040005899** - Motion by Ms. Morgan to remand the matter back to the Hearing Officer for further proceedings. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.
8. **In Re: Kema, Inc. d/b/a Nita's Café - No. 0506205643** - Motion by Vice-Chairman Fleming to allow applicant to withdraw his license and reapply for a Type 1 license. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

There being no further business, it was moved by Vice-Chairman Fleming to adjourn. That motion was seconded by General Cadoria and unanimously approved by the Board.

The meeting was then adjourned.