

Approved
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LOUISIANA GAMING CONTROL BOARD

Minutes of November 18, 1997 Meeting

The Louisiana Gaming Control Board held a meeting on Tuesday, November 18, 1997, 10:00 a.m., in Senate Committee Room A of the Louisiana State Capitol. Present at this meeting were Hillary J. Crain, Chairman, Board Members James Boyer, Sherian Cadoria, Ralph Perlman, Ecotry Fuller, Robert Fleming, Marcia Morgan, Dudley Lastrapes, and ex-officio members Sec. John Kennedy and Col. W.R. "Rut" Whittington.

The meeting was called to order and the Chairman welcomed the newest Board Member, Dudley Lastrapes of Lafayette. The Chairman then presented the minutes of the October 21, 1997 meeting to the Board members. Mr. Ralph Perlman moved to adopt the minutes of the meeting and was seconded by Mr. Fuller. Mr. Perlman then moved to adopt the minutes of the Executive Session and was seconded by General Cadoria. The Board unanimously approved the minutes.

The Chairman then called upon Mr. Perlman to present the 1998-99 Budget of the Gaming Control Board. Mr. James Boyer moved to approve the budget and was seconded by General Cadoria. The Board unanimously approved the budget.

Next on the agenda was scheduling future meetings of the Gaming Control Board for 1998. The Chairman suggested that the Board schedule meetings on the third Tuesday of each month. It was moved by Judge Robert Fleming to approve the third Tuesday of each month for Board meetings. That motion was seconded by Mr. Fuller and unanimously approved by the Board. That motion also provided for the Chairman to change the meeting dates if necessary. The Board unanimously approved the motion.

Ms. Charlotte McGar, auditor with the Louisiana State Police, presented the monthly riverboat revenue report to the Board.

Ms. Claudeidra Minor, Asst. Attorney General, presented the quarterly compliance reports for the third quarter to the Board.

Next on the agenda was a two-phase proposal on the Hilton/Harrah's project presented by Jim Smith, attorney for the Queen of New Orleans at the Hilton joint venture. The proposal was for preliminary approval of the Shreveport project in concept subject to all necessary suitabilities, and subject to the project obtaining all necessary approvals. No transfers of ownership would be approved at this time. After discussion, on motion of Judge Fleming, seconded by Mr. Lastrapes, the Board unanimously adopted the following order:

"Considering the foregoing Petition for Preliminary Approval, **IT IS ORDERED** that the proposed project by the Queen of New Orleans at the Hilton Joint Venture in the City of Shreveport is preliminarily approved in concept, to be carried out at the berth site granted by the Board to the QNOV on October 11, 1996.

IT IS FURTHER ORDERED that this approval is conditioned upon the approval by the Board of all transfers of ownerships and the necessary suitabilities connected therewith and the parties obtaining all necessary approvals to carry out and complete the project.

IT IS FURTHER ORDERED that upon obtaining the approvals set forth in the preceding paragraph and the commencement of construction in Shreveport, the Queen of New Orleans at the Hilton Joint Venture shall post a performance bond in a form acceptable to this Board."

The second phase was for the release of the escrow. It was moved by Ms. Morgan, seconded by Mr. Lastrapes and unanimously approved that the Board authorize the Chairman to release the 10 million in escrow conditioned on the Chairman receiving a signed agreement between the parties and the City of New Orleans that satisfies the claims of the City.

Next on the agenda was Mr. Walter Abbott, information director for the National Coalition Against Legalized Gambling. Mr. Abbott asked the Board to look into gambling solicitation by riverboat casinos in the Shreveport/Bossier City area. He expressed concern over a picture in the Shreveport Times where one of the casinos had donated pumpkins to an elementary school for children to paint, and these pumpkins would be used as decorations at the casino. He suggested it was an attempt to recruit children as future gamblers.

Representative Billy Montgomery from Bossier contended the pumpkins were given to the school and not used for decorations in any casino.

Mr. Alton Hadley with the Department of Health & Hospitals Alcohol and Drug Abuse, also addressed the Board concerning compulsive gamblers.

Mr. Tim Hemphill, Executive Director of the Casino Association, Mr. Frank Williams, President of the Casino Association, and Ms. Shari Warren, Public Relations with the Isle of Capri Casino in Bossier, all stated that the riverboat casinos do not solicit compulsive gamblers. Ms. Warren told Board members that schools regularly write to casinos requesting financial help or sponsorship of either the school or a particular school project.

The Chairman suggested the Board authorize him to appoint a committee of the Board to look into the matter of donations or solicitations from gaming, both riverboat casinos and video poker. He suggested that the committee conduct hearings on the matter as needed. It was moved by Mr. Lastrapes and seconded by Mr. Perlman to authorize the Chairman to appoint a committee. All members except Judge Fleming voted in favor.

Next on the agenda was a presentation by Mr. Wade Duty, Asst. Attorney General and Trooper William Lopez, Louisiana State Police Riverboat Gaming, on the cruising record of the Boomtown Belle riverboat. Boomtown Belle canceled 58% of their cruises from August of 1995 through September, 1997. Mr. Jay Rabalais, General Manager and Vice-President of Boomtown and Captain Kenneth Dardard were on hand to answer questions from the Board pertaining to the Boomtown Belle.

The Chairman proceeded with the agenda and called upon Lt. Stanley Griffin, who provided the latest statistics concerning video poker.

On motion of Mr. Boyer, seconded by General Cadoria, the Board voted unanimously to go into Executive Session.

Following the Executive Session, the Board reviewed recommendations/decisions from the Hearing Officers'. It was moved by Mr. Perlman, seconded by General Cadoria and unanimously approved by the Board to adopt the recommended opinions in the following cases: In Re: JIC CORPORATION, INC., NOS. 4000508637, 5700508637, 4001607750; JAMES H. SAN SALVADOR, P040000285; DAVID ROSS DOUCET, P040017320; JAZZ ENTERPRISES, INC. RGS960297; MILDRED GORDON, P040003397; C & T ARABI, INC. 4400108750; and ST. CHARLES GAMING, INC. RGS950650.

It was moved by Mr. Perlman, seconded by General Cadoria, and unanimously approved by the Board to adjourn.

The meeting was then adjourned.