

## LOUISIANA GAMING CONTROL BOARD

### Minutes of November 20, 2001

The Louisiana Gaming Control Board held a meeting on Tuesday, November 20, 2001, 10:00 a.m., House Committee Room 6 of the Louisiana State Capitol. Present at this meeting were: Hillary J. Crain, Chairman; Robert M. Fleming, Vice-Chairman; Ralph R. Perlman, Secretary/Treasurer; James Boyer, Gen. Sherian Cadoria, Dennis Kinchen, Dudley Lastrapes, Marcia Morgan and Rupert Richardson. Absent were ex-officio members, Col. Terry Landry and Sec. Cynthia Bridges.

The Chairman called the meeting to order. It was moved by Sec. Perlman to waive the reading and approve the minutes of the special meeting on October 10<sup>th</sup> and regular meeting on October 16<sup>th</sup>. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

The Chairman called on Secretary/Treasurer Ralph Perlman to present the 2002-2003 budget of the Gaming Control Board. Following his presentation, it was moved by Ms. Richardson to adopt the proposed budget. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

Ms. Donna Jackson, State Police Gaming Audit, presented the revenue reports for the riverboats and landbased casino. Ms. Stacey Madden, also with the State Police Audit Division, reported on the employee numbers and salaries of the landbased casino, and Ms. Donna Stevens, reported on the statistics for video poker.

The Board acted on the following truckstop applications:

1. **One Stop Liquor, Inc. d/b/a Lucky Rose Casino** - Motion by Sec. Perlman to approve the application. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
2. **Hill City Oil Company, Inc. of Mississippi d/b/a Jubilee Truck Stop and Casino** Motion by Gen. Cadoria to approve the application. That motion was seconded by Mr. Boyer and unanimously approved by the Board.
3. **Lobdell Ventures, LLC d/b/a Henderson Travel Plaza & Casino** - Motion by Vice-Chairman Fleming to postpone a decision at this time to allow State Police an opportunity to interview the applicant. That motion was seconded by Gen. Cadoria and passed by a seven to two vote. Voting against the motion were Chairman Crain and Ms. Richardson.
4. **T S & C Investments, LLC d/b/a Silver's Casino** - Motion by Gen. Cadoria to approve the application. That motion was seconded by Sec. Perlman and unanimously approved by the Board. Ms. Morgan recused herself from voting on this application.

The Board acted on a Petition for Approval of Transfer of Interest among permittees, International Game Technology (IGT) and Anchor Gaming. Representing IGT was Ira Rosenzweig. Ms. Claudeidra Minor, Asst. Attorney General and Sgt. Leeland Falcon spoke on behalf of the state.

Following the presentation, it was moved by Mr. Boyer to approve the petition. That motion was seconded by Ms. Richardson and passed by an eight to one vote. Voting against the petition was Gen. Sherian Cadoria.

The next item dealt with the consideration of conditions on Pinnacle's approved application for the 15<sup>th</sup> gaming license. In connection with this item, the Chairman requested a vote to amend the agenda to consider changing the name of HPK Lake Charles, LLC to PNK Lake Charles, LLC.

It was moved by Sec. Perlman to amend the agenda in order to include the discussion of the name change. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

Mr. Leonce Gautreaux, Asst. Attorney General, addressed the Board with reference to the petition for a name change. He stated that Hollywood Park, Inc. originally owned this project and there was a name change to Pinnacle. He stated that there would be no transfer of interest or no change in the members of LLC. It would simply coincide with their ticker name at the New York stock exchange.

Following discussion, it was moved by Ms. Richardson to approve the name change the name to PNK, LLC. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

Mr. Jay Quinlan, Director of the Attorney General's Gaming Division, addressed the Board concerning the proposed conditions on Pinnacle's license. Following his presentation, it was moved by Mr. Boyer to authorize the Chairman to execute the conditions and hold harmless agreement, attached to these minutes as appendixes A & B, on behalf of the Board. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

The next item was a consideration of proposal for placement of slot machines by Boyd Racing, LLC. Brian Larson, General Counsel of Boyd Gaming Corporation, addressed the Board regarding the project at Delta Downs.

Following Boyd's presentation, the Chairman called on Brian Wallace, attorney representing Isle of Capri Casinos, et al., to address the Board with reference to their petition regarding the placement of slot machines at Delta Downs.

Captain Dane Morgan and Lt. Scott Reggio, State Police Casino Gaming Division, presented the response of State Police to these proposals. In addition, representatives from the State Fire Marshall's office were on hand to answer questions regarding emergency evacuation routes.

Following discussion, it was moved by Vice-Chairman Fleming to adopt the state police recommendation of 30 inches as required gaming space for a slot machine. That motion was seconded by Mr. Kinchen and approved by a six to three vote. Voting for the motion were: Vice-

Chairman Fleming, Sec. Perlman, Mr. Boyer, Mr. Kinchen, Mr. Lastrapes and Chairman Crain. Voting against the motion were: Gen. Cadoria, Ms. Morgan and Ms. Richardson.

The Board was in the process of deciding whether to exclude from gaming space the minimum amount required by the fire marshal for emergency evacuation when a judgment rendered by 19<sup>th</sup> J.D.C. enjoined the Gaming Board from further action.

Mr. Tom Warner, Asst Attorney General, reported to the Board on the legislative oversight committee meeting regarding rules LAC 42:III.121 Withdrawal of Applications and 122, Voluntary Surrender of Licenses or Permits. At this meeting, the committee rejected the proposed rules. In light of the action on Rules 121 and 122, it was moved by Mr. Boyer that no action be taken on Rule LAC 42:III.123. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

Mr. Warner also discussed adoption of amendments to rules LAC 42:VII.2325, IX.4103, and XIII.2325, Imposition of Sanctions, and Enforcement actions of the Board. It was moved by Vice-Chairman Fleming to approve the adoption of amendments. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

It was moved by Ms. Richardson to institute the rulemaking procedures for Amending LAC 42:VII.2325, VII.2955, IX.4103, XIII.2325 and adoption of IX.2174, IX.2931 and XIII.2955, Impositions of Sanctions, Enforcement Actions of the Board, Managerial Representative on Premises and Supplier Permit Criteria. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

The Board acted on a Petition for Declaratory Ruling In the Matter of Red River Entertainment of Shreveport Partnership in Commendam (Harrah's). They requested permission to allow a second boat to be docked at their Shreveport facility in order to acquire their 30,000 square feet of gaming space. Speaking on behalf of Red River Entertainment were Anthony Sanfilippo, President of Harrah's Central Division, and Mr. Kevin Columb, attorney for Harrah's Entertainment. Mr. Leonce Gautreaux, Asst. Attorney General, spoke on behalf of the state. Following discussion, it was moved by Mr. Lastrapes to allow only one boat per license. That motion was seconded by Ms. Richardson and unanimously approved by the Board.

The Board acted on proposed settlements/appeals in the following:

1. **In Re: Que Van Phan - No. P040029765** - Motion by Vice-Chairman Fleming to affirm the hearing officer's decision and revoke the license. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

It was moved by Ms. Richardson to go into Executive Session. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

Following the Executive Session, the Board returned to the Regular Session.

There being no public comments, it was moved by Vice-Chairman Fleming to adjourn. That

motion was seconded by Ms. Morgan and unanimously approved by the Board.

The meeting was adjourned.