

LOUISIANA GAMING CONTROL BOARD

Minutes of February 13, 2007

The Louisiana Gaming Control Board held a meeting on Tuesday, February 13, 10:00 a.m. in Senate Room A of the Louisiana State Capitol. Present were H. Charles Gaudin, Chairman, Judge Robert Fleming, James Boyer, Dennis Kinchen, William Lastrapes, Rupert Richardson, M.J. "Kelly" Simoneaux and Major Claude Mercer. Absent was board member Marcia Morgan, and ex-officio members Col. Henry Whitehorn and Sec. Cynthia Bridges.

The meeting was called to order. Chairman Gaudin introduced and welcomed the newest member of the Board, Major Claude Mercer. Major Mercer retired from Louisiana State Police with 31 years of service. Major Mercer thanked the Chairman and said it was an honor to serve as a member.

It was moved by Ms. Richardson to waive the reading and approve the minutes of the January meeting. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

Ms. Donna Jackson, State Police Gaming Audit Division, presented the revenue reports for the riverboats, landbased casino, and slots at the tracks. Ms. Janice Adolph, also with the Audit Division, reported on the video poker statistics.

There was a motion by Mr. Lastrapes to amend the agenda to discuss the Central Computer System. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

Mr. Norbert Courville, IT Technical Supervisor and Ms. Laura Zuelke, Technical Support Manager, stated testing of the Central Computer System was ongoing and everything was on schedule for a full rollout on February 25th. He also stated everything would be on-line by the end of June, 2007. There had been only minor problems dealing with individual machines, but not the system.

The Board acted on the following truck stop application:

1. **Fuel Stop "36" Inc. d/b/a Fuel Stop "36" – No. 1000501777B** – Motion by Mr. Boyer to approve the stock transfer. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.
2. **Studebakers, L.L.C. d/b/a Studebakers Casino Restaurant & Bar – No. 0100515070** – Motion by Ms. Richardson to approve the application subject to the stipulation pertaining to the violation dealing with the merger and payment of a penalty. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

The Board acted on the Unconditional Minimum Payment Extension Guaranty Agreement by Harrah's Entertainment, Inc. and Harrah's Operating Company. Mr. John Campbell, Special Asst. Attorney General, addressed the Board on this matter. He stated the period covered by the guaranty would extend through the fiscal year ending March 31, 2010. The same guarantors are included in this extension as with the original guaranty.

It was moved by Mr. Lastrapes to approve the guaranty. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

The Board acted on a request by Harrah's Entertainment, Inc. and Harrah's Operating Company, Inc. for approval of financial transactions (credit facility and letter of credit). Ms. Evie Ficklin, State Police Gaming Audit Section, addressed the Board on this matter.

Following discussion, it was moved by Mr. Boyer to approve the 2.25 billion credit facility and establish a \$100 million standby letter of credit. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

The Board acted on the 2007-2008 Casino Support Services Contract with the City of New Orleans. Ms. Olga Bogran, Asst. Attorney General in the Gaming Division, addressed board members with reference to this item.

Following discussion, it was moved by Judge Fleming to approve the 2007-2008 Contract. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

Mr. Kelly Duncan, counsel for Amelia Belle Casino and Mr. Joe Young, director of development of Columbia Sussex, provided an update on the progress of the casino. He stated the vessel was ready for carpet installation and should be opened by the end of March. In addition, they had received over 200 employee applications.

The next item dealt with the renewal of the license of L'Auberge du Lac Casino. Ms. Donna Jackson, State Police Gaming Audit, and Trooper James Cormier, along with Ms. Deborah McCrocklin, Asst. Attorney General, addressed the Board on this matter.

Following discussion, it was moved by Mr. Boyer to approve the five-year renewal of L'Auberge du Lac Casino's license. That motion was seconded by Ms. Richardson and unanimously approved by the Board.

Mr. Tom Warner, Asst. Attorney General, addressed the Board with reference to various rules. Following discussion, it was moved by Mr. Kinchen to approve technical changes to the Notice of Intent to Adopt Amendments to LAC 42:VII.2325, Penalty Schedule, VII.2927, Advertising, IX.2919, Advertising Mandatory Signage, IX.4103, Enforcement Actions of the Board, XI.2407, Operation of Video Draw Poker Devices, XIII.2325, Penalty Schedule, XIII.2927, Advertising, published November 20, 2006. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

There was a motion by Mr. Lastrapes to adopt the Amendments to LAC 42:VII.4203, Minimum Standards for Electronic Gaming Devices, Pari-Mutuel Live Racing Facility Slot Machine, published as a Notice of Intent September 20, 2006. That motion was seconded by Mr. Simoneaux and unanimously approved by the Board.

The Board acted on Proposed Settlements/Appeals from Hearing Officers' decisions in the following:

1. **In Re: V & S Entertainment LLC d/b/a Sweet's Again – No. 2600112780 A & B** – Motion by Ms. Richardson to approve the \$1,000.00 penalty for failure to timely submit the annual form and annual fee. That motion was seconded by Major Mercer and unanimously approved by the Board.
2. **In Re: Louisiana Interest Inc. d/b/a Oz – No. 3601103654** – Motion by Mr. Kinchen to approve the \$250.00 penalty for failure to remain eligible for the required tax clearances. That motion was seconded by Ms. Richardson and unanimously approved by the Board.
3. **In Re: Cash Register Sales, Inc. – No. P083600285** – Motion by Mr. Boyer to approve the \$5,000.00 penalty for failure to timely notify the Division of new officers. That motion was seconded by Ms. Richardson and unanimously approved by the Board.
4. **In Re: Albert Uster Imports, Inc. – No. P086502193** – Motion by Mr. Simoneaux to approve the \$5,000.00 penalty for failure to timely notify the Division of the hiring of a Vice-President of Finance. That motion was seconded by Ms. Richardson and unanimously approved by the Board.
5. **In Re: Ira E. Vaughn, Individually, and Ira E. Vaughn d/b/a Oak Ridge Lounge – No. 4600114157** – Motion by Mr. Lastrapes to approve the voluntary surrender of the gaming license, agreement of ineligibility to reapply for 60 months, and agreement that Vaughn will not do business with casino gaming licensees for 60 months. That motion was seconded by Mr. Simoneaux and unanimously approved by the Board.
6. **In Re: Gerald Savoie's d/b/a The Cajun Restaurant – No. 0900202489** – Motion by Ms. Richardson to approve the \$1,000.00 penalty for business closure and failure to surrender license. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.
7. **In Re: Delmark LLC d/b/a The Front Page – No. 3601114791** – Motion by Judge Fleming to deny the rehearing request. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.
8. **In Re: Linhtim LLC d/b/a Shang Hai Restaurant – No. 2605213811** – Motion by Mr. Kinchen to deny the rehearing request. That motion was seconded by Judge Fleming and unanimously approved by the Board.

There being no further comments, it was moved by Mr. Lastrapes to adjourn the meeting. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

The meeting was adjourned.