

## LOUISIANA GAMING CONTROL BOARD

### Minutes of November 18, 2003

The Louisiana Gaming Control Board held a meeting on Tuesday, November 18, 2003, 10:00 a.m., in House Committee Room 1 of the Louisiana State Capitol. Present at this meeting were: Hillary J. Crain, Chairman; Robert M. Fleming, Vice-Chairman; James G. Boyer, Secretary/Treasurer; Gen. Sherian Cadoria, Dennis Kinchen, Dudley Lastrapes, Marcia Morgan, Kelly Simoneaux and Rupert Richardson. Absent were ex-officio members, Col. Terry Landry and Sec. Cynthia Bridges.

The meeting was called to order. It was moved by Gen. Cadoria to waive the reading and approve the minutes of both the October meeting and the Executive Session. That motion was seconded by Ms. Richardson 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. Constance Wallace with the State Police Audit Division, reported on the employee numbers and salaries for the landbased casino, and Ms. Donna Stevens, also with the Audit Division, reported on the statistics for video poker.

Ms. Alyson McCord and Ms. Claudeidra Minor, Assistant Attorneys' General, reported on the voluntary compliance and procurement conditions for the riverboats. Mr. Young Bonner, also with the Attorney General's Office, reported on the statutory conditions for slots at the race tracks.

The Board considered the Type VI manufacturer of video draw poker renewal application filed by Video Services, Inc., and also a renewal application filed by Bally Gaming, Inc. for a manufacturer of slot machines and video draw poker devices permit. In addition, Bally Gaming filed a renewal application for a gaming supplier permit, and also had a pending new application as a manufacturer of gaming devices other than slot machines and video poker devices. Both companies are subsidiaries of Alliance Gaming, Inc. Since there is a prohibition in video draw poker against a manufacturer being a device owner, on motion of Vice-Chairman Fleming and seconded by Mr. Simoneaux, the following resolution was unanimously adopted.

**IT IS HEREBY RESOLVED BY THE LOUISIANA GAMING CONTROL BOARD** that the Type 6 renewal application of Video Services, Inc. be and it is hereby approved and that the renewal of Bally Gaming, Inc.'s Manufacturer of Slot Machines and Video Draw Poker Devices Permit be and it is hereby approved **SUBJECT TO** the following condition and restriction on the Manufacturer of Slot Machines and Video Draw Poker Devices Permit of Bally Gaming, Inc.:

IN ACCORDANCE WITH THE PROVISIONS OF THE VIDEO DRAW POKER DEVICES CONTROL LAW, LA. R.S. 27:301, ET SEQ., BALLY GAMING, INC.'S MANUFACTURER OF SLOT MACHINES AND VIDEO DRAW POKER DEVICES

PERMIT IS RENEWED SUBJECT TO THE CONDITION AND RESTRICTION THAT BALLY GAMING, INC. SHALL NOT MANUFACTURE OR SELL IN THE STATE OF LOUISIANA VIDEO DRAW POKER DEVICES AS THAT TERM IS DEFINED IN THE VIDEO DRAW POKER DEVICES CONTROL LAW.

**IT IS FURTHER RESOLVED BY THE LOUISIANA GAMING CONTROL BOARD** that the condition and restriction on the Manufacturer of Slot Machine and Video Draw Poker Devices Permit of Bally Gaming, Inc. is effective immediately and that the condition and restriction on the Manufacturer of Slot Machines and Video Draw Poker Devices Permit of Bally Gaming, Inc. shall remain effective as long as an affiliate of Bally Gaming, Inc. holds a license or permit issued pursuant to the Video Draw Poker Devices Control Law as a video gaming distributor, device owner, or establishment.

In the event an affiliate of Bally Gaming, Inc. ceases to hold a license or permit as a video gaming distributor, device owner, or establishment, this condition and restriction may be removed upon proper petition to the Louisiana Gaming Control Board and approval thereof.

The Board acted on an application for a Type 2 video poker gaming license for Ranzell J. Domangue, Sr. d/b/a Domangue's Restaurant & Lounge. Following discussion, it was moved by Sec. Boyer to remand the matter to the Hearing Office for a determination of general suitability prior to determining whether the license should be issued. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

Sec. Boyer made a motion to approve the license application of Emerald Waters Corporation d/b/a T-Bo's Garden. That motion was seconded by Ms. Richardson and unanimously approved by the Board.

The Board acted on the following truckstop applications:

1. Pilot Corporation Tennessee d/b/a Pilot Travel Center #199
2. Pilot Corporation Tennessee d/b/a Pilot Travel Center #274

It was moved by Mr. Lastrapes to approve the transfers of stock in both applications. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

The Board acted on a petition by Pinnacle Entertainment, Inc., for release of their Escrow Account, Condition 21. Representing Pinnacle Entertainment was Mr. James Perdigao, attorney. Ms. Judy Cockerham, Asst. Attorney General, addressed the Board on behalf of the State.

Following discussion, it was moved by Ms. Richardson to approve the one-time reimbursement of \$20,600,301 under Condition 21(B). That motion was seconded by Gen. Cadoria and unanimously approved by the Board. It was moved by Gen. Cadoria to approve the

disbursement of \$5,227,399 under Condition 21 (A). That motion was seconded by Sec. Boyer and unanimously approved by the Board. Gen. Cadoria also moved to authorize Mr. John Godfrey and Mr. Steve Capp to withdraw funds from the escrow account. That motion was seconded by Sec. Boyer and unanimously approved by the Board.

The Board acted on a Petition for Transfer of Interest by Nolmar Corporation. Following discussion, it was moved by Mr. Kinchen to approve the transfer of interest. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

Mr. Michael Duffy, Asst. Secretary for the Office of Addictive Disorders and Mr. Reece Middleton, Executive Director for the Louisiana Association on Compulsive Gaming, addressed the Board concerning the expenditure of funds that are received from the gaming industry to deal with compulsive gaming. Louisiana has two treatment centers and is the only state that provides state funded residential treatment for problem gamblers.

The Board acted on a petition by Horseshoe Entertainment for approval of a Modified Floor Plan. Mr. James Perdigao, attorney for Horseshoe, and Sgt. Ronnie Moore, Louisiana State Police, addressed the Board concerning the petition. Following discussion, it was moved by Ms. Morgan to approve phases one and two of the floor plan. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

The Board acted on proposed Settlements/Appeals in the following:

1. **In Re: Chastain, Inc. d/b/a Chastain's Food & Spirits - No. 1001211934** - Motion by Gen. Cadoria to approve the settlement in the amount of \$250.00. That motion was seconded by Sec. Boyer and unanimously approved by the Board.
2. **In Re: MTM Associates, LLC d/b/a Sportsman's Paradise - No. 1001213031A** - Motion by Gen. Cadoria to approve the settlement in the amount of \$250.00. That motion was seconded by Sec. Boyer and unanimously approved by the Board.
3. **In Re: Long's Preferred Products, Inc. - No. P084002357** - Motion by Mr. Simoneaux to approve the settlement in the amount of \$500.00. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
4. **In Re: Felicia Hicks - No. P040041807** - Motion by Mr. Lastrapes to grant the rehearing. That motion was seconded by Ms. Morgan and unanimously approved by the Board.
5. **In Re: P & J Daiquiri Café, Inc. d/b/a Gateway - No. 3601212724** - Motion by Vice-Chairman Fleming to grant the rehearing. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
6. **In Re: I-20 Properties, Inc. d/b/a Copa Casino - No. 0906503076** - Motion by Gen. Cadoria to deny the rehearing. That motion was seconded by Mr. Kinchen. There was a substitute motion by Ms. Morgan to remand the matter to the hearing officer for a

determination of a penalty. That motion was seconded by Sec. Boyer but failed by a 3 to 6 vote. Voting for the motion was Sec. Boyer, Mr. Lastrapes and Ms. Morgan. Voting against the motion was Vice-Chairman Fleming, Gen. Cadoria, Mr. Kinchen, Ms. Richardson, Mr. Simoneaux and Chairman Crain. The Board then voted on the original motion to deny the rehearing. That motion passed by a 6 to 3 vote. Voting for the motion was Vice-Chairman Fleming, Gen. Cadoria, Mr. Kinchen, Ms. Richardson, Mr. Simoneaux and Chairman Crain. Voting against the motion was Sec. Boyer, Mr. Lastrapes and Ms. Morgan.

7. **In Re: Tamair, Inc. d/b/a DJ's - No. 4904112943** - Motion by Sec. Boyer to grant the rehearing. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
8. **In Re: Charles R. Brown - No. P040034321** - Motion by Ms. Morgan to grant the rehearing. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
9. **In Re: Clearview Restaurant Group, LLC d/b/a Semolina International Pasta Bar - No. 2600213127** - This matter was continued until the December meeting.
10. **In Re: KRS, Inc. Kenneth & Brenda Schexnider - No. P81002040A** - Motion by Ms. Morgan to affirm the decision of the Hearing Officer. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board. Sec. Boyer abstained from voting.
11. **In Re: Jason D. Gross - No. P040017254** - Motion by Mr. Lastrapes to affirm the decision of the Hearing Officer and impose a \$250.00 penalty. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

The Board heard public comments by Mr. Frederick Henson on behalf of the American Minority Contractors and Business Association of North Louisiana, Mr. Larry English, attorney, and Mr. Wade Duty, Executive Director of the Casino Association.

There being no further business, it was moved by Gen. Cadoria to adjourn the meeting. That motion was seconded by Ms. Richardson and unanimously approved by the Board.

The meeting was adjourned.