

LOUISIANA GAMING CONTROL BOARD

Minutes of May 16, 2005

The Louisiana Gaming Control Board conducted a meeting on Monday, May 16, 2:00 p.m., at the LaSalle Building, Baton Rouge, La. Present at this meeting were: H. Charles Gaudin, Chairman; Judge Robert Fleming, James Boyer, Gen. Sherian Cadoria, Dennis Kinchen, William Lastrapes, Marcia Morgan, Rupert Richardson, Mervin Simoneaux, and ex-officio member Col. Henry Whitehorn. Absent was ex-officio member Sec. Cynthia Bridges.

The meeting was called to order. It was moved by Gen. Cadoria to waive the reading and approve the minutes of the April meeting. 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, State Police Gaming Audit Division, reported on the employee numbers and salaries for the landbased casino, and Ms. Donna Jackson, also with the Audit Division, reported on the statistics for video poker.

Mr. Young Bonner, Asst. Attorney General in the Gaming Division, presented the quarterly compliance reports for slots at qualified racing facilities.

The next item dealt with an update on PNK-Lake Charles d/b/a L'Auberge du Lac Resort. Mr. Jack Godfrey, Executive VP, Secretary & General Counsel and Mr. Cliff Kortman, Vice-President of Construction & Development, stated as of May 11, there were 2496 employees. He also stated the project was on schedule. The mock opening was being held on May 18th, and the casino is scheduled to open on May 26th.

PNK also requested a revision of their floor plan. Following discussion, it was moved by Ms. Morgan to approve the change in the floor plan. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

The Board acted on the renewal application of Louisiana Casino Cruises, Inc. d/b/a Casino Rouge. Ms. Charmaine Moore, Asst. Attorney General, Ms. Donna Jackson, State Police Gaming Audit Division, and Sgt. Jeff Watts, Louisiana State Police, addressed the Board with reference to this application.

Following discussion, it was moved by Ms. Richardson to approve the five-year renewal of the license of Louisiana Casino Cruises, Inc. d/b/a Casino Rouge, subject to Exhibit A and the Resolution attached to these minutes. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

The next item was the consideration of the renewal application of Catfish Queen Partnership in Commendam d/b/a Argosy Casino Baton Rouge. Ms. Alyson McCord, Asst.

Attorney General, Ms. Angela Brown, State Police Gaming Audit Division, and Trooper Dwight Herson, Louisiana State Police, addressed the Board with reference to this application.

Following discussion, it was moved by Mr. Boyer to approve the five-year renewal of the license of Catfish Queen Partnership in Commendam d/b/a Argosy Casino Baton Rouge, subject to Exhibit A and the Resolution attached to these minutes. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

The Board acted on the following truckstop applications:

1. **Big “D” Truckstop, LLC d/b/a Wagin Cajun of Duson – No. 01009514164** – Motion to approve the application by Gen. Cadoria. That motion was seconded by Mr. Simoneaux and unanimously approved by the Board.
2. **Irish Bayou Travel Center, L.L.C. d/b/a Irish Bayou Truck Stop & Casino – No. 3601512191** – Motion to approve the change of membership by Mr. Boyer. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.
3. **Bayou Magic Enterprises LLC d/b/a Cajun Magic Truck Stop and Royal Flush Casino #2 – No. 5501511641** – Motion to approve the transfer of interest by Mr. Lastrapes. That motion was seconded by Ms. Morgan and unanimously approved by the Board.
4. **AMID Travel Plaza, Inc. d/b/a Palace Truck Stop – No. 3601509418** – Motion to approve the stock transfer by Ms. Morgan. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

The Board acted on proposed settlements/appeals from Hearing Officers’ decisions in the following:

1. **In Re: Schwuana M. Belle – No. P040003771**
3. **In Re: Mark M. Bolding – No. P040005269**
4. **In Re: David Armstrong – No. P040005528**
5. **In Re: Sharon Beeman – No. P040006324**
6. **In Re: Ezrell Holmes – No. P040019989**
7. **In Re: Debra Hunt – No. P040025242**
9. **In Re: Karl Lloyd – No. P040031592**
10. **In Re: Jacquelyn Ware – No. P040020044**
12. **In Re: Spencer Coburn – No. P040023652**

The settlements listed above, nos. 1,3,4,5,6,7,9,10 and 12 were handled in globo because they dealt with the same issue. All nine cases involved non-key permittees who failed to timely submit their tax clearances. It was moved by Mr. Boyer to approve a \$250 penalty for each permittee. That motion was seconded by Ms. Richardson and unanimously approved by Board.

2. In Re: Ultimate Technical Solutions – No. P082600510

8. In Re: Sunrise Hospitality, LLC d/b/a Baymont Inn – No. P080801967

Numbers 2 and 8 above were also handled in globo. Both licenses failed to timely submit their annual fee and annual affidavit. It was moved by Mr. Kinchen to approve a \$500 penalty for each licensee. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

11. In Re: R & M, Inc. d/b/a The Brick House – No. P040023652 – Motion by Mr. Lastrapes to approve a \$250 penalty for failure to remain current in the filing and payment of taxes. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

There being no further comments, it was moved by Ms. Richardson to adjourn. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

The meeting was adjourned.

Exhibit A

The Casino Gaming Division of the Louisiana State Police submits to the Board for its consideration the following proposed public policy conditions for all riverboat licensees. As a component of the renewal, Louisiana Casino Cruises, Inc. d/b/a Casino Rouge agrees that the policies are to be conditions of its license renewal, subject to any changes the Board may formally effectuate in the future.

- A. Recognition of minimal business standards regarding transfers and/or granting of equity interests in licensees (or affiliates) by requiring:
 - 1) that such transfer or grant be reasonably related to contributions;
 - 2) that such transfer agreement or grant agreement be specific and in writing;
 - 3) that such transfer agreement or grant agreement have reasonable mechanisms for enforcement or resolution; and
 - 4) that the true nature of such arrangements be fully disclosed to the Board, Division and to the public, when public filings take place.

- B. Recognition of minimal business standards regarding consulting contracts by requiring:
 - 1) that such contracts be reasonably specific and in writing; and
 - 2) that such contracts a) require the person to perform the reasonable services as stated in the contract, b) allow for the modification of the contract in writing as a result of a change in circumstance and c) allow for the termination of the contract and opportunity to seek appropriate legal relief upon a failure to provide reasonable services.

C. Reporting of minority procurement shall be factually accurate to accomplish the true goals of the minority procurement policies of the State of Louisiana and the Board. In addition to the requirements of LAC 42:XIII.2331, any amounts reported in connection with services or goods from each vendor shall reflect the actual services or goods provided by each vendor. Actual services or goods provided shall mean those provided based upon a rational and factual basis, taking into account customary and ordinary arms-length business practices.

“Person” shall mean a natural person or a business entity.

**STATE OF LOUISIANA
GAMING CONTROL BOARD**

**In the Matter of Louisiana Casino Cruises, Inc. d/b/a
Casino Rouge**

RESOLUTION

On the 16th day of May, 2005, the Louisiana Gaming Control Board (“Board”) did, in a duly noticed public meeting, consider the issue of Louisiana Casino Cruises, Inc. d/b/a Casino Rouge’s (“Licensee”) license renewal and upon motion duly made and seconded, the Board adopted the following Resolution:

1. **BE IT RESOLVED** by the Board that the public policy conditions identified as Exhibit A and presented for consideration this date be and are hereby approved and adopted by the Board as additional conditions placed upon the Licensee.
2. **BE IT FURTHER RESOLVED** by the Board that the riverboat casino license of Louisiana Casino Cruises, Inc. d/b/a Casino Rouge be renewed for a term of five (5) years commencing as follows:

Louisiana Casino Cruises, Inc. d/b/a Casino Rouge commencing July 18, 2005, subject to the original conditions as further amended by the Board on March 29, 2001, and April 4, 2002, and all conditions approved this date as attached hereto and made a part hereof.

**THUS DONE AND SIGNED IN BATON ROUGE, LOUISIANA THIS 16TH DAY OF
MAY, 2005.**

**H. CHARLES GAUDIN, CHAIRMAN
LOUISIANA GAMING CONTROL BOARD**

ATTEST:

ROBERT M. FLEMING, VICE-CHAIRMAN

Exhibit A

The Casino Gaming Division of the Louisiana State Police submits to the Board for its consideration the following proposed public policy conditions for all riverboat licensees. As a component of the renewal, Catfish Queen Partnership in Commendam/Jazz Enterprises, Inc. d/b/a Argosy Casino, Baton Rouge agrees that the policies are to be conditions of their license renewals, subject to any changes the Board may formally effectuate in the future.

- A. Recognition of minimal business standards regarding transfers and/or granting of equity interests in licensees (or affiliates) by requiring:
 - 1) that such transfer or grant be reasonably related to contributions;
 - 2) that such transfer agreement or grant agreement be specific and in writing;
 - 3) that such transfer agreement or grant agreement have reasonable mechanisms for enforcement or resolution; and
 - 4) that the true nature of such arrangements be fully disclosed to the Board, Division and to the public, when public filings take place.

- B. Recognition of minimal business standards regarding consulting contracts by requiring:
 - 1) that such contracts be reasonably specific and in writing; and
 - 2) that such contracts a) require the person to perform the reasonable services as stated in the contract, b) allow for the modification of the contract in writing as a result of a change in circumstance and c)

**STATE OF LOUISIANA
GAMING CONTROL BOARD**

**In the Matter of Catfish Queen Partnership in Commendam/Jazz Enterprises, Inc. D/B/A
Argosy Casino, Baton Rouge**

RESOLUTION

On the 16th day of May, 2005, the Louisiana Gaming Control Board (“Board”) did, in a duly noticed public meeting, consider the issue of Catfish Queen Partnership in Commendam/Jazz Enterprises, Inc. d/b/a Argosy Casino, Baton Rouge’s (“Licensee”) license renewal and upon motion duly made and seconded, the Board adopted the following Resolution:

3. **BE IT RESOLVED** by the Board that the public policy conditions identified as Exhibit A and presented for consideration this date be and are hereby approved and adopted by the Board as additional conditions placed upon the Licensee.

4. **BE IT FURTHER RESOLVED** by the Board that the riverboat casino license of Catfish Queen Partnership in Commendam/Jazz Enterprises, Inc. d/b/a Argosy Casino, Baton Rouge be renewed for a term of five (5) years commencing as follows:

Catfish Queen Partnership in Commendam/Jazz Enterprises, Inc. d/b/a Argosy Casino, Baton Rouge commencing July 18, 2005 subject to the original conditions as further amended by the Board on March 19, 2002 and all conditions approved this date as attached hereto and made a part hereof.

**THUS DONE AND SIGNED IN BATON ROUGE, LOUISIANA THIS 16TH DAY OF
MAY, 2005.**

**H. CHARLES GAUDIN, CHAIRMAN
LOUISIANA GAMING CONTROL BOARD**

ATTEST:

**ROBERT M. FLEMING, VICE-CHAIRMAN
LOUISIANA GAMING CONTROL BOAR**