

LOUISIANA GAMING CONTROL BOARD

Minutes of April 12, 2004

The Louisiana Gaming Control Board held a meeting on Monday, April 12, 2004, 10:00 a.m., at the LaSalle Building, 617 N. Third Street, Baton Rouge. Present at this meeting were: Hillary J. Crain, Chairman, Robert M. Fleming, James G. Boyer, Dennis Kinchen, Dudley Lastrapes, Marcia Morgan, Kelly Simoneaux and ex-officio member Col. Henry Whitehorn. Absent were board members Gen. Sherian Cadoria and Rupert Richardson and ex-officio member Sec. Cynthia Bridges.

The meeting was called to order. Chairman Crain announced to the Board that he would be submitting his resignation to Governor Blanco following his departure from the meeting. Vice-Chairman Fleming presided over the remainder of the meeting. It was moved by Mr. Lastrapes to adopt a resolution recognizing Judge Crain for his contributions to the Board, which is attached as Appendix A. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

It was moved by Mr. Simoneaux to waive the reading and approve the minutes of the March meeting. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

The next item was approval of the contracts for 2004-05 with the court reporters. It was moved by Mr. Boyer to approve the contracts of United Court Reporters, Inc. and Kaiser Court Reporting, Inc. and authorize the chairman to execute the documents. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

Following adoption of the contracts with the court reporters, it was moved by Mr. Boyer to approve the 2004-05 contracts with both hearing officers, Judge Joseph E. Anzalone and Judge William H. Brown. Mr. Boyer amended his motion to authorize either the chairman or vice-chairman to execute the contracts. That motion was seconded by Mr. Simoneaux 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 track. Ms. Constance Wallace, State Police Audit Division, reported on the employee numbers and salaries for the landbased casino, and Mr. Jim Bossier, also with the Audit Division, reported on the statistics for video poker.

The Board acted on a request from Caesars Entertainment, Inc. (Bally's Casino) for approval of a new two billion dollar credit facility. Ms. Evie Ficklin, State Police Gaming Audit Division, addressed the Board with reference to this item.

Following discussion, it was moved by Ms. Morgan to approve the credit facility. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

There was a request by Isle of Capri Casinos, Inc. for certain transfers of ownership interest through stock purchases. Ms. Angela Brown, State Police Gaming Audit Division, addressed the Board concerning this issue.

Following discussion, it was moved by Mr. Lastrapes to approve the request for the transfers of interest. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

Mr. James Perdigao, attorney for PNK-Lake Charles, and Mr. Cliff Kortman, Vice-President of Construction & Development, updated board members on the status of construction of the Lake Charles project. Mr. Kortman stated that the land facilities were one week behind schedule, but the riverboat was five weeks ahead of schedule. There are approximately 465 employees during the construction phase and once the project is completed in March 2005, that number should increase to approximately 1700 employees.

Mr. Tom Warner, Asst. Attorney General, addressed the Board concerning the Compulsive & Problem Gambling Program submitted by Old Evangeline Downs, L.L.C. He stated that the program submitted by Old Evangeline Downs was in compliance with statutory requirements and administrative regulations.

Following discussion, it was moved by Mr. Kinchen that the program submitted by Old Evangeline Downs, L.L.C. was found suitable and in compliance with statutory requirements and regulations. That motion was seconded by Mr. Simoneaux and unanimously approved by the Board.

The next item on the agenda dealt with a request by Peninsula Gaming Partners, L.L.C. (Old Evangeline Downs) for approval of a corporate restructure and refinancing. Ms. Melinda Tucker, Asst. Attorney General, and Ms. Lonna Willingham addressed the Board in this matter.

Following discussion, it was moved by Mr. Boyer to approve the request. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

The Board acted on a request by Silver Bear, Inc. d/b/a Cajun Circus Casino for a transfer of certain shares of stock. Ms. Charmaine Moore, Asst. Attorney General, addressed the Board on this matter.

Following discussion, it was moved by Mr. Lastrapes to approve the stock transfers. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

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

1. **In Re: Centurytel Wireless, Inc. - No. P083701936** - Motion by Mr. Boyer to approve the \$500.00 settlement and surrender of the permit without prejudice for failure to timely submit their application. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

2. **In Re: Landry's L.L.P. d/b/a Landry's Auto Truck Stop - No. 5100504259** - Motion by Mr. Kinchen to approve the \$250.00 settlement for failure to include the toll-free gambling hotline number in advertising. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.
3. **In Re: Guillory Companies, Inc. d/b/a Guillory Gaming - No. 4900612682** - Motion by Ms. Morgan to approve the \$500.000 settlement for purchasing video gaming supplies from a non-licensed entity. That motion was seconded by Mr. Simoneaux and unanimously approved by the Board.
4. **In Re: Albert J. Daigle d/b/a Paradise Lounge - No. 2900113052** - Motion by Mr. Morgan to grant the rehearing. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

Mr. Paul West, attorney for Boyd Gaming and Mr. Brian Larson, Secretary and General Counsel for Boyd Gaming Corporation, addressed the Board concerning Boyd Gaming's request to purchase Harrah's Casino in Shreveport. They expressed concern over the possibility that gaming regulation might be delayed until a new chairman was confirmed and requested that the Board continue with business and not wait until confirmation of a new chairman.

Mr. John Brotherton, former Sr. Vice-President of Players' Casino and former General Manager of Grand Casino Coshatta, addressed the Board concerning the dissent between union members and minorities in Lake Charles concerning jobs during construction of the PNK project. He stated he was not representing anyone at this time, but wanted the Board to be aware of the situation.

Also addressing the Board was Mr. Patrick Jackson, attorney for the Bossier Parish Police Jury. Mr. Jackson stated that Bossier Parish was in opposition to transfers of both Harrah's and Horseshoe Casinos.

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

The meeting was adjourned.

APPENDIX A

WHEREAS... Judge Hillary J. Crain has been the chairman of the Louisiana Gaming Control Board since its inception on May 1, 1996;

WHEREAS... Judge Crain has exhibited a thorough knowledge of Louisiana Gaming Regulatory Law;

WHEREAS... Judge Crain has used his knowledge of gaming in Louisiana to provide strong guidance to the Board;

WHEREAS... Judge Crain's guidance and conduct in leading the Board exemplify honesty, toughness and fairness in dealing with all parties involved;

WHEREAS... Judge Crain has kept the best interests of the people of Louisiana in the forefront of carrying out the intent of the gaming laws of our state;

THEREFORE, the Louisiana Gaming Control Board is hereby on record recognizing the outstanding professionalism of Judge Crain in conducting his duties as Chairman of the Board, and wish him well in any future endeavors.

Unanimously adopted this 12th day of April, 2004.

By:

Robert M. Fleming

James G. Boyer

Gen. Sherian G. Cadoria

Dennis R. Kinchen

William D. Lastrapes

Marcia D. Morgan

Rupert R. Richardson

Mervin J. Simoneaux