

APPROVED

5/16/00

LOUISIANA GAMING CONTROL BOARD

Minutes of April 18, 2000

The Louisiana Gaming Control Board held a meeting on Tuesday, April 18, 2000, 10:00 a.m., House Committee Room 5 of the Louisiana State Capitol. Present were board members: Hillary J. Crain, Chairman; Robert M. Fleming, Vice-Chairman; James Boyer, Gen. Sherian Cadoria, Dudley Lastrapes and Marcia Morgan. Absent were board members Rupert Richardson, Ecotry Fuller, Ralph Perlman and ex-officio members, Sec. Brett Crawford and Col. W.R. "Rut" Whittington.

The Chairman called the meeting to order. Gen. Cadoria moved to approve the minutes of March 21st. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

Mr. Jeff Traylor, Audit Supervisor with State Police, presented the monthly revenue figures for the Riverboats and the Landbased casino. Ms. Donna Stevens, accountant in video gaming, presented the revenue figures for video poker.

The Board acted upon and approved licenses for the following truck stops:

1. Kelly's Truck Terminal - renewal of a license based on a 100% stock buyout.
2. A & W Engine Service d/b/a Boone's Chevron
3. 1239 Loop Properties d/b/a Country Grocery & Truckers Store
4. Lucky Magnolia Truck Stop & Casino
5. Expert Management Services d/b/a Port Fourchon Truckstop & Casino

The Chairman called upon representatives of the 15th license applicants. All applicants had a representative except for Westbank Gaming. The Chairman stated that the suitability investigations were beginning and he would be allowing each applicant approximately 30 minutes to make their presentation to the board at a special meeting in approximately 60 days.

The next item on the agenda was the consideration of the Isle of Capri/Lamb Partners petition. It was moved by Mr. Boyer that the Board approve the suitability of Lamb Partners. That motion was seconded by Ms. Morgan and approved by Chairman Crain, Vice-Chairman Fleming, Mr. Boyer, Gen. Cadoria and Ms. Morgan. Mr. Lastrapes did not participate in the vote.

The Board approved five-year renewal licenses for the following riverboat casinos.

1. Red River Entertainment of Shreveport Partnership in Commendam (Harrah's)
2. Louisiana-1 Gaming (Boomtown)
3. St. Charles Gaming Company, (Isle of Capri-Westlake)

The next item on the agenda was rulemaking. Ms. Olga Bogran, Asst. Attorney General, discussed initiating the rulemaking procedure for the adoption of LAC 42:IX.4201 et seq., and to repeal LAC 42:IX.4327 through 4357, Landbased Casino, Electronic Gaming Devices, and to amend LAC 42:IX.4103, Enforcement Actions of the Board.

The Board also instituted the rule-making procedures for LAC 42:XI.2415 D., Video Gaming, Structural Requirements for Licensed Establishments.

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

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

Mr. Brett Sulzer, attorney on behalf of R.K.M. Enterprises, d/b/a Café YaYa, filed a petition for a declaratory order asking if there would be a limit to the number of video gaming machines in a hotel/motel when the owner of the licensed establishment (hotel/motel) leased out space for a bar.

It was moved by Mr. Boyer, seconded by Mr. Lastrapes and unanimously approved by the Board that the limit of 12 machines would apply even if that hotel/motel owner chose to lease out space for a bar.

Mr. Wady Duty, attorney on behalf of G & B Oil Products, d/b/a Iowa Truck Stop, petitioned the Board for clarification on how the distance would be calculated between the truck stop property and a high school.

It was moved by Mr. Lastrapes, seconded by Gen. Cadoria, and unanimously approved by the Board that R.S. 27:306 (C)(2)(B) would apply in this situation because the truck stop is located inside the city limits.

The Board also acted on a petition from Mr. Otis Burmaster concerning a Gold Seal Pardon. It was moved by Mr. Boyer, seconded by Judge Fleming, and unanimously approved by the Board that a Governor's Pardon or Gold Seal Pardon, has the effect of eliminating automatic disqualifications.

Mr. Perry Pringle, an attorney representing Louisiana Lift & Equipment Company, also petitioned the Board with reference to a Gold Seal Pardon and its effect on the interpretation of §2157, Application After Denial, and the five-year waiting period.

It was moved by Mr. Lastrapes, seconded by Gen. Cadoria to interpret §2157 so where a change of circumstances has occurred, the application should be accepted and investigated.

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

1. In Re: The Tap Room - Motion by Judge Fleming to approve the settlement. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

2. In Re: Catfish Town Partnership (Argosy Casino) - Motion by Mr. Boyer to approve the settlement. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
3. In Re: L.G. M - Motion by Mr. Lastrapes, seconded by Gen. Cadoria that the Board will approve a settlement with LGM in lieu of suspension of their license that will consist of approval of a sale to a buyer acceptable to the Bankruptcy Court provided that: 1) A fine of \$300,000 is paid to the gaming board by LGM. 2) After the fine is paid and creditors approved by the bankruptcy court are paid remaining funds will go to the board as an additional fine. 3) No arrangement will be made that will benefit any shareholder, officer or director of LGM, other than as a legitimate creditor recognized as such by the bankruptcy court. 4) That the matter be resolved within 30 days.

Ms. Morgan abstained from voting.

4. In Re: Tru-Light Supply - Motion by Judge Fleming to affirm the Hearing Officer's decision. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.
5. In Re: Red River Entertainment (Harrah's) - Motion by Mr. Boyer to affirm the Hearing Officer's decision. That motion was seconded by Ms. Lastrapes and approved by a 4 to 2 vote. Voting against the motion were Ms. Morgan and Chairman Crain.
6. In Re: House of Deng - Motion by Mr. Boyer to reverse the decision of the Hearing Officer and deny the permit. That motion was seconded by Judge Fleming and unanimously approved by the Board.

There being no public comments, it was moved by Gen. Cadoria to adjourn. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

The meeting was then adjourned.