

APPROVED

1/18/00

LOUISIANA GAMING CONTROL BOARD

Minutes of December 21, 1999

The Louisiana Gaming Control Board held a meeting on Tuesday, December 21, 1999, 10:00 a.m., House Committee Room 1 of the Louisiana State Capitol. Present at this meeting were Hillary J. Crain, Chairman; Robert Fleming, Vice-Chairman; James Boyer, General Sherian Cadoria, Dudley Lastrapes, Marcia Morgan, Rupert Richardson and ex-officio member, Col. W.R. "Rut" Whittington. Absent were board members Ralph Perlman, Ecotry Fuller and ex-officio member Sec. Brett Crawford.

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

Mr. Lonnie Parker, Audit Supervisor with State Police Riverboat Gaming, presented the revenue report on riverboat gaming. Ms. Donna Stevens, accountant in Video Gaming, presented the revenue report on video gaming. Mr. Jeff Traylor, Audit Supervisor in Land Based Gaming, presented the revenue report for the land based casino.

The Chairman called upon Lt. Dane Morgan, Supervisor, Riverboat Gaming Division, who stated that there were five applicants for the 15th license and that three of the five had parent companies licensed to do business in Louisiana, but he estimated it would take approximately nine to twelve months before suitability could be completed.

Chairman Crain called upon Mr. Cheney Joseph, Executive Counsel to the Governor, to address the Board with reference to the 15th license. Mr. Joseph stated that Governor Foster was going to introduce a bill in a Special Session of the Legislature to abolish the 15th riverboat license and wanted the Board to consider delaying any action on this license until after the Legislative Session.

After listening to public comments and discussion on this topic, it was moved by Mr. Lastrapes to delay the investigation of the 15th license until the end of the special session. That motion was seconded by Vice-Chairman Fleming. Voting for the motion were Vice-Chairman Fleming, Mr. Lastrapes, Ms. Morgan and Chairman Crain. Voting against the motion were Gen. Cadoria, Mr. Boyer and Ms. Richardson. The motion passed by a 4 to 3 vote.

Ms. Claudeidra Minor, Asst. Attorney General in the Gaming Division, presented the Voluntary Procurement and Compliance Reports for the third calendar quarter of 1999.

Lt. Dane Morgan presented Board Members with the riverboat Y2K contingency plan. He stated the plan included procedures for all riverboats to preserve accounting information beginning

December 30th through midnight December 31st. He also stated that out of an abundance of caution and in concurrence with Chairman Crain, all cruises were canceled between the hours of 11:00 p.m. December 31st through 1:00 a.m. January 1st.

Lt. George Dean, Supervisor of the State Police Land Based Division, stated that the land based casino also had procedures in place for the end of the year.

The next item on the agenda was approval of a line of credit facility agreement for L.C.C.I. (Casino Rouge) in Baton Rouge. Mr. Joseph Brantley, general counsel, addressed the Board with the petition for the credit facility. Ms. Susan Demouy, Audit Supervisor for Louisiana State Police, also spoke to Board members about this petition.

Following discussion, it was moved by Mr. Boyer to approve the petition for the line of credit facility for L.C.C.I. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

Trooper Troy Lynn, state police riverboat gaming, presented a report on L.R.G.P., Inc., Louisiana Riverboat Gaming Partnership, Inc., (Isle of Capri - Bossier) a subsidiary of Isle of Capri Casinos, Inc. Based on his report he recommended a 5-year renewal for Isle of Capri - Bossier.

Following his report, it was moved by Ms. Morgan, seconded by Ms. Richardson, and unanimously approved by the Board renew the license.

Mr. Brett Sulzer presented a petition for a Declaratory Ruling on behalf of Nitro Gaming d/b/a Tallulah Truck Stop.

Following his presentation, it was moved by Vice-Chairman Fleming, seconded by Mr. Lastrapes and unanimously approved by the Board to measure the distance by using La.R.S. 27:306(C)(2)(b).

The Board then considered a truck stop application on behalf of Miss Mamie's Truck Stop. It was moved by Mr. Boyer, seconded by Mr. Lastrapes and unanimously approved by the Board to grant the license.

Mr. Tom Warner, Asst. Attorney General in the Gaming Division, addressed Board Members concerning various rules.

It was moved by Vice-Chairman Fleming and seconded by Mr. Boyer to adopt rule LAC 42:XI.2415 D, Structural Requirements for Licensed Establishments with the amendments previously discussed.

There was a substitute motion by Ms. Morgan to adopt the rules as amended at this meeting deleting certain language and adding "The travel lanes shall be constructed in accordance with the design and plans prepared by a registered civil engineer." That motion was seconded by Mr. Lastrapes and approved by a 5 to 2 vote. Voting for the substitute motion were Mr. Boyer, Gen.

Cadoria, Mr. Lastrapes, Ms. Morgan and Chairman Crain. Voting against the motion were Vice-Chairman Fleming and Ms. Richardson.

The Board then scheduled a public hearing on this matter for the March 15th, 2000 board meeting.

The next rules involving proposed changes were LAC 42:XIII.1701, 2108 and 2325. Rule 1701 involved definitions, and 2108 and 2325 dealt with the fine schedule.

Following discussion, it was moved by Ms. Richardson, seconded by Gen. Cadoria and unanimously approved by the Board to approve the amendments to these rules.

The Board also scheduled a public hearing on these rules for the March 15th meeting.

The last set of rules acted on were LAC 42:XIII.4201 - 4219 and to repeal XIII.4327 - 4357, Electronic Gaming Devices to be effective 12/31/99.

It was moved by Mr. Lastrapes, seconded by Gen. Cadoria, and unanimously approved by the Board to adopt LAC 42:XIII.4201 - 4219 and repeal XIII.4327 - 4357 as emergency rules to be effective December 31, 1999.

The Board acted upon Appeals/Settlements in the following cases:

1. In Re: River City of Alexandria - Motion by Mr. Boyer to approve settlement. That motion was seconded by Vice-Chairman Fleming and unanimously approved by the Board.
2. In Re: Horseshoe Entertainment - Motion by Vice-Chairman Fleming to approve settlement. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.
3. In Re: Abe's Cajun Boudin, Inc. - Motion by Mr. Lastrapes to approve settlement. That motion was seconded by Ms. Richardson and unanimously approved by the Board.
4. In Re: Food Systems of Louisiana, Inc. - Motion by Mr. Lastrapes to approve settlement, seconded by Mr. Boyer. Substitute motion by Vice-Chairman Fleming to disapprove settlement. Substitute motion failed. Original motion passed by a six to one vote. All members voted to approve settlement except Vice-Chairman Fleming.
5. In Re: Brandon McPherson - Motion by Ms. Richardson to remand case back to the Hearing Officer. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

There was public discussion on changing the reporting time on rule 2108 to the state's fiscal year.

There being no further comments, the meeting was adjourned.