

LOUISIANA GAMING CONTROL BOARD

Minutes of February 16, 2012

The Louisiana Gaming Control Board conducted a meeting on Thursday, February 16, 10:00 a.m. in House Committee 1 of the Louisiana State Capitol. Present at the meeting were: Dane Morgan, Chairman; Velma Rogers, Ayres Bradford, Mark Stipe, James Singleton and Denise Noonan. Absent were board member Robert Jones and ex-officio members, Col. Mike Edmonson and Sec. Cynthia Bridges.

The meeting was called to order. There being no public comments it was moved by Mr. Singleton to waive the reading and approve the minutes of the January meeting. That motion was seconded by Ms. Noonan and unanimously approved by the Board.

Ms. Donna Jackson, State Police Gaming Audit Division, presented revenue reports for the riverboats, landbased casino and slots at the track, and employment numbers for the landbased casino. Mr. Jim Bossier, also with the Gaming Audit Division, reported on the video poker statistics.

The Board considered contracts for 2012-2013 with Hearing Officers and Court Reporter. Chairman Morgan stated the terms for the new contracts would be the same as the 2011-12 contracts. Following discussion, it was moved by Ms. Noonan to approve all three contracts. That motion was seconded by Mr. Singleton and unanimously approved by the Board.

Ms. Trudy Smith, Confidential Assistant at the Gaming Control Board, provided an update on proposed legislation by the Board concerning Significant Influence - Casino, Non-Gaming Suppliers, Restriction on Application after Finding of Unsuitability or Revocation, and Suitability - Video Poker.

The next item dealt with consideration of the Casino Support Services Contract with the City of New Orleans. Following discussion, it was moved by Mr. Singleton to authorize the Chairman to forward the contract on behalf of the Board to the Joint Legislative Budget Committee, and execute the contract after approval and appropriation of funds. That motion was seconded by Ms. Rogers and unanimously approved by the Board.

The Board acted on a request by Eldorado Casino Shreveport Joint Venture, No. R011001701, for Approval of Transfer of Interest in Recreational Enterprises, Inc. Following discussion, it was moved by Mr. Bradford to approve the transfer of interest. That motion was seconded by Mr. Singleton and unanimously approved by the Board.

The Board acted on the renewal application of PNK (Lake Charles) L.L.C. d/b/a L'Auberge Lake Charles, No. R011001701. Following discussion, it was moved by Chairman Morgan to approve the five year renewal of the license. That motion was seconded by Ms. Noonan and unanimously approved by the Board.

Mr. Anthony Sanfilippo, President and CEO of Pinnacle Entertainment, Inc. provided an update on PNK (Baton Rouge), L.L.C. d/b/a L'Auberge Baton Rouge, No. R011000801. Mr. Sanfilippo stated the casino would be open by the end of summer.

The Board considered acceptance of the architectural blueprints and plans of design and construction of the Approved Project of Bossier Casino Venture, LLC d/b/a Margaritaville Bossier City, No. R011000841, as required by Condition 15(a). Following discussion, it was moved by Chairman Morgan to accept the architectural blueprints and plans of design and construction. That motion was seconded by Mr. Bradford and unanimously approved by the Board.

The Board acted on a request for approval of the escrow agreement required by Condition 18 of the Approval Project of Bossier Casino Venture, LLC d/b/a Margaritaville Bossier City. Following discussion, it was moved by Mr. Stipe to approve the escrow agreement. That motion was seconded by Chairman Morgan and unanimously approved by the Board.

The Board considered a petition by Creative Casinos of Louisiana, L.L.C., No. R016502995, to amend license Condition 13(c); Commencement of Construction. Following discussion, it was moved by Mr. Bradford, seconded by Mr. Stipe and unanimously approved by the Board to adopt the Resolution, in pertinent part, modifying Condition 13(c) as follows:

To commence construction of the Approved Project on or before March 16, 2012 following the date that the LGCB has passed a resolution accepting the contracts referenced in Condition 13b with construction to be completed within twenty-four (24) months of commencement of construction. "Commence Construction" or "Commencement of Construction" shall be that time when excavating and grading work begins for purposes of preparing the foundation(s) related to the Approved Project. Failure to meet this deadline or to timely receive an extension may result in forfeiture of all privileges to the License.

The next item on the agenda was consideration of repeal of LAC 42:III.109 (Record Preparation Fees). Following discussion, it was moved by Chairman Morgan to repeal LAC 42:III.109. That motion was seconded by Ms. Noonan and unanimously approved by the Board.

The Board acted on Proposed Settlements/Appeals from Hearing Officers' decisions in the following:

1. **In Re: Hadir Naoum d/b/a Crystal Plaza Daiquiri – No. 3601116236** – Motion by Ms. Rogers to approve the \$750 penalty for failure to timely submit the annual license form and fee. That motion was seconded by Mr. Bradford and unanimously approved by the Board.
2. **In Re: Horseshoe Entertainment, LP d/b/a Horseshoe Casino – Lic. No. R010800198** - SAR 11-01-24-122-2896 – Motion by Mr. Bradford to approve the \$62,500 penalty for

allowing an underage patron access to the gaming floor and failure to follow proper procedures including Division notification and security log entries. That motion was seconded by Ms. Noonan and unanimously approved by the Board.

3. **In Re: Catfish Queen Partnership In Commendam – Lic. No. R011700009** - SAR 10-2-03-248-4408 – Motion by Mr. Bradford to approve the \$45,000 penalty for false security key log entries, violations with regard to sharing of key-box access codes and sensitive keys, and failure to notify the Division of these violations. That motion was seconded by Chairman Morgan and unanimously approved by the Board.
4. **In Re: LZLR, LLC d/b/a Red Apple Restaurant – No. 2600216209**
5. **In Re: Goldie’s Landing, Inc. d/b/a Goldie’s Landing – No. 2600114707**
6. **In Re: Prime Example, Inc. d/b/a Prime Example – No. 3601112046**

The above three cases were handled in globo because they dealt with the same issue. It was moved by Mr. Stipe to approve the \$750 penalty for each licensee for failure to timely submit their annual license form and fee. That motion was seconded by Mr. Bradford and unanimously approved by the Board.

7. **In Re: Catfish Queen Partnership In Commendam – Lic. No. R011700009** - SAR 11-50-198-3100 – Motion by Chairman Morgan to approve the \$4,000 penalty for conducting business with a non-permitted non-gaming supplier and failure to notify the Division. That motion was seconded by Ms. Noonan and unanimously approved by the Board.
8. **In Re: Gary Babin – No. V000017686** – Motion by Mr. Bradford to affirm the Hearing Officer’s decision upholding the Divisions’ denial of Mr. Babin’s video gaming employee permit application. That motion was seconded by Ms. Rogers and unanimously approved by the Board.
9. **In Re: Kiyunta Caffrey – No. P040047343** – Motion by Chairman Morgan to affirm the Hearing Officer’s decision imposing a \$250 penalty for failure to timely provide an IRS tax clearance. That motion was seconded by Ms. Noonan and unanimously approved by the Chairman.

There being no further business, it was moved by Ms. Noonan to adjourn the meeting. That motion was seconded by Chairman Morgan and unanimously approved by the Board.

The meeting was adjourned.