

LOUISIANA GAMING CONTROL BOARD

Minutes of September 14, 2004

The Louisiana Gaming Control Board held a meeting on Tuesday, September 14, 2004, 10:00 a.m., in House Committee Room 6 of the Louisiana State Capitol. Present at this meeting were: H. Charles Gaudin, Chairman, Robert M. Fleming, James Boyer, Gen. Sherian Cadoria, Dennis Kinchen, William Lastrapes, Marcia Morgan and Rupert Richardson. Absent was board member Kelly Simoneaux, and ex-officio members, Sec. Cynthia Bridges and Col. Henry Whitehorn.

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

The Board acted on the following truckstop applications:

1. **Jalou Breaux Bridge, LLC d/b/a Cash Magic-Breaux Bridge – No. 500514139**
Motion by Mr. Boyer to approve the application. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
2. **Riverbend Truckstops & Palace Casinos, Inc. d/b/a Patterson Truckstop & Casino – No. 5105514132** - Motion by Ms. Richardson to approve the application. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

The next item dealt with the renewal of the riverboat license of Hollywood Casino Shreveport. Mr. Leonce Gautreaux, Asst. Attorney General in the Gaming Division, addressed the Board concerning this matter. He stated that Hollywood was currently in default under their indenture agreement, and an involuntary Chapter 11 bankruptcy had been filed on September 10, 2004. Mr. Gautreaux continued by stating that a potential purchaser had been identified with a renegotiated debt structure.

Mr. Warren Reuther of New Orleans Paddlewheels addressed the Board concerning this matter. Also addressing the Board were several representatives from El Dorado Resorts.

Following the presentation by El Dorado, it was moved by Mr. Kinchen to conditionally renew the license of Hollywood Casino subject to Hollywood finalizing a tentative agreement with a purchaser, along with the petition to approve the transfer of interest no later than October 19, 2004. After filing this petition all appropriate entities are to make proper application with the Louisiana State Police Casino and Audit Sections, and submit to background suitability

investigations as required by law. That motion was seconded by Judge Fleming and unanimously approved by the Board.

The Board considered a request by Bally Gaming, Inc. for approval of a Multi Area Progressive System to link slot machines to multiple casinos across the state. Sgt. James McGuane with the Louisiana State Police Casino Gaming Section stated that State Police had reviewed all the policies and procedures, and the system met all statutory requirements. It was moved by Judge Fleming to approve the request. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

The next item concerned a request by PNK (Pinnacle) for a \$475 million dollar amended and restated credit facility. Ms. Evie Ficklin, auditor with the Louisiana State Police, addressed the Board on this matter.

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

PNK also addressed the Board with reference to a modification of license condition 15 (c) concerning a 60 day extension on the completion of the 15th license project. It was moved by Ms. Morgan to postpone action on this matter until the October meeting, in order for PNK to furnish additional information concerning this request. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

Mr. Wade Duty, Executive Director of the Casino Association, addressed the Board for informational purposes with reference to the Best Practices/Good Faith Programs submitted by the riverboat casinos.

Mr. Young Bonner, Asst. Attorney General in the Gaming Division, presented the Good Faith Programs submitted by the pari-mutuel facilities as mandated by R.S. 27:363 C. He stated that the programs submitted by all three licensees, Delta Downs, Old Evangeline Downs and Harrah's Louisiana Downs, complied with the statutory mandates and that representatives from each licensee were available to answer questions.

Following discussion, it was moved by Mr. Boyer to approve the programs submitted to the Board. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

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

1. **In Re: Raymond Bienvenue – No. P040042987** – Motion by Ms. Richardson to approve the \$250.00 settlement for failure to timely submit his tax clearance. That motion was seconded by Ms. Morgan and unanimously approved by the Board.
2. **In Re: Waring Oil Company d/b/a Interstate Station No. 7 – No. 3300505167A** – 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 Gen. Cadoria and unanimously approved by the Board.

3. **In Re: David L. Williams – No. P040040823** – Motion by Mr. Boyer to affirm the decision of the Hearing Officer denying his non-key gaming permit. That motion was seconded by Ms. Morgan and unanimously approved by the Board.
4. **In Re: Fine Foods of Louisiana, Inc. and Louisiana Seafood Exchange, Inc. – Nos. P082601645 and P082600172** - Motion by Mr. Boyer to affirm in part the Hearing Officer's decisions denying Fine Foods' non-gaming supplier permit, and to amend in part and revoke the non-gaming supplier permit of Louisiana Seafood Exchange, and find Karl Turner, Bennett Miller, Jr. and Robert Walker unsuitable. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.
5. **In Re: Grand Paradise, Inc. d/b/a Grand Paradise – No. 6100506105** – Motion by Ms. Morgan to approve the \$250.00 settlement for failure to include the toll-free gambling hotline number in advertising. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
6. **In Re: K & B Amusements, LLC d/a/b K & B Amusements- No. 2900610855** - Motion by Mr. Lastrapes to approve the \$13,579.00 settlement for failure to disclose the misdemeanor criminal activity of one of its members. That motion was seconded by Ms. Richardson and unanimously approved by the Board.
7. **In Re: Big Wheels Travel Center, LLC d/b/a Big Wheels Casino – No. 2900511884** - Motion by Mr. Lastrapes to approve the \$40,987.00 settlement for failure to disclose the misdemeanor criminal activity of one of its members, and failure to include the toll-free gambling hotline number in advertising. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
8. **In Re: Digital Press & Graphics, LLC – No. P081701849** – Motion by Mr. Boyer to deny the rehearing request. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.
9. **In Re: ACM Gaming Company d/b/a ACM Game Company – No. 1701600079** – Motion by Gen. Cadoria to approve the \$1300.00 settlement for failure to properly maintain its video device log book and for having some deficiencies with the devices. That motion was seconded by Ms. Richardson and unanimously approved by the Board.

Ms. Richardson announced to the Board that Gen. Cadoria was going to be the guest speaker at the Women's Council of Baton Rouge luncheon at Boudreaux's on Friday, September 17th.

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

The meeting was adjourned.