

## **LOUISIANA GAMING CONTROL BOARD**

### **Minutes of August 16, 2005**

The Louisiana Gaming Control Board held a meeting on Tuesday, August 16, 2005, 10:00 a.m., in Senate Room A of the Louisiana State Capitol, Baton Rouge, La. Present at this meeting were: H. Charles Gaudin, Chairman; Judge Robert Fleming, James Boyer, Gen. Sherian Cadoria, Dennis Kinchen, William Lastrapes, Marcia Morgan, Rupert Richardson, Mervin Simoneaux, and ex-officio member Col. Henry Whitehorn. Absent was ex-officio member Sec. Cynthia Bridges.

The meeting was called to order. The Chairman announced the September meeting was going to be held on Tuesday, Sept. 13<sup>th</sup>, one week earlier than usual.

It was moved by Gen. Cadoria to waive the reading and approve the minutes of the July 19<sup>th</sup> 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. Ms. Constance Wallace, State Police Gaming Audit Division, reported on the employee numbers and salaries for the landbased casino, and Ms. Donna Jackson, also with the Audit Division, reported on the statistics for video poker.

Ms. Alyson McCord, Asst. Attorney General, presented the quarterly compliance reports for the riverboat casinos with the exception of PNK (Lake Charles) d/b/a L'Auberge du Lac. Mr. Larry Orlansky, counsel for PNK, stated that voluntary goals were being prepared and would be submitted to the Board. Ms. Adrian Wilson, Asst. Attorney General, presented a management summary report submitted by the riverboat casinos which included figures for employment and salaries. Ms. Wilson will further subdivide this report as requested by the Board. Mr. Young Bonner, Assistant Attorney General, reported on the quarterly compliance reports for slots at qualified racing facilities.

The Board acted on a petition by Penn National Gaming, Inc. and Argosy Gaming Company for approval of Transfer of Interest, and approval of a Credit Facility for Penn National Gaming, Inc. Mr. Leonce Gautreaux, Asst. Attorney General, and Ms. Evie Ficklin, State Police Gaming Audit Division, addressed the Board with reference to this item. Following discussion, it was moved by Mr. Boyer to approve the transfer of interest and approve the credit facility. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

Mr. Larry Lepinski, General Manager of PNK (Lake Charles) d/b/a L'Auberge du Lac, and Mr. Larry Orlansky, counsel for PNK, provided an update on the first full month of operations at the casino and hotel. Mr. Lepinski stated business was very good at the casino during the first month. He reported the landscaping in the pool area had been completed and the

hotel suites would be completed by the end of the week. He also stated there were 2,500 full time equivalent employees and full time employment would exceed 1,500.

The Board also acted on a petition by PNK (Lake Charles) for a modification of statement of conditions to the license of L'Auberge du Lac. It was moved by Mr. Lastrapes to approve the petition with the exception of condition of 15 (d) dealing with contracts related to the project. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

The Board acted on the following truckstop application:

1. **In Re: Jalou of Jefferson, L.L.C. d/b/a Cash Magic Westbank Casino – No. 2600514473** - Motion by Ms. Richardson to approve the application. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

There was an update on *Wolfman, Inc. d/b/a Jackpot Deli – No. 360121364A*. Mr. Jeff Faludi, attorney representing Jackpot Deli, stated he had filed a motion to dismiss his motion for recusal in this matter.

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

1. **In Re: Temey Mustapha-Scroggins – No. P040010575** – Motion by Gen. Cadoria to approve the \$250 penalty for failure to timely submit a tax clearance. That motion was seconded by Mr. Boyer and unanimously approved by the Board.
2. **In Re: Fox & Hound of Louisiana d/b/a Fox & Hound English Pub Grille – No. 2600111439** – Motion by Gen. Cadoria to approve the \$250 penalty for failure to remain current in the filing and payment of income taxes. That motion was seconded by Mr. Simoneaux and unanimously approved by the Board.
3. **In Re: Hulio Inc. d/b/a Hulio's Hamburger & Seafood – No. 3601212038** – Motion by Ms. Richardson to approve the 30 day suspension and divestiture of Younes Abdallah's interest and participation in the licensee.
4. **In Re: Jazz Casino Company, L.L.C. d/b/a Harrah's New Orleans – No. CGD040258** – Motion by Mr. Boyer to approve the \$100,000 penalty for broken security tape on CPU boards of slot machines. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.
5. **In Re: Leslie A. Davidson – No. P040015044** – Motion by Ms. Richardson to affirm the decision of the Hearing Officer revoking the permit. That motion was seconded by Gen. Cadoria. There was a substitute motion by Ms. Morgan to reverse the decision of the Hearing Officer and suspend the permit until a decision is reached in the pending court action. That motion was seconded by Mr. Lastrapes but failed by a vote of three to six. Voting for the motion were: Mr. Lastrapes, Ms. Morgan, and Mr. Simoneaux. Voting against the motion were: Judge Fleming, Mr. Boyer, Gen. Cadoria, Mr. Kinchen,

Ms. Richardson and Chairman Gaudin. The Board then voted on the original motion by Ms. Richardson to affirm. That motion passed six to three. Voting for the motion to affirm the Hearing Officer's decision to revoke the permit were: Judge Fleming, Mr. Boyer, Gen. Cadoria, Mr. Kinchen, Ms. Richardson and Chairman Gaudin. Voting against the motion were: Mr. Lastrapes, Ms. Morgan and Mr. Simoneaux.

6. **In Re: Fiori and Associates – No. P086502178** – Motion by Mr. Boyer to approve the \$500 penalty and suspension of the non-gaming supplier permit until the permittee files an annual affidavit and pays the annual fee.

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

The meeting was adjourned.