

LOUISIANA GAMING CONTROL BOARD

APPROVED

Minutes of August 15, 2000

9/19/00

The Louisiana Gaming Control Board held a meeting on Tuesday, August 15, 10:00 a.m., House Committee Room 6 of the Louisiana State Capitol. Present at this meeting were: Hillary J. Crain, Chairman; Robert M. Fleming, Vice-Chairman; Ralph R. Perlman, Secretary-Treasurer, James Boyer, Gen. Sherian Cadoria, Dudley Lastrapes, Marcia Morgan, Rupert Richardson and ex-officio member, Sec. Cynthia Bridges. Absent was ex-officio member, Col. Terry Landry.

The Chairman called the meeting to order. Vice-Chairman Fleming made a motion to waive the reading and approve the minutes of the July 18<sup>th</sup> meeting. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

Mr. Jeff Traylor, State Police Gaming Audit Division, presented the revenue reports for the riverboats and the landbased casino. Ms. Donna Stevens, Audit Supervisor in Video Gaming, presented the statistics for video gaming. Mr. Marvin Gagnard, State Police Gaming Audit Division, reported on the quarterly contributions for the Indian Casinos.

The Board acted on and approved licenses for the following truckstops:

1. River Port Truck Stop, L.L.C., d/b/a River Port Casino
2. Jace, Inc., d/b/a Colonel's Truck Plaza and Casino

Mr. Jay Quinlan, Asst. Attorney General in the Gaming Division, Mr. John Campbell, Jr. and Mr. Mike Dufilho, special Assistant Attorneys General, addressed the Board with reference to Section 9.5 of the Casino Operating Contract. This section requires quarterly financial compliance reports dealing with the financial stability of the landbased casino.

Based on the information contained in the July report, the state felt compelled to obtain additional information from Jazz Casino Company, L.L.C.

It was moved by Mr. Perlman, seconded by Ms. Morgan, and unanimously approved by the Board to adopt the following resolution:

1. JCC has to immediately inform (by close of next business day) the Board in writing of all material events relating to the financial affairs of JCC.
2. JCC has to immediately provide (by close of next business day) the Board with a copy of any and all analysis, findings, recommendations, and reports of Jeffries & Company, Inc.
3. JCC has to immediately notify (by close of next business day) the Board in writing any constrictions, notifications, and forbearances of default by banks, lenders, or creditors.

4. JCC has to provide to the Board by September 11, 2000, a written update of all matters covered in the July 28, 2000 letter to Camille Fowler and Jay Sevigny and/or covered in Camille Fowler's response of August 7, 2000.

Mr. Basille Uddo, general counsel for Jazz Casino Company, stated that JCC would have no problem adhering to the resolution.

The next item concerned a request from Advanced Casino Systems Corporation for both a Manufacturer's and Supplier's Permit in Riverboat Gaming.

It was moved by Mr. Boyer, seconded by Vice-Chairman Fleming, and unanimously approved by the Board to approve both the Manufacturer's and Supplier's permit for A.C.S.C.

The Chairman called upon Mr. Leonce Gautreaux, Asst. Attorney General in the Gaming Division, to discuss the pleading entitled "Report on Conditional License Renewal of L.C.C.I." (Casino Rouge). In that report, the Division alleged that there were grounds to condition the license of L.C.C.I., or alternatively deny renewal. Mr. Gautreaux stated that the pleading was not an investigative report but was merely designed to inform the Board and L.C.C.I., of the allegations against it and to request specific relief.

Mr. Gautreaux requested that the Board, based on this report, give formal notice to L.C.C.I., and afford them with an opportunity to respond and request a hearing. He also requested that L.C.C.I. be allowed to continue operation under its conditional renewal pending disposition by this Board, and that the Board authorize the Chairman to conduct any prehearing conferences and establish deadlines as necessary.

Following Mr. Gautreaux's presentation, Mr. Lastrapes made a motion as requested. That motion was seconded by Gen. Cadoria, and unanimously approved by the Board.

The next item dealt with the renewal application of Boyd Gaming Corporation, d/b/a Treasure Chest Casino, L.L.C.

It was moved by Mr. Perlman, seconded by Ms. Morgan and unanimously approved by the Board to renew for five-years the license of Boyd Gaming Company, d/b/a Treasure Chest Casino, L.L.C.

Mr. Raymond Lamonica, special Asst. Attorney General, addressed the Board on behalf of the State's interest with reference to Mr. Robert Guidry. He stated that the state had filed a civil action against Mr. Guidry for restitution and would keep the Board notified of any action.

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

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

The Board acted on proposed settlements/appeals in the following:

1. In Re: Vanchiere's Dockside - Motion by Mr. Boyer to approve the settlement of \$600. That

motion was seconded by Ms. Richardson and unanimously approved by the Board.

2. In Re: Toupsie's Cajun Eatery - Motion by Gen. Cadoria to approve the settlement of \$100. That motion was seconded by Mr. Perlman and unanimously approved by the Board.
3. In Re: Silver Dollar Café - Motion by Gen. Cadoria to approve the settlement of \$550. That motion was seconded by Mr. Perlman and unanimously approved by the Board.
4. In Re: New Orleans Original Daiquiris - Motion by Gen. Cadoria to approve the settlement of \$350. That motion was seconded by Mr. Perlman and unanimously approved by the Board.
5. In Re: Bear's Restaurant - Motion by Gen. Cadoria to approve the settlement. That motion was seconded by Mr. Boyer and unanimously approved by the Board.
6. In Re: Pegasus Properties, Inc. - Motion by Ms. Richardson to approve the settlement. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
7. In Re: Outdoor Advertising Group d/b/a Outdoor Services - Motion by Judge Fleming to affirm the decision of the Hearing Officer to issue the non-gaming supplier's permit. That motion was seconded by Ms. Morgan and unanimously approved by the Board.
8. In Re: R.D.S., Inc. d/b/a Mr. Gatti's - Motion by Mr. Lastrapes to reverse the Hearing Officer and deny renewal of the license. That motion was seconded by Ms. Richardson and unanimously approved by the Board.
9. In Re: Bonnie McElraft - Motion by Mr. Boyer to affirm the Hearing Officer's denial of renewal of the non-key gaming permit. That motion was seconded by Judge Fleming and unanimously approved by the Board.
10. In Re: Jodie McElraft: - Motion by Gen. Cadoria to affirm the Hearing Officer's denial of renewal of the non-key gaming permit. That motion was seconded by Mr. Perlman and unanimously approved by the Board.
11. In Re: Veronica Moore - Motion by Judge Fleming to affirm the Hearing Officer's denial of renewal of the non-key gaming permit. That motion was seconded by Ms. Richardson and unanimously approved by the Board.

Public comments were made by Ms. Melinda Fayard concerning the forms that needed to be filed by designated representatives.

Following the comments, it was moved by Mr. Perlman to adjourn. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

The meeting was adjourned.