

LOUISIANA GAMING CONTROL BOARD

Minutes of October 20, 1998

APPROVED

11/17/98

The Louisiana Gaming Control Board conducted a meeting on Tuesday, October 20, 1998, 10:00 a.m., House Committee Room 6, at the Louisiana State Capitol.

Present at this meeting were Hillary J. Crain, Chairman; Robert M. Fleming, Vice-Chairman, Gen. Sherian Cadoria, James Boyer, Marcia Morgan, Dudley Lastrapes, Rupert Richardson, and ex-officio members Col. W.R. "Rut" Whittington, and Sec. John Kennedy. Absent were board members Sec. Ralph Perlman and Ecotry Fuller.

The meeting was called to order by the Chairman. The minutes of both the September 14 and 15th meetings were presented. It was moved by Gen. Cadoria to approve the minutes of both meetings. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

Ms. Charlotte McGarr, state police auditor in the riverboat division, presented the monthly riverboat revenue to board members, and Mr. Mike Legendre, state police auditor in the video gaming division, presented monthly statistics on video gaming.

A motion was presented by Vice-Chairman Fleming to have revenue statistics available on Indian gaming. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

The Chairman called upon Ms. Anne Neeb and Mr. Jay Quinlan, Asst. Attorneys General in the Gaming Division, Sgt. Robert Hogan and Trooper Gary Scioneaux, with State Police Land Based Division, Ms. Raquel Frances and Ms. Lonna Willingham, auditors with the Louisiana State Police, to present the results of their investigation with reference to Jazz Casino Co., L.L.C.

Mr. John Campbell, Special Asst. Attorney General, represented the state's interest with reference to Harrah's bankruptcy settlement.

Mr. Bill Potter and Mr. David Moore of the Postlethwaite and Netterville C.P.A. firm reported on the financial status of Harrah's with reference to the land based project.

Mr. Colin Reed, Executive Vice-President and C.E.O. of Harrah's, and Mr. David Satz, counsel for Harrah's, were on hand to answer any questions Board members might have with reference to Harrah's.

A motion was presented by Marcia Morgan to find participants in the land based operation suitable. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

Mr. William Patrick, attorney representing Harrah's Jazz, Mr. Fred Burford, President and C.E.O. of Jazz Casino Company, L.L.C., Mr. David Satz, attorney for Harrah's Entertainment, and Mr. John Campbell, addressed the Board with reference to the Declaratory Rulings.

Following their presentation, it was moved by James Boyer to adopt the proposed Board Resolutions and seconded by Ms. Richardson. The resolutions were unanimously approved by the Board. (The resolutions are marked exhibit B and attached to the original of these minutes on file at the Louisiana Gaming Control Board).

Next, it was moved by Ms. Morgan to adopt the "Order On Petition, as Amended, of Harrah's Jazz Company and Harrah's Entertainment, Inc. Seeking Declaratory Rulings With Respect to the Plan of Reorganization of Harrah's Jazz Company and Related Transactions;" That motion was seconded by Gen. Cadoria and unanimously approved by the Board. (The referenced Order is marked exhibit C and is attached to the original of these minutes on file at the Louisiana Gaming Control Board).

Lt. Dane Morgan, Supervisor, Riverboat Gaming, Mr. Ray Lamonica, Special Asst. Attorney General, and Ms. Claudeidra Minor, addressed the Board with reference to upcoming license renewals of Horseshoe, Isle of Capri (Bossier) and Players-Lake Charles. Ms. Marcia Morgan moved to conditionally approve the renewals pending the results of a complete background investigation of each licensee. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

It was moved by Vice-Chairman Fleming to adopt the amendments of Rule 108 E, mailing of hearing officer decisions within two days. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

Ms. Rupert Richardson made a motion to go into executive session. It was seconded by Gen. Cadoria and unanimously approved by the Board.

The Board went into executive session.

The Board returned to the regular session.

It was moved by Vice-Chairman Fleming to amend the agenda to act upon the settlement in the Jackpot Novelty case. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

Vice-Chairman Fleming then moved to accept the settlement in Jackpot Novelty, Inc. v. La. Gaming Control Board, No. 439,506. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

The Board acted upon hearing officer decisions/recommendations in the following cases:

1. **In Re: Sonny's Side Street Lounge - Motion for 2nd Continuance -Motion to deny by**

Ms. Morgan, seconded by Gen. Cadoria and unanimously approved by the Board.

2. **In Re: The Claire Company** - Motion to grant rehearing by Mr. Lastrapes, seconded by Gen. Cadoria and unanimously approved by the Board.
3. **In Re: Oaks Food & Deli** - Motion to affirm revocation of license by Mr. Boyer, seconded by Mr. Lastrapes and unanimously approved by the Board.
4. **In Re: Oaks Cafe** - Motion to affirm revocation of license by Mr. Boyer, seconded by Mr. Lastrapes and unanimously approved by the Board.
5. **In Re: Alison Manufacturing Co.** - Motion to grant rehearing by Mr. Lastrapes, seconded by Gen. Cadoria and unanimously approved by the Board.
6. **In Re: Shuttle King, Inc.** - Motion to grant rehearing by Mr. Lastrapes, seconded by Gen. Cadoria and unanimously approved by the Board.
7. **In Re: City Pest Control** - Motion to affirm denial of non-gaming permit by Vice-Chairman Fleming, seconded by Ms. Richardson and unanimously approved by the Board.
8. **In Re: Grand Palais & St. Charles Gaming** - Motion to approve settlement by Ms. Morgan, seconded by Mr. Lastrapes and unanimously approved by the Board.
9. **In Re: Dian Davis** - Motion to affirm denial by Vice-Chairman Fleming, seconded by Mr. Boyer and unanimously approved by the Board.
10. **In Re: Fountain of Youth II** - Motion to approve proposed decision by Mr. Boyer, seconded by Ms. Morgan and unanimously approved by the Board.
11. **In Re: Christie Fontenot** - Motion to revoke certification by Vice-Chairman Fleming, seconded by Gen. Cadoria. Approved by a vote of 5 to 2. Mr. Boyer and Ms. Richardson disagreed with revoking the certification.

Following the decisions, Mr. Norbert Simmons addressed the board with reference to his claims of Hilton violating possible gaming regulations which could jeopardize Bally's gaming license. The Chairman told Mr. Simmons that his complaints were turned over to Lt. Morgan, supervisor of Riverboat Gaming, to conduct an investigation with reference to his complaints. Following the investigation, Lt. Morgan will forward the Board a copy of the results for possible action by the Board.

There being no further business, it was moved by Ms. Richardson to adjourn that was seconded by the entire Board.

The meeting was then adjourned.