

LOUISIANA GAMING CONTROL BOARD

Minutes of January 19, 1999

APPROVED

2/18/99

The Louisiana Gaming Control Board held a meeting on Tuesday, January 19, 1999, 10:00 a.m., House Committee Room 6 of the Louisiana State Capitol.

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

The meeting was called to order by the Chairman. Gen. Cadoria made a motion to approve the minutes of December 15, 1998. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

The next item on the agenda was the adoption of a meeting schedule for 1999. Upon a motion of Vice-Chairman Fleming, the Board decided to adopt the same schedule as 1998, which was the third Tuesday of every month, with the exception of February, since the third Tuesday in February is a state holiday. The February meeting would be held on the third Thursday. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

Ms. Charlotte McGarr, state police auditor in riverboat gaming, presented the monthly riverboat revenue to the Board. Mr. Mike Legendre presented the video poker revenue and Lt. Guy Barnett, supervisor in state police in gaming, informed the Board that there were no figures due at this time in Indian gaming. Lt. Barnett stated that figures would be available to board members at the next meeting.

Next on the agenda, was an update on the Land Based Casino. Mr. Jay Quinlan, Asst. Attorney General in the Gaming Division, Mr. Fred Burford, President of Jazz Casino Corporation, and Mr. Don Stresner, construction project manager, updated board members on the construction project of the land based casino. Mr. Stresner stated that the casino is on schedule and stated the latest it would open would be October 31st, 1999.

Continuing with the agenda, Mr. Wade Duty, Asst. Attorney General in the Gaming Division, presented the cruising report on St. Charles Gaming - Isle of Capri. This vessel is located in Lake Charles and has cancelled 52.7 % of its total cruises.

It was moved by Ms. Richardson, seconded by Ms. Morgan, and unanimously approved by the Board to conduct public hearings beginning at the March meeting, to explore alternate cruising routes or some other option. The Board stated it would invite the Coast Guard to participate in these hearings.

It was moved by Mr. Lastrapes to request that the legislature also address the cruising issue in the coming session. That motion was seconded by Vice-Chairman Fleming and unanimously approved by the Board.

Sergeant Buzzy Trahan, Riverboat Gaming Division, addressed the Board with reference to the pending renewal applications of Harrah's Star Casino and Bally's Belle of Orleans.

It was moved by Vice-Chairman Fleming to grant a conditional approval to Harrah's Star Casino pending the results of the suitability investigation. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

Mr. Thomas Tucker, an attorney for Metro Gaming, the majority owner of Bally's Belle of Orleans, and Mr. David Steiner, attorney for Bally's also addressed Board members on this renewal.

Following this discussion, it was moved by Mr. Boyer to conditionally approve the renewal of the Belle of Orleans Casino, pending the results of the suitability investigation. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

Ms. Claudeira Minor, Asst. Attorney General in the Gaming Division, and Mr. Walt Evans, attorney representing QNOV provided the Board with an update on the progress of, and review of the conditions on the QNOV Riverboat Casino Project.

The Chairman called upon Ms. Charlotte McGarr and Ms. Susan Demouy with State Police Riverboat Gaming Division, and Mr. Tom Warner, Asst. Attorney General in the Gaming Division, to discuss updating and revising of Chapter 27 rules with reference to accounting regulations.

Following their presentation, it was moved to Ms. Morgan to institute the rule-making procedure with reference to these rules. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

Ms. Rupert Richardson moved to go into Executive Session to discuss pending litigation. Her motion was seconded by Gen. Cadoria and unanimously approved by the Board.

Following the Executive Session, the Board acted on appeals/recommendations in the following cases:

1. **In Re: O'Henry's Food & Spirits** - Motion by Ms. Morgan to dismiss the citations against O'Henry's for failure to issue the citations at the time of the violation, and for the Chairman to draft language accomplishing this, but instructing the hearing officer with reference to appropriate holding of the burden of proof, to be presented at the next meeting. That motion was seconded by Mr. Lastrapes and was approved by a 4 to 3 vote. Ms. Morgan, Vice-Chairman Fleming, Mr. Boyer and Mr. Lastrapes voted in favor; while Chairman Crain, Gen. Cadoria and Ms. Richardson voted against this motion. The final draft of this decision will be presented at the next board meeting.

2. **In Re: Laurie Granger** - Motion by Vice-Chairman Fleming to deny the rehearing. That motion was seconded by Mr. Boyer and approved by a 6 to 1 vote. Mr. Lastrapes voted to grant the rehearing.
3. **In Re: Herbert Moore** - Motion by Mr. Boyer to affirm the decision of the hearing officer. That motion was seconded by Mr. Lastrapes and approved by a 6 to 1 vote. Vice-Chairman Fleming voted against the affirmation.

Mr. Alton Ashe, lobbyist for the video poker industry, introduced the new Executive Director of LAMOA, Mr. Eric Monarch, to the Board. He also addressed the Board about machines being turned off without owner's knowledge of a violation.

Lt. Stanley Griffin, supervisor of the video poker gaming division, stated that letters for violations are sent out by certified mail stating that the machines are turned off if the fines are not paid.

The Chairman stated he would check into this matter.

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

The meeting was then adjourned.