

APPROVED
4/21/98

LOUISIANA GAMING CONTROL BOARD

Minutes of March 17, 1998

The Louisiana Gaming Control Board conducted a meeting on Tuesday, March 17, 1998, 10:00 a.m., House Committee Room 6 of the Louisiana State Capitol. In attendance were Hillary J. Crain, Chairman; Robert Fleming, Vice-Chairman; Ralph Perlman, Secretary-Treasurer; Sherian Cadoria, Ecotry Fuller, Dudley Lastrapes, Marcia Morgan, Rupert Richardson, and ex-officio members Col. Rut Whittington and Sec. John Kennedy.

The meeting was called to order by the Chairman. The minutes of the February meeting were presented to the Board. It was moved by Sec. Perlman and seconded by Mr. Fuller to adopt the proposed minutes. The Board unanimously approved the minutes.

Ms. Charlotte McGarr, state police auditor, presented the monthly riverboat revenue report to the Board. Sergeant Al Martin, enforcement supervisor in video gaming, presented video statistics to board members.

Next on the agenda was a Petition for Approval relative to a merger of CHC International and Patriot American Hospitality. Lonna Willingham, an auditor with state police riverboat gaming, who worked on this petition, presented the Board with a report on this merger. Mr. Kelly Duncan, Sherwood Wisner and Peter Tenling, representatives of CHC were on hand to address any questions or concerns dealing with this merger. Board member Marcia Morgan moved to approve the merger, and was seconded by Sec. Perlman. The Board unanimously approved the merger.

The next item on the agenda was a review of internal controls with reference to underage patrons gaining access to riverboat casinos. Mr. Jay Rabalais, General Manager of Boomtown, Mr. Lorenzo Creighton, General Manager of Bally's, and Mr. Jack Bernsmeier, General Manager of the Treasure Chest Casino, were on hand to discuss their procedures with reference to underage patrons'. The Board was shown a video by Mr. Richard Angelico, a WDSU investigative reporter, where underage patrons successfully entered riverboat casinos. All three General Managers stated that adequate controls would be properly exercised, and additional employees would be assigned to boarding entrances to properly check identifications.

Next on the agenda was the cruising report on Casino Rouge. Because of the lengthy agenda, it was moved by Mr. Lastrapes to carry this item over to another meeting. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

Mr. Cheney Joseph, executive counsel to the Governor, Ms. Constance Koury, First Assistant Attorney General, and Mr. Roy Mongrue, Asst. Attorney General, addressed the Board concerning the proposed operating contract of the land-based casino and the recent A.G. opinion dealing with

the land-based casino contract. Mr. John Campbell, Special Counsel and Asst. Attorney General and Mike Duffio also addressed the Board on this issue.

Speaking against the operating contract were Senator Max Jordan, Representative Steve Windhorst, and Representative Chuck McMains.

It was moved by Judge Fleming, and seconded by Mr. Fuller, to go into Executive Session to discuss a resolution dealing with the land-based operating contract.

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

It was moved by Sec. Perlman to adopt a resolution recalling the first and second proposed COC's, and to submit another resolution at a Special Meeting on March 20, 1998. That motion was seconded by General Cadoria and unanimously approved by the Board.

Next on the agenda was a motion to institute the rule-making procedure on LAC 42:2721, dealing with tips received by poker dealers. That motion was moved by Sec. Perlman, seconded by Mr. Lastrapes and unanimously adopted by the Board.

There was a motion to adopt rule 115 (Appeals to the Board) and rule 116 (Declaratory Orders) by Sec. Perlman. That motion was seconded by General Cadoria and unanimously approved by the Board.

Proceeding with the agenda was the discussion concerning licensing of first mates. Mr. Mike Delesdernier, a marine pilot and owner of Vessel Management Services, a company that provides employees for five of the state's riverboat casinos, addressed the board concerning the licensing of first mates. Mike Delesdernier, Jr., an attorney, also spoke to the Board concerning this issue. They would like for the Board not to license first mates as key-employees because the lengthy time factor involved creates a hardship in processing these employees to begin work. Lt. Dane Morgan, Supervisor, Riverboat Gaming Division, told board members that first mates could probably be licensed as non-key employees. It was decided that the Board would have a rule prior to the April Board Meeting that would address this issue.

The Board review recommendations/decisions from the Hearing Officers in the following cases:

(Board member Rupert Richardson left prior to proposed decisions being acted upon.)

There was a motion by Major's Truckstop to waive the 60-day period for ruling on a proposed decision. It was moved by Judge Fleming, seconded by Sec. Perlman, and approved by the Board that Chairman Crain is given the authority to grant an extension to the Board's next meeting, in cases where both parties have requested a waiver of the 60-day period.

1. **In Re: Carolyn Ansley** - Motion to adopt proposed decision by Vice-Chairman Fleming, seconded by Mr. Fuller. Unanimously approved by the Board.

2. **Club 167** - Motion to adopt proposed decision by Vice-Chairman Fleming, seconded by Ms. Morgan. Unanimously approved by the Board.
3. **Roadrunner Auto Wash** - Motion to adopt proposed decision by Mr. Lastrapes, seconded by Ms. Morgan. Unanimously approved by the Board.
4. **In Re: Dian Davis** - Motion to adopt proposed decision by Mr. Lastrapes, seconded by Gen. Cadoria. Unanimously approved by the Board.
5. **Toledo Town, Inc.** - Motion to adopt proposed decision by Sec. Perlman, seconded by Gen. Cadoria. Unanimously approved by the Board.

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

The meeting was then adjourned.