

**INDIANA GAMING COMMISSION
TELEPHONIC BUSINESS MEETING**

**10:00 a.m., March 29, 1999
115 West Washington St., Ste. 950 South Tower
Indianapolis, IN 46204-3408**

Present: Commission member Richard Darko; participating by phone: Donald R. Vowels, Chair; Ann Bochnowski, Vice-Chair; Robert Swan, and Dr. Ross. Thomas Milcarek was not present. Staff: Jack Thar, Kay Fleming, Jennifer Byrd, John Krause, Michelle Marsden, Rhonda Dalton and members of the public.

Call to Order and Roll Call

Chairman Don Vowels called the meeting to order at approximately 10:00 a.m. (local time). A quorum was present.

Approval of the Minutes

Upon motion by Robert Swan, second by Richard Darko, the minutes of the February 26, 1999 business meeting were unanimously approved.

Report of the Executive Director

Jack Thar, Executive Director, gave a report to the Commission on the activities of the riverboats and the commission office.

Executive Director Thar also provided a report regarding the MBE/WBE. On March 10, 1999 Commission staff, along with the Minority Business Development Commission met with the General Managers and Purchasing Directors of the south riverboats to discuss the compliance of the riverboats in terms of the 10% MBE and 5% WBE statutory goals. Discussions focused on: How the percentages could be improved, what problems are being encountered in meeting the statutory goals; and what can the state do to assist the riverboats in addressing these issues. A similar meeting was scheduled for the Lake Michigan Riverboats on February 9, 1999. However, that meeting was canceled due to inclement weather and is in the process of being rescheduled. John Krause, staff attorney provided an overview for the commissioners regarding the status of the compliance rate. Mr. Krause will mail each commissioner a report based on the figures. Executive Director Thar has requested that each riverboat submit a report listing: what actions that they have taken in the past; and what actions are being planned in the future to improve the compliance rate. A status report will be provided to the commissioners on a quarterly basis and MBE/WBE issues will be a regular agenda item at each business meeting.

**Denial of Occupational License
Clay Williams CA-DEN-99-1**

Clay Williams applied for an Occupational License, Level 3 for employment with Caesar's as a bartender. During his employment with Caesar's, it was discovered that Mr. Williams was charging patrons for drinks and retaining the money received for the drinks as tips rather than placing the money in the cash register. The Commission staff revoked Mr. Williams' temporary license on or about March 11, 1999.

Action: Upon motion by Ann Bochnowski, second by Dr. Ross, and unanimous vote of those present, the Commission upheld the revocation of the temporary license and denied the application for Occupational License, Level 3 submitted by Clay Williams.

Robert Middleton AZ-DEN-99-1

Robert Middleton applied for an Occupational License, Level 3 to work for Aztar as a bartender. During his employment with Aztar, it was discovered that Mr. Middleton was creating false transactions on his register indicating that drinks had been comped to patrons, charging the patron for the drink and subsequently removing the corresponding amount of money from his bank bag before turning in his cash drawer at the conclusion of his shift. The Commission staff revoked Mr. Middleton's temporary license on or about March 11, 1999.

Action: Upon motion by Richard Darko, second by Robert Swan, and unanimous vote of those present, the Commission upheld the revocation of the temporary license and denied the application for Occupational License, Level 3 submitted by Robert Middleton.

Norman Kearns AG-DEN-99-1

Norman Kearns applied for an Occupational License, Level 2 for employment with Argosy as a cage cashier. During his employment with Argosy, it was discovered that Mr. Kearns was stealing money from the cage drawer. The Commission staff revoked Mr. Kearns' temporary license on or about March 18, 1999 by the Commission staff.

Action: Upon motion by Dr. Ross, second by Richard Darko, and unanimous vote of those present, the Commission upheld the revocation of the temporary license and denied the application for Occupational License, Level 2 submitted by Norman Kearns.

**Request for Bond Reduction
Casino Aztar**

On January 29, 1999 and March 12, 1999, Casino Aztar made the following identical payments to the City of Evansville pursuant to the Development Agreement between Casino Aztar and the City of Evansville and as a condition of the Riverboat Owner's License issued to Casino Aztar:

Downtown Revitalization	\$ 83,333.33
Economic Development	16,666.67
<u>Pigeon Creek Greenway</u>	<u>4,166.67</u>
Total	\$104,166.67

Action: Upon motion by Robert Swan, second by Ann Bochnowski, and unanimous vote of those present, the Commission authorizes the National City Bank to reduce Letter of Credit 102, posted by Casino Aztar, in a total amount of \$208,333.34.

**Request for Approval of Debt Restructuring and Refinancing
Casino Aztar**

William P. Diener, local regulatory counsel for Aztar Corporation appeared before the Commission and staff to concerning the refinancing and restructuring of existing debt.

Action: Upon motion by Robert Swan, second by Ann Bochnowski, and unanimous vote of those present, the Commission waived the second meeting requirement and approved the request for debt restructuring and refinancing as represented. The request is subject to staff approving additional information as it is submitted.

**Request for Approval of Debt Acquisition
Pinnacle Gaming**

Loren Ostrow, Senior Vice-President and General Counsel for Hollywood Park, Inc. appeared before the Commission and staff regarding its intention to refinance existing indebtedness by offering private note placement in the amount of \$350 million.

In February 1999 Hollywood Park, Inc. contacted commission staff with the intention to refinance its existing indebtedness. At that time a request was made that the requirements for Commission review of debt financing be waived. This request was approved. However, the Commission approval process for the registered offering was not waived. Subsequent, demand for the notes allowed the original request of \$275 million to be expanded to a \$350 million offering.

Action: Upon motion by Robert Swan, second by Richard Darko, and unanimous vote of those present, the Commission waived the second meeting requirement and approved the request for debt acquisition as represented. The request is subject to staff approving additional information as it is submitted.

**Request for Approval of Debt Acquisition
Argosy Gaming Company**

Dale Black, Chief Financial Officer of the Argosy Gaming Company appeared before the Commission and staff regarding its intent to call in \$235 million in 13.25% first mortgage notes and \$115 million in 12% convertible subordinate notes to refinance them with bank and public debt. This is to comply with the first meeting rule.

Resolution 1999-9

A Resolution Concerning the Nunc Pro Tunc Extension of the Certificate of Suitability Issued to Pinnacle Gaming Development Corporation on September 14, 1998.

Loren Ostrow, Senior Vice-President and General Counsel for Hollywood Park, Inc. appeared before the Commission and staff to speak in regards to the renewal of the Certificate of Suitability.

Action: Upon motion by Ann Bochnowski, second by Richard Darko, and unanimous vote of those present, the Commission extended the Certificate of Suitability issued to Pinnacle Gaming Development Corporation. The extension is retroactive to March 13, 1999 and will remain valid until September 10, 1999.

Resolution 1999-10

A Resolution Concerning the Request of Atlantic City Coin & Slot Service Company, Inc. for Approval to Transfer an Ownership Interest and a Request that the Commission Waive the Transfer of Ownership Rules.

Action: Upon motion by Richard Darko, second by Robert Swan, and unanimous vote of those present, the Commission granted A.C. Coin's request for a waiver of the normal transfer of ownership procedures and attendant background investigations and granted A.C. Coin's request for approval of the resulting transfer of ownership interests.

Resolution 1999-11

A Resolution Adopting, as Final Rules 68 IAC 2-5-4; 68 IAC 10-9; 68 IAC 10-10; 68 IAC 15-11-3; 68 IAC 15-11-3.1; 68 IAC 15-12-3; 68 IAC 15-12-4; and 68 IAC 15-13-2.

Action: Upon motion by Richard Darko, second by Ann Bochnowski, and unanimous vote of those present, the Commission approved the above mentioned rules as Final Rules.

Next Meeting

The next business meeting of the Indiana Gaming Commission will be announced at a later date.

Adjournment

The meeting was adjourned at approximately 10:45 a.m. by unanimous Commission vote upon motion by Richard Darko, second by Ann Bochnowski.

Minutes

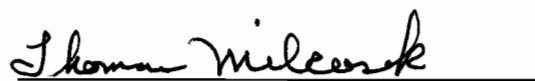
The March 29, 1999 minutes were prepared by Rhonda Dalton, Executive Secretary of the Indiana Gaming Commission staff. A transcript is not available.

Respectfully submitted,


Rhonda K. Dalton

THE INDIANA GAMING COMMISSION:


Donald Vowels, Chair


Thomas Milcarek, Secretary