

## **INDIANA GAMING COMMISSION BUSINESS MEETING**

November 17, 2005  
Belterra Casino Resort  
Florence, Indiana

### **Call to Order and Roll Call:**

Chairman Harold Calloway called the meeting to order at approximately 10:30 a.m. local time. A quorum was present.

### **Present:**

Commission Members: Harold Calloway, Chair; Bryan Robinson, Tim Fesko, Don Vowels, Marya Rose, and Scott Newman. Commission Staff: Ernest E. Yelton, Jennifer Arnold, Phil Sicuso, Kevin Mahan, Tom McCord, Susan Brodnan, Leanne Bailey, Andrew Klinger, Angie Bunton, Tami Timberman, Major Carlos Pettiford, Indiana State Police, and members of the public.

### **Approval of the Minutes:**

Upon motion by Don Vowels, second by Bryan Robinson, and the unanimous vote of those present, the Commissioners approved the proposed minutes of the September 26, 2005, business meeting.

### **Report of the Executive Director:**

Executive Director Yelton reported on the hurricane waiver update. The Indiana Gaming Commission entered an order waiving licensing fees and some requirements for individuals who had come to Indiana and worked at sister properties. It was reported that 80 individuals who have been employed by Indiana licensees pursuant to that waiver. This waiver expires in December. Also, it was acknowledged that one of the workers of Casino Aztar was killed in the tornado in November. The Gaming Commission employees donated approximately \$400 to be dedicated to relief for the people from Aztar.

Executive Director Yelton reported on the ongoing litigation with the City of East Chicago. Judge Gilmore of LaPorte has been appointed as special Judge. The Judge has transferred the case to LaPorte Superior Court. The Commission has filed a Motion To Dismiss. Resorts has also filed a Motion to Intervene. The City of East Chicago has also filed a new lawsuit against the Indiana Gaming Commission alleging the Commission has violated the Indiana Access to Public Records Act by failing to disclose documents which the Commission deemed confidential. Resorts has been granted the right to intervene in litigation. Also, licensees are uniting and are hiring an attorney to represent their interests as well, as Indiana law allows individuals who have confidential material potentially impacted by this ruling the right to

intervene. The City is asking for disclosure of PD 1's, which could mean thousands of individuals will be required to be notified by the Commission and informed of their rights. The Commission has been given permission to hire outside counsel and have hired Tom Funk of Hill, Fulwider, McDowell, Funk & Matthews.

A settlement conference was held in the Pinnacle litigation, which was not successful. Pinnacle filed a Motion to Dismiss against the Commission.

Executive Director Yelton reported that the State Board of Accounts reported it lacks jurisdiction to audit the East Chicago Foundations and Second Century. The Indiana Department of Revenue has concluded its preliminary audit of the two foundations, but is still seeking additional information from Second Century. The Indiana Department of Revenue can only audit the entities for tax related purposes and will not address many of the allegations brought by the City of East Chicago. The Commission has requested the Attorney General to investigate the allegations against the foundations.

Executive Director Yelton reported that the Commission will be conducting a disparity study on Minority Business Enterprises/Women's Business Enterprises. The goal is to release a draft report in mid 2005. Also, Policy Analytics will be studying the impact of gambling on Indiana communities, as directed by the Indiana Legislative Council.

Executive Director Yelton reported that the VEP presently has 960 people enrolled in its program. Also, Phase I of the Records Retention Schedule is underway. A total of 154 boxes of old documents have been archived.

Rick Day, Director of the Washington State Gambling Commission, is organizing a conference call to determine the interest of forming an interstate internet gambling task force. Their first meeting is scheduled for December 13, and the Indiana Gaming Commission will be serving as host.

#### **Waiver of Rules and Regulations:**

Executive Director Yelton reported that Caesars was granted a waiver to allow a gratuity in the form of three percent of the price pooled from the World Series Poker that was conducted there, to be paid as a bonus to employees who were brought in to work that particular event.

#### **Report of Superintendent**

Superintendent Mahan introduced Tom McCord as the Assistant Director of Enforcement. The ten investigators and the Executive Administrator have completed their training and have begun their assignments. The Enforcement section has received approval for the enforcement agents, enforcement supervisors, enforcement investigator and secretary 3 positions. The written examinations for the gaming agent positions will be December 12 in Lake County. The first recruit academy for these agents will begin February 6, 2006, at the Indiana Law Enforcement Academy.

**Old Business:**

There was no old business.

**New Business:**

**Update on Orange County**

It was reported by Vernon Back, attorney for the Lauth Group, that the hotel operations have been suspended at the French Lick resort to ensure guests and employee safety during the renovation. The employees will be compensated during this layoff. Mr. Back reported that Chris Leininger is the general manager for the casino and Mickey Brown is the casino project manager and that the project is ahead of schedule.

**Resolution 2005-57**

Resolution adopting Rule 68IAC 15-5-1.5, as a final rule relating to the wagering tax and transfer of a riverboat owner license. This rule requires riverboats to continue to pay the wagering tax beginning at the rate achieved by the prior owner during the fiscal year. Upon approval this resolution will be forwarded to the Office of the Attorney General and the Governors Office.

**Action:** Upon Motion by Don Vowels, second by Bryan Robinson, and unanimous vote of those present, the Commission adopted Resolution 2005-57.

**Exclusion list:**

**Order Concerning the Placement of Louis Moore  
On the Exclusion List**

On or about May 5, 2005, Louis Moore was placed on the Exclusion List due to an incident at Argosy Casino. Mr. Moore requested a hearing to appeal said placement. In a letter dated November 3, 2005, Mr. Moore, by and through his attorney, withdrew his request for a hearing. Commission staff recommends that his withdrawal be accepted.

**Action:** Upon Motion by Bryan Robinson, second by Don Vowels, and unanimous vote of those present, the Commission accepted this recommendation.

**Occupational License Matters:**

**Calvin Archie  
CA-DEN-05-01**

On or about June 1, 2005, Calvin Archie was issued a level 3 temporary occupational license to work as a Steward at Caesars casino. Mr. Archie failed to disclose a criminal arrest on his application for an occupational license. Commission staff sent Mr. Archie three letters

requesting court documentation showing the outcome of the arrests. Two of the letters were hand delivered to Mr. Archie by a Commission agent at Caesars. Mr. Archie did not submit the requested court documentation. Commission staff recommends this application be denied.

**Action:** Upon Motion by Tim Fesko, second by Don Vowels, and unanimous vote of those present, the Commission accepted this recommendation.

**Natasha Steward  
BC-DEN-05-01**

On or about May 23, 2005, Natasha Steward was issued a level 3 temporary occupational license to work as a Snack Bar Attendant at Blue Chip Casino. Ms. Steward failed to disclose two criminal arrests on her application for an occupational license. Commission staff sent Ms. Steward three letters requesting court documentation showing the outcome of the arrests. Two of the letters were hand delivered to Ms. Steward by a Commission agent at Blue Chip. Ms. Steward did not submit the requested court documentation. Commission staff recommends the denial of the application.

**Action:** Upon Motion by Tim Fesko, second by Don Vowels, and unanimous vote of those present, the Commission accepted this recommendation.

**Supplier License Matters:**

It was reported by Deputy General Counsel Susan Brodnan, Commission deputy counsel, that Vending Data Corporation has a hearing scheduled for November 29 and 30 in Louisiana regarding a disciplinary action pending against them there. Brodnan further advised that Chipco International's registration in British Columbia has been rescinded. Commission staff does not feel this warrants disciplinary action against their license here.

**Resolution 2005-58**

A Resolution Concerning Renewal of Supplier's Licenses held by IEP, IGT, Midwest Game Supply, Tech Innovations and Southwest Surveillance Systems for a period of one year.

**Action:** Upon Motion by Don Vowels, second by Bryan Robinson, and unanimous vote of those present, the Commission accepted this recommendation to renew the supplier's licenses.

**Resolution 2005-60**

A Resolution granting a permanent supplier's license to ESCO Communications, Inc. and Paltronics, Inc.

**Action:** Upon Motion by Don Vowels, second by Bryan Robinson, and unanimous vote of those present, the Commission adopted Resolution 2005-60.

**Resolution 2005-61**

A Resolution concerning the request of PDS Holding Co., Inc., the parent company of Supplier Licensee PDS Gaming Corporation, to transfer an ownership interest.

**Action:** Upon Motion by Marya Rose, second by Tim Fesko, and unanimous vote of those present, the Commission adopted Resolution 2005-61.

**Riverboat Owner's Matters:**

**Resolution 2005-59**

A Resolution Approving the Proposed Financing Package of the Majestic Star Casino, LLC for Purposes of its Acquisition of all of the Stock of Trump Indiana, Inc.

**Action:** Upon Motion by Marya Rose, second by Don Vowels, and unanimous vote of those present, the Commission adopted Resolution 2005-59.

**Resolution 2005-62**

A Resolution Concerning the Application of the Majestic Star Casino, LLC, to Acquire Ownership of the Stock of Trump Indiana, Inc. and to Hold a Controlling Interest in a Second License to Own and Manage a Riverboat Gambling Operation in Gary, Indiana.

**Action:** Upon Motion by Don Vowels, second by Bryan Robinson, and unanimous vote of those present, the Commission adopted Resolution 2005-62.

**Disciplinary Action:**

**Settlement Agreement in Lieu of Disciplinary Action  
Indiana Gaming Company, L.P.  
05-AG-02**

Commission Staff and Indiana Gaming Company, L.P. arrived at a settlement agreement regarding violations on September 27 and September 28, 2005, regarding a violation of the Voluntary Exclusion Program. Commission Staff recommended and Indiana Gaming Company L.P. agreed to pay a fine in the amount of \$20,000.

**Action:** Upon Motion by Don Vowels, second by Tim Fesko, and unanimous vote of those present, the Commission approved the proposed terms of the agreement.

**Voluntary Exclusion Program:**

**Order of the Indiana Commission Concerning  
The Voluntary Exclusion Program and a Jackpot  
Won by John Doe #9 and**

## **John Doe #10**

On November 4, 2005, Argosy Casino notified the Commission that John Doe #9 won a jackpot in the amount of \$3,622. Argosy withheld the jackpot as required by Commission regulations. Although this jackpot was won after his one-year exclusion had expired, the participant will remain on the program until a request for removal has been completed. Commission staff recommends approval of the remittance of the jackpot in the amount of \$3,622 as a fine levied against John Doe #9.

On November 9, 2005, Argosy Casino notified the Commission that John Doe #10 won a jackpot in the amount of \$1,210.50. Argosy withheld the jackpot as required by Commission regulations. Commission staff recommends approval of the remittance of the jackpot in the amount of \$1,210.50 as a fine levied against John Doe #10.

**Action:** Upon Motion by Tim Fesko, second by Bryan Robinson, and unanimous vote of those present, the Commission approved the Order recommended by Commission staff.

### **Riverboat License Renewals:**

#### **Order of the Indiana Gaming Commission Renewing the Riverboat Owner's License of Indiana Gaming Company, LP**

Order concerning the one year renewal of the riverboat owner's license of Indiana Gaming Company LP.

**Action:** Upon motion of Don Vowels, second by Bryan Robinson, and unanimous vote of those present, the Commission approved the one year renewal of the Riverboat Owner's License of Indiana Gaming Company LP.

#### **Order of the Indiana Gaming Commission Renewing the Riverboat Owner's License of Aztar Indiana Gaming Company, LLC**

Order concerning the one year renewal of the riverboat owner's license of Aztar Indiana Gaming Company LLC.

**Action:** Upon motion of Don Vowels, second by Bryan Robinson, and unanimous vote of those present, the Commission approved the one year renewal of the Riverboat Owner's License of Indiana Gaming Company LP.

#### **Order of the Indiana Gaming Commission Renewing the Riverboat Owner's License of Belterra Resort Indiana, LLC**

Order concerning the five year renewal of the riverboat owner's license of Belterra Resort Indiana, LLC. Those speaking in support of the renewal are as follows: Larry Buck, General Manager of the Belterra; Michael Jones, President of Switzerland County Council, David Lee,

Chairman and CEO; Neil Comer, County attorney of Ripley County; and Robert Reiner, President of Ripley County Council.

**Action:** Upon motion of Don Vowels, second by Bryan Robinson, and unanimous vote of those present, the Commission approved the five year renewal of the Riverboat Owner's License of Belterra Resort Indiana, LLC.

**Next Meeting:**

The next business meeting of the Commission will be March 9, 2005, at a yet to be determined place.

**Adjournment:**


Upon motion by Bryan Robinson, second by Don Vowels, and unanimous vote of those present, the meeting was adjourned at approximately 1:30 p.m.

**Minutes:**

Marlene T. Wullenweber transcribed the November 17, 2005, business meeting and public hearing. The transcript is a complete record of the meeting. Anyone wishing to see the transcript may review it at the Commission Office at 115 West Washington Street, South Tower, Suite 950, Indianapolis, Indiana.


These minutes were prepared by Tami Timberman, Administrative Assistant for the Indiana Gaming Commission.

Respectfully Submitted,

  
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Tami Timberman

THE INDIANA GAMING COMMISSION:

  
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Harold Calloway, Chair

  
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Bryan Robinson, Vice Chair