

1:1 LOUISIANA GAMING CONTROL BOARD

2

3 BOARD OF DIRECTORS' MEETING

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8 THURSDAY, OCTOBER 19TH, 2017

9

10 Louisiana State Capitol

11 House Committee Room 1

12 900 North Third Street

13 Baton Rouge, Louisiana

14

15

16

17 TIME: 10:00 A.M.

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21

22

23

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25

2

1 APPEARANCES

2 RONNIE JONES

Chairman (At Large)

3 June 30, 2019

4

5 FRANKLIN AYRES BRADFORD

(Economic Planner)

6 Fifth Congressional District

June 30, 2019

7

8 MARK STIPE

(Attorney)

9 Seventh Congressional District

June 30, 2020

10

11 JAMES SINGLETON

(Public/Business Administration)

12 Second Congressional District

June 30, 2020

13

14 CLAUDE D. JACKSON

(At large)

15 Fourth Congressional District

June 30, 2018

16

17 ROBERT W. GASTON, III

(At Large)

18 Sixth Congressional District

June 30, 2021

19

20 JULIE BERRY

(CPA)

21 Third Congressional District

June 30, 2018 (Arrived after roll call)

22

23 RICHARD PATRICK

(Law Enforcement)

24 Fifth Congressional District

Appointed January 27, 2017

25

3

1 APPEARANCES CONTINUED

2

3 PAUL EDMONSON

Louisiana State Police

4

5 MICHAEL LEGENDRE

Office of Charitable Gaming

6 Director

7

8 LANA TRAMONTE

Executive Assistant

9

10 TRUDY SMITH

Confidential Assistant

11

12 REPORTED BY:

13 BRITTANY E. VIDRINE, CCR, RPR

Baton Rouge Court Reporters

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1		PAGE
2	I. CALL TO ORDER	6
3	II. PUBLIC COMMENTS	7
4	III. APPROVAL OF THE MINUTES	16
5	IV. REVENUE REPORTS	16
6	V. VIDEO GAMING ISSUES	
7	A. Consideration of the following	
8	truckstop applications:	
9	1. Chabert Bros., Inc., d/b/a	
10	Marty J's Bayou Station -	
11	No. 5500509976	
12	(transfer of interest)	24
13	2. C. Wilcox, LLC, d/b/a Wynners	
14	Club Casino - No. 3900517568	
15	(new application)	27
16	VI. CASINO GAMING ISSUES	
17	A. Consideration of request to	

18	Amend License Condition	
19	No. 22 by Eldorado Casino	
20	Shreveport Joint Venture d/b/a	
21	Eldorado Resort Casino	
22	Shreveport, No. - R013600005	31
23	B. Consideration of renewal of	
24	License of The Old Evangeline	
25	Downs, LLC, d/b/a Evangeline	

5

1	PAGE	
2	Downs Racetrack & Casino - No.	
3	T014903118	44
4	C. Consideration of application for	
5	Shelf Approval of Debt	
6	Transactions by Pinnacle	
7	Entertainment, Inc.	51
8	D. Consideration of petition for	
9	Approval of Transfer of Interest	
10	By Incredible Technologies, Inc.	
11	- No. P056503015	57
12	E. Consideration of petition for	
13	Approval of Transfer of Interests	
14	in Scientific Games Corporation	
15	- No. P056503112	61
16	VII. ADJOURNMENT	66

17  
18  
19  
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1 I. CALL TO ORDER

2 CHAIRMAN JONES: Good morning and  
3 welcome to the October meeting of  
4 Louisiana Gaming Control Board.

5 Miss Tramonte, would you call the  
6 roll.

7 THE CLERK: Chairman Jones?

8 CHAIRMAN JONES: Here.

9 THE CLERK: Mr. Bradford?

10 MR. BRADFORD: Here.

11 THE CLERK: Mr. Stipe?

12 MR. STIPE: Here.

13 THE CLERK: Mr. Singleton?

14 MR. SINGLETON: Here.

15 THE CLERK: Mr. Jackson?

16 MR. JACKSON: Here.

17 THE CLERK: Mr. Gaston?

18 MR. GASTON: Here.

19 THE CLERK: Miss Berry?

20 MS. BERRY: Here.

21 THE CLERK: Mr. Patrick?

22 MR. PATRICK: Here.

23 THE CLERK: Colonel Reeves?

24 MR. EDMONSON: Paul Edmonson for  
25 Colonel Reeves.

7

1 THE CLERK: Secretary Robinson?

2 MR. LENGENDRE: Michael Legendre on  
3 behalf of Secretary Robinson.

4 II. PUBLIC COMMENTS

5 CHAIRMAN JONES: We have a quorum.  
6 We may conduct business. Do we have  
7 anyone here who wishes to make a comment  
8 on anything -- any matter on the agenda  
9 before the Board? I do know that --  
10 please come up -- Miss Janet Miller is  
11 here with us, and those on the Board, I  
12 shared an email that she sent to me about  
13 a week and a half ago. The Louisiana  
14 Association on Compulsive Gambling has  
15 recently been accredited and is one of  
16 the first. And we're also going to have  
17 you visit with us and wanted to have a  
18 few minutes available for you this  
19 morning. Welcome.

20 MS. MILLER: Yes. Good morning,  
21 everybody. I'm Janet Miller, the  
22 Executive Director of Louisiana  
23 Association on Compulsive Gambling, so it  
24 replaced the ECF. If you need help for  
25 problem gambling 1-800 or 1-877 depending

8

1 on which area you're at in the state,  
2 that's us.

3 I actually brought a little packet  
4 so you could have a copy of our  
5 recently -- accreditation for our problem  
6 gambling help line, and I wanted to let  
7 you know that Louisiana is the first and  
8 will now -- our help line and our -- will  
9 become a pilot program to look at other  
10 states who decide to do a problem  
11 gambling help line throughout the United  
12 States. We also, as I've said before, I  
13 think, to the Board is our organization  
14 answers the National Council on Problem  
15 Gambling help line where it pays for  
16 states who do not have a council like  
17 ours to be answered, and then we have  
18 some separate contacts with some states  
19 who can't do their own help line. What  
20 we have is about 17 states that  
21 Louisiana -- our organization answers for  
22 besides our own problem gambling help  
23 line.

24 So why Contact USA decided to use us  
25 was a pretty obvious situation because we

9

1 answer more help lines; we've been in the  
2 help line business since the year 2000.  
3 We actually started working with Contact



4 USA about two years ago to work on  
5 accreditation for our suicide prevention  
6 help line that we also answer for the  
7 upper part of the State of Louisiana, and  
8 we also answer the substance abuse help  
9 line for Louisiana.

10 In talking to them two years ago, we  
11 asked them was there a way to accredit  
12 our problem gambling help line, and they  
13 said absolutely. We just don't have the  
14 regulations for that one, and so we  
15 started working with them to develop  
16 those. So now forward, after we received  
17 the accreditation and notice that we can  
18 announce this, they will be looking at  
19 our problem gambling help line manuals  
20 and accreditation process to again  
21 further look at standardize of treatment  
22 or in standardizing of help line care  
23 through Louisiana.

24 So I always kind of like to tell you  
25 about good news for Louisiana, if I can.

10

1 Instead of, you know, sometimes we're  
2 behind the curve on things. The is ahead  
3 of the game I always say, and so we're  
4 doing really well. And I think a big  
5 part, as the pre-meeting meeting happens,  
6 is that I think it's all the partnerships

7 of everybody in this state that we've  
8 worked on for years and years to have  
9 this happen, and so we have a great  
10 national standard that we're setting and  
11 have set now, plus also within the state  
12 we're doing that.

13 So I just wanted to let you know  
14 because you've been part of this process,  
15 as has the Louisiana Casino Association  
16 with Wade Duty and all of those that are  
17 involved with that organization, the  
18 Gaming -- the State Police and the Gaming  
19 Division have been, as well as the  
20 Attorney General's Office. So there's  
21 been a lot of us working together all  
22 these years to help this to happen for  
23 our team to finish this work. And so  
24 it's been a two-year process if anybody  
25 is into accreditation, which unless

11

1 you're kind of sometimes an academic,  
2 you're not, but it's a big thing. So  
3 some of my lawyers are like, oh, is this  
4 good? And I go, that's very, very good.  
5 It's a very big thing. So I just wanted  
6 to let you know that, and those are the  
7 copies that I always throw in there.

8 We also started 1-877 number for a  
9 national intake hotline that's answered

10 24/7 by a team that we are just going to  
11 vet all the calls for gambling help, for  
12 treatment and therapy through one number,  
13 and hopefully that will help with people  
14 accessing that, so I gave you a newer  
15 version of our screening tool that we  
16 have because that number is on there,  
17 and, of course, I always throw my card in  
18 there, as well, in case you don't know  
19 where I am, and that email goes directly  
20 to me; and no one looks at that, so if  
21 you want me, there I am, all right?

22 So thank you for giving me a few  
23 minutes, Chairman and the Board, and I do  
24 appreciate all the support and help at a  
25 moment's notice that sometimes I've asked

12

1 you for information, so thank you.

2 CHAIRMAN JONES: Dr. Gaston.

3 MR. GASTON: I like your live bet  
4 screen page there.

5 MS. MILLER: Are you taking it right  
6 now?

7 MR. GASTON: I've failed it many a  
8 times.

9 MS. MILLER: Well, you can call me  
10 on that number.

11 MR. GASTON: Well, it has only two  
12 questions. If it had had only two

13 questions, it wouldn't have taken me 15  
14 years to get through LSU. But I noticed  
15 number two question, "Have you ever felt  
16 the need to bet more and more money?"

17 MS. MILLER: Yes.

18 MR. GASTON: Double up and catch up  
19 is not a good strategy?

20 MS. MILLER: No, sir, and I'll just  
21 leave it right there.

22 CHAIRMAN JONES: Thank you,  
23 Dr. Gaston.

24 First of all, congratulations.

25 MS. MILLER: Thank you.

13

1 CHAIRMAN JONES: I'm proud of the  
2 work that you do, and I don't tell you  
3 that enough. And I think it's helpful  
4 for you to help orient the Board to  
5 better understand exactly what you guys  
6 do, because you've got a great operation  
7 in northwest Louisiana. And when I came  
8 back from a meeting with some of my  
9 colleagues from around the county, other  
10 regulators, we had discussed some stuff  
11 going on in Massachusetts that's in the  
12 process of rolling out legalized gambling  
13 there, and one of their programs is  
14 something called Game Sets, and I passed  
15 that along to Janet. In the meantime,

16 she's gathered the information. But  
17 there are programs out there that the  
18 licensees participate in that help  
19 many -- the gambling of their customers,  
20 and they're -- they're part of the  
21 solution. And I look forward to visiting  
22 with Janet and talking about that and  
23 seeing if there are any improvements we  
24 can make in our gaming environment --

25 MS. MILLER: Right.

14

1 CHAIRMAN JONES: -- to make sure  
2 that people are gambling responsibly,  
3 because that's -- this would never have  
4 been approved in 1991 had the discussion  
5 not included, we have to take care of  
6 those who sometimes can't make good  
7 decisions when it comes to gaming.

8 So I look forward to visiting with  
9 your on that, and congratulations to you  
10 and your team. I come from kind of an  
11 academic background on the side so I know  
12 what accreditation's about, and it's  
13 something to be very proud of. Thank you  
14 very much.

15 MS. MILLER: Thank you.

16 CHAIRMAN JONES: One other quick  
17 housekeeping matter before we get to the  
18 minutes? And as I've told all my

19 colleagues up here, I encourage them to  
20 visit properties around the state when  
21 they get the opportunity. I think it's  
22 important that the board members, you  
23 know, walk into a casino once in a while,  
24 know what they look like either on a  
25 casual basis or a more formal basis where

15

1 we set up meetings with general managers.  
2 Our newest board member, Richard Patrick,  
3 who comes from north Louisiana wanted to  
4 visit with a general manager, and we  
5 selected Margaritaville just for no  
6 specific reason; but I set up a meeting  
7 with Barry and his team and Richard, and  
8 I have to say, I'm proud of Richard for  
9 taking the day and doing that. I think  
10 he learned a lot in the process, and I  
11 thank Margaritaville and Barry for making  
12 staff and some documents available to  
13 Richard to help him better understand.  
14 And I think that's important. I've  
15 always been an advocate that we can't  
16 regulate an industry by sitting behind a  
17 desk or in a chair somewhere. We have to  
18 get out and interact a little bit and  
19 engage and ask questions. I think that's  
20 what the citizens require of us as  
21 appointees to this Board.

22           So I would encourage all of you to  
23           continue to do that. You can do it on a  
24           informal basis, not as a customer, unless  
25           you're buying coffee but -- or on a more

16

1           formal basis, and I'll be glad to connect  
2           you with any of the general managers, any  
3           of the properties and set up some further  
4           orientation for you.

5           So thank you, Richard. Thank you,  
6           Barry, wherever you are out there on the  
7           internet, and we'll now move on with the  
8           formal agenda.

9 III. APPROVAL OF THE MINUTES

10           CHAIRMAN JONES: Do I have to motion  
11           to waive reading and approve the minutes  
12           of the September meeting?

13           MR. GASTON: Second.

14           CHAIRMAN JONES: By Dr. Gaston, Miss  
15           Berry.

16           Any objection? [No response.]  
17           Without objection, the minutes are  
18           approved.

19 IV. REVENUE REPORTS

20           CHAIRMAN JONES: We'll now call  
21           revenue reports, come on down. Good  
22           morning.

23           MS. JACKSON: Good morning.  
24           Chairman Jones and Board Members, my name

25 is Donna Jackson with the Louisiana State

17

1 Police Gaming Enforcement Division.

2 The 15 operating riverboats  
3 generated Adjusted Gross Receipts of  
4 \$150,135,845 in September. This total  
5 represents an increase from last month of  
6 \$2.5 million or 1.7 percent, but a  
7 decrease of \$8.3 million or over 5  
8 percent from last September.

9 Adjusted Gross Receipts for fiscal  
10 year 2017-2018 to date are \$478 million,  
11 a decrease of \$9 million or 2 percent  
12 from fiscal year 2016-2017.

13 During September, the State  
14 collected fees totaling \$32,279,207. As  
15 a September 30th, 2017, the State  
16 collected almost \$103 million in fees for  
17 fiscal year 2017-2018.

18 Next is a summary of the September  
19 2017 gaming activity for Harrah's  
20 New Orleans found on page three. During  
21 September, Harrah's generated \$24,771,409  
22 in gross gaming revenue, an increase of  
23 \$3.5 million or 16 percent from last  
24 month, and an increase of \$1 million or  
25 4.7 percent from last September.

18

1 Revenues for fiscal year 2017-2018 to



2 date are \$70 million, an increase of \$4.8  
3 million or 7 percent from fiscal year  
4 2016-2017.

5 During September, the State received  
6 \$4,931,507 in minimum daily payments. As  
7 of September 30th, 2017, the State  
8 collected \$15 million in fees for fiscal  
9 year 2017-2018.

10 Next I will present the revenues for  
11 Slots at the Racetracks. During  
12 September, the four racetrack facilities  
13 combined generated Adjusted Gross  
14 Receipts of \$26,397,996, an increase of  
15 \$1.3 million or 5 percent from last  
16 month, and a decrease from September 2016  
17 of 3 percent.

18 Adjusted Gross Receipts from fiscal  
19 year 2017-2018 to date are \$83 million, a  
20 slight 1 percent increase from fiscal  
21 year 2016-2017. During September, the  
22 State collected \$4,004,576 in fees. As a  
23 September 30th, 2017, the State has  
24 collected \$12.6 million in fees for  
25 fiscal year 2017-2018.

19

1 Overall in September, Riverboats,  
2 Landbased and Slots at the Racetracks  
3 combined generated \$201 million in AGR  
4 and \$41 million in state fees. These

5 revenues represent a decrease from  
6 September 2016 of \$8 million or 3.8  
7 percent.

8 Are there any questions before I  
9 present the Harrah's employee  
10 information?

11 CHAIRMAN JONES: Board Members, any  
12 questions? There are no questions.

13 MS. JACKSON: Harrah's New Orleans  
14 is required to maintain at least 2,400  
15 employees and a bi-by weekly payroll of  
16 \$1,750,835. This report covers pay  
17 periods in September 2017.

18 For the first pay period, the  
19 Division verified 2,598 employees with a  
20 payroll of \$2,130,000. For the second  
21 pay period, the Division verified 2,601  
22 employees with a payroll of \$2,152,000.  
23 Therefore, Harrah's met the employment  
24 criteria for September.

25 CHAIRMAN JONES: Mr. Stipe.

20

1 MR. STIPE: One of the categories is  
2 corporate employees. What does that  
3 represent, if you know? If not, I'll --  
4 the question -- I guess the question I  
5 would ask -- I'll get with you later  
6 on -- is the corporate employees, who  
7 they are, how they -- if they're people

8 that are stationed working at that  
9 facility and who their W-2 employer is.

10 CHAIRMAN JONES: We changed the law  
11 last year. I say "we changed the law."  
12 The law was changed to permit counting of  
13 other businesses that are in the casino,  
14 such as Starbucks, for example, and the  
15 restaurants.

16 MR. STIPE: Right, and that's the  
17 third party vendors.

18 CHAIRMAN JONES: Yes.

19 MR. STIPE: My question is the  
20 corporate employees -- I meant to ask  
21 this of them directly. I thought I did,  
22 but if I didn't, the corporate employees,  
23 I understood that all of the employees  
24 they were going to count were going to be  
25 W-2 employees in that facility, and

21

1 that's kind of my question.

2 CHAIRMAN JONES: I'm not sure the  
3 distinction there. She'll find out for  
4 you.

5 MS. JACKSON: I'll find out.

6 CHAIRMAN JONES: Jeff, did you want  
7 to -- yeah.

8 MR. TRAYLOR: Good morning. Jeff  
9 Traylor State Police Gaming Audit  
10 Director. I have to go through and look

11 and make sure. In the past, corporate  
12 was always the corporate employees who  
13 were there on property --

14 MR. STIPE: Right.

15 MR. TRAYLOR: -- dealing directly  
16 with the casinos and the operations on  
17 property.

18 MR. STIPE: Right.

19 MR. TRAYLOR: But I'll verify just  
20 to be sure that hadn't changed over the  
21 years.

22 MR. STIPE: And I understand there  
23 are some -- I'll call it back office  
24 support that is provided in the facility,  
25 but this is the first time that I've

22

1 noticed the corporate employees category.  
2 So if you could check on that, that would  
3 be great.

4 MR. TRAYLOR: I will.

5 CHAIRMAN JONES: Thank you.

6 Jim. Morning.

7 MR. BOSSIER: Morning. Good  
8 morning, Chairman Jones and Board  
9 Members. My name is Jim Bossier with the  
10 Louisiana State Police Gaming Enforcement  
11 Division here to report video gaming  
12 statistics for September 2017 as shown on  
13 page one of your handout.

14 Fourteen new video gaming licenses  
15 were issued during September: Seven bars  
16 and seven restaurants. Thirteen new  
17 applications were received by the Gaming  
18 Enforcement Division during September and  
19 are currently pending in the field: Nine  
20 bars, three restaurants and one device  
21 owner's.

22 The Gaming Enforcement Division  
23 assessed \$6,268 dollars and collected  
24 \$15,053 in fines during September, and  
25 there are currently \$3,750 in outstanding

23

1 fines. Please refer to page two of your  
2 handout.

3 There are present 12,960 video  
4 gaming devices activated at 1,734  
5 locations.

6 Net device revenue for September  
7 2017 was \$45.8 million, a \$547,000, or  
8 1.2 percent, decrease when compared to  
9 August 2017, and a \$898,000 decrease, or  
10 1.9 percent, when compared to September  
11 2016.

12 Net device revenue so far for fiscal  
13 year 2018 is \$138.3 million, a \$1.1  
14 million increase, or eight-tenths of one  
15 percent, when compared to fiscal year  
16 2017. Page three of your handout shows a

17 comparison of net device revenue.  
18 Total franchise fees collected  
19 during September 2017 were \$13.7 million,  
20 a \$150,000 decrease when compared to  
21 August 2017, and a \$310,000 decrease when  
22 compared to September 2016.

23 Total franchise fees collected for  
24 fiscal year 2018 are \$41.4 million or  
25 314,000 -- excuse me, a 314,000 increase,

24

1 or eight-tenths of one percent, when  
2 compared to fiscal year 2017. Page four  
3 of your handout shows a comparison of  
4 franchise fees.

5 Does anybody have any question?

6 CHAIRMAN JONES: Board Members, any  
7 question on video poker? There are no  
8 questions.

9 MR. BOSSIER: Thank you.

10 CHAIRMAN JONES: Thank you very  
11 much.

## 12 V. VIDEO GAMING ISSUES

13 A. Consideration of the following truckstop  
14 applications:

15 1. Chabert Bros., Inc., d/b/a Marty J's Bayou  
16 Station - No. 5500509976 (transfer of  
17 interest)

18 CHAIRMAN JONES: We'll now move to  
19 Video Gaming Issues, Consideration of the

20 following truckstop applications. First  
21 up is Chabert Bros., Inc., doing business  
22 as Marty J's Bayou Station. That's No.  
23 5500509976. This is transfer of  
24 interest.

25 Good morning, gentlemen.

25

1 MR. PICOU: Good morning, Chairman  
2 Jones and Board Members. I'm Assistant  
3 Attorney General Charlie Picou. Here  
4 with me is Criminal Investigator Glenn  
5 Verrett, Louisiana State Police. We're  
6 present before the Board today in the  
7 transfer of stock in Chabert Bros.,  
8 Incorporated, doing business as Marty J's  
9 Bayou Station, which holds a Type 5 video  
10 draw poker gaming license.

11 The licensed establishment is  
12 located at 4994 Highway 56, Chauvin,  
13 Louisiana, in Terrebonne Parish.

14 On June 21st, 2017, Hill City Oil  
15 Company, Inc., from Mississippi sold and  
16 transferred 50 percent of the shares of  
17 stock to Eric J. Stathes, who then became  
18 president of the licensee. The remaining  
19 50 percent of the shares of stock were  
20 transferred to Amanda K. Stathes who then  
21 became secretary and treasurer of the  
22 licensee.

23           On August 16th, 2017, Eric Stathes  
24           also purchased 75 percent of the  
25           membership interest in Delta Poker, LLC,

26

1           which is the landlord and revenue  
2           recipient of the licensee. After that  
3           purchase, Eric Stathes was then a hundred  
4           percent owner of Delta Poker, LLC.

5           Criminal Investigator Glenn Verrett  
6           will now present his findings to the  
7           Board.

8           TROOPER VERRETT: Good morning,  
9           Mr. Chairman and Board Members. I'm  
10          Investigator Glenn Verrett, Louisiana  
11          State Police.

12          Following the licensee's  
13          notification to the Division regarding  
14          this transfer of stock, I conducted an  
15          investigation of the matter. Eric J.  
16          Stathes and Amanda K. Stathes had  
17          previously met suitability on multiple  
18          occasions. No information was found that  
19          would preclude these individuals or the  
20          licensee from continuing to participate  
21          in the video gaming industry.

22          MR. PICOU: The Office of the  
23          Attorney General has reviewed the file  
24          and has found no information that would  
25          preclude approval of this transfer.



1 CHAIRMAN JONES: Board Members, any  
2 questions on this transfer of interest?

3 The Board appears to be clear.

4 I've got a motion from Mr. Patrick,  
5 second by Mr. Stipe.

6 Any objection? Without objection,  
7 the motion carries. The transfer is  
8 approved.

9 2. C. Wilcox, LLC, d/b/a Wynners Club Casino - No.  
10 3900517568 (new application)

11 CHAIRMAN JONES: We now move to the  
12 C. Wilcox, LLC, doing business as Wynners  
13 Club Casino, No. 3900517568. This is a  
14 new application. Good morning.

15 MR. GATHE: Good morning, Chairman  
16 Jones, Members of the Board. I am Jeremy  
17 Gathe, Assistant Attorney General,  
18 present before the Board in the matter of  
19 the original application of C. Wilcox,  
20 LLC, doing business as Wynners Club  
21 Casino, applying for approval of a Type 5  
22 video draw poker gaming license.

23 The licensed establishment is  
24 located at 8621 Airline Highway, Livonia,  
25 Louisiana, 70775, in Pointe Coupee

1 Parish.

2 Cynthia Wilcox holds 100 percent of

3 the membership interest in C. Wilcox,  
4 LLC. Cynthia D. Wilcox is married but  
5 has a separation of property agreement  
6 with her spouse.

7 On April 28th, 2017, the following  
8 transactions occurred: C. Wilcox, LLC,  
9 purchased the truckstop business and  
10 business assets, inventory, goodwill,  
11 service station and all fixed assets of  
12 Wynners Club, Inc., doing business as  
13 Wynners Club Casino, a previously  
14 licensed qualified truckstop facility.

15 And C. Wilcox, LLC, purchased from  
16 Wynners Club, Inc., the rights and title  
17 in the immovable property where the  
18 truckstop facility is situated.

19 The fuel facility and convenience  
20 store is operated by the applicant.

21 Subway Real Estate Corp. operates the  
22 on-site restaurant. Pursuant to various  
23 assignments, the video poker draw poker  
24 device operated at the licensed  
25 establishment is CAZ Gaming, LLC.

29

1 Trooper Mindi Keith inspected the  
2 truckstop facility and conducted  
3 suitability investigations of the  
4 associated person -- persons and is  
5 present this morning to report her

6 findings to the Board.

7 TROOPER KEITH: Good morning,  
8 Chairman Jones, Members of the Board. I  
9 am Trooper Mindi Keith with Louisiana  
10 State Police Gaming Enforcement Division.

11 I conducted a suitability  
12 investigation on all relevant persons  
13 associated with the application,  
14 specifically Cynthia D. Wilcox. An  
15 on-site inspection was conducted, and it  
16 was determined that the establishment  
17 meets all criteria set forth in video  
18 gaming law as a qualified truckstop  
19 facility.

20 All required licenses and permits  
21 were posted and valid at the time of  
22 inspection. The establishment consisted  
23 of at least five contiguous acres,  
24 specifically 6.61 acres.

25 As the applicant purchased the  
30  
1 business from Wynners Club, Incorporated,  
2 doing business as Wynners Club Casino, it  
3 is not subject to the rule that it must  
4 be one mile from a school, church,  
5 playground, synagogue, public library,  
6 residences and buildings on the National  
7 Historic Registry.

8 I found no information to preclude

9 the issuance of a Type 5 video draw poker  
10 gaming device license to C. Wilcox, LLC,  
11 d/b/a Wynners Club Casino or to preclude  
12 Cynthia D. Wilcox from participating in  
13 the gaming industry.

14 MR. GATHE: The Office of the  
15 Attorney General has reviewed the file  
16 prepared by the Office of State Police,  
17 and the information contained therein  
18 would not preclude the issuance of the  
19 Type 5 license to C. Wilcox, LLC, doing  
20 business as Wynners Club Casino.

21 CHAIRMAN JONES: Board Members, any  
22 questions for the Attorney General or  
23 State Police? [No response.]

24 If there are no questions, do I have  
25 a motion to approve the application and

31

1 issue a license? By Mr. Singleton --

2 MR. JACKSON: Second.

3 CHAIRMAN JONES: -- second by  
4 Mr. Jackson.

5 Any objection? Without objection,  
6 the motion is approved, and the  
7 application may be -- may be issued.

8 Thank you.

9 Thank you, Jeremy.

10 VI. CASINO GAMING ISSUES

11 A. Consideration of request to amend License

12 Condition No. 22 by Eldorado Casino Shreveport  
13 Joint Venture d/b/a Eldorado Resort Casino  
14 Shreveport, No. R013600005

15 CHAIRMAN JONES: Next up is Casino  
16 Gaming Issues, and first is:  
17 Consideration of a request to amend  
18 License Condition No. 22 by Eldorado  
19 Casino Shreveport Joint Venture doing  
20 business as Eldorado Resort Casino  
21 Shreveport, No. R013600005.

22 Good morning, gentlemen --

23 MR. URLAND: Good morning, Chairman,  
24 Board Members.

25 CHAIRMAN JONES: -- and lady.

32

1 MS. MOORE: Thank you. Good  
2 morning, Chairman Jones, Members of the  
3 Board. I'm Charmaine Moore, Assistant  
4 Attorney General. We're here appearing  
5 in the matter of the Eldorado Casino  
6 Shreveport Joint Venture's petition to  
7 amend its license conditions to reduce  
8 its total employment requirement from  
9 1,200 employees to 950.

10 The license currently held by  
11 Eldorado was originally awarded to Queen  
12 of New Orleans at Hilton Joint Venture in  
13 1993, and it began operations in Orleans  
14 Parish in February of 1994. At that

15 time, its total employment requirement  
16 was 1,500.

17 In 2000 the boat was moved to  
18 Shreveport, and in 2005 Eldorado acquired  
19 the majority interest in the licensee and  
20 the remaining interest in the licensee in  
21 2008. In September of 2011, the Board  
22 amended Eldorado's license conditions to  
23 reduce its total employment requirement  
24 from 1,500 to 1,200. No further  
25 reductions in the total employment have

33

1 been made since 2011.

2 Eldorado and their attorney are here  
3 to present their petition to you, and if  
4 it is the Board's decision to amend  
5 Eldorado's license conditions allowing it  
6 to reduce its total employment  
7 requirement, a Resolution has been  
8 prepared for the Chairman's signature.

9 MR. BARBIN: Good morning, Chairman  
10 Jones, Board Members. I'm Jeff Barbin  
11 from Phelps Dunbar representing Eldorado  
12 here.

13 We last made the request to reduce  
14 the manning -- the staffing back in 2011,  
15 which was prior to the time that  
16 Margaritaville started, and so after --  
17 after some market conditions, we're back

18 to revisit that number. We met with the  
19 Gaming Control Board staff and Attorney  
20 General back in April and laid out our  
21 reasons for that reduction, and I'm here  
22 today with Robert Urand, who's the  
23 general manager in Shreveport. Also with  
24 us in the audience is Gerald Beasley, who  
25 is the compliance manager for the

34

1 property, and I'm going to turn it over  
2 to Robert for some further discussion.

3 MR. URLAND: Thank you for this  
4 opportunity today to be before you.

5 Basically, Eldorado is looking to  
6 change its employment goals from 1,200  
7 employees to 950 employees, and that  
8 really is not as though we are looking to  
9 do a reduction as it is to really have  
10 the latitude and the flexibility to  
11 pursue contract labor in certain areas of  
12 our property. We currently have about, I  
13 think, 1,066 employees. We have about  
14 174 open positions, just really due to  
15 the cyclical nature of our business, the  
16 seasonality of it. And we have  
17 approximately 110 contract employees  
18 through FSS; and we would look to explore  
19 further opportunities with that company,  
20 but in no way, shape or form are we

21 looking to do a layoff or a staff -- a  
22 body to body reduction. These contract  
23 laborers are Louisiana residents who pay  
24 Louisiana taxes.

25 So that's really what we're really

35

1 looking for today. We're just really  
2 looking for the opportunity, the  
3 flexibility to have -- adjust our  
4 employee levels based on those volumes of  
5 the seasonality of business and also to  
6 pursue other opportunities with contract  
7 business, and I look forward to any  
8 questions and answer any questions you  
9 may have.

10 MS. BERRY: I have a question.

11 CHAIRMAN JONES: Yes, ma'am. Miss  
12 Berry.

13 MS. BERRY: I was looking at your  
14 staffing levels and your listing of  
15 employee positions. What kind of -- what  
16 departments would these contract laborers  
17 be working in?

18 MR. URLAND: Currently we have right  
19 now -- we have the entire boat cleaning  
20 staff is a contract labor, FSS, and our  
21 entire front of the house public space  
22 cleaning, as well the back of the house  
23 stewarding positions. We would look into



24 possibly housekeeping, like some of our  
25 competitors do, and just have that

36

1 opportunity.

2 MS. BERRY: I was just curious. Not  
3 in the administration or the table?

4 MR. URLAND: No, ma'am.

5 MS. BERRY: Okay. Thank you.

6 MR. URLAND: Yes, ma'am.

7 CHAIRMAN JONES: Any other  
8 questions? Yes sir, Mr. Bradford.

9 MR. BRADFORD: Thank you for coming,  
10 and thank you for running a really nice  
11 operation up there. Repeat for me the  
12 numbers. You mentioned about a 1,050  
13 employees including your contract labor?

14 MR. URLAND: Yes, sir, I'll go over  
15 that. We have currently about 166  
16 current employees. We have a little over  
17 a hundred contract employees. We have  
18 approximately 174 open positions.

19 MR. BRADFORD: Okay. Okay. So the  
20 1,066 full-time employees, you --

21 MR. URLAND: Full-time, part-time.

22 MR. BRADFORD: Right. You see no  
23 terminations or layoffs. That number  
24 would be reduced by attrition, I guess.

25 MR. URLAND: By just through those

37

1 open positions. Like right now just with  
2 the demands of business, with the  
3 competition, with the seasonality of it,  
4 we just don't fill those positions.

5 MR. BRADFORD: Right.

6 MR. URLAND: But there's absolutely  
7 no talk or there's been no discussions to  
8 have any layoffs in any way, shape or  
9 form. It's really to pursue those  
10 opportunities through contract labor and  
11 also just the seasonality. We just want  
12 to have an open dialogue, and just let  
13 you know that the seasonality with the  
14 174 positions, they're just not being  
15 filled just because of the volumes of  
16 business we currently have.

17 CHAIRMAN JONES: Mr. Singleton.

18 MR. SINGLETON: Is there some point  
19 you anticipate dropping your total down  
20 to 950?

21 MR. URLAND: No, sir. What happens  
22 is, is that we do not get credited of  
23 those employment goals by having contract  
24 labor. So if we added another -- let's  
25 just say, for example, housekeeping,

38

1 valet or some other areas, we still have  
2 that body amount, but they do not get  
3 credited towards our employment goals.

4 So the hundred plus FSS current contract  
5 employees are not -- do not -- we do not  
6 get them -- have the opportunity to add  
7 those in to the 1,200 numbers.

8 So -- but we are not looking to get  
9 our overall body count on property down  
10 to 950. It would be 950 actual Eldorado  
11 employees, plus an additional hundred FSS  
12 employees, plus an additional -- if we  
13 decide to do that -- other contract  
14 employees. And during the cyclical  
15 natures of business, when obviously the  
16 first quarter is extremely busy, those  
17 174 positions that are not counted right  
18 now will decrease just due to the volumes  
19 of business. And as -- right now the  
20 months we're in right now is the business  
21 is slower, those positions aren't being  
22 filled.

23 CHAIRMAN JONES: Thank you. Any  
24 other questions?

25 MS. BERRY: I have one more

39

1 question.

2 MR. URLAND: Yes, ma'am.

3 MS. BERRY: FSS, I assume that's a  
4 staffing service?

5 MR. URLAND: Yes, ma'am, it is.

6 MS. BERRY: So you do meet the

7 Internal Revenue's clarifications of  
8 contract labor versus employees?

9 MR. URLAND: Yes, ma'am. We've used  
10 that company for quite a few years, I  
11 think approximately ten years.

12 MS. BERRY: So they're definitely  
13 employees of the staffing service.

14 MR. URLAND: Yes, ma'am.

15 MS. BERRY: That was my question.

16 Thank you.

17 CHAIRMAN JONES: Any other questions  
18 from the Board? [No response.]

19 Just as a preliminary matter, I'll  
20 share with the Board Members the fact  
21 that we have met, and we've had  
22 discussions over several months. I've  
23 sought some advice and counsel from State  
24 Police Audit. You know, I don't think  
25 it's any secret what's happened in the

40

1 Shreveport market. It's not what it was  
2 in 2000, 2001 and for a period of about  
3 seven years, and that's been a challenge,  
4 but I think this licensee, like all of  
5 our casino licensees, understand that  
6 employment is incredibly important to us.  
7 That's part of the economic driver that  
8 resulted in authorizing gaming in  
9 Louisiana, so they're very sensitive to

10 asking for changes. And as a staff and a  
11 Board, I think we take it very seriously.

12 But my personal view would be that  
13 this is not an unreasonable request.

14 People are still employed, but we count  
15 the employees differently for the casinos  
16 than we do with the landbased, for  
17 example, when the law has changed. And I  
18 do have to point out, I think Jeff  
19 mentioned -- or Charmaine may have  
20 mentioned it early on, this property  
21 moved from New Orleans. This was a  
22 property that was located at the foot of  
23 Canal Street. They set that employment  
24 number at that time because they expected  
25 people to be storming the boat to get on.

41

1 So when the boat -- when the property  
2 moved to north Louisiana, they kept that  
3 same number, which is kind of a problem I  
4 see that at some point we need to  
5 address.

6 So they had the highest employment  
7 goal in northwest Louisiana for a number  
8 of years, and I think, based on my  
9 meetings with Mr. Urland and Jeff over  
10 the last few months, I think they're  
11 doing what they need to do to try and  
12 ensure that the property is properly

13 managed and run with the right number of  
14 employees, and I appreciate that.

15 MR. URLAND: You know, Mr. Chairman,  
16 I'd just like to say that we were the  
17 first Four Diamond Resort in Shreveport.  
18 Our employee opinion survey is number one  
19 in the company. Our customers rate us  
20 within the company when they compare  
21 number one. Eldorado and Necronos  
22 (phonetic) have such a passion and a  
23 commitment to not only our employees and  
24 our customers in our community, second to  
25 none.

42

1 So I just want to reassure you that  
2 our communication and our loyalty and our  
3 commitment to our employees just goes  
4 without saying.

5 CHAIRMAN JONES: This is a family  
6 run corporation, actually, and the values  
7 of that family translate to the property,  
8 and we appreciate you and Mr. Whitemaine  
9 coming before the Task Force this past  
10 week. That was important for the Task  
11 Force to hear Eldorado's orientation in  
12 terms of a business model. We appreciate  
13 that.

14 MR. URLAND: Yes, sir.

15 CHAIRMAN JONES: If there are no

16 further questions, there are no closing  
17 comments from the table, I would ask if  
18 there's a --

19 MR. BRADFORD: Move to approve.

20 CHAIRMAN JONES: -- move to approve.

21 MS. BERRY: I'll second.

22 CHAIRMAN JONES: Second by Miss  
23 Berry to adopt -- motion to adopt the  
24 Resolution.

25 Miss Tramonte, would you read the

43

1 Resolution into the record.

2 THE CLERK: On the 19th day of  
3 October 2017, the Louisiana Gaming  
4 Control Board did, in a duly noticed  
5 public meeting, consider the issue of  
6 Eldorado Casino Shreveport Joint  
7 Venture's issue of -- excuse me,  
8 considered the issue of Eldorado Casino  
9 Shreveport Joint Venture's petition to  
10 amend license condition, and upon motion  
11 duly made and second, the Board adopted  
12 this Resolution:

13 Be it resolved that Condition 22 of  
14 the Statements of Conditions to riverboat  
15 gaming license of Eldorado Casino  
16 Shreveport Joint Venture, No. R013600005  
17 to be modified and replaced with the  
18 following Condition Number 22: To employ

19 at least 950 persons in riverboat and  
20 support operations, including landbased  
21 facilities.

22 Thus done and signed in Baton Rouge  
23 this 19th day of October 2017.

24 Mr. Bradford?

25 MR. BRADFORD: Yes.

44

1 THE CLERK: Mr. Stipe?

2 MR. STIPE: Yes.

3 THE CLERK: Mr. Singleton?

4 MR. SINGLETON: Yes.

5 THE CLERK: Mr. Jackson?

6 MR. JACKSON: Yes.

7 THE CLERK: Mr. Gaston?

8 MR. GASTON: Yes.

9 THE CLERK: Miss Berry?

10 MS. BERRY: Yes.

11 THE CLERK: Mr. Patrick?

12 MR. PATRICK: Yes.

13 THE CLERK: Chairman Jones?

14 CHAIRMAN JONES: Yes.

15 And the motion to approve the  
16 Resolution is adopted without objection.

17 Thank you very much.

18 B. Consideration of renewal of license of The Old  
19 Evangeline Downs, LLC, d/b/a Evangeline Downs  
20 Racetrack & Casino - No. T014903118

21 CHAIRMAN JONES: Next up is:



22 Consideration of renewal of license of  
23 The Old Evangeline Downs, LLC, doing  
24 business as Evangeline Downs Racetrack &  
25 Casino, No. T014903118. Good morning.

45

1 MS. HYMEL: Good morning, Chairman  
2 Jones, Board Members. I am Assistant  
3 Attorney General Dawn Hymel standing in  
4 for A.A.G. Suzanne Bourgeois. Here with  
5 me from State Police is auditor Trnessia  
6 Ware and Investigator Riley Blackwelder.

7 We're here in the matter of the  
8 renewal of the slot machine gaming  
9 license of The Old Evangeline Downs, LLC,  
10 doing business as Evangeline Downs  
11 Racetrack & Casino, in Opelousas,  
12 Louisiana, St. Landry Parish.

13 Slot machine gaming licenses are  
14 issued for five-year terms. Evangeline  
15 Downs was initially issued a license to  
16 conduct slot machine gaming on January  
17 21st, 2003. At that time, the licensee  
18 was owned by Peninsula Gaming, LLC, and  
19 the Board renewed Evangeline Downs'  
20 license on January 21st, 2008. On  
21 October 18th, 2012, though, the Board  
22 approved the transfer of one hundred  
23 percent of the ownership interest to Boyd  
24 Acquisition 2, LLC, and issued a new

25 license to Evangeline Downs. The

46

1 conditions that were placed upon the new  
2 license remain the same as those  
3 previously accepted, except there were  
4 certain conditions that were removed and  
5 satisfied or completed or no longer  
6 applicable.

7 This license will expire on November  
8 20th, 2017. The ultimate parent company  
9 of Evangeline Downs is currently Boyd  
10 Gaming Corporation, which owns one other  
11 racetrack license for slot machine gaming  
12 and three licensed riverboats.

13 If the Board approves the renewal, a  
14 Resolution authorizing the renewal of the  
15 license for a term of five years  
16 commencing on November 20th, 2017, has  
17 been prepared for the Board. And at this  
18 time, State Police will present their  
19 findings.

20 TROOPER BLACKWELDER: Good morning,  
21 Chairman Jones, Members of the Board.  
22 I'm Investigator Riley Blackwelder. I'm  
23 with the Louisiana State Police Gaming  
24 Enforcement Division.

25 On March the 19th of 2017, the

47

1 Division received an application for the

2 renewal of The Old Evangeline Downs, LLC,  
3 d/b/a Evangeline Downs Racetrack &  
4 Casino, gaming license. The Division  
5 conducted investigations on the licensee  
6 and its officers, directors and persons  
7 with a 5 percent or more ownership  
8 interest in the company. All of the  
9 individuals in this investigation had  
10 previously met suitability with the  
11 Louisiana Gaming Control Board.

12 Criminal and civil inquiries were  
13 made through various law enforcement and  
14 gaming agencies. Tax clearances were  
15 received from the Louisiana Department of  
16 revenue.

17 During this investigation, no  
18 information was discovered which would  
19 preclude the Board from approving the  
20 renewal for The Old Evangeline Downs,  
21 LLC, d/b/a Evangeline Downs Racetrack &  
22 Casino or any of their members.

23 MS. WARE: Good morning, Chairman  
24 Jones and Members of the Board. My name  
25 is Trnessia Ware with Louisiana State

48

1 Police Corporate Securities Audit.

2 Licensee, The Old Evangeline Downs,  
3 LLC, doing business as Evangeline Downs  
4 Racetrack & Casino, seeks the five-year

5 renewal of its license. Old Evangeline  
6 Downs is ultimately wholly owned by Boyd  
7 Gaming Corporation through its  
8 subsidiaries. The current license was  
9 issued when Boyd acquired Old Evangeline  
10 Downs from Peninsula Gaming in November  
11 2012.

12 Evangeline Downs budgeted  
13 approximately \$3 million for capital  
14 expenditures in 2017. The licensee also  
15 projects it will spend approximately \$3  
16 million for capital expenditures for  
17 years 2018 through 2021. Peninsula  
18 Gaming is party to a management service  
19 agreement with Boyd. Boyd allocates  
20 management fees based on Evangeline  
21 Downs' share of expenses incurred for  
22 services provided in managing and  
23 supporting Evangeline Downs' operations.  
24 Evangeline Downs paid approximately \$3  
25 million for management fees in 2016.

49

1 In conclusion, no financial issue  
2 came to our attention to preclude the  
3 Board from approving The Old Evangeline  
4 Downs' license for a period of five years  
5 effective November 20, 2017.

6 Are there any questions?

7 CHAIRMAN JONES: Any questions,

8 Board Members? [No response.]

9 For the benefit of the Board, I did  
10 a site visit with the general manager,  
11 Mr. Pettigrew, probably a month ago, and  
12 we talked about what capital improvements  
13 he's considering. That slot facility,  
14 like all track slot facilities, has  
15 challenges that they have to deal with  
16 because the gaming environment has  
17 changed in Louisiana. But I'm pleased  
18 with Boyd's investment there and what  
19 their plans are for the facility.

20 So do I have a motion -- if there  
21 are no questions, do I have motion to  
22 adopt the Resolution? By Dr. Gaston,  
23 Mr. Patrick.

24 Miss Tramonte.

25 THE CLERK: On the 19th day of

50

1 October 2017, the Louisiana Gaming  
2 Control Board did, in a duly noticed  
3 public meeting, consider the license  
4 renewal application of The Old Evangeline  
5 Downs, LLC, doing business as Evangeline  
6 Downs Racetrack & Casino, license No.  
7 T014903118. And upon motion duly made  
8 and second, the Board adopted this  
9 Resolution:

10 Be it resolved that the license to

11 conduct slot machine gaming issued to Old  
12 Evangeline Downs, LLC, doing business as  
13 Evangeline Downs Racetrack & Casino, be  
14 renewed for a term of five years  
15 commencing on November 2, 2017, subject  
16 to all conditions currently imposed on  
17 the license.

18 Thus done and signed in Baton Rouge,  
19 Louisiana, this 19th day of October 2017.

20 Mr. Bradford?

21 MR. BRADFORD: Yes.

22 THE CLERK: Mr. Stipe?

23 MR. STIPE: Yes.

24 THE CLERK: Mr. Singleton?

25 MR. SINGLETON: Yes.

51

1 THE CLERK: Mr. Jackson?

2 MR. JACKSON: Yes.

3 THE CLERK: Mr. Gaston.

4 MR. GASTON: Yes.

5 THE CLERK: Miss Berry?

6 MS. BERRY: Yes.

7 THE CLERK: Mr. Patrick?

8 MR. PATRICK: Yes.

9 THE CLERK: Chairman Jones?

10 CHAIRMAN JONES: Yes, and the motion  
11 to adopt the Resolution has been  
12 approved. I thank you.

13 And for those of you who don't know

14 Riley Blackwelder here, he was me 25  
15 years ago dragging people up and down  
16 this hall trying to find out where gaming  
17 was going in the state. So you're a  
18 survivor. You look no worse for wear. I  
19 wish I still had hair. Thank you for  
20 being here.

21 TROOPER BLACKWELDER: Thank you.

22 CHAIRMAN JONES: Thank y'all.

23 C. Consideration of application for Shelf Approval  
24 of Debt Transactions by Pinnacle Entertainment,  
25 Inc.

52

1 CHAIRMAN JONES: Next up is:  
2 Consideration of application for Shelf  
3 Approval of Debt Transactions by Pinnacle  
4 Entertainment, Inc.

5 MS. WARE: Good morning again,  
6 Chairman Jones and Members of the Board.

7 CHAIRMAN JONES: Morning.

8 MS. WARE: My name is Trnessia Ware  
9 with Louisiana State Police Corporate  
10 Securities Audit.

11 Mr. Elliot D. Hoops, Vice-President  
12 and legal counsel for Pinnacle  
13 Entertainment, Inc., notified the Board,  
14 in a letter dated July 25th, 2017, that  
15 Pinnacle seeks the shelf approval of debt  
16 transactions in an amount up to \$2

17 billion for a period of three years. Its  
18 current outstanding long-term debt is,  
19 approximately, \$888 million.

20 Pinnacle stated that currently they  
21 do not have a specific plan to issue any  
22 additional debt over the next three years  
23 but will continually evaluate development  
24 opportunities and will need the ability  
25 to issue debt to take advantage of one or

53

1 more such opportunities should they  
2 arise. They pretend [sic] to use of such  
3 proceeds would be for general corporate  
4 purposes, including capital expenditures,  
5 working capital, repayment of its  
6 existing outstanding debt, investments,  
7 acquisitions and repurchase of common  
8 stock. Pinnacle's long-term debt  
9 schedule is shown on page four of your  
10 report.

11 At June 30th, 2017, Pinnacle's  
12 aggregated long-term debt approximated  
13 \$888 million. As of June 30th, 2017,  
14 Pinnacle had \$202.6 million drawn under  
15 its \$400 million revolving credit  
16 facility; \$175.7 million of loans  
17 outstanding under the Term Loan A  
18 facility; \$20 million of loans  
19 outstanding under the Term Loan B



20 facility, and \$9.2 million committed  
21 under various letters of credit.

22 Pinnacle's financing obligation  
23 under its triple net lease with Gaming  
24 and Leisure Properties, a REIT company,  
25 approximates \$3.14 billion as described

54

1 on page three of our report. The  
2 transaction was approved by the Board in  
3 April of last year. Pinnacle projects  
4 sufficient cash flows from operations to  
5 maintain its debt. Based on Pinnacle's  
6 historical financial data on these cash  
7 flows, Pinnacle's projections appear  
8 reasonable.

9 In conclusion, no financial issues  
10 came to our attention to preclude the  
11 Board's approval of Pinnacle's shelf  
12 application. Are there any questions?

13 CHAIRMAN JONES: Board Members, any  
14 questions on the proposed transaction?  
15 [No response.] We have representatives  
16 from Pinnacle available if you have  
17 questions for the licensee. The Board  
18 appears to be clear.

19 Do we have a motion to adopt the  
20 Resolution? Mr. Jackson, Mr. Singleton.

21 Miss Tramonte.

22 THE CLERK: On the 19th day of

23 October 2017, the Louisiana Gaming  
24 Control Board did, in a duly noticed  
25 public meeting, consider the application

55

1 for shelf approval of debt transactions  
2 filed by Pinnacle Entertainment,  
3 Incorporated, and upon motion duly made  
4 and second, the Board adopted the  
5 following Resolution:

6 Be it resolved that Pinnacle  
7 Entertainment, Incorporated's,  
8 Application for Shelf Approval of Debt  
9 Transactions be and is hereby approved  
10 subject to the following terms and  
11 conditions.

12 One, for a period of three years  
13 beginning October 19th, 2017, Pinnacle  
14 Entertainment is granted approval  
15 pursuant LAC 42:III.2525 to enter into  
16 Debt Transactions as defined in LAC  
17 42:III.2522, not to exceed a cumulative  
18 total of \$2 billion. For purposes of  
19 this shelf approval, the cumulative total  
20 of \$2 billion shall include debt  
21 currently existing or approved in earlier  
22 Debt Transactions.

23 Two, within ten days of consummation  
24 of Debt Transaction, including amendments  
25 and modifications of existing Debt

1 Transactions, Pinnacle Entertainment,  
2 Incorporated, shall provide a term sheet  
3 or executive summary of the debt  
4 transaction and an executed copy of the  
5 documents evidencing the Debt Transaction  
6 to the Louisiana State Police, Gaming  
7 Enforcement Division, Audit Section,  
8 Corporate Securities Unit.

9 Three, this Shelf Approval may be  
10 rescinded by the Chairman of the Board  
11 upon issuance of a written notice of  
12 rescission setting forth the reasons  
13 therefore. The rescissions shall remain  
14 in effect until lifted by the Board upon  
15 such terms as are satisfactory to the  
16 Board.

17 And four, the Shelf Approval shall  
18 expire on October 19th, 2020.

19 It is hereby further resolved that  
20 the Chairman of the Louisiana Gaming  
21 Control Board be delegated the authority  
22 to issue a written rescission of the  
23 shelf approval in accordance with LAC  
24 42:III.2525(E) and as provided herein and  
25 above.

1 Thus done and signed in Baton Rouge,  
2 Louisiana, this 19th day of October 2017.

3 Mr. Bradford?  
4 MR. BRADFORD: Yes.  
5 THE CLERK: Mr. Stipe?  
6 MR. STIPE: Yes.  
7 THE CLERK: Mr. Singleton?  
8 MR. SINGLETON: Yes.  
9 THE CLERK: Mr. Jackson?  
10 MR. JACKSON: Yes.  
11 THE CLERK: Mr. Gaston?  
12 MR. GASTON: Yes.  
13 THE CLERK: Miss Berry?  
14 MS. BERRY: Yes.  
15 THE CLERK: Mr. Patrick?  
16 MR. PATRICK: Yes.  
17 THE CLERK: Chairman Jones?  
18 CHAIRMAN JONES: Yes, and the motion  
19 carries and the Resolution is adopted.  
20 Thank you very much.  
21 D. Consideration of petition for approval of  
22 Transfer of Interest by Incredible Technologies,  
23 Inc. - No. PO56503015

24 CHAIRMAN JONES: Next on our agenda  
25 is: Consideration of petition for

58

1 approval of Transfer of Interest by  
2 Incredible Technologies, Inc., No.  
3 P056503015. Good morning.

4 MS. HYMEL: Good morning again,  
5 Chairman Jones, Board Members, I am

6 Assistant Attorney General Dawn Hymel  
7 standing in for A.A.G. Suzanne Bourgeois.  
8 Here with me is Trooper Kevin Lamotte of  
9 Louisiana State Police.

10 We're here in the matter of the  
11 proposed transfer of ownership interest  
12 in Incredible Technologies, Incorporated.  
13 The permittee requested approval to  
14 revoke the Elaine A. Hodgson 2008 Special  
15 Trust, which will result in the transfer  
16 of 51 percent of the stock of Incredible  
17 Technologies, Incorporated, from Elaine  
18 Hodgson Trust to Elaine Hodgson herself.

19 Trooper Kevin Lamotte conducted the  
20 investigation of the transfer and the  
21 suitability of relevant persons and will  
22 present his findings.

23 TROOPER LAMOTTE: Good morning,  
24 Chairman Jones and Members of the Board.  
25 I am Master Trooper Kevin Lamotte with

59

1 the State Police Gaming Division in  
2 Baton Rouge.

3 On September 25, 2017, the Division  
4 received a petition requesting approval  
5 to revoke the Elaine A. Hodgson 2008  
6 Special Thrust. The Division was already  
7 conducting an investigation on Incredible  
8 Technologies related to their pending

9 renewal application.

10 A suitability investigation was  
11 conducted on Miss Hodgson and found no  
12 information -- no information was  
13 discovered that would preclude the Board  
14 from approving the transaction. Miss  
15 Hodgkin was previously approved --  
16 previously found suitable by the Gaming  
17 Control Board on August 17, 2011. We  
18 reviewed all of the relevant documents  
19 related to the revocation of the 2008  
20 trust and have discovered no information  
21 that would preclude the Board from  
22 approving the proposed transaction.

23 MS. HYMEL: Our office has reviewed  
24 the file and no information was found to  
25 preclude approval today.

60

1 CHAIRMAN JONES: Board Members, any  
2 questions of State Police or the Attorney  
3 General? The Board appears to be clear.

4 Do I have a motion to adopt the  
5 Resolution? By Miss Berry, Dr. Gaston.

6 Miss Tramonte.

7 THE CLERK: On the 19th day of  
8 October 2017, the Louisiana Gaming  
9 Control Board did, in a duly noticed  
10 public meeting, consider the petition of  
11 Incredible Technologies, Incorporated,

12 No. P056503015, for approval of the  
13 transfer of 51 percent of the stock of  
14 Incredible Technologies, Incorporated,  
15 from the Elaine A. Hodgson 2008 Special  
16 Trust to Elaine A. Hodgson individually,  
17 and upon motion duly made and second, the  
18 Board adopted this Resolution:

19 Be it resolved that the transfer is  
20 hereby approved.

21 Thus done and signed in Baton Rouge,  
22 Louisiana, this 19th day of October 2017.

23 Mr. Bradford?

24 MR. BRADFORD: Yes.

25 THE CLERK: Mr. Stipe?

61

1 MR. STIPE: Yes.

2 THE CLERK: Mr. Singleton?

3 MR. SINGLETON: Yes.

4 THE CLERK: Mr. Jackson?

5 MR. JACKSON: Yes.

6 THE CLERK: Miss Berry?

7 MS. BERRY: Yes.

8 THE CLERK: Mr. Patrick?

9 MR. PATRICK: Yes.

10 THE CLERK: Chairman Jones?

11 CHAIRMAN JONES: Yes, and the motion  
12 carries. The Resolution is adopted.

13 Thank you very much.

14 E. Consideration of petition for approval of

15 Transfer of Interests in Scientific Games

16 Corporation - No. PO565503112

17 CHAIRMAN JONES: Final casino matter  
18 up is: Consider of petition for approval  
19 of Transfer of Interest in Scientific  
20 Games Corporation, number P0565503112.  
21 Welcome back.

22 MR. GATHE: Good morning, Chairman  
23 Jones, Board Members. I am Assistant  
24 Attorney General Jeremy Gathe. Here with  
25 me today is Trooper Kevin Lamotte with

62

1 Louisiana State Police.

2 We are here in the matter of the  
3 proposed transfer of ownership interest  
4 in the permittee, Bally Gaming, Inc.  
5 Scientific Games Corporation is the  
6 parent company of the permittee.  
7 According to the agreement and plan of  
8 merger, Scientific Games Corporation is a  
9 Delaware corporation seeking to merge  
10 with and into S.G. Nevada Merger Company,  
11 a Nevada corporation, with S.G. Nevada  
12 Merger Company being the surviving  
13 company. Scientific Games Corporation's  
14 sole purpose of the merger is to change  
15 its state of incorporation from Delaware  
16 to Nevada. Once the merger is  
17 effectuated, S.G. Nevada Merger Company



18 will change its name to Scientific Games  
19 Corporation.

20 All officers and directors of  
21 Scientific Games Corporation will hold  
22 the same position and title with the new  
23 surviving company S.G. Nevada Merger  
24 Company.

25 Trooper Lamotte conducted the

63

1 investigation of the transfers and will  
2 now report his findings to the Board.

3 TROOPER LAMOTTE: Good morning,  
4 Chairman Jones, Members of the Board. I  
5 am Master Trooper Kevin Lamotte with  
6 State Police Gaming Division in Baton  
7 Rouge.

8 On September 28th, 2017, the  
9 Division received a petition for approval  
10 of transfer of interest of Scientific  
11 Games Corporation. When the petition was  
12 received, the Division was already  
13 conducting an investigation of Scientific  
14 Games Corporation related to the pending  
15 renewal of Bally Gaming, Inc.

16 No information was discovered that  
17 would preclude approval of the transfer.

18 The Division has received all the  
19 relevant documents associated with the  
20 transfer of ownership and has found no

21 information that would preclude the Board  
22 from approving the transfer.

23 MR. GATHE: Our review of the file  
24 revealed no information to preclude the  
25 approval of the transfer of ownership

64

1 interest in the permittee to S.G. Nevada  
2 Merger Company.

3 CHAIRMAN JONES: Any question for  
4 the Attorney General or State Police or  
5 representatives of Scientific who are  
6 here? I see the board is clear.

7 I will entertain a motion to adopt  
8 the Resolution.

9 MR. GASTON: I move, Mr. Chairman.

10 CHAIRMAN JONES: By Dr. Gaston,  
11 Mr. Bradford. And, Miss Tramonte, please  
12 read the Resolution.

13 THE CLERK: On the 19th day of  
14 October 2017, the Louisiana Gaming  
15 Control Board did, in a duly noticed  
16 public meeting, consider the issue of  
17 Scientific Games Corporation's request  
18 for approval of the merger of Scientific  
19 Games Corporation with an into S.G.  
20 Nevada Merger Company, and upon motion  
21 duly made and second, the Board adopted  
22 this Resolution:

23 Be it resolved that Scientific Games

24 Corporation's request for approval of the  
25 merger of Scientific Games Corporation

65

1 with and into S.G. Nevada Merger Company,  
2 with S.G. Nevada Merger Company  
3 surviving, and the resulting transfer of  
4 ownership of 100 percent of Bally Gaming,  
5 Incorporated, to S.G. Nevada Merger  
6 Company, is hereby approved.

7 Thus done and signed in Baton Rouge,  
8 Louisiana, this 19th day of October 2017.

9 Mr. Bradford?

10 MR. BRADFORD: Yes.

11 THE CLERK: Mr. Stipe?

12 MR. STIPE: Yes.

13 THE CLERK: Mr. Singleton?

14 MR. SINGLETON: Yes.

15 THE CLERK: Mr. Jackson?

16 MR. JACKSON: Yes.

17 THE CLERK: Mr. Gaston?

18 MR. GASTON: Yes.

19 THE CLERK: Miss Berry?

20 MS. BERRY: Yes.

21 THE CLERK: Mr. Patrick?

22 MR. PATRICK: Yes.

23 THE CLERK: Chairman Jones?

24 CHAIRMAN JONES: Yes, and the motion  
25 carries, and the Resolution is adopted.

66

1 Thank you, gentlemen.

2 MR. GASTON: Before we adjourn, we  
3 talked last month about the honor that  
4 you received and you were gracious enough  
5 to say it was the staff and everybody  
6 combined, and I would like to commend  
7 Miss Lana Tramonte who has the toughest  
8 job of doing the reading every week --  
9 every month, I mean, and she actually for  
10 the first time ever stumbled, only  
11 slightly, just proving she's human.

12 CHAIRMAN JONES: Thank you,  
13 Dr. Gaston. I too appreciate my staff.  
14 I couldn't do any of this without them.  
15 I do appreciate what they do for us.

16 VII. ADJOURNMENT

17 CHAIRMAN JONES: There being no  
18 further business on our agenda, I will  
19 accept a motion to adjourn.

20 MR. JACKSON: Motion to adjourn.

21 CHAIRMAN JONES: Mr. Jackson and  
22 Mr. Singleton.

23 Any objection? Without objection,  
24 we stand adjourned. Thank you for your  
25 indulgence this morning.

67

1 REPORTER'S PAGE

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3 I, BRITTANY E. VIDRINE, Certified Shorthand

4 Reporter, in and for the State of Louisiana, the  
5 officer before whom this sworn testimony was taken,  
6 do hereby state:

7 That due to the spontaneous discourse of this  
8 proceeding, where necessary, dashes (--) have been  
9 used to indicate pauses, changes in thought, and/or  
10 talkovers; that same is the proper method for a  
11 Court Reporter's transcription of a proceeding, and  
12 that dashes (--) do not indicate that words or  
13 phrases have been left out of this transcript;

14 That any words and/or names which could not be  
15 verified through reference materials have been  
16 denoted with the word "(phonetic)."

17

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23 BRITTANY E. VIDRINE

Certified Court Reporter #2014025

24 RPR #963689

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68

1 STATE OF LOUISIANA

2 PARISH OF EAST BATON ROUGE

3 I, Brittany E. Vidrine, Certified Court

4 Reporter and Registered Professional Reporter, do

5 hereby certify that the foregoing is a true and

6 correct transcript of the proceedings on October  
7 19, 2017, as taken by me in Stenographic machine  
8 shorthand, complemented with magnetic tape  
9 recording, and thereafter reduced to transcript, to  
10 the best of my ability and understanding, using  
11 Computer-Aided Transcription.

12 I further certify that I am not an  
13 attorney or counsel for any of the parties, that I  
14 am neither related to nor employed by any attorney  
15 or counsel connected with this action, and that I  
16 have no financial interest in the outcome of this  
17 action.

18 Baton Rouge, Louisiana, this 10th day of  
19 November, 2017.

20

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\_\_\_\_\_  
BRITTANY E. VIDRINE, CCR, RPR  
CCR NO. 2014025 RPR NO. 963689

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