

Board Meeting LGCB 10-16-14, (Pages 1:1 to 38:24)

1:1 LOUISIANA GAMING LOUISIANA CONTROL BOARD

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4 BOARD OF DIRECTORS' MEETING

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9 THURSDAY, OCTOBER 16, 2014

10

11 Louisiana State Capitol

12 House Committee Room 6

13 Baton Rouge, Louisiana

14

15

16

17 TIME: 10:00 A.M.

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2

1 APPEARANCES

2

RONNIE JONES

3 Chairman (At Large)

Third Congressional District

4 June 30, 2019

5

6 FRANKLIN AYRES BRADFORD

(Economic Planner)

7 Fifth Congressional District

June 30, 2019

8

9 JAMES SINGLETON

(Public/Business Administration)

10 Second Congressional District

June 30, 2014

11

12 MARK STIPE

(Attorney)

13 Seventh Congressional District

June 30, 2014

14

15 DENISE NOONAN

(At Large)

16 First Congressional District

June 30, 2015

17

18 MAJOR CLAUDE MERCER

(Law Enforcement)

19 Fifth Congressional District

June 30, 2018

20

21 CLAUDE D. JACKSON

(At Large)

22 Fourth Congressional District

June 30, 2018

23

24

25

3

1 APPEARANCE CONTINUED

2

3 ROBERT W. GASTON, III

(At Large)

4 Sixth Congressional District

June 30, 2015

5

6 DENNIS N. STINE

(MBA/CPA)

7 Third Congressional District

June 30, 2019

8

9 LANA TRAMONTE

Principal Assistant

10

11 TRUDY M. SMITH

Confidential Assistant

12

13 CAPTAIN GLEN HALE

Ex-Officio Board Member

14 Louisiana State Police

15 MICHAEL LEGENDRE

Deputy Secretary

16 Department of Revenue

17

18 REPORTED BY:

19 SHELLEY G. PAROLA, CSR, RPR

Baton Rouge Court Reporters

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1 I. CALL TO ORDER

2 CHAIRMAN JONES: Good morning,
3 welcome to the October meeting of the
4 Louisiana Gaming Control Board. Call
5 the roll, please, Miss Tramonte.

6 THE CLERK: Chairman Jones?

7 CHAIRMAN JONES: Here.

8 THE CLERK: Mr. Bradford?

9 MR. BRADFORD: Here.

10 THE CLERK: Mr. Stipe?

11 MR. STIPE: Here.

12 THE CLERK: Mr. Singleton?

13 MR. SINGLETON: Here.

14 THE CLERK: Miss Noonan?

15 MS. NOONAN: Here.

16 THE CLERK: Major Mercer?

17 MAJOR MERCER: Here.

18 THE CLERK: Mr. Jackson?

19 MR. JACKSON: Here.

20 THE CLERK: Mr. Gaston?

21 MR. GASTON: Here.
22 THE CLERK: Mr. Stine?
23 MR. STINE: Here.
24 THE CLERK: Colonel Edmonson?
25 CAPTAIN HILL: Captain Hill for

7

1 Colonel Edmonson.
2 THE CLERK: Secretary Barfield?
3 MR. LEGENDRE: Mike Legendre for
4 Secretary Barfield.

5 II. PUBLIC COMMENTS

6 CHAIRMAN JONES: We have a quorum.
7 We may conduct business. At this time,
8 I'd like to ask if there are any public
9 comments for any matters coming before
10 the Gaming Control Board this morning?
11 Once, twice, gone.

12 III. APPROVAL OF MINUTES

13 CHAIRMAN JONES: Yes, ma'am. Could
14 I ask for a motion to waive reading and
15 approve the minutes from the last
16 meeting?

17 MS. NOONAN: So moved.

18 CHAIRMAN JONES: By Miss Noonan,
19 second by Mr. Gaston. All in favor?
20 [Collective "aye."] Opposition? [No
21 response.] Motion passes.

22 IV. REVENUE REPORTS

23 CHAIRMAN JONES: At this time, I'd

24 like to call Revenue Reports, State
25 Police, please.

8

1 MS. JACKSON: Good morning, Chairman
2 Jones, Board Members. My name is Donna
3 Jackson with Louisiana State Police.

4 The riverboat revenue report for
5 September 2014 is shown on page one of
6 your handout. During September, the 14
7 operating riverboats generated Adjusted
8 Gross Receipts of \$129,611,084, down
9 \$27 million or 17 percent from last
10 month, but up slightly \$1.4 million or
11 1 percent from last year. September
12 revenues are typically lower than
13 August, and this September had only four
14 full weekends, while August had five.
15 September 2013 experienced a similar
16 decline from August revenues of \$25
17 million or almost 17 percent.

18 Adjusted Gross Receipts for fiscal
19 year 2014-2015 to date are almost
20 \$438 million, an increase of 1 percent
21 or \$2 million from fiscal year
22 2013-2014.

23 During September, the State
24 collected almost \$28 million in fees.
25 As of September 30th, 2014, the State

9

1 has collected \$94 million in fees for
2 fiscal year 2014-2015.

3 Next is a summary of the
4 September 2014 gaming activity for
5 Harrah's New Orleans found on page
6 three. During September, Harrah's
7 generated \$24,037,906 in gross gaming
8 revenue, a decrease of \$3 million or
9 11.6 percent from last month, but a
10 minimal increase of .8 percent from
11 September 2013. Fiscal year-to-date
12 gaming revenues for 2014-2015 are almost
13 \$80 million, up 3 percent or
14 \$2.7 million from fiscal year 2013-2014.

15 During September the State received
16 \$4,931,507 in minimum daily payments.
17 As of September 30th, 2014, the State
18 has collected \$15 million in fees for
19 fiscal year 2014-2015.

20 Slots at the Racetracks revenues are
21 shown on page four. During September,
22 the four racetrack facilities combined
23 generated Adjusted Gross Receipts of
24 \$29,122,241, a decrease of \$4.8 million
25 or 14 percent from last month, and a

10

1 decrease of \$1 million or 3 percent from
2 September 2013. Adjusted Gross Receipts
3 for fiscal year 2014-2015 to date are

4 \$96 million, a decrease of 1 percent or
5 \$1.4 million from fiscal year 2013-2014.

6 During September, the state
7 collected fees totaling \$4.4 million. As
8 of September 30, 2014, the State has
9 collected \$14.6 million in fees in
10 fiscal year 2014-2015.

11 Overall in September, Riverboats,
12 Landbased and Slots at the Racetracks
13 combined generated almost \$183 million
14 in Adjusted Gross Receipts and
15 \$37 million in state fees.

16 Are there any questions before I
17 present the Harrah's employee numbers?

18 CHAIRMAN JONES: Board Members, any
19 questions? The board's clear.

20 MS. JACKSON: Harrah's New Orleans
21 is required to maintain at least 2,400
22 employees and a bi-weekly payroll of
23 \$1,750,835. This report covers the two
24 pay periods in September 2014. For the
25 first pay period, the Audit Section

11

1 verified 2,409 employees with a payroll
2 of \$1,986,000. For the second pay
3 period, the Audit Section verified 2,412
4 employees with a payroll of \$1,991,000.
5 Therefore, Harrah's met the employment
6 criteria during September.

7 Questions?

8 CHAIRMAN JONES: Any questions?

9 There are none. Thank you very much.

10 MR. BOSSIER: Good morning, Chairman
11 Jones and Board Members. My name is Jim
12 Bossier with the Louisiana State Police
13 Gaming Audit Section. I'm reporting
14 video gaming statistics for
15 September 2014 as shown on page one of
16 your handout.

17 Seventeen new video gaming licenses
18 were issued during September 2014: Nine
19 bars, seven restaurant and one device
20 owner's.

21 Twelve new applications were
22 received by the Gaming Enforcement
23 Division during September 2014 and are
24 currently pending the field: Six bars,
25 five restaurants and one device owner's.

12

1 The Gaming Enforcement Division
2 assessed \$9,800 and collected \$13,000 in
3 penalties in September 2014, and there
4 are currently \$8,000 in outstanding
5 fines. Please refer to page two of your
6 handout.

7 There are presently 13,785 video
8 gaming devices activated at 1,934
9 locations.

10 Net device revenue for
11 September 2014 was \$45.6 million, a \$3.5
12 million or 7.3 percent decrease when
13 compared to August 2014, and a
14 \$1 million or 2.1 percent increase when
15 compared to September 2013.

16 Net device revenue so far for fiscal
17 year 2015 is \$142.4 million, a
18 \$1.2 million or nine-tenths of 1 percent
19 increase when compared to fiscal year
20 2014. Page three of your handout shows
21 a comparison of net device revenue.

22 Total franchise fees collected for
23 September 2014 were \$13.6 million, a
24 \$1.1 million decrease when compared to
25 August 2014, and a \$300,000 increase

13

1 when compared to September 2013.

2 Total franchise fees collected for
3 fiscal year 2014 are \$42.6 million, a
4 \$500,000 increase or 1.1 percent when
5 compared to fiscal year 2014.

6 Page four of your handout shows a
7 comparison of franchise fees. Does
8 anybody have any questions?

9 CHAIRMAN JONES: Any questions,
10 Board Members? No questions.

11 MR. BOSSIER: Thank you.

12 CHAIRMAN JONES: Thank you very

13 much, Jim.

14 V. CASINO GAMING ISSUES

15 D. Consideration of petition for Approval of
16 Transfer of Ownership Interests by Bally
17 Technologies, Inc., to Scientific Games
18 Corporation

19 CHAIRMAN JONES: We now move to
20 Casino Gaming Issues, and if there are
21 no objections, we have some people who
22 need to catch a flight out. I'd like to
23 move up Item D first, if there are no
24 objections from members. First up we'd
25 like to call: Consideration of petition

14

1 for approval of the transfer of
2 ownership interest by Bally
3 Technologies, Inc., to Scientific Games
4 Corporation. Good morning, gentlemen.

5 MR. THOMPSON: Morning.

6 MR. WEST: Morning.

7 MR. THOMPSON: Chairman Jones, Board
8 Members, I'm Assistant Attorney General,
9 Buddy Thompson. With me are State
10 Police Trooper Kevin Lamotte and
11 attorney for Scientific Games
12 Corporation, Paul West, as well as
13 representatives of Scientific Games.

14 We're here in the matter of the
15 transfer of ownership in Bally

16 Technologies, Inc., parent company of
17 Bally Gaming, Inc., to Scientific Games
18 Corporation, pursuant to a merger of its
19 merger subsidiary, Scientific Games
20 Nevada, Inc., with and into Scientific
21 Games Corporation. Upon the merger,
22 Scientific Games Nevada, Inc., will
23 cease to exist, and Bally Technologies,
24 Inc., the surviving entity to the
25 merger, will become a wholly-owned

15

1 subsidiary of Scientific Games
2 Corporation.

3 Bally Gaming, Inc., and its officers
4 and directors were previously
5 investigated, found suitable in
6 connection with the issuance and renewal
7 on September 12th of 2012, of the three
8 permits held by Bally Gaming, Inc.: A
9 manufacture of slot machines and video
10 draw poker devices permit, a manufacture
11 of gaming equipment other than slot
12 machines and video poker devices permit,
13 and a gaming supplier permit.

14 Bally Technologies, Inc., Alliance
15 Holding Company and Bally Gaming
16 International, Inc., all the parent
17 companies of Bally Gaming, Inc., and all
18 of their officers and directors were

19 investigated and found suitable in
20 connection with the issuance and renewal
21 of Bally Gaming, Incorporated's,
22 permits, as well as in connection with
23 Bally Technology, Incorporated's,
24 petition for acquisition of Shuffle
25 Master Entertainment approved by this

16

1 Gaming Control Board on September the
2 19th, 2013; and they all continue to
3 maintain suitability.

4 Scientific Games Corporation and its
5 officers and directors were previously
6 investigated and found suitable in
7 connection with the issuance of a
8 manufacture of slot machines and video
9 draw poker devices permit to Scientific
10 Games International, a subsidiary of
11 Scientific Games Corporation, on
12 April the 18th of 2013, as well as in
13 connection with Scientific Games
14 Corporation's petition for acquisition
15 of WMS Gaming, Inc., approved by this
16 Gaming Control Board on June the 20th,
17 2013, and they all continue to maintain
18 suitability.

19 Trooper Kevin Lamotte will now
20 report his findings to the Board.

21 TROOPER LAMOTTE: Good morning,

22 Chairman Jones and Members of the Board.

23 I'm Trooper Lamonte with the Gaming

24 Division here in Baton Rouge, Louisiana.

25 I have performed background

17

1 investigations on all the individuals

2 involved in this transaction, and I

3 found no information that would preclude

4 the Board from approving the

5 transaction. If you have any questions?

6 CHAIRMAN JONES: Board, do you have

7 questions for either Mr. Thompson or

8 Trooper Lamonte? [No response.]

9 Mr. West, do you have anything to add?

10 MR. WEST: No, sir.

11 CHAIRMAN JONES: No questions.

12 MR. BRADFORD: I move for approval.

13 CHAIRMAN JONES: We have a motion

14 from Mr. Bradford to approve the

15 transfer, a second --

16 MR. GASTON: I'll second.

17 CHAIRMAN JONES: -- by Mr. Gaston.

18 All in favor? [Collective "aye."] Any

19 opposition? [No response.] The motion

20 carries. The transfer is approved.

21 MR. WEST: Thank you.

22 MR. THOMPSON: Thank you.

23 A. Consideration of renewal application for

24 riverboat gaming license of Louisiana Riverboat

25 Gaming Partnership d/b/a DiamondJacks Casino &

18

1 Resort - No. R010800195

2 CHAIRMAN JONES: Next item on the
3 agenda is Consideration of the renewal
4 application for riverboat gaming license
5 of Louisiana Riverboat Gaming
6 Partnership doing business as
7 DiamondJacks Casino & Resort. That's
8 No. R010800195.

9 The licensee has requested that this
10 matter be continued until November board
11 meeting to allow more time to consider
12 the consolidation and update of the
13 conditions. I think the licensee
14 acknowledges, by this board action, the
15 30-day requirement provided for in
16 Louisiana Revised Statute 27:75(A) has
17 been met.

18 Have I correctly stated the request
19 and acknowledgment?

20 MR. BRANTLEY: Yes, Mr. Chairman.
21 I'm Joseph Brantley on behalf of Legends
22 Gaming and Louisiana Gaming Riverboat
23 Partnership, and we do acknowledge and
24 agree that this is an act by the board
25 within the 30-day period.

19

1 CHAIRMAN JONES: And you're

2 satisfied with that?

3 MR. BRANTLEY: Yes, we are.

4 CHAIRMAN JONES: Do I have a motion
5 to grant the licensee's request
6 regarding the renewal of the transfer
7 consideration until the November Board
8 Meeting?

9 MR. GASTON: I'll make a motion.

10 CHAIRMAN JONES: By Mr. Gaston,
11 second by --

12 MS. NOONAN: I'll second.

13 CHAIRMAN JONES: -- Miss Noonan.

14 All in favor? [Collective "aye."]

15 Opposition? [No response.] Motion

16 carries, motion is granted. Thank you.

17 B. Consideration of renewal application for
18 riverboat gaming license of PNK Bossier-City,
19 Inc., d/b/a Boomtown Casino Bossier City - No.
20 R016500701

21 CHAIRMAN JONES: Okay. I'm moving
22 to the Consideration of renewal
23 application for riverboat gaming license
24 of PNK Bossier City, Inc., doing
25 business as Boomtown Casino Bossier

20

1 City. That's NO. R016500701. Good
2 morning.

3 MS. MOORE: Good morning. Chairman
4 Jones, Board Members, I'm Assistant

5 Attorney General, Charmaine Moore, and
6 with me are Auditor Trnessia Ware and
7 Trooper Mike Daniels, State Police.

8 We're here in the matter of the
9 renewal of the riverboat license of PNK
10 Bossier City, Inc., doing business as
11 Boomtown Bossier City located in Bossier
12 City, Louisiana.

13 Riverboat licenses are issued for
14 five-year terms, and the license of PNK
15 Bossier City, Inc., is due to expire on
16 November 28th, 2014. As part of the
17 renewal process, the A.G.'s Office
18 worked with counsel for the licensee to
19 review the license conditions previously
20 placed upon the licensee by the Board in
21 an effort to update those conditions.

22 Conditions were initially placed on the
23 licensee in 1996 when it was issued a
24 certificate of preliminary approval for
25 riverboat gaming operations.

21

1 Additional conditions were placed on
2 PNK Bossier City's license in 2004. All
3 conditions that were completed,
4 satisfied and no longer applicable were
5 removed. Some substantive changes were
6 made to some conditions, and there was
7 some editing of other conditions. The

8 licensee has accepted and agreed to be
9 bound by the conditions.

10 A proposed resolution, subject to
11 the proposed Statement of Conditions
12 authorizing the renewal of the license
13 commencing November 28th, 2014, has been
14 prepared if the Board approves the
15 renewal.

16 At this time, State Police Auditor,
17 Trnessia Ware, will present her findings
18 to the Board, and then investigative
19 Trooper Mike Daniels will present his
20 findings to the Board. Representatives
21 of the licensee are here and are
22 available to answer any questions the
23 Board may have.

24 CHAIRMAN JONES: Thank you. Good
25 morning.

22

1 MS. WARE: Good morning. My name is
2 Trnessia Ware with Louisiana State
3 Police Corporate Securities Audit.

4 Licensee, PNK Bossier City doing
5 business as Boomtown Bossier City, is
6 owned 100 percent by Casino Magic, LLC.
7 Casino Magic is owned 100 percent by
8 Pinnacle Entertainment.

9 Boomtown Bossier is one of six
10 riverboat casinos and one slots at the

11 track casino in Shreveport/Bossier City
12 market. For fiscal year 2013-2014,
13 Boomtown Bossier ranked fifth in the
14 Shreveport/Bossier market with gross
15 receipts of approximately 65 million.
16 In 2014, Boomtown Bossier budgeted
17 approximately 2.5 million for capital
18 expenditures.

19 Boomtown Bossier projects it will
20 spend approximately 2.4 million in 2015
21 and approximately 2.3 million each year
22 through 2018.

23 Pinnacle allocates management fees
24 based on Boomtown Bossier's share of
25 expenses incurred for services provided

23

1 in managing and supporting Boomtown
2 Bossier's operations. Page six of your
3 report shows the amount of management
4 fees that were paid for the years 2011
5 through 2013.

6 Pinnacle's Louisiana licensees
7 generate approximately 700 million in
8 Adjusted Gross Receipts for the 2014
9 fiscal year, or 28 percent of the total
10 revenues generated by Louisiana
11 Riverboat, Landbased and Slots at the
12 Track casinos.

13 In conclusion, no financial issues

14 came to our attention to preclude the
15 Board from approving the Boomtown
16 Bossier Casino license for a period of
17 five years effective November 28th,
18 2014.

19 Trooper Michael Daniels will now
20 present his findings.

21 SENIOR TROOPER DANIEL: Good
22 morning, Chairman Jones and Members of
23 the Board.

24 CHAIRMAN JONES: Good morning.

25 SENIOR TROOPER DANIELS: I'm Senior

24

1 Trooper Michael Daniels, Louisiana State
2 Police Gaming Enforcement Division. I
3 was assigned to conduct a suitability
4 investigation regarding the license
5 renewal of Pinnacle Entertainment doing
6 business as Boomtown Bossier.

7 An updated suitability investigation
8 was conducted on Pinnacle Entertainment,
9 Incorporated, the associated companies
10 and key personnel. This consisted of
11 inquiries through federal, state and
12 local law enforcement agencies,
13 computerized criminal history databases,
14 civil institutions and gaming regulatory
15 agencies. Tax clearances were obtained
16 from the Internal Revenue Services and

17 the Louisiana Department of Revenue to
18 ensure that applicants are current in
19 filing their taxes.

20 During the suitability
21 investigation, no information was
22 discovered which would preclude
23 licensing of Pinnacle Entertainment
24 doing business as Boomtown Bossier, the
25 associated entities or the key

25

1 personnel.

2 At this time, I would gladly answer
3 any questions you may have.

4 CHAIRMAN JONES: Any questions for
5 any of our panelists at this point? Any
6 questions? No questions. Does the
7 licensee, anyone wish to be heard?

8 MS. MOORE: No, I'm done. We can
9 vote.

10 CHAIRMAN JONES: I like your very
11 informal approach. I'm good with that.
12 We have a motion by Mr. Stine. We have
13 a second by Mr. Bradford. All in favor?
14 [Collective "aye."]

15 Miss Tramonte, will you read the
16 resolution into the record, please.

17 THE CLERK: On the 16th day of
18 October 2014, the Louisiana Gaming
19 Control Board did, in a duly noticed

20 public meeting, consider the license
21 renewal application of PNK Bossier City,
22 Incorporated, d/b/a Boomtown Bossier
23 City, and upon motion duly made and
24 second, the Board adopted this
25 resolution.

26

1 Be it resolved that the license
2 RO16500701 to conduct riverboat gaming
3 issued to PNK Bossier City doing
4 business as Boomtown Bossier City be
5 renewed for a term of five years
6 commencing November 28th, 2014, subject
7 to the Statement of Conditions to
8 riverboat gaming license of PNK Bossier
9 City attached hereto and made a part
10 hereof.

11 Thus done and signed in Baton Rouge,
12 Louisiana, this 16th day of October
13 2014.

14 CHAIRMAN JONES: Miss Tramonte, call
15 the roll.

16 THE CLERK: Mr. Bradford?

17 MR. BRADFORD: Yes.

18 THE CLERK: Mr. Stipe?

19 MR. STIPE: Yes.

20 THE CLERK: Mr. Singleton?

21 MR. SINGLETON: Yes.

22 THE CLERK: Miss Noonan?

23 MS. NOONAN: Yes.

24 THE CLERK: Major Mercer?

25 MAJOR MERCER: Yes.

27

1 THE CLERK: Mr. Jackson?

2 MR. JACKSON: Yes.

3 THE CLERK: Mr. Gaston?

4 MR. GASTON: Yes.

5 THE CLERK: Mr. Stine?

6 MR. STINE: Yes.

7 THE CLERK: Chairman Jones?

8 CHAIRMAN JONES: Yes. The motion

9 carries. The renewal application has

10 been approved.

11 MS. MOORE: Thank you.

12 C. Consideration of Certificate of Compliance for

13 the Alternate Riverboat Inspection of the

14 gaming vessel of Louisiana 1 Gaming L.P., d/b/a

15 Boomtown Belle Casino Harvey - No. R012600196

16 CHAIRMAN JONES: Thank you. We now

17 move to Consideration of Certificate of

18 Compliance for the Alternate Riverboat

19 Inspection of the gaming vessel

20 Louisiana 1 Gaming L.P. doing business

21 as Boomtown Casino Belle Casino Harvey.

22 That's No. R012600196. Good morning,

23 gentlemen.

24 MR. THOMPSON: Morning.

25 MR. FRANCIC: Morning.

1 MR. THOMPSON: Mr. Chairman, Board
2 Members, I'm Assistant Attorney General,
3 Buddy Thompson. With me is John Francic
4 of American Bureau of Shipping
5 Consultants known as ABSC. We're here
6 in the matter of the issuance of the
7 renewal Certificate of Compliance to
8 Boomtown Casino Harvey.

9 On August 27th, 2014, ABSC began the
10 inspection process for the renewal of
11 Boomtown Casino Harvey's Certificate of
12 Compliance. For more on this, I now
13 turn the presentation over to John
14 Francic.

15 MR. FRANCIC: Morning Chairman,
16 Board Members.

17 CHAIRMAN JONES: Morning.

18 MR. FRANCIC: John Francic with ABS
19 Consulting here to report the annual
20 certification for Boomtown Casino
21 Harvey.

22 The inspectors, Doug Chapman and
23 Lindsey Dew, did, on August 27th, 2014,
24 attend the riverboat Boomtown Belle II
25 to conduct the annual inspection in

1 accordance with the alternative
2 inspection of riverboat gaming vessels

3 in the State of Louisiana.

4 The inspectors reviewed fire
5 protection measures and equipment,
6 egress routes, mooring systems,
7 machinery spaces and conducted a fire
8 drill. The deficiencies found during
9 the inspection are found on page seven
10 of your report. A follow-up to all
11 deficient items were corrected and found
12 satisfactory. This could be found in
13 the supplemental report.

14 The 2014 annual survey, as required
15 by the Louisiana Gaming Control Board,
16 is complete and presents no safety
17 concerns to its patrons or employees
18 onboard the riverboat. It is
19 recommended [sic] of ABS Consulting that
20 Boomtown Casino be issued the
21 Certificate of Compliance.

22 In addition to the certificate --
23 certification of the gaming vessel, a
24 request for Boomtown Harvey, in a letter
25 July 25th, 2014, to ABS Consulting,

30

1 asked to remove certain equipment from
2 inspection. A review of that equipment
3 was done during the annual survey by the
4 inspectors. In this request was to
5 remove bow thrusters, Z drives, fire

6 hoses, applicators, fire axes, rescue
7 boat, life jackets, ring buoys, Stokes
8 basket, steering, radar, running lights,
9 horn, wing stations, compasses, winches
10 and VFH radios.

11 We recommend approval to remove the
12 inspected -- remove from inspection all
13 of the above, with the exception of the
14 ring buoys, the Stokes basket, winches
15 and VHR radios. This equipment is still
16 useful onboard the vessel.

17 The gaming vessel's permanently
18 moored status does not require the use
19 of bow thrusters, Z drives, routers or
20 navigation equipment. The gaming vessel
21 has a berth that is directly off the
22 Harvey Canal. Very few tug and tows
23 pass on a daily basis, and there has
24 never been a recorded incident of a mass
25 breakaway in the canal.

31

1 The thrusters that are being
2 recommended for removal are mentioned,
3 as part of the emergency procedures for
4 unanticipated waves rocking the
5 riverboat, in Appendix B of the manning
6 variance request submitted by the
7 licensee on February 25, 2013, and
8 approved by the Board on March 21st,

9 2013. It is the opinion of the ABS
10 Consulting that due to the location of
11 the boat in the basin, the thrusters are
12 no longer needed for patron safety. The
13 Board should consider the procedure,
14 provided for in Appendix B involving the
15 use of the thrusters, changed in
16 accordance with the removal of the
17 thrusters.

18 With the manning variance in place,
19 fire and rescue rafters would be
20 conducted by the Harvey Fire Department,
21 which is in close proximity to the
22 gaming vessel. The removal of the fire
23 hoses, the fire axes, applicators, life
24 jackets and rescue boats would not be
25 needed, as the fire department would

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1 bring their own equipment to the scene.
2 Immediate responses to fires onboard
3 will be the use of fire extinguishers
4 and the fixed system onboard such as the
5 sprinkler system.

6 It is recommended by ABS Consulting
7 to approve the removal from inspection
8 the above-mentioned equipment, as it
9 does not present a safety concern to its
10 patrons or employees aboard the
11 riverboat.

12 MR. THOMPSON: We now present these
13 findings to the Board and request that
14 upon the Board accepting the report
15 submitted by ABS, the Board will move
16 for the renewal of Boomtown Casino
17 Harvey's Certificate of Compliance.

18 CHAIRMAN JONES: Mr. Francic, just
19 for the record I want to reiterate,
20 you're satisfied that the removal of any
21 of this equipment does not affect life
22 safety -- there are no life safety
23 issues associated with -- the equivalent
24 for visitors to the boat or to the
25 employees, correct?

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1 MR. FRANCIC: That's correct.

2 CHAIRMAN JONES: Do I have questions
3 from the Board? The Board is clear. Do
4 I have a motion to accept the
5 recommendation of ABSC regarding the
6 request by the licensee and issue a
7 Certificate of Compliance?

8 MR. SINGLETON: I move.

9 CHAIRMAN JONES: By Mr. Singleton.

10 MAJOR MERCER: Second.

11 CHAIRMAN JONES: And by Major
12 Mercer. All in favor? [Collective
13 "aye."] Opposition? [No response.] So
14 done. The motion passes. Thank you.

15 MR. THOMPSON: Thank you.

16 MR. FRANCIC: Thank you.

17 CHAIRMAN JONES: She tries to keep
18 me in line.

19 VI. RULEMAKING

20 A. Consideration of adoption of amendments to
21 LAC 42:III.4732 (Collection and Deduction
22 from Gross Revenue)

23 B. Consideration of adoption of amendments to
24 LAC 42:III.4733.C (Disallowed Deductions)

25 C. Consideration of adoption of amendments to
34

1 LAC 42:III.4212.A.3 (Marking, Registration
2 and Distribution of Gaming Devices)

3 CHAIRMAN JONES: We'll now move to
4 the rulemaking part of our agenda.

5 We're going to consider all three items

6 A, B and C: Consideration of the
7 adoption of amendments to Louisiana LAC

8 42:III.4732 pertaining to collection,

9 deduction from gross revenue; B, boy,

10 Consideration of adoption of amendments

11 to Louisiana Administrative Code

12 42:III.4733.C, (Disallowed Deductions);

13 and C, Charles, Consideration of

14 adoption of amendments to Louisiana

15 Administrative Code 42:III.4212.A.3,

16 (Marking, Registration and Distribution

17 of Gaming Devices.)

18 Good morning.

19 MS. HIMEL: Good morning, Chairman

20 Jones and Members of the Board.

21 Assistant Attorney General, Dawn Himel,

22 I'll be presenting the items 6A through

23 C.

24 At its meeting on June 19th, 2014,

25 this board instituted promulgation

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1 procedures for the rules that are listed

2 in A through C. Following these votes,

3 the Attorney General's Office caused to

4 be published in the Louisiana Register

5 notices of intent for the proposed rules

6 directing all individuals with questions

7 or concerns to contact A.A.G. Earl

8 Pitre, Jr., directly. No comments were

9 received by that time.

10 As part of the promulgation process,

11 A.A.G. Earl Pitre also submitted reports

12 to the Board's House and Senate

13 Oversight Committees. The first report

14 detailed the substance of the proposed

15 rules, and the second report informed

16 the committees of the questions or

17 concerns that were voiced by the public,

18 which there was none.

19 Following the delivery of the second

20 reports to the committee, they're given

21 30 days in which to call a hearing to
22 satisfy any concerns that they have. No
23 hearing was called, so the default
24 action of the committees following the
25 lapse of the 30 days is approval of the

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1 proposed rules, and at this time, a
2 motion to adopt the rules is needed from
3 the Board.

4 CHAIRMAN JONES: Are there any
5 questions for Miss Himel? The board
6 appears clear. Do I have a motion?

7 MR. BRADFORD: So moved.

8 CHAIRMAN JONES: By Mr. Bradford,
9 second by Mr. Stipe. All in favor?
10 [Collective "aye."] Motion passes.

11 MS. HIMEL: Thank you.

12 CHAIRMAN JONES: Thank you very
13 much.

14 VII. ADJOURNMENT

15 CHAIRMAN JONES: That being the
16 conclusion of our agenda, do I have a
17 motion to adjourn?

18 MS. NOONAN: I'll move.

19 CHAIRMAN JONES: By Mr. Mercer,
20 seconded by Miss Noonan, or somebody on
21 might right side over here. Thank you.

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1 REPORTER'S PAGE

2

3 I, SHELLEY PAROLA, Certified Shorthand

4 Reporter, in and for the State of Louisiana, the

5 officer before whom this sworn testimony was

6 taken, 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,

10 and/or talkovers; that same is the proper method

11 for a Court Reporter's transcription of a

12 proceeding, and that dashes (--) do not indicate

13 that words or phrases have been left out of this

14 transcript;

15 That any words and/or names which could not

16 be verified through reference materials have been

17 denoted with the word "(phonetic)."

18

19

20

21

22

23

24 SHELLEY PAROLA

Certified Court Reporter #96001

25 Registered Professional Reporter

1 STATE OF LOUISIANA

2 PARISH OF EAST BATON ROUGE

3 I, Shelley G. Parola, 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 16, 2014, as taken by me in Stenographic machine

8 shorthand, complemented with magnetic tape

9 recording, and thereafter reduced to transcript,

10 to 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 6th day of

19 November, 2014.

20

21

22

SHELLEY G. PAROLA, CCR, RPR

CERTIFICATE NO. 96001

23

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