# Caesars posts $908.1 million loss in Q3

**By Howard Stutz, Las Vegas Review-Journal**

Caesars Entertainment Corp. lost $908.1 million in the third quarter despite a 6 percent increase in revenue, the casino company said Monday.

The financial results were somewhat overshadowed as Las Vegas-based Caesars said it was continuing formal negotiations with lenders and creditors aimed at reducing the company's gaming industry high debt.

In the quarter that ended Sept. 30, Caesars said its debt was $22.88 billion, down from $24.2 billion at the end of June.

Caesars is the parent company of Harrah's Lake Tahoe and Harveys.

The company has been in private talks with banks and lenders since September with the hopes of restructuring a portion of the debt. Bloomberg News has reported the discussions cover $18.3 billion.

On a conference call with analysts Monday, Caesars Entertainment Chairman Gary Loveman said the casino operator wouldn't provide any further information about the negotiations. He said the company was "keenly focused on deleveraging" the balance sheet.

Last month, Caesars said in a filing with the Securities and Exchange Commission that one of lenders — reportedly a New York-based hedge fund — walked away from the talks.

**Read the whole story**

# Poll: Calif. ready for Feinstein, Boxer to retire

**By Aaron Blake, Washington Post**

Sens. Dianne Feinstein and Barbara Boxer, both California Democrats, are two of the most well-liked senators in one of the safest states in the country for their party.

And their constituents would prefer that they be replaced.

A new poll from USC shows that although Feinstein and Boxer have image ratings that are much more positive than negative (by double digits), about six in 10 Californians (59 percent) would prefer that they not seek reelection. Just three in 10 (29 percent) say they should run again.

Nearly half of Californians — 48 percent — say they "strongly" want new people to run. Even among Democrats, 44 percent say it's time for new blood, while 43 percent say the two senators should seek re-election.

**Read the whole story**

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# Inexperienced lawmakers take over Calif.

**By Jeremy B. White, Sacramento Bee**

Like fire clearing an old-growth forest, last week’s election elevated a class of freshman lawmakers who will join last cycle’s surge of first-term legislators to form one of the least experienced Legislatures in years.

When the 2015-16 Legislature convenes later this year, a majority of lawmakers — 72 out of 120 — will arrive with at most two years of state-level experience. The critical mass of relative newcomers reflects a shift in California’s term limit rules with dual consequences: While the incoming class of lawmakers is sparse on state legislative experience, it could also remain largely intact for a decade.

“I think it’s probably the most profound change in the Legislature as an institution since term limits passed,” said David Lesher, director of government affairs at the Public Policy Institute of California.

Critics of California’s term limits have long warned of unintended consequences. Voters hoped to make the Legislature more accountable and to loosen the grip of long-serving politicians. But in the process, skeptics say, voters deprived their representatives of the experience and policy fluency that comes from years steeped in lawmaking.

**Read the whole story**

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# State fines Tahoe Keys Marina

Tahoe Keys Marina received five citations from the state Department of Industrial Relations.

Inspectors had been at the South Lake Tahoe marina in April. The state Occupational Safety and Health Administration opens an investigation when an employee files a complaint, there has been an injury or a complaint has been filed. Cal-OSHA is designed to protect workers from health and safety hazards in the workplace.

“The penalties were for things like no injury and illness prevention plan, the way they stored cylinders, HAZMAT issues and no crane wheel guards,” Jules Bernstein with DIR told *Lake Tahoe News*.

The marina was fined $1,310.

The state also issued 13 information memos altering management that potential exposure exists if employees come in contact with those issues. These are issued when the state can’t prove employee exposure at the time of inspection, Bernstein explained.

*— Lake Tahoe News staff report*

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# Last winter impacting lodging reservations

Some mountain lodging establishments are looking at a better winter even though the ski season has barely started.

The record-breaking summer for occupancy and revenue among Western mountain resorts is carrying into the winter booking season, according to DestiMetrics, a Denver-based organization that tracks mountain lodging bookings at 19 Western mountain resorts in six states.

Winter bookings for November through March are showing an aggregated 7.4 percent gain in occupancy for the upcoming season compared to the same time last year with increases appearing in the first five months of the ski season that data is available. Aggregated revenue is also strong with a 15.5 percent increase for the first five months of the 2014-15 season.

Snow conditions from last season are having a distinctly different impact on bookings for Colorado-Utah-Wyoming compared to California-Nevada-Oregon. While the Rocky Mountain resorts are tracking 8.9 percent higher in occupancy with a 16.4 percent increase in overall revenues, the Far West resorts are experiencing the opposite effect. Their aggregated occupancy was down 6.5 percent and related revenues are down 7.7 percent.

The briefing concluded that while skiers and riders are loyal and committed mountain travelers even in tough economic times, weather and global geopolitics will require close monitoring this season.

“At this point, we’re seeing skiers and riders taking up right where they left off last year because of snow equity,” says Ralf Garrison, director of DestiMetrics. “While this is working to the benefit of destinations in the Rockies, it is posing a challenge to Far West mountain resorts where negative snow equity is dragging booking pace. However, a major break in the drought or a few good early season snowstorms would be a powerful antidote for what ails them.”

*— Lake Tahoe News staff report*

# Controversy surrounds future EDC courthouse

**By Joann Eisenbrandt**

PLACERVILLE – Plans to build a spacious new El Dorado County courthouse in Placerville by fall 2020 are moving forward, but not without allegations of backdoor politics, favoritism and manipulation of the system for personal financial gain.

On Nov. 6, the Judicial Council had a public meeting in Placerville to explain the draft environmental impact report.

Laura Sainz with Environmental Compliance and Sustainability, Office of Real Estate and Facilities Management explained the areas in which significant environmental issues were found, including aesthetics, noise, biological and cultural resources and transportation and circulation, and how these would be mitigated to "less than significant."

The sparsely attended meeting was composed mainly of government agency representatives, but local resident Lisa Johnson expressed the sentiments of some residents living nearby the project.

"I just recently purchased my home here because of the rural quality of life. Why was this project not disclosed to me at that time? There is only one road in and out of where I live onto Forni (Road)," she said.

She was also concerned about years of potential construction noise.

"I hear the (El Dorado County) fairgrounds like they're in my backyard. And this will be on my side (of Highway 50)," Johnson said.

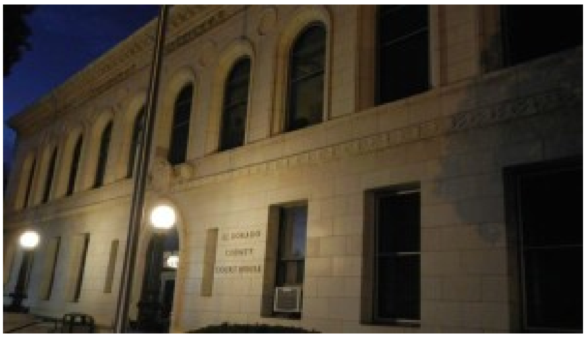
Sainz responded that no project has formally been approved yet, so notification was not possible.

John Koster, project manager with the Office of Court Construction and Management, noted that the quietest construction techniques would be used; hopefully without any blasting or pile driving, and that the first six months of construction will be the noisiest.

An additional concern is the fate of the historic Main Street courthouse once operations cease there. In a 2012 letter, Placerville resident Kathleen Newell noted the "adverse economic effects on Historic Downtown Placerville after the courthouse is moved to another location. Specifically with the issue of creating a blighted Main Street due to businesses vacating downtown and relocating closer to the new site."

The courthouse is more than 100 years old and appears eligible for listing in the California Register, making it an "historical resource." In September, the city and county agreed to the formation of a Blue Ribbon committee of city and county stakeholders to explore potential reuses of the Main Street courthouse.

"It's the heart and soul of downtown," Placerville City Councilmember Wendy Thomas said at the Thursday public meeting. "It's a huge issue."



The old courthouse in Placerville needs replacing. Photo/LTN

**Slow process**

The Placerville courthouse project has been in the planning stages since 2008. It will be funded and managed by the state, not the county, as the courts are a separate branch of government, independent of the county' administrative structure. This funding is not from the state's General Fund, but from statewide increases in court user fees authorized in 2008 by Senate Bill 1407. The Administrative Office of the Courts (AOC), the staff agency of the Judicial Council of California, is responsible for site acquisition, design and construction of this and other critical-need courthouse projects throughout California.

Severe cuts to the judicial branch's budget in 2011-12 delayed funding for the project, but in February 2013 the Court Facilities Working Group recommended the Judicial Council proceed with funding this and other high priority courthouse projects. The 88,000-square-foot facility would be located on property owned by El Dorado County adjacent to the existing county jail just off Forni Road in Placerville. It would also require purchase by the county of 5.2 acres from an adjoining parcel owned by John Briggs, father of El Dorado County Supervisor Ron Briggs, grandfather of Placerville Planning Commissioner Brian Briggs and father-in-law of Superior Court Judge Steve Bailey. The county entered into an Option Agreement with the Briggs Family Trust for this purchase in 2012. It was extended once and now expires on Dec. 18.

Some claim this is more than a happy coincidence for the Briggs family.

Currently, Superior Court services are divided between two locations — the historic Placerville Courthouse on Main Street that was built in 1913, and a portion of Building C in the county Government Center. Both buildings fail to meet current standards for security and other services. The project would consolidate operations in one secure facility capable of handling all case types, providing secure parking for judges as well as 240 on-site parking spaces for staff, visitors and jurors.

The technical part of this process is straightforward. In March 2011, the state Public Works board approved the selection of a potential courthouse site. The Judicial Council, the policymaking body of the California courts and the lead agency for the project, circulated a notice of preparation of a draft environmental impact report in April 2012. The California Environmental Quality Act (CEQA) requires lead agencies for projects to consider potential environmental impacts, determine if any are significant, and propose mitigation measures for those impacts.

The DEIR was prepared, and a 45-day circulation period, during which agencies and individuals can comment on the report ends Dec. 1.

**Controversy lingers**

The issues not addressed at last week's meeting are the allegations that this was not necessarily the best or only site and its selection is tinged with political cronyism. El Dorado County Taypayers Group sent a letter to the Judicial Council in July 2013, pointing to, "the local corruption going on regarding the proposed new court house project in Placerville," and asking that the state not fund the site. The letter alleges Supervisor Briggs had been pushing this site selection behind the scenes for his family's gain.

The letter says, "The remaining six project parcels and other nearby abutting parcels are held in Ron Briggs and his son's name will not be required to pay for their normal proportional and equitable share of reimbursement of the heavy master infrastructure improvement costs and off-site improvements …."

The letter also notes the group asked the El Dorado County Grand Jury to investigate the issue twice but, "The grand jury was abruptly disbanded in February 2013 ” by El Dorado County Superior Court Judge Steve Bailey, Ron Briggs’ brother-in-law.

In September 2013, Curt Child, chief operating officer of the Judicial Council, sent a letter to the El Dorado County Board of Supervisors and then El Dorado County Counsel Ed Knapp stating the Taxpayer’s Group’s concerns warranted treatment of the site as “controversial,” and requested a response from the county explaining “what action the Board will take to address these concerns.”

In a January letter to Presiding Superior Court Judge Suzanne Kingsbury, Steven Jahr, administrative director of the courts, indicated that El Dorado County counsel had “provided written documentation to address the concerns raised by the Taxpayers Group,” concluding that the site was no longer considered controversial and the project would continue. *Lake Tahoe News* was unable to obtain a copy of that documentation.

After the DEIR comment period ends Dec. 1, the Judicial Council will prepare written responses to all comments received, circulate the report for 10 days and then decide whether to certify it. Once it’s certified, El Dorado County would likely purchase the private parcel from the Briggs Family Trust, and the Judicial Council would then purchase the entire project site from the county. Bids for construction and other project services would then begin, with estimated completion now set for fall 2020.

# Court blames Northstar for flooding neighbors

**By Benjamin Spillman, Reno Gazette-Journal**

Truckee-area homeowners say an opinion by a California appeals court vindicates their longtime claims that the Northstar Village resort development is responsible for flood damage in their condominium community.

The claims date back to 2004 when developers of Northstar Village built a retention pond meant to capture storm runoff as part of an expansion of the winter resort.

But the project instead dug into and disrupted groundwater in the area resulting in changes to the water table that flooded the Aspen Grove condominium community, killing historic trees and causing damage to building foundations.

**Read the whole story**

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# Gaming officials dealing with medical marijuana

**By J.D. Morris, Las Vegas Sun**

Medical marijuana and the Nevada casino industry don’t mix, gaming officials said at a conference Nov. 7, and that’s not likely to change anytime soon.

The Gaming Control Board made it clear in a May notice that casinos must stay out of the state’s budding medical marijuana business since the drug is illegal at the federal level. But it's still a hot-button issue for the industry, and it was a recurring subject at Friday's Gaming Law Conference at Red Rock Resort.

Nevada's two top gaming regulators, Control Board Chairman A.G. Burnett and Gaming Commission Chairman Tony Alamo, spoke on a panel together where they reaffirmed that the board made the right call.

Alamo, whose father was a prominent Las Vegas casino executive, expressed some disbelief that the mixture of medical marijuana and gambling became a serious regulatory concern.

**Read the whole story**

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# Showdown looms as Calif. eyes pesticides

**By Elle Knickmeyer, AP**

SAN FRANCISCO — With organic food growers reporting double-digit growth in U.S. sales each year, producers are challenging a proposed California pest-management program they say enshrines a pesticide-heavy approach for decades to come, including compulsory spraying of organic crops at the state's discretion.

Chief among the complaints of organic growers: The California Department of Food and Agriculture's pest-management plan says compulsory state pesticide spraying of organic crops would do no economic harm to organic producers, on the grounds that the growers could sell sprayed crops as non-organic instead.

“I would rather stop farming than have to be a conventional farmer. I think I am not alone in that,” said Zea Sonnabend, a Watsonville organic apple-grower with California Certified Organic Farmers, one of more than 30 agriculture groups, environmental organizations and regional water agencies to file concerns about the agriculture department’s pesticide provisions by an Oct. 31 state deadline.

At issue is a California organic agriculture industry that grew by 54 percent between 2009 and 2012. California leads the nation in organic sales, according to statistics tracked by University of California-Davis agriculture economist Karen Klonsky, who says the state is responsible for roughly one-third of a national organic industry. The U.S. Department of Agriculture puts the overall value of the U.S. organic sector at $35 billion.

The U.S. organic industry has seen a similar growth spurt nationally in the same time frame, and three out of four grocery stores in the country now carry at least some organic goods, according to the USDA. California’s $43 billion agriculture industry is the largest in the country by revenue, so what happens here matters to consumers and to the agriculture industry nationwide.

The state’s more than 500-page document lays out its planned responses to the next wave of fruit flies, weevils, beetles, fungus or blight that threatens crops. Many groups challenging the plan complained that it seems to authorize state agriculture officials to launch pesticide treatments without first carrying out the currently standard separate environmental-impact review.

But Steve Lyle, a spokesman for the agriculture department, said the outline doesn’t give state crop-pest programs any power they don’t already have by law.

The state's program is designed "to protect California's food system through the principles of integrated pest management, while also protecting public health and the environment," Lyle said in an email.

For some conventional growers as well as some organic ones, the fate of the pest-management plan outlined by the state isn't a theoretical concern.

It's an immediate issue of their economic survival due, in part, to a disease-carrying pest that's a little bigger than a pencil point.

The disease spread by the Asian citrus psyllid kills citrus trees outright and has caused billions of dollars in damage to crops in Florida and Texas. California's $2.4 billion citrus industry has found incursions by the bug, but not yet significant outbreaks of the disease it carries.

The standard treatment for the citrus pest is conventional pesticides, including neocotinoids linked to the decline of crop-pollinating bees. The citrus industry and federal government also have spent $25 million to try to find, without major breakthroughs so far, less toxic controls for the citrus pest, said Joel Nelsen, head of the California Citrus Mutual industry trade-group.

Organic farmers complain about the state's frequent reliance on pesticides, but "if we don't eradicate the pest, their organic production is non-existent," Nelsen said. "A pest or a disease doesn't know if it's eating an organic or a non-organic orange."

Organic farmers are asking the state to give more consideration to non-toxic controls, including long-term methods to strengthen crops and habitats in advance against marauding tropical species, said Kelly Damewood, policy director for California Certified Organic Farmers.

The growing alarm over the citrus bug is part of the problem – California agriculture reels from pest emergency to pest emergency, treating most with the same pesticide programs and crop quarantines, argued James R. Carey, an entomologist at the University of California-Davis. He’s been watching California respond to invading tropical pests since at least the 1980s’ Mediterranean fruit-fly spray program. Some programs were successful; others struck even many conventional growers as unnecessary.

“They treat this in a crisis mode in the same way they would an earthquake or a fire,” Carey said. “Most times there’s not that kind of urgency at all.

“Every pest that comes in they request federal money for, run out of money for, and it just kinds of fades away.”

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# U.S. casino revenue up as economy strengthens

**By Stephen Singer, AP**

HARTFORD, Conn. – Revenue at U.S. casinos jumped more than 6 percent in 2012, the first significant increase in three years as economic growth picked up speed and more casinos opened in several markets.

But revenue generated by Indian casinos rose less than 2 percent the same year, Casino City’s North American Gaming Almanac found. Growth is limited due to regulations restricting tribal casino expansion beyond reservations and differences between tribes over how best to expand, said Vin Narayanan, editor in-chief of Casino City.

“There’s a giant political question about that,” he said.

Total gambling revenue in 2012 was $94.47 billion, with the largest share, $40.38 billion, from casinos and card rooms. Tribal casinos generated $28.14 billion followed by lotteries ($23.41 billion) and racing and sports gambling ($2.55 billion) in 2012.

Casino revenue grew by a fraction of 1 percent in 2011 and 2010 and fell nearly 6 percent in 2009 as the steepest economic downturn since the Depression took hold.

Year-to-year revenue changes are vastly different from one state to another. In Ohio, for example, total gambling revenue jumped by one-third from 2011 to 2012 as casino gambling ramped up.

But in New Jersey, seventh largest among the states in overall gambling revenue in 2012, casino revenue fell from $3.69 billion in 2009 to $2.71 billion in 2012 as three Atlantic City casinos shut. Nevada, California and New York are the top three states in casino revenue.

Narayanan said saturation is the culprit for the decline of Atlantic City’s casinos, but it’s not an issue elsewhere.

“Are there too many casinos in the market? As far as Atlantic City is concerned, there are too many casinos on the market,” he said.

But casinos opening in Ohio are satisfying “pent-up demand,” he said.

Similarly, the legalization of casino gambling in Maryland in 2008 and the opening of the state’s first casino in 2010 generated tremendous revenue. Casino and card room revenue increased from $27.6 million in 2010 to $377.8 million in 2012. Total gambling revenue jumped to $1.15 billion in 2012 from $760.6 million in the same period.

“Maryland is a place that’s just taking off,” Narayanan said.

The opening of casinos in Massachusetts in the next few years is expected to lead to a significant new source of revenue, possibly at the expense of neighboring Connecticut’s Mohegan Sun and Foxwoods Resort casinos.

Narayanan questioned if gamblers who check out a Massachusetts casino will still be comfortable traveling to Connecticut’s tribal casinos.

“That’s a real good question,” he said.