

KANSAS RACING AND GAMING COMMISSION

MINUTES – SEPTEMBER 10, 2010

- CALL TO ORDER:
(A.)
- Chair Sader called the September 10, 2010, meeting to order at 10:10 am at 700 SW Harrison, Auditorium A, Suite 450, Topeka, Kansas. Commissioners Sader, Braun, Falstad were present at the meeting. Commissioners McKechnie and Schwan participated by phone. Others present included Interim Executive Director Patrick Martin; Deputy Director of Security Don Brownlee; Deputy Director of Audit/Electronic Security Charles LaBoy; Deputy Director of Administration Don Cawby; Director of Communications/Responsible Gaming Mike Deines; Recording Secretary Linda Pendarvis and other staff.
- MOTION, APPROVE
AMENDED AGENDA:
(B.)
- Commissioner Braun (Falstad) moved to approve the amended agenda as submitted. Motion passed unanimously.
- MOTION, APPROVE
AUGUST 13, 2010,
MEETING MINUTES:
(C.)
- Commissioner Falstad (Braun) moved to approve the minutes of the August 13, 2010, commission meeting as submitted. Motion passed unanimously.
- MOTION, APPROVE
CONSENT AGENDA:
(D.)
- Commissioner McKechnie (Falstad) moved to approve the consent agenda as submitted. Motion passed unanimously.
- KANSAS LOTTERY
COMMISSION REPORT:
(E.)
- The commission heard Keith Kocher, director of gaming facilities for the Kansas Lottery, report on the current status of casinos:
- Construction on the Hollywood Casino in Kansas City, Kansas continues.
 - The financial results from the Boot Hill Casino and Resort are good.
 - On Wednesday, September 8, the three applicants in the Southwest Zone were scheduled to give their presentations to the Lottery Board. Harrah's withdrew their application prior to the presentation. Two applicants remain – Global Gaming, which is proposing a facility near Wellington; and Peninsula, which is proposing a facility at the Mulvane turnpike exit.
- LOTTERY GAMING
FACILITY
REPORTS/ITEMS:
(F.1.)
- Clint Patty, outside legal counsel for Butler National Service Corporation, d.b.a. Boot Hill Casino and Resort, introduced Mark Kashuda, general manager at the casino, who gave Boot Hill's report:
- Mr. Kashuda outlined his background in the casino industry.
 - He emphasized the difficulty of predicting revenues in a new market. It is obvious that the agricultural business has an effect on the market. His experience has been that there is

always a dip in business during the month of June. The main difference in revenue between July and August was in table games.

- Construction on the hotel and convention center is anticipated to begin in November with completion scheduled for 4th quarter 2011.

LOTTERY GAMING
FACILITY
REPORTS/ITEMS:
(F.2.)

Jeff Boerger, president of Kansas Speedway Development Corporation, reported on the Hollywood Casino at the Kansas Speedway.

- Construction progress is good and, in spite of some recent rain delays, they are still on schedule to meet their deadline for the first half of 2012. Road and utility construction is currently in progress.
- He distributed the monthly construction report from Turner Construction.

DISCUSSION, 2011-2012
BUDGET:
(G.1.)

The commission heard Mr. Cawby discuss the 2011-2012 budget. The revised KRGC FY 2011 budget is just under \$4.5 million from gaming funds and 49.5 FTE positions. The revised budget is a reduction of approximately \$4.3 million from the approved 2011 budget. Jamie Nickoley of the State Gaming Agency reported briefly on the tribal gaming budget.

MOTION, 2011-2012
BUDGET:
(G.1.)

Commissioner Falstad (Braun) moved for approval of the proposed budget, subject to technical changes that might be required when entering the budget into the state budget system. Motion passed unanimously.

PUBLIC COMMENTS:
(H.)

Chair Sader called for public comments. There were none.

STAFF REPORT, MARTIN:
(I.1.)

The commission heard a staff report from Mr. Martin:

- Mr. Martin mentioned that Cheryl Dolejsi, Program Specialist, was recently recognized by Governor Parkinson for 40 years of state service.
- He presented and discussed the quarterly report on out-of-state travel, in keeping with the commission's policy.
- He presented and discussed a quarterly report outlining the casino licensing status.

STAFF REPORT, DEINES:
(I.2.)

The commission heard a staff report from Mr. Deines:

- Eleven people are now on the problem gambling self-exclusion list with one more currently pending.
- During the month of August, 27 people received help on the Problem Gambling Help Line.
- There were 401 visitors to the Problem Gambling website –

nearly 100 more than in previous months.

- Training and informational sessions will soon be starting in the Kansas City, KS, and Wichita areas similar to the ones held in Dodge City prior to the opening of the casino there.
- SRS has formed a Problem Gambling and Addictions Fund Advisory Committee. Mr. Deines will be representing the Problem Gambling Alliance and the KRGC on the committee.
- It is expected that the new KRGC website will be available within the next 10 days to two weeks.

STAFF REPORT, CAWBY:
(I.3.)

The commission heard a staff report from Mr. Cawby.

- Pertaining to conflicts that have arisen with the February and April 2011 commission meeting dates, those dates were changed:
 - The February 11 meeting has been changed to February 17.
 - The April 15 meeting has been changed to April 21.

MOTION, EXECUTIVE
SESSION:
(J.1.)

Commissioner Schwan (McKechnie) moved that the commission take a 5-minute break followed by an executive session for a period of 15 minutes from 11:45 am to 12:00 pm for the purpose of attorney client communication. Those included in the executive session were the commission and Mr. Martin. No action is to be taken in executive session and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as a part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. Motion passed unanimously.

RECONVENE:

The commission meeting reconvened at 12:02 pm with all members present as previously noted.

MOTION, EXECUTIVE
SESSION:
(J.2.)

Commissioner Braun (Falstad) moved that the commission adjourn into executive session for a period of 30 minutes from 12:05 pm until 12:35 pm for the purpose of considering confidential background reports. Those included in the executive session were the commission, Mr. Martin, and security staff. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as a part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. Motion passed unanimously.

McKECHNIE AND
SCHWAN EXIT
TELECONFERENCE

Commissioners McKechnie and Schwan exited the teleconference at 12:05 pm.

RECONVENE: The commission meeting reconvened at 12:38 pm with all remaining members present.

MOTION, APPROVE
BACKGROUND REPORTS:
(K.1.b.) Commissioner Braun (Falstad) moved to approve the backgrounds for:

- a. KRGC Enforcement Agent applicants:
 - i. Daniel Konrade Level 1
 - ii. Anthony Webb Level 1

Motion passed unanimously.

MOTION, APPROVE
LICENSES:
(K.) Commissioner Braun (Falstad) moved to approve the following backgrounds, certificates or licenses:

- a. Turner Construction Company Corporate Due Diligence Investigation
 - i. James Delaney Level 3
 - ii. Ronald Mallare Level 3
 - iii. Paul Neidlein Level 3
 - iv. Bernard Newton Level 3
 - v. John Rogoz Level 3
 - vi. Jeffrey Werthman Level 3
- b. GTECH/Spielo employees:
 - i. Kevin Carey Level 2
 - ii. Robert Maina Level 2
 - iii. Shane Miles Level 2
 - iv. Daniel Navarro Level 2
 - v. Ian Stewart Level 2
- c. Boot Hill Casino and Resort employees:
 - i. Calderon, Araceli Level 2
 - ii. Copeland Jr., Allen Level 2
 - iii. Durr, Amy Level 2
 - iv. Furr, Joshua Level 2
 - v. Galindo, Belen Level 2
 - vi. Garcia, Cesar Level 2
 - vii. Glenn, Krystal Level 2
 - viii. Huff, Lori Level 2
 - ix. McPhail, Valerie Level 2
 - x. Collins, Katie Level 3
 - xi. Robles, Manuel Level 3

Motion passed unanimously.

MOTION, DENY
LICENSES:
(K.)

Commissioner Braun (Falstad) moved to deny the following:

- a. Boot Hill Casino and Resort employees:
 - i. Aguilar-Batista, Daniel Level 2
 - ii. Hames, Eleanor Level 2
 - iii. Tran, Sunny Level 2

Motion passed unanimously.

ADJOURN:

Commissioner Braun (Falstad) moved to adjourn at 12:40 pm.
Motion passed unanimously.

SUBMITTED BY:

(Signature on File)

William Falstad
Secretary

APPROVED BY:

(Signature on File)

Carol H. Sader
Chair



Kansas Racing and Gaming Commission
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Lottery Facility Game Approvals and Revocations

September 10, 2010

Recommended for Approval					
	Manufacturer	File Number	ID Number	Version	Game Name
1	ARISTOCRAT	MO-22-ARI-10-53	PSA-66-ST2RU	GUR001115	N/A
2	BLY	MO-73-BLY-10-05	20620C		Mighty Galleons - The Victory
3	IGT	SY-22-IGT-09-29	CS000257 BOOT 1	SPC Boot 1.03	N/A
4	IGT	SY-22-IGT-09-29	CS000258	SPC 1.03	N/A
5	IGT	SY-22-IGT-09-29	CS000257 BOOT 2	SPC Boot 1.03	N/A
6	IGT	SY-15-IGT-10-01	96499804	N/A	N/A
7	IGT	MO-22-IGT-10-80	BFB00004	AVP	MEGAJACKPOTS WHEEL OF FORTUNE SECRET SPINS MULTIPLAY
8	IGT	MO-22-IGT-10-134	GI014-002DN5-0001	AVP INSTALL	THE JOKER'S WILD VACATIONS MLP
9	IGT	MO-22-IGT-10-134	GAME014-002DN5-001	AVP GAME PKG	THE JOKER'S WILD VACATIONS MLP
10	IGT	MO-22-IGT-10-168	BFDB006E	N/A	N/A
11	IGT	MO-22-IGT-10-168	HARDWARE	N/A	N/A
12	IGT	MO-73-IGT-10-33	M6048F 2.16 198 2.11	2.16/2.11	MEI SC66 BILL VALIDATOR FIRMWARE
13	IGT	MO-22-IGT-10-184	GUN0010025	N/A	Future Logic GEN2 Universal Netplex Printer
14	IGT	MO-22-IGT-10-165	GT014-004-00101-07	AVP INSTALL	N/A
15	KONAMI GAMING INC.	MO-07-KON-10-21	PLAF121G28	Platform Chip	N/A
16	KONAMI GAMING INC.	MO-07-KON-10-21	PLAF121G28	Platform Chip	N/A
17	KONAMI GAMING INC.	MO-07-KON-10-21	PLAF121G28	Platform Chip	N/A
18	KONAMI GAMING INC.	MO-73-KON-10-28	PLAV121G18	PLATFORM CHIP	N/A
19	KONAMI GAMING INC.	MO-73-KON-10-28	PLAV121G18	PLATFORM CHIP	N/A
20	KONAMI GAMING INC.	MO-73-KON-10-28	PLAV121G18	PLATFORM CHIP	N/A
21	PROGRESSIVE GAMES	SY-73-PGI-07-05	HARDWARE	CL00401107	N/A
22	PROGRESSIVE GAMES	SY-73-PGI-08-02	CS000185	v7.05	N/A
23	PROGRESSIVE GAMES	SY-73-PGI-08-02	CS000186	v7.22	N/A
24	PROGRESSIVE GAMES	SY-73-PGI-07-06	CS000187	v7.30	N/A
25	PROGRESSIVE GAMES	SY-56-PGI-07-02	HARDWARE	CL34103326	N/A
26	PROGRESSIVE GAMES	SY-56-PGI-07-02	HARDWARE	CL34103325	N/A
27	WMS	MO-22-WMS-07-83	HARDWARE	P/N KIT-018395-01- **	N/A
28	WMS	MO-22-WMS-07-83	HARDWARE	P/N A-017696-01- **	N/A
29	WMS	MO-22-WMS-09-70	SCLR-MOS-1000	1000/H9.23	RAM CLEAR
30	WMS	MO-22-WMS-09-206	SCLR-CGC-1020	1020/H13.11	RAM CLEAR

	Manufacturer	File Number	ID Number	Version	Game Name
31	WMS	MO-22-WMS-10-87	DD91-000-1010C2	1010/H13.10	SPINNING STREAK - BAMBOOZLED
32	WMS	MO-22-WMS-10-102	DD48-000-1010C0	1010/H13.20	MERMAIDS GOLD PHARAOHS PYRAMID
33	WMS	MO-22-WMS-10-103	DD58-000-1010C0	1010/H13.20	EXTRA EXTRA LUCK DIAMONDS OF DUBLIN
34	WMS	MO-22-WMS-10-106	DD57-000-1010C0	1010/13.20	EXTRA EXTRA LUCK - WILD WILD SAFARI
35	WMS	MO-22-WMS-10-107	DD47-000-1010C0	1010/H13.20	MERMAID'S GOLD - TRIPLE GOLDEN CHERRIES
36	WMS	MO-22-WMS-10-108	DD49-000-1010C0	1010/H13.20	MERMAID'S GOLD - TRIPLE LUXURY
37	WMS	MO-22-WMS-10-111	DD55-000-1010C0	1010/H13.20	EXTRA EXTRA LUCK - TRIPLE LUXURY
38	WMS	MO-22-WMS-10-119	SSSG-000-1670	1670/H13.21	OPERATING SYSTEM SOFTWARE
39	WMS	MO-22-WMS-10-121	DD80-000-1020C0	1020/H13.20	WIN IT AGAIN: I LOVE LUCY
40	WMS	MO-286-WMS-10-01	SJUR-000141-112	1.12	N/A
41	WMS	MO-22-WMS-10-122	SM09-2PC-1010	1010/HP1.09	Big Money Spin WMS M
42	WMS	MO-22-WMS-10-145	SC62-000-1050	1050/H13.20	Monopoly Bigger Even
43	WMS	MO-22-WMS-10-146	SC61-000-1040	1040/H13.20	Monopoly Bigger Even
44	WMS	MO-22-WMS-10-70	SD73-000-1010	1010 H13.20	Big Money Spin
45	WMS	MO-22-WMS-10-120	DD10-000-1020C0	1020/H13.20	Win It Again:All Th
46	WMS	MO-22-WMS-10-110	DD53-000-1010C0	1010/H13.20	Extra Extra Luck-T

Recommend Revocation

	Manufacturer	File Number	ID Number	Version	Game Name
1	ARI	MO-22-ARI-08-66	66B250032232	V2.50/V2.32	Replace by 31 October 2010
2	ARI	MO-22-ARI-08-69	66B160032232_AXC	V1.60/V2.32	Replace by 31 October 2010
3	BAL	MO-22-BAL-08-12	66B250138200	V2.50/V2.00	Replace by 31 October 2010
4	IGT	MO-22-IGT-08-189	M604F2.130322.32	V2.13/V2.32	Replace by 31 October 2010
5	IGT	MO-22-IGT-09-61	M6028F2.200322.32	2.20/2.32	Replace by 31 October 2010
6	IGT	MO-22-IGT-09-251	M6048F2.151382.02	2.15/2.02	Replace by 31 October 2010
7	IGT	MO-22-IGT-09-273	M6028F2.251382.02	2.25/2.02	Replace by 31 October 2010
8	IGT	MO-22-IGT-10-41	M6048F2.151982.03	2.15/2.03	Replace by 31 October 2010
9	IGT	MO-22-IGT-10-32	M6028F2.251982.03	2.25/2/03	Replace by 31 October 2010
10	KON	MO-22-KON-08-07	66B240032231	V2.40/V2.31	Replace by 31 October 2010
11	WMS	MO-35-WMS-07-01	66BE110032210	1.10/2.10	Replace by 31 October 2010
12	WMS	MO-22-WMS-08-72	66B170032232_WMS	V1.70/V2.32	Replace by 31 October 2010
13	WEM	MO-10-WEM-07-01	66B170032210	V1.70/V2.10	Replace by 31 October 2010
14	WEM	MO-10-WEM-08-01	66B250032232	V2.50/V2.32	Replace by 31 October 2010