

## KANSAS RACING AND GAMING COMMISSION

### MINUTES – APRIL 6, 2011

CALL TO ORDER:  
(A.)

Chair Falstad called the April 6, 2011, meeting to order at 10:00 am at the Dodge City Public Library, 1001 North 2<sup>nd</sup> Avenue, Dodge City, Kansas. Commissioners Falstad, Braun, McKinney, Shadwick, and Shultz were present at the meeting. Others present included Interim Executive Director Neysa Thomas; Assistant Attorney General Patrick Martin; Director of Security Don Brownlee; Director of Administration Don Cawby; Recording Secretary Linda Pendarvis and other staff.

MOTION, APPROVE  
AGENDA:  
(B.)

Commissioner Braun (Shultz) moved to approve the agenda as presented. Motion passed unanimously.

MOTION, APPROVE  
MARCH 11, 2011, MEETING  
MINUTES:  
(C.)

Commissioner Braun (Falstad) moved to approve the minutes of the March 11, 2011, commission meeting as presented. Motion passed unanimously.

MOTION, APPROVE  
CONSENT AGENDA:  
(D.)

Commissioner Shultz (Shadwick) moved to approve the consent agenda as presented. 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.

LOTTERY GAMING  
FACILITY REPORTS/ITEMS:  
(F.1.)

Mark Kashuda, general manager of the Boot Hill Casino and Resort (BHCR), appeared for BHCR and reported that:

- BHCR's key staff members were present.
- The casino's total revenue surpassed \$4 million during March 2011, which represents an approximate 12% increase over last year's first quarter.
- Visitation numbers were down about 5%, but wins per customer were up about 18% during March.
- 20% of the total visitors during March ate in the casino's restaurants, which is an approximate 45% increase over last year.
- On responsible gambling and during the month of March, 157 minors were turned away at the door, along with 377 people who had either no ID or an invalid ID. About 75 people were removed for intoxication.
- Attendance at the casino has increased since the events center opened.
- Clark Stewart, president of Butler National Service Corp., announced that a Hampton Inn will be constructed next to the casino.

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

Given that the commission met in Dodge City, Keith Kocher distributed copies of the Hollywood Casino's written report.

LOTTERY GAMING  
FACILITY REPORTS/ITEMS:  
(F.3.)

Scott Cooper, general manager for the Kansas Star Casino:

- Distributed the monthly report from Turner Construction and reported that construction continues on or ahead of schedule.
- Introduced key personnel from the Kansas Star.
- Reported that the casino has received more than 3,500 employment applications to date, and that 336 vendors have registered.
- Reported that the casino has awarded 13 construction contracts, 10 of which are Kansas vendors.

PROBLEM GAMBLING  
REPORT:  
(G.1.)

Carol Spiker, Responsible Gambling Coordinator, introduced Deborah Snapp, Executive Director of Dodge City Catholic Social Services, and Cindy Jacobs, Licensed Professional Counselor from the Dodge City Area Mental Health Center. Ms. Snapp and Ms. Jacobs discussed the impact of casino gambling in Southwest Kansas and reported on community access to funds from the 2% Problem Gambling and Addictions Grant Fund.

QUARTERLY TRAVEL  
REPORT:  
(G.2.)

Ms. Thomas presented the quarterly travel report on the staff's out-of-state travel for the second and third quarters of the fiscal year.

QUARTERLY ILLEGAL  
GAMBLING REPORT:  
(G.3.)

Mr. Martin presented the quarterly illegal gambling report for the past two quarters.

DISCUSSION, PRE-  
LIMINARY APPROVAL OF  
KRGK GAMING  
REGULATION  
AMENDMENTS:  
(G.4.)

Mr. Martin presented the following regulations for amendments and asked that they be preliminarily approved:

- a. K.S.A. 112-100-2 – Duty to disclose material and complete information
- b. K.S.A. 112-101-8 – Certificate renewal
- c. K.S.A. 112-102-10 – Certificate renewal application
- d. K.S.A. 112-103-11 – License renewal

MOTION, PRELIMINARY  
APPROVAL OF KRGK  
GAMING REGULATIONS:  
(G.4.)

Commissioner Shadwick (Shultz) moved for preliminary approval of the regulations. Motion passed unanimously.

PUBLIC COMMENTS:  
(H.)

Chair Falstad called for public comments and the following people spoke:

- Jerry Johnson, on behalf of the Kansas Horsemen's Association.
- Ken Strobel, City Manager of Dodge City.

STAFF REPORT, INTERIM  
EXECUTIVE DIRECTOR:  
(I.1.)

Ms. Thomas had no staff report for this meeting but gave her time to Mr. Brownlee who introduced members of the commission's security staff stationed in Dodge City.

STAFF REPORT,  
RESPONSIBLE GAMBLING  
COORDINATOR:  
(I.2.)

The commission heard Ms. Spiker give the responsible gambling report, and she gave packets of the state's responsible gambling resource materials to the new commissioners. Ms. Spiker reported that thirty-two individuals have voluntarily excluded themselves from the state's casinos.

STAFF REPORT, DIRECTOR  
OF ADMINISTRATION:  
(I.3.)

The commission heard Mr. Cawby discuss the commission meeting calendar. He also reviewed the current budget situation.

MOTION, EXECUTIVE  
SESSION:  
(J.)

Commissioner Braun (Shultz) moved that the commission adjourn into executive session for a period of 45 minutes, from 11:50 am until 12:35 pm, for the purpose of reviewing confidential background reports, preceded by a five-minute break. Those included in the executive session were the commission, Ms. Thomas, Mr. Martin, Mr. Brownlee, 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.

RECONVENE:

The commission meeting reconvened at 12:40 pm with all members present as previously noted.

MOTION, APPROVE  
LICENSES:  
(K.)

Commissioner Braun (Shultz) moved to approve the following backgrounds, certificates or license applications:

a. Boot Hill Casino and Resort employee license *renewals*:

- |                       |         |
|-----------------------|---------|
| i. Michelle Stephens  | Level 1 |
| ii. Marta Argueta     | Level 2 |
| iii. Tanya Bieber     | Level 2 |
| iv. Wesley Mahieu     | Level 2 |
| v. Chandra Maple      | Level 2 |
| vi. Jimmy Parks       | Level 2 |
| vii. Michelet Paul    | Level 2 |
| viii. John Powell     | Level 2 |
| ix. Eric Randle       | Level 2 |
| x. Joan Rupp          | Level 2 |
| xi. Yvonne Sauer      | Level 2 |
| xii. Jennifer Tindall | Level 2 |
| xiii. Maria Leachman  | Level 3 |
| xiv. Jeffrey Thorpe   | Level 3 |

b. GTECH employee license *renewals*:

- |                        |         |
|------------------------|---------|
| i. Jeffrey Myers       | Level 2 |
| ii. Jeffrey Skinner    | Level 2 |
| iii. Algis Valanciunas | Level 2 |

c. Western Beverage employee license *renewal*:

- |                 |         |
|-----------------|---------|
| i. Steven McGee | Level 2 |
|-----------------|---------|

d. KRGK employee background:

- |                     |         |
|---------------------|---------|
| i. Christene Finger | Level 1 |
|---------------------|---------|

e. Shuffle Master employee license:

- |                   |         |
|-------------------|---------|
| i. Kathryn Morris | Level 1 |
|-------------------|---------|

- f. Western Money employee licenses:
  - i. Robert Khan Level 3
  - ii. Kyle King Level 3
  - iii. Francisco Perez-Cuevas Level 3
- g. VSR Industries employee license:
  - i. Edison Gutierrez Level 3
- h. WMS Gaming employee license:
  - i. David Heilhecker Level 3
- i. Aristocrat employee licenses:
  - i. Jarrod McMichael Level 2
  - ii. Jason Morgan Level 2
- j. Konami employee licenses:
  - i. Todd Vieth Level 2
  - ii. Dale Russell Level 3
- k. GTECH/Spielo employee license:
  - i. Nick Fillion Level 2
- l. Bally Technologies employee licenses:
  - i. John Allen Level 3
  - ii. Andre Dinardo Level 3
  - iii. John Mason Level 3
- m. Boot Hill Casino and Resort employee licenses:
  - i. Gregory Addison Level 2
  - ii. Robert Bridle Level 2
  - iii. Melissa Caskey Level 2
  - iv. John Chambers Level 2
  - v. Timothy Facklam, Jr. Level 2
  - vi. Willard Grove Level 2
  - vii. Brenda Hernandez Level 2
  - viii. Jerry Maphixat Level 2
  - ix. Tuyethong Nguyen Level 2
  - x. Jerry Rakes Level 2
  - xi. Maria Sanchez-DeReyes Level 2
  - xii. Theresa Settle Level 2
  - xiii. Lance Stone Level 2
  - xiv. Lorie Valles Level 2
  - xv. Tamara Alvarez Level 3
  - xvi. William Beatriz Level 3
  - xvii. Maritza Flores Level 3
  - xviii. Alejandra Landeros-DeCruz Level 3
  - xix. Maria Marino Level 3
  - xx. Adrian Ortiz-Cervantes Level 3
  - xxi. Maria Perez Level 3
  - xxii. Liboria Soto Level 3

- |        |                  |         |
|--------|------------------|---------|
| xxiii. | Andrea Stegman   | Level 3 |
| xxiv.  | Rafael Torrez    | Level 3 |
| xxv.   | Adan Umana-Lemus | Level 3 |
| xxvi.  | Margarita Valles | Level 3 |

Motion passed unanimously.

MOTION, DENY LICENSE:  
(K.)

Commissioner Braun (Shadwick) moved to deny the license applications of:

- m. Boot Hill Casino and Resort employees:
- |      |                    |         |
|------|--------------------|---------|
| i.   | Brian Alarcon      | Level 2 |
| ii.  | Sonthsada Marshall | Level 2 |
| iii. | Phet Munehaphom    | Level 2 |
| iv.  | Dustin Niles       | Level 2 |
| v.   | Joshua Schroth     | Level 2 |
| vi.  | Cynthia Siriphone  | Level 3 |

Motion passed unanimously.

ELECTION OF OFFICERS:  
(L.)

Commissioner Shadwick (Braun) moved to appoint Commissioner Tim Shultz as commission secretary. Motion passed unanimously.

ADJOURN:

Commissioner Braun (Shadwick) moved to adjourn at 12:44 pm. Motion passed unanimously.

SUBMITTED BY:

*(Signature on File)*

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Timothy A. Shultz  
Secretary

APPROVED BY:

*(Signature on File)*

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William Falstad  
Chair