

KANSAS RACING AND GAMING COMMISSION

MINUTES – JANUARY 13, 2012

CALL TO ORDER:
(A.)

Chair Falstad called the January 13, 2012, meeting to order at 10:00 am at the Media Center of the Kansas Speedway, Kansas City, KS. Commissioners Falstad, Braun, Shultz, Shadwick, and McKinney were present at the meeting. Others present included Executive Director Richard Petersen-Klein; Director of Security Don Brownlee; General Counsel Judith Taylor; Director of Administration/Finance Kathy Lewis; Director of Information Technology Bill Smith; 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
DECEMBER 12, 2011,
MEETING MINUTES:
(C.)

Commissioner Braun (McKinney) moved to approve the minutes of the December 12, 2011, commission meeting as presented. Motion passed unanimously.

MOTION, APPROVE
CONSENT AGENDA:
(D.)

Commissioner Shultz (Shadwick) moved to approve the consent agenda as submitted. Motion passed unanimously.

LOTTERY GAMING
FACILITY REPORTS/ITEMS
HOLLYWOOD CASINO:
(E.2.)

Bob Sheldon, General Manager for the Hollywood Casino at the Kansas Speedway, reported that:

- Staffing continues to go well.
- Construction progress:
 - All audiovisual equipment is installed.
 - The 50-foot exterior pylon sign is up and working.
 - All TV's have been installed in the sports bar.
 - Main entry doors including revolving doors have been installed.
 - Carpeting has been installed.
 - Most of the restaurant furnishings are in place.

LOTTERY GAMING
FACILITY REPORTS/ITEMS
BOOT HILL CASINO AND
RESORT:
(E.1.)

Sharon Stroburg, General Manager of the Boot Hill Casino and Resort, reported that:

- Revenue for the month of December 2011 was up over last year by about 4%, but they missed budget by about 1%, which they are attributing to the snow storm that struck the Dodge City area. Fiscal year-to-date revenue remains up 13% over prior year and 4% over budget.
- She reported on the TIPS and Responsible Gaming Report. Responsible gaming training has recently been added in Spanish.
- As a follow-up, she reported that prior to opening, the emergency action plan was reviewed by the Kansas Emergency Management Agency, Ford County Emergency Medical, Ford County Sheriff, Dodge City Police and Fire Departments, and KRGC.

LOTTERY GAMING
FACILITY REPORTS/ITEMS
KANSAS STAR CASINO:
(E.3.)

Scott Cooper, General Manager for the Kansas Star Casino, reported that:

- The casino's opening was very successful. They anticipate that revenue will level off sometime in February.
- Starting on Monday, January 16, the casino will be open 24/7. Table games will have a shortened schedule during the week until more staff members have been added.
- They have seen an increasing amount of business coming from Oklahoma.

COMMISSION ITEMS:
(F.1. and 2.)

Items F.1. and F.2. were moved to an executive session later in the meeting.

PUBLIC COMMENTS:
(G.)

Chair Falstad called for public comments. There were none.

STAFF REPORT,
EXECUTIVE DIRECTOR:
(H.1.)

Mr. Petersen-Klein updated the commission on staff efforts pertaining to current and future projects.

- He expressed thanks to the Kansas Speedway for hosting the day's meeting.
- The February meeting will be on the 17th in Topeka.

STAFF REPORT, DIRECTOR
OF SECURITY:
(H.2.)

Mr. Brownlee introduced the KRGC staff that will be stationed at the Hollywood Casino.

STAFF REPORT,
RESPONSIBLE GAMBLING
COORDINATOR:
(H.3.)

The commission heard from Carol Spiker, responsible gambling coordinator, who reviewed the voluntary exclusion report.

MOTION, EXECUTIVE
SESSION TO CONSIDER
HOLLYWOOD CASINO'S
RESPONSIBLE GAMBLING,
INTERNAL CONTROL,
SECURITY AND
SURVEILLANCE PLANS:
(I.1.)

Commissioner Braun (Shultz) moved that the commission go into a 1-hour executive session from 10:45 am to 11:45 am for the purpose of reviewing and discussing Hollywood Casino's Responsible Gambling, Internal Control, Security, and Surveillance Plans and receiving other confidential data in an effort to protect the financial affairs, security, and other trade secrets of the applicant, Hollywood Casino. Those included in the executive session were the five commissioners; executive director; general counsel; and as needed the commission's responsible gambling coordinator; director of administration, finance, and audit; and director of security. Personnel from the applicant may also be included if it is determined that they are necessary to aid the commission's understanding of confidential information. 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 meeting reconvened at 11:45 am.

MOTION, APPROVE
HOLLYWOOD CASINO'S
RESPONSIBLE GAMBLING,
INTERNAL CONTROLS,
SECURITY, AND
SURVEILLANCE PLANS:
(I.1.)

Commissioner Shadwick (Shultz) moved to approve the Hollywood Casino's Responsible Gambling Plan, Internal Control, Security, and Surveillance plans including staff-approved waivers contingent upon the facility manager addressing any areas of non-compliance with the executive director prior to opening to the general public. Motion passed unanimously.

EXECUTIVE SESSION TO
CONSIDER HOLLYWOOD
CASINO'S CONDITIONAL
CERTIFICATION AND
FACILITY INSPECTION:
(I.2.)

Commissioner Braun (Shultz) moved to recess into executive session for a period of 2 hours, from 12:00 pm until 2:00 pm, for the purpose of discussing and inspecting security and surveillance measures including transporting to the Hollywood Casino's facility for a physical inspection of the facility related to the security and surveillance measures and receiving confidential security and surveillance information. Included in the executive session were the commissioners; executive director; general counsel; director of security and security staff; director of IT and electronic security; director of administration, finance, and audit; Hollywood Casino's general manager, assistant general manager, and compliance manager; Penn National Gaming's senior vice president of regional operations; and the Kansas Speedway's president. Additional personnel from the applicant may also be requested if it is discovered they are necessary to aid the commission's understanding of the confidential security and surveillance measures and information. Motion passed unanimously.

RECONVENE:

The commission meeting reconvened at 2:00 pm with all members present as previously noted.

MOTION, TO
CONDITIONALLY CERTIFY
HOLLYWOOD CASINO:
(I.2.)

Commissioner Braun (Shadwick) moved to conditionally certify the Hollywood Casino as set forth in the certification order. Motion passed unanimously.

MOTION, EXECUTIVE
SESSION TO REVIEW
BACKGROUND REPORTS:
(I.3.)

Commissioner Shultz (Braun) moved that the commission go into executive session for a period of 1 hour and 30 minutes from 2:00 pm until 3:30 pm for the purpose of reviewing confidential background reports and personnel. Those included in the executive session were the commissioners, executive director, general counsel and director of security. 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 3:30 pm with all members present as previously noted.

MOTION, APPROVE
LICENSES:
(J.-K.)

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

- Carla Marrufo
- Crystal Collett
- Aaron Adkins
- Travis Haun
- Robert Spiegel
- Nicole Thomas
- Winn Wineinger

Motion passed unanimously.

Commissioner Braun (McKinney) moved to:
Approve conditionally the licenses of:

- Lawrence Gibson
- Tracy Kirkland
- Cheryl Knight

pending those individuals filing past due income tax returns and/or making payment arrangements to the satisfaction of the executive director.

Commissioner Braun (McKinney) moved to:
approve all other license applications as set out on the agenda presented today:

a. KRGC New Employee Applications:

i. Christi Tiede, Part-time Licensing Officer, Dodge City

b. Boot Hill Casino and Resort employee licenses

- | | | |
|-------|------------------|----------------------------|
| i. | Doris Donovan | Level 1 |
| ii. | Jeromy Bratton | Level 2 |
| iii. | Spencer Carney | Level 2 |
| iv. | Jaime Cervantez | Level 2 (<i>Renewal</i>) |
| v. | Stephanie Cook | Level 2 (<i>Renewal</i>) |
| vi. | Editha Cruse | Level 2 |
| vii. | Manuel Falcon II | Level 2 |
| viii. | Charlene Krueger | Level 2 |
| ix. | Manuel Lopez | Level 2 |
| x. | Kirk Mead | Level 2 |
| xi. | Amanda Nufer | Level 2 (<i>Renewal</i>) |
| xii. | Bradley Parker | Level 2 (<i>Renewal</i>) |
| xiii. | Barbara Perkins | Level 2 |
| xiv. | Deborah Rodda | Level 2 |
| xv. | Kayla Schriner | Level 2 (<i>Renewal</i>) |
| xvi. | Tina Coghill | Level 3 |
| xvii. | Renee Cosner | Level 3 |

xviii.	Maria Esquivel	Level 3	<i>(Renewal)</i>
xix.	Bradley Frost	Level 3	<i>(Renewal)</i>
xx.	Bertha Garcia	Level 3	
xxi.	Nancy Garcia	Level 3	
xxii.	Zoila Holeman	Level 3	
xxiii.	Gladys Ortega	Level 3	
xxiv.	Shiela Pineda	Level 3	
c. Hollywood Casino employee licenses			
i.	Richard Angalet, Jr.	Level 2	
ii.	Janice Barbosa	Level 2	
iii.	Bernard Barr	Level 2	
iv.	Fred Birkhofer	Level 2	
v.	James Childress	Level 2	
vi.	Robert Dake	Level 2	
vii.	Terry Ford	Level 2	
viii.	Kathy Gencauski	Level 2	
ix.	Sheriece Green	Level 2	
x.	Angelia Grimm	Level 2	
xi.	Andrew Hauser	Level 2	
xii.	Jerrold Hill	Level 2	
xiii.	Wesley Jones	Level 2	
xiv.	Amanda Knight	Level 2	
xv.	Crystal Lehman	Level 2	
xvi.	Brian McCrary	Level 2	
xvii.	Adam Mora	Level 2	
xviii.	Eric Olson	Level 2	
xix.	Adryan Overstreet	Level 2	
xx.	Amy Pearce	Level 2	
xxi.	Ronald Raney	Level 2	
xxii.	Deborah Schmidt	Level 2	
xxiii.	Phonethep Thanphirom	Level 2	
xxiv.	Jeffrey Theis	Level 2	
xxv.	James Willig	Level 2	
xxvi.	Kevin Wright	Level 2	
xxvii.	Teresa Wright	Level 2	
xxviii.	Whitney Abernathy	Level 3	
xxix.	Natalie Brannen	Level 3	
xxx.	Sarah Brook	Level 3	
xxxi.	Emma Copas	Level 3	
xxxii.	Linda Hunsley	Level 3	
xxxiii.	Micah Johnson	Level 3	

xxxiv.	Victor Luna	Level 3
xxxv.	John Prickett	Level 3
xxxvi.	Eric Shook	Level 3
xxxvii.	Bryan Skilling	Level 3
xxxviii.	Denise Snyder	Level 3
xxxix.	Ginny Wrightsman	Level 3
d.	Kansas Star Casino employee licenses	
i.	Travis Alexander	Level 2
ii.	William Allee	Level 2
iii.	Allison Bair	Level 2
iv.	Carter Bair	Level 2
v.	Carltonia Barber	Level 2
vi.	Brandy Beach	Level 2
vii.	Landon Blackburn	Level 2
viii.	Tracy Bohlman	Level 2
ix.	Ricky Coster	Level 2
x.	Michael Crow	Level 2
xi.	Ryan Dejmaj	Level 2
xii.	Amy Demoret	Level 2
xiii.	Gary Dewald	Level 2
xiv.	Blake Gordon	Level 2
xv.	Christi Gregory	Level 2
xvi.	Jonathon Kasperek	Level 2
xvii.	Jason Kelly	Level 2
xviii.	William Kenney	Level 2
xix.	William Kieffer	Level 2
xx.	Richard Light	Level 2
xxi.	Ronald Linenberger	Level 2
xxii.	Dina Marks	Level 2
xxiii.	Katherine Marsh	Level 2
xxiv.	Michael McCune	Level 2
xxv.	Katherine McDaniel	Level 2
xxvi.	Sherri Page	Level 2
xxvii.	Lyndsay Perrin	Level 2
xxviii.	Minh Phan	Level 2
xxix.	James Rafferty	Level 2
xxx.	Angel Simon	Level 2
xxxi.	Christy Stepanek	Level 2
xxxii.	Lori Stotts	Level 2
xxxiii.	Lance Varley	Level 2
xxxiv.	Dustin Wallace	Level 2

xxxv.	Carolyn Watkins	Level 2
xxxvi.	Donovan Weik	Level 2
xxxvii.	Robert Wells	Level 2
xxxviii.	Margaret Westerhaus	Level 2
xxxix.	Ryan Wiles	Level 2
xl.	Traci Asher	Level 3
xli.	David Barnes	Level 3
xlii.	Travis Brister	Level 3
xliii.	Misty Courson	Level 3
xliv.	Francis Domitrovich	Level 3
xlv.	Daniel Edgington	Level 3
xlvi.	Robin Foster	Level 3
xlvii.	Jerome Fremin	Level 3
xlviii.	Stefan Huba	Level 3
xlix.	Cheryll Knight	Level 3
l.	Candra Koch	Level 3
li.	Patsy Kolbe	Level 3
lii.	Staci Larsen	Level 3
liii.	Kim McDermott	Level 3
liv.	Nicholas Nelson	Level 3
lv.	Kathy Rogers	Level 3
lvi.	Catherine Rose	Level 3
lvii.	Denise Sorenson	Level 3
lviii.	April Smith	Level 3
lix.	Twila Welch	Level 3
lx.	Rilla Zabel	Level 3
e.	Bottling Group, LLC	Corporate Renewal
f.	Hydeman Company, Inc.	Corporate Renewal
g.	Advanced Gaming Associates employee licenses	
i.	Roland Dafejimue	Level 3
ii.	Michael McCorkle	Level 3
h.	Aristocrat Technologies, Inc. employee licenses	
i.	Deborah Goldstein	Level 3
ii.	Xiaoqiang Gong	Level 3
i.	Bally Technologies, Inc. employee licenses	
i.	Douglas Krause	Level 2
ii.	Brian LeMasters	Level 2
iii.	Michael Pickel	Level 2
iv.	Linda Rackover	Level 2
v.	Jeffrey Wiltshire	Level 2
j.	Global Cash Access employee licenses	

- i. Christopher Cannon Level 3
- ii. Brian Smith Level 3
- iii. Marcella Williams Level 3
- k. GTech/Spielo Manufacturing employee licenses
 - i. Curtis Fischer Level 2
 - ii. Robert Heptig Level 2 (*Renewal*)
 - iii. Andrea Smith Level 2
 - iv. Howard Warner Level 2 (*Renewal*)
 - v. Donald Whisler Level 2 (*Renewal*)
- l. JCM Global employee licenses
 - i. Odimayo Abayomi Level 2
 - ii. Frank Lockwood Level 2
 - iii. Joseph Nicol Level 2
- m. Southwest Distributing Co. employee license
 - i. Patrick Falcon Level 3 (*Renewal*)
- K. Reconsideration of backgrounds:
 - 1. Yesenia Rios-Carrillo Level 2
 - 2. George H. Walker Level 2

Motion passed unanimously.

ADJOURN:
(L.)

Commissioner Shultz (Braun) moved to adjourn at 3:35 pm. Motion passed unanimously.

SUBMITTED BY:

(Signature on File)

Timothy A. Shultz
Secretary

APPROVED BY:

(Signature on File)

William Falstad
Chair