

KANSAS RACING AND GAMING COMMISSION

MINUTES – MARCH 16, 2012

- CALL TO ORDER:
(A.) Chair Falstad called the March 16, 2012, meeting to order at 10:00 am at 700 SW Harrison, Auditorium A, Suite 450, Topeka, Kansas. Commissioners Falstad, Braun, Shultz, Shadwick, and McKinney were all present at the meeting. Others present included executive director Richard Petersen-Klein; director of security Don Brownlee; director of administration/finance Kathy Lewis; general counsel Judy Taylor; director of information technology Bill Smith; recording secretary Linda Pendarvis and other staff.
- AGENDA AMENDMENT:
(B.) Executive Director Richard Petersen-Klein requested the agenda be amended to include the addition of Paul Hahn, Problem Gambling Services Coordinator for SRS, under Item G., Commission Items.
- MOTION, APPROVE
AMENDED AGENDA:
(B.) Commissioner Braun (Shadwick) moved to approve the agenda as amended. Motion passed unanimously.
- MOTION, APPROVE
FEBRUARY 17, 2012,
MEETING MINUTES:
(C.) Commissioner Shadwick (Shultz) moved to approve the minutes of the February 17, 2012, commission meeting as presented. Motion passed unanimously.
- MOTION, APPROVE
CONSENT AGENDA:
(D.) Commissioner Shadwick (Braun) moved to approve the consent agenda as submitted. Motion passed unanimously.
- LOTTERY GAMING
FACILITY
REPORTS/ITEMS:
(E.1.) Sharon Stroburg, general manager of the Boot Hill Casino and Resort, reported that:
- The casino's actual monthly revenue for February 2012 exceeded budgeted revenue slightly, but was 8% above actual monthly revenue for February 2011.
 - The Hampton Inn adjacent to the casino had a soft opening on March 15, with the Grand Opening scheduled for April 4.
 - The casino expansion is proceeding with a five-table poker room and a high-limit slot room, both of which are projected to open on May 1. They will then begin to build out the back part of the casino, which will house an additional 216 slot machines. The pit configuration is being changed to accommodate four additional table games. The changes to the current gaming floor are expected to be complete before Memorial Day. The completion of the expansion area is projected for September 2012.

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

Wendy Runde, assistant general manager for the Kansas Star Casino, reported:

- Construction continues on schedule on both the casino and the hotel.
- For the month of February, slot revenue was up 2% and table game revenue was up 35% compared to January. The new poker room opened on February 29. The last week of February, just over 100 slot machines were added to the floor.
- The Kansas First vendor program continues to be very successful. To date, \$33.5 million in subcontractor contracts have been awarded, 98% of which have been awarded to Kansas vendors.

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

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

- Taxable gaming revenue for the month of February was just under \$15 million, with about 270,000 visitors through the facility.
- The casino currently employs about 1,015 people. Turnover has been less than might have been expected through the opening process.
- The first major NASCAR event of the season will be at the Speedway the weekend of April 20.

KANSAS LOTTERY
COMMISSION REPORT:
(F.)

The commission heard Keith Kocher, director of gaming facilities for the Kansas Lottery, comment on the current status of casinos.

PRESENTATION
DEPARTMENT OF SRS:
(G.)

The commission heard Paul Hahn, Problem Gambling Services Coordinator for SRS, discuss problem gambling budgets, expenditures, and treatments. He agreed to provide the commission with updates on a quarterly basis.

PUBLIC COMMENTS:
(H.)

Chair Falstad called for public comments. The commission heard:

- Jean Holthaus, President of the Kansas Coalition on Problem Gambling.
- Don Schmidt, Brookville, KS, speaking on his own behalf.

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

The commission heard from Carol Spiker, responsible gambling coordinator, who reviewed the voluntary exclusion report and addressed some of the current issues surrounding problem gambling.

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

Mr. Petersen-Klein updated the commission on staff activities:

- Most of the pending gaming legislation is still in committee.
- The budget has been approved by the House Appropriations

and the Senate Ways and Means Committees.

- H.B. 2775, a bill designed to be able to seize winnings from individuals who are behind in child support, is being worked on, but there are no projections on whether it will be acted upon during the current legislative session.
- The Lottery has requested that KRGC delay publishing the casinos' revenue reports until following the Lottery Commission meeting each month, at which time they will be posted on our website.

MOTION, EXECUTIVE
SESSION:
(J.1. and 2.)

Commissioner Shultz (Shadwick) moved that the commission go into executive session for the purpose of discussing personnel matters and then move immediately to an executive session to review confidential background reports and licensing. Those included in the executive session for personnel were the commissioners, executive director, and general counsel. Those included in the executive session for background reports and licensing were the commissioners, executive director, general counsel, director of security, and other security personnel. The total combined time for the executive sessions was 2 hours and 45 minutes, from 11:45 am until 2:30 pm. 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 2:30 pm with all members present as previously noted.

MOTION TO APPROVE
LICENSE APPLICATIONS
SUBJECT TO
CONDITIONS:
(K.)

Commissioner Shultz (Braun) moved for conditional approval of the license applications of:

- Lena Cole Level 3 (Renewal)
(A conditional 6-month license requiring proof that she has filed certain tax returns and set up plans to pay property and income taxes.)
- Tamhra Shelton Level 2
(A conditional 6-month license requiring proof that she has set up payments to satisfy a Federal tax lien.)
- Charles Weldon, Jr. Level 2 (Renewal)
(A conditional 6-month license requiring proof that he has set up plans to pay property and income taxes.)

Motion passed unanimously.

MOTION, DENY
LICENSES:
(K.)

Commissioner Shultz (Braun) moved to deny the licenses of:

- Cory Moote Level 2
- Derek Fields Level 2

- Tyler Kinney Level 2

Motion passed unanimously.

MOTION TO APPROVE
LICENSES:
(K.)

Commissioner Shultz (Braun) moved to approve all other license applications as follows:

1. Consideration of proposed gaming licenses and renewals
 - a. Aristocrat Technologies Corporate License
 - b. Service Central Corporate License (Renewal)
 - c. Western Beverage Corporate License (Renewal)
 - d. Davis-Moore Chevrolet Corporate License
 - e. Aristocrat Technologies employee *licenses*:
 - i. Margaret Blackman Level 3
 - ii. Sara Blair Level 3
 - f. Bally Technologies employee *licenses*:
 - i. Robert Liscio Level 3
 - ii. Carroll Rowland II Level 3
 - iii. Jonathan Wardworth Level 3
 - iv. Lynn Whitaker Level 3
 - g. GLI employee *license renewals*:
 - i. Steven Citro Level 3 (Renewal)
 - ii. Richard Labrocca Level 3 (Renewal)
 - h. International Gaming Technologies employee *licenses*:
 - i. Jay Lund Level 3
 - ii. David Scranton Level 3
 - iii. Phuong To Level 3
 - iv. Tim Wissing Level 3
 - i. NCR Corporation employee *license*:
 - i. Timothy Pogue Level 3
 - j. Shufflemaster employee *license*:
 - i. Daniel Swift Level 2
 - k. Southwest Distributing employee *license renewal*:
 - i. John Hamilton Level 3 (Renewal)
 - l. Spielo International employee *license*:
 - i. Mark Zerilli Level 2
 - m. Boot Hill Casino and Resort employee *licenses and renewals*:
 - i. Patricia Blackburn Level 2
 - ii. Quincy Donovan Level 2
 - iii. George Gillespie Level 2
 - iv. Kelly Harris Level 2
 - v. Pamela Hertel Level 2
 - vi. Tamera Isenbart Level 2
 - vii. Phetsamone Kevongkoth Level 2

viii.	DeAnn Koehn	Level 2	
ix.	Quoc Lam	Level 2	
x.	Heather Malcolm	Level 2	
xi.	Deborah Neier	Level 2	
xii.	Trenton Richmond	Level 2	
xiii.	Adrian Rivera	Level 2	
xiv.	Sandy Styles	Level 2	
xv.	Francisco Aguilar	Level 2	(Renewal)
xvi.	Scott Campbell	Level 2	(Renewal)
xvii.	Krystyl Glenn	Level 2	(Renewal)
xviii.	Jordan Hamilton	Level 2	(Renewal)
xix.	Dung Lai	Level 2	(Renewal)
xx.	Valarie McPhail	Level 2	(Renewal)
xxi.	Marian Reynolds	Level 2	(Renewal)
xxii.	Carlie Rouse	Level 2	(Renewal)
xxiii.	Sindy Lupercio	Level 3	
n.	Hollywood Casino at Kansas Speedway employee <i>licenses</i> :		
i.	Jesse Bess	Level 2	
ii.	Adam Clay	Level 2	
iii.	Janey Everhart	Level 2	
iv.	Chelsea George	Level 2	
v.	Brandon Gilliland	Level 2	
vi.	Zachariah Hammersmith	Level 2	
vii.	Claudiel Jean	Level 2	
viii.	Randy Kibbee	Level 2	
ix.	Kasey Knefelkamp	Level 2	
x.	Bradley Lewis	Level 2	
xi.	James Marbel	Level 2	
xii.	Loc Nguyen	Level 2	
xiii.	Janine Riley	Level 2	
xiv.	Loretta Stirling	Level 2	
xv.	Patricia Thomas	Level 2	
xvi.	Debra Wade	Level 2	
xvii.	James Ward	Level 2	
xviii.	Joseph Bobbett	Level 3	
xix.	William Hinton	Level 3	
xx.	Eugene Kelly	Level 3	
xxi.	Alicia Larson	Level 3	
xxii.	Tiffany Laytham	Level 3	
xxiii.	Brian Marshall	Level 3	
xxiv.	James Pennington	Level 3	
xxv.	Kabao Xiong	Level 3	

xxvi.	Jesse Zube	Level 3
o.	Kansas Star Casino employee <i>licenses</i> :	
i.	Troy Benne	Level 1
ii.	Diane Wilson	Level 1
iii.	Brian Adkins	Level 2
iv.	Merrill Andrews	Level 2
v.	Deborah Bennett	Level 2
vi.	Kari Bisping	Level 2
vii.	Shanesha Bowens	Level 2
viii.	Brian Cooper	Level 2
ix.	Candace Dave	Level 2
x.	Mark German	Level 2
xi.	Stephanie German	Level 2
xii.	Amy Gilbert	Level 2
xiii.	Chris Ha	Level 2
xiv.	Catherine Henkel	Level 2
xv.	Rex Hukle	Level 2
xvi.	Yolanda Jackson	Level 2
xvii.	Connie Kimple	Level 2
xviii.	Myva Le	Level 2
xix.	Matthew Lightner	Level 2
xx.	Andrew Lynch	Level 2
xxi.	Dustin Manternach	Level 2
xxii.	James Moore	Level 2
xxiii.	Lori Nelson	Level 2
xxiv.	Barry Nichel	Level 2
xxv.	Cindy Silberschlag	Level 2
xxvi.	Tawni Spencer	Level 2
xxvii.	Leslie Streit	Level 2
xxviii.	Anthony Taylor	Level 2
xxix.	Cynthia Tracy	Level 2
xxx.	Christopher Tyler	Level 2
xxxi.	Jo Vongsouthy	Level 2
xxxii.	Donna Walcher	Level 2
xxxiii.	Penny Wrich	Level 2
xxxiv.	Joshua Yeltman	Level 2
xxxv.	Shana Aikens	Level 3
xxxvi.	Lynzee Backus	Level 3
xxxvii.	Sarah Bowlby	Level 3
xxxviii.	Valerie Brown	Level 3
xxxix.	Jeffrey M. Davis	Level 3
xl.	Jeffrey T. Davis	Level 3

- xli. Megan Day Level 3
- xlii. Jacob Demott Level 3
- xliii. Linda Dow Level 3
- xliv. Coretta Fitzgerald Level 3
- xlv. Brandon Hewitt Level 3
- xlvi. Lillian Jones Level 3
- xlvii. Kim Lamar Level 3
- xlviii. Sarah Linden Level 3
- xlix. Marty Maiers Level 3
- 1. Jennifer Manyseng Level 3
- li. Rudy May Level 3
- lii. Colette Maybrier Level 3
- liii. Jordan Minnis Level 3
- liv. Traci Montgomery Level 3
- lv. Manoly Mounkhaty Level 3
- lvi. Miaja Myers Level 3
- lvii. Daniel Peirce Level 3
- lviii. Chyreise Saunders Level 3
- lix. Megan Schauf Level 3
- lx. Rebekah Schultz Level 3
- lxi. Beth Takes Level 3
- 2. Reconsideration of background:
 - i. Catherine Eismont Level 2

Motion passed unanimously.

ADJOURN:
(L.)

Commissioner Braun (Shultz) moved to adjourn at 2:33 pm. Motion passed unanimously.

SUBMITTED BY:

(Signature on File)

Timothy A. Shultz
Secretary

APPROVED BY:

(Signature on File)

William Falstad
Chair