

KANSAS RACING AND GAMING COMMISSION

MINUTES – NOVEMBER 16, 2012

CALL TO ORDER:
(A.)

Chairman Jay Shadwick called the November 16, 2012, meeting to order at 9:00 am at the City Commission Chambers of City Hall, 806 North 2nd Avenue in Dodge City, Kansas. In addition to Chairman Shadwick, Commissioners Timothy Shultz, Dennis McKinney, and R. Eileen King were present at the meeting. Others present included Executive Director Richard Petersen-Klein, Director of Security Don Brownlee; General Counsel Judith Taylor; recording secretaries Linda Pendarvis and Chris Vega.

MOTION, APPROVE
AGENDA:
(B.)

Commissioner Shultz (McKinney) moved to approve the agenda. Motion passed unanimously.

MOTION, APPROVE
OCTOBER 12, 2012,
MEETING MINUTES:
(C.)

Commissioner Shultz (King) moved to approve the minutes of the October 12, 2012 meeting as presented. Motion passed unanimously.

MOTION, APPROVE
CONSENT AGENDA:
(D.)

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

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; BOOT
HILL:
(E.1.)

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

- October revenue was approximately 4.5% under last year's revenue and approximately 20% under budget.
- The property is now about .5 percent behind budgeted revenue for FY2013.
- The breezeway construction continues and should be completed by the end of the month of November.

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
KANSAS STAR
(E.2.)

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

- The hotel is now open and to date, the Kansas Star Casino has awarded 89% of its sub-contracts to Kansas contractors.
- October revenue:
 - Slot Coin-In (Handle) up 2.6% from September.
 - Slot Win up 4.1% from September. October hold 8.7% same as September.
 - Table Game drop down 5% from September.
 - Table Game win down 13% from September. Hold 19.7% vs. 21.2% in September.
 - Poker Room average revenue up 3.2% from

September.

- October admissions were 14% higher than September.

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

Dave Rice, Compliance Manager for the Hollywood Casino at the Kansas Speedway, reported that:

- October revenue was up 2% compared to September.
- October visitor volume increased 6% from September.
- The calendar was more favorable in September which had five Saturdays, five Sundays and the Labor Day Holiday weekend vs. four Saturdays and Sundays in October.
- The October NASCAR weekend was a success with the running of The Hollywood Casino 400 Sprint Cup race, along with the Nationwide Series Kansas Lottery 300 and the Friday night ARCA race and rock concert.
- Efforts to drive casino visitation by promoting the variety of restaurant offerings available continues. In October Hollywood Casino began a new “all you can eat” lobster buffet on Wednesday nights, which has received very positive reviews.

COMMISSION ITEMS;
“JUNKET” ISSUES
UPDATE:
(F.1.)

Executive Director Richard Petersen-Klein presented an update on the “Junket”/Motor Coach issue.

PUBLIC COMMENTS:
(G.)

Ms. Debbie Snapp, Executive Director of Catholic Social Service spoke. Ms. Snapp is also the chairperson for the Problem Gambling Task Force of Southwestern Kansas and a community representative for the Problem Gambling Alliance. Ms. Snapp talked about concerns regarding the 2% problem gambling fund.

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

Mr. Petersen-Klein reported that:

- A representative from KDADS will address the Commission at the December 14, 2012 meeting.
- Carol Spiker, Problem Gambling Coordinator for KRGC, has accepted a job with Greenbush as the Problem Gambling Prevention Coordinator. The problem gambling duties are being taken care of by trained staff until that position has been filled.
- The Kansas Lottery has approved the Boyd Gaming acquisition.
- Linda Pendarvis, Commission Recording Secretary, is retiring and this is her last commission meeting.

EXECUTIVE SESSIONS:
(I.1.-3.)

Chairman Shadwick announced that the Commission would move to executive session for background checks, attorney-client privilege

discussions and personnel. Those included in the executive session were the commissioners, executive director, general counsel, director of security and security staff. The combined time for the executive session was anticipated to be two hours and twenty minutes plus a fifteen minute break, from 9:40. until 12:15 p.m. The meeting will reconvene at 12:15 p.m. Commissioner Shultz (King) moved to approve, motion passed. 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.

RECONVENE:

The commission meeting reconvened at 12:15 p.m. with all members present as noted above. The commission required additional time for attorney-client privilege and a lunch break and would reconvene at 1:35 p.m. Commissioner King (McKinney) moved to approve, motion passed.

RECONVENE #2:

The commission meeting reconvened at 1:35 p.m. with all members present as noted above.

MOTION REGARDING
LICENSES:
(J.1.)

- Commissioner Shultz (King) moved to *deny* seven applicants from today's list of background reports referred to the commission for action. Motion passed unanimously.
- Commissioner Shultz (McKinney) moved to *approve* two licenses for a shorter period of time than the standard license period. Motion passed unanimously.
- Commissioner Shultz (McKinney) moved to *conditionally approve* two applicants for license approval. Motion passed unanimously.
- Commissioner Shultz (King) moved to *table consideration* regarding two applicants for license approval. Motion passed unanimously.
- Commissioner Shultz (King) moved to *approve* the Boyd Gaming Corporation background, and to approve the Global Cash Access Incorporated license. Motion passed unanimously.
- Commissioner Shultz (King) moved to *approve* the remaining 239 occupation and vendor licenses. Motion passed unanimously.

ADJOURNMENT:
(K.)

Commissioner Shultz (King) moved to adjourn at 1:40 p.m. Motion passed unanimously.

SUBMITTED BY:

(Signature on file)

R. Eileen King
Secretary

APPROVED BY:

(Signature on file)

Jay T. Shadwick
Chair