

KANSAS RACING AND GAMING COMMISSION

MINUTES – MARCH 13, 2015

CALL TO ORDER:
(A.)

Acting Chairman Dennis McKinney called the March 13, 2015, meeting to order at 10:00 a.m. The meeting was held at the Ramada Hotel and Convention Center at 420 SE Sixth Avenue, Jefferson Ballroom, in Topeka, Kansas. Commissioners R. Eileen King, David H. Moses and Laura McConwell were also present. Others present included Interim Executive Director/Director of Security Don Brownlee, General Counsel Judith Taylor, Director of Administration, Finance and Audit Brandi White, Director of IT and Electronic Security Dennis Bachman, recording secretary Chris Vega and other staff.

MOTION, APPROVE
AMENDED AGENDA:
(B.)

There were two amendments to the agenda pertaining to GLI approval letters for March 2015 (item D.1.a. on the agenda) and adding security measures to the Executive Session portion of the agenda. Commissioner King (McConwell) moved to approve the agenda. Motion passed unanimously.

MOTION, APPROVE
FEBRUARY 12, 2015,
MEETING MINUTES:
(C.)

Commissioner King (McConwell) moved to approve the minutes of the February 12, 2015 meeting. Motion passed unanimously.

MOTION, APPROVE
CONSENT AGENDA:
(D.)

Commissioner Moses (King) moved to approve the consent agenda. Motion passed unanimously.

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

Sharon Stroburg, General Manager, reported:

- February 2015 revenue numbers compared to February 2014:
 - Total gaming revenue up 3.13%, attributed to some adverse weather conditions throughout the month
 - Total slot revenue down 4.91% due in part to a decrease in slot hold percentage
 - Table games revenue up 11.40%
- During the month of March and April, Boot Hill Casino and Resort (BHCR) will be kicking off a new campaign of television ads, radio and print featuring Buck Taylor (from the television show Gunsmoke) as their spokesman to

generate more tourism to Dodge City. The ads will be broadcast in Oklahoma, Texas and Colorado. The new tagline for Dodge City will be “Where legends are made”.

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

Dan Ihm, Assistant General Manager, reported:

- The new General Manager for Kansas Star Casino will be announced at the end of March.
- February 2015 admissions were up slightly from February 2014 by about 1,500.
- February 2015 revenue numbers compared to February 2014:
 - Total gaming revenue up 4%
 - Slot coin-in (handle) up 3.2%
 - Slot hold up .17 points
 - Table game drop up 7.5%
 - Table game hold down 2.15 points
 - Poker room revenue up 1.4%
- Upcoming events at the Kansas Star Casino Arena:
 - March 21st – Styx concert
 - March 28th – Championship Bull Riding
 - April 10-12 - USTRC
- Upcoming events at the Kansas Star Casino Events Center:
 - April 25 – Man in Black

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
HOLLYWOOD CASINO AT
KANSAS SPEEDWAY:
(E.3.)

Bob Sheldon, General Manager, reported:

- February 2015 revenue numbers compared to February 2014:
 - Total gaming revenue was \$12.2 million, an increase of \$1.3 million or 12.1%
 - Table games revenue was \$1.8 million, an increase of \$276,000 or 18.2%.
 - Slot revenue was \$10.4 million, an increase of \$1.0 million or 11.1%
- Hollywood Casino had a strong performance in February with better weather than prior year and supported by monthly promotions both on the casino floor and in the food and beverage outlets. Hollywood held a number of qualifying slot tournaments for the Marquee Millionaire slot promotion. One patron won the \$21,000.00 top award of the Superstar Reels daily promotion.

COMMISSION ITEMS –

There were no old business items.

OLD BUSINESS;
(F.)

COMMISSION ITEMS –
NEW BUSINESS;
(G.1.)

Brandi White, Director of Administration, Finance and Audit, reported that the Kansas Greyhound Association (KGA) would like to request a new contract for calendar year 2015. The KGA is also requesting \$3,000.00 out of their account, which currently has \$6,200.00 available. Travis Bartley, President of the KGA, stated the request for \$3,000.00 will be used for keeping the KGA operating for a year and allowing them to continue registering greyhounds.

MOTION TO APPROVE
THE DISBURSEMENT OF
\$3,000.00 TO THE KGA

Acting Chairman McKinney (McConwell) moved to approve the disbursement of \$3,000.00 to the Kansas Greyhound Association. Motion passed unanimously.

PUBLIC COMMENTS;
(H.)

There were no public comments.

STAFF REPORTS;
(I.)

Mr. Brownlee, Interim Executive Director, reported:

- March is problem gambling awareness month and the Kansas Department on Aging and Disability Services (KDADS) will conduct an increased media blitz during the month.
- The Voluntary Exclusion Program (VEP) application/enrollment process is currently being updated.
- KRGC's financial report compares favorably to prior year and prior months.
- The Legislature is still working on the KRGC budget and it has not passed through both houses yet.
- The Lottery Gaming Facility Review Board (LGFRB) initially had four applicants for a casino management contract in the southeast gaming zone; however, one applicant has since withdrawn.
- On February 22, 2015 the LGFRB mapped out future meetings as follows:
 - April 22, 2015 – meetings to be held in the southeast gaming zone with presentations from community leaders
 - May 29, 2015 – presentations from the applicants
 - June 10, 2015 – presentation of consultant reports
 - June 23, 2015 – selection of the best contract for the southeast zone

- The April 17, 2015 meeting will be moved to April 20, 2015 at 1:00 p.m.
- A special KRGC commission meeting will be held on July 1, 2015 at 10:00 a.m. to receive the selected southeast gaming zone applicant's background report and vote on the LGFRB's selection.
- The July 17, 2015 meeting will be moved to July 16, 2015 at 9:00 a.m.

MOTION, EXECUTIVE
SESSIONS:
(J.)

Acting chairman McKinney moved for the commission to go into executive session for the purpose of (1) attorney/client privilege (2) security measures and (3) reviewing the list of confidential backgrounds for licensing. Those included in the executive sessions were the commissioners, interim executive director/director of security and general counsel. The total time for the executive sessions was anticipated to be twenty minutes. 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 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. Acting Chairman McKinney (McConwell) made a motion to adjourn to executive session. The motion passed unanimously and the meeting was adjourned to executive session at 11:25 a.m.

RECONVENE:

The commission meeting returned to open session at 11:45 a.m. with all members present. Acting Chairman McKinney moved for the commission to extend the executive session for an additional fifteen minutes. Acting chairman McKinney (McConwell) made a motion to adjourn to executive session. The motion passed unanimously and the meeting was adjourned to executive session at 11:45 a.m.

RECONVENE

The commission meeting returned to open session at 12:01 p.m. with all members present.

MOTION TO
CONDITIONALLY
APPROVE FOR SIXTY
DAYS, AND APPROVE
LICENSE APPLICATIONS
(K.)

Commissioner King (McConwell) moved to *conditionally approve for sixty days* two license applications and *approve* the remaining 206 license applications from the March 13, 2015 list of background reports referred to the commission for action. The motion passed unanimously.

ADJOURN:
(L.)

Acting Chairman McKinney declared the meeting adjourned at 12:02
p.m.

SUBMITTED BY:

(Signature on file)

R. Eileen King
Secretary

APPROVED BY:

(Signature on file)

Dennis McKinney
Acting Chairman