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BEFORE THE MISSOURI GAMING COMMISSION
STATE OF MISSOURI

Meeting
January 27, 2010
9:00 a.m.
Central Office
3417 Knipp Drive
Jefferson City, Missouri

	AGENDA	
		page
1		
2		
3	I. Call to Order	6:2
4	II. Consideration of Disciplinary Action	
5	President Riverboat Casino-Missouri, Inc.	
6	d/b/a President Casino	6:24
7	1. DC-10-001	
8	III. Consideration of Minutes	
9	A. December 2, 2009	15:3
10	B. December 16, 2009	15:25
11	IV. Consideration of Hearing Officer	
12	Recommendations	
13	C. Mark Husch	17:24
14	1. Resolution No. 10-001	
15	D. Lethorn L. Hadden	20:10
16	1. Resolution No. 10-002	
17	E. Michelle D. Busalacki	22:17
18	1. Resolution No. 10-003	
19	F. Robert Howard	35:16
20	1. Resolution No. 10-004	
21	G. Ryan Detwiler	40:19
22	1. Resolution No. 10-005	
23	V. Consideration of Relicensure of	
24	Class B Licensee	
25	H. IOC-Boonville, Inc.	
26	* Presentation by Applicant	43:9
27	* Presentation by City of	
28	Boonville	51:15
29	* Public Comment	
30	* Investigative Summary	62:21
31	* Staff Recommendation	65:15
32	* Resolution No. 10-006	
33	VI. Consideration of Relicensure of	
34	Certain Suppliers	
35	I. Konami Gaming, Incorporated	66:22
36	1. Resolution No. 10-007	
37	J. Gaming Laboratories International,	
38	Inc.	68:7
39	1. Resolution No. 10-008	
40		
41		

1	AGENDA (CONT'D)	
2		page
3	VII. Consideration of Licensure of Certain	
	Level I/Key Applicants	
4	K. Resolution No. 10-009	69:8
5	VIII. Consideration of Disciplinary Actions	
	N. Ameristar Casino Kansas City, Inc.	74:6
6	1. DC-10-003	
	O. Ameristar Casino Kansas City, Inc.	77:22
7	1. DC-10-004	
	P. Ameristar Casino St. Charles, Inc.	78:20
8	1. DC-10-005	
	Q. HGI-Mark Twain, Inc.	79:21
9	1. DC-10-006	
	R. Harrah's Maryland Heights, LLC	80:22
10	1. DC-10-007	
	S. Harrah's North Kansas City, LLC	81:22
11	1. DC-10-008	
	T. Harrah's North Kansas City, LLC	84:4
12	1. DC-10-009	
	U. IOC-Caruthersville, Inc.	85:20
13	1. DC-10-010	
	V. Missouri Gaming Company	86:18
14	1. DC-10-011	
	W. Ameristar Casino Kansas City, Inc.	87:15
15	1. DC-10-022	
	X. Casino One Corporation d/b/a	
16	Lumiere Place Casino	88:14
	1. DC-10-026	
17		
	IX. Consideration of Settlement Agreements	
18	Y. Ameristar Casino Kansas City, Inc.	89:16
	(DC-09-341)	
19	1. Resolution No. 10-010	
	Z. Ameristar Casino St. Charles, Inc.	91:7
20	(DC-09-342)	
	1. Resolution No. 10-011	
21	AA. Aristocrat Technologies, Inc.	92:17
	(DC-09-343)	
22	1. Resolution No. 10-012	
	BB. Casino One Corporation d/b/a Lumiere	
23	Place Casino (DC-09-254)	94:2
	1. DC-10-013	
24	CC. Casino One Corporation d/b/a Lumiere	
	Place Casino (DC-09-275)	97:3
25	1. DC-10-014	

	AGENDA (CONT'D)	
		page
1		
2		
3	IX. Consideration of Settlement Agreements (Cont'd)	
4	DD. IOC-Kansas City, Inc. (DC-09-344)	97:23
	1. DC-10-015	
5	EE. Missouri Gaming Company (DC-09-344)	99:4
	1. DC-10-016	
6	FF. Missouri Gaming Company (DC-09-345)	100:13
	1. DC-10-017	
7	GG. HGI-Mark Twain, Inc. (DC-09-347)	101:22
	1. DC-10-018	
8		
9	X. Consideration of Proposed Rulemaking	
	HH. Proposed Amendment	103:17
10	1. 11 CSR 45-12.010 Excursion Liquor License Required	
11	XI. New Business	106:5
12	XII. Old Business	110:5
13	XIII. Motion for Closed Meeting under Sections 313.847 and 610.021(1) and (14)	111:3
14		
15		
16		
17		
18		
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21		
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BEFORE THE MISSOURI GAMING COMMISSION

STATE OF MISSOURI

Meeting
January 27, 2010
9:00 a.m.
Central Office
3417 Knipp Drive
Jefferson City, Missouri

COMMISSIONERS PRESENT:

James L. Mathewson, Chairman
Darryl T. Jones
Larry W. Plunkett, Sr.
Suzanne Bocell Bradley

REPORTED BY:

Patricia A. Stewart
RMR, RPR, CCR 401
3432 West Truman Boulevard, Suite 207
Jefferson City, Missouri 65109
573-636-7551

1 P R O C E E D I N G S

2 CHAIRMAN MATHEWSON: Good morning everyone.

3 COMMISSIONER JONES: Good morning.

4 CHAIRMAN MATHEWSON: Happy New Year, God
5 love you and all that sort of thing.

6 We're going to start our meeting this
7 morning. Thank you all very much for being here. We
8 appreciate the interest.

9 I guess our first role would be to call the
10 roll, wouldn't it, Ms. Angie?

11 MS. FRANKS: Yes.

12 CHAIRMAN MATHEWSON: Would you do that,
13 please.

14 MS. FRANKS: Chairman Mathewson.

15 CHAIRMAN MATHEWSON: Here.

16 MS. FRANKS: Commissioner Shull.

17 (No response.)

18 MS. FRANKS: Commissioner Jones.

19 COMMISSIONER JONES: Present.

20 MS. FRANKS: Commissioner Plunkett.

21 COMMISSIONER PLUNKETT: Present.

22 MS. FRANKS: Commissioner Bradley.

23 COMMISSIONER BRADLEY: Present.

24 CHAIRMAN MATHEWSON: Thank you.

25 We will be taking up this morning the

1 preliminary order on the President Casino. The
2 preliminary order has been prepared by staff, and our
3 Executive Director will present that in a moment.

4 This is a charging document which alleges
5 that the President Riverboat Casino, doing business as
6 President Casino, has over an extended period of time cut
7 back on its operations which has adversely affected the
8 number of patrons admitted to the casino, the number of
9 slot machines, table games, food service and other
10 offerings, resulting in a reduction in the number of
11 employees and tax revenues collected by the State.

12 These actions, along with others, have been
13 injurious to the general welfare of the state of Missouri.
14 This preliminary order for disciplinary action will be
15 voted on by the Commission today, and the Respondent,
16 President Riverboat Casino-Missouri, Inc., will have
17 30 days to request a hearing.

18 We will work with Respondent to set a date
19 for the hearing, along with witnesses who are and would
20 like to testify. After hearing all of the testimony, the
21 Missouri Gaming Commission will issue findings of fact and
22 conclusions of law.

23 So with that short explanation of what
24 action will be taken today, Mr. McNary.

25 MR. MCNARY: Mr. Chairman, Commissioners,

1 I'll be very brief because I believe the charging document
2 speaks for itself, outlines extensively the course of
3 conduct by Pinnacle in operating the President Casino.

4 There is a pattern of deliberately putting
5 the President Casino in decline, and their performance has
6 declined drastically over the past several years, but
7 mostly the last two years.

8 There is not only no intention to improve
9 the President but a deliberate policy, as expressed by
10 their CEO and others, that they will not compete with
11 Lumiere, which is their state-of-the-art casino just up
12 the road.

13 They have indicated -- and the Commission
14 has indicated previously that certainly they can relocate
15 or they can replace but it's going to take a new license
16 if they do that, and they've opted not to do that.

17 They are performing at a level that is
18 unacceptable. It's below those levels of even the rural
19 casinos. It's less than half of other metropolitan area
20 casinos, and there's no reason to believe that it's going
21 to change.

22 We submit that under Missouri law their
23 pattern of conduct and the results are injurious to the
24 general welfare of the state of Missouri and, hence, their
25 license should be revoked, and the order has been prepared

1 and is before you.

2 CHAIRMAN MATHEWSON: Okay. The order is
3 before us, and at this time Chair would accept a motion on
4 the preliminary order for disciplinary action that we have
5 before us.

6 COMMISSIONER JONES: Mr. Chairman, I'd like
7 to move to accept DC-10-001, preliminary order for
8 disciplinary action.

9 CHAIRMAN MATHEWSON: Any comments?
10 Is there a second?

11 COMMISSIONER PLUNKETT: I'll second that.

12 CHAIRMAN MATHEWSON: Okay. Any comments?
13 Call the roll, please.

14 MS. FRANKS: Chairman Mathewson.

15 CHAIRMAN MATHEWSON: Approve.

16 MS. FRANKS: Commissioner Jones.

17 COMMISSIONER JONES: Approve.

18 MS. FRANKS: Commissioner Plunkett.

19 COMMISSIONER PLUNKETT: Approve.

20 MS. FRANKS: Commissioner Bradley.

21 COMMISSIONER BRADLEY: Approve.

22 MS. FRANKS: By your vote you've adopted
23 DC-10-001.

24 CHAIRMAN MATHEWSON: Thank you very much.

25 COMMISSIONER BRADLEY: Mr. Chairman, if I

1 may, because this is such an important issue, has there
2 been a -- I would like to throw this out to the
3 Commission.

4 If a hearing is requested -- if a hearing is
5 requested, that we hear this as a -- the law would allow
6 that we as the Commission would hear it as a whole.

7 CHAIRMAN MATHEWSON: Okay. I'm not --

8 COMMISSIONER BRADLEY: I'm --

9 CHAIRMAN MATHEWSON: I'm not sure --

10 MR. MCNARY: A disciplinary process,
11 Mr. Chairman, usually goes to a hearing examiner. In this
12 case we would probably advise the Commission that, as
13 Commissioner Bradley has said, it's of a serious nature.
14 It shouldn't go to a hearing examiner. It should be heard
15 by the Commission as a whole.

16 CHAIRMAN MATHEWSON: Oh, okay.

17 COMMISSIONER BRADLEY: That would be just if
18 they ask for a hearing.

19 CHAIRMAN MATHEWSON: Sure. And they have
20 30 days, as I mentioned in my comments, to do that, and
21 we'll work with them on setting that date.

22 MR. MCNARY: But you need a motion to hear
23 this as a Commission as a whole, so that we're not --
24 we're deviating from the hearing examiner process.

25 CHAIRMAN MATHEWSON: Well, Mr. Director, I

1 question that we should make that motion at this time if
2 there has not been a motion requested -- I mean, not been
3 a hearing requested. Do you understand my point?

4 MR. MCNARY: Yes, sir.

5 CHAIRMAN MATHEWSON: I have no problem at
6 all with the action that Commissioner Bradley has asked
7 for and certainly support that 100 percent. However, you
8 know, it seems to me like we're ahead of our game just a
9 little bit.

10 I think as the Executive Director here you
11 can instruct staff on what to do and when to do it.

12 MR. MCNARY: I do that --

13 CHAIRMAN MATHEWSON: I've heard that.

14 MR. MCNARY: -- on an ongoing basis.

15 CHAIRMAN MATHEWSON: So that's a question,
16 Gene. Should we, in fact, go on record today with that
17 request or should we not?

18 I'm sorry. I don't practice law.

19 MR. MCNARY: Well, we would recommend it.
20 And as the Commissioner said, it's if and when a hearing
21 is requested. So if there isn't any, then you wouldn't be
22 going forward; but if there is a hearing requested, then
23 you've already made a record that you will be hearing it
24 as a Commission as a whole.

25 COMMISSIONER BRADLEY: I just thought it

1 might clarify the process.

2 CHAIRMAN MATHEWSON: Okay. I don't have a
3 problem with that. I certainly support that. Okay.

4 COMMISSIONER BRADLEY: Do I need to make a
5 motion?

6 MR. MCNARY: Yes, you need a motion.

7 CHAIRMAN MATHEWSON: Please make a motion.

8 COMMISSIONER BRADLEY: Mr. Chairman, I move
9 that in the event that if there is an appeal filed in this
10 Disciplinary Matter No. 10-001, that that hearing may be
11 heard by the Commission as a whole.

12 COMMISSIONER JONES: I'll second.

13 CHAIRMAN MATHEWSON: Okay. Any comments,
14 thoughts?

15 Call the roll.

16 MS. FRANKS: Chairman Mathewson.

17 CHAIRMAN MATHEWSON: Approve.

18 MS. FRANKS: Commissioner Jones.

19 COMMISSIONER JONES: Approve.

20 MS. FRANKS: Commissioner Plunkett.

21 COMMISSIONER PLUNKETT: Approve.

22 MS. FRANKS: Commissioner Bradley.

23 COMMISSIONER BRADLEY: Approve.

24 CHAIRMAN MATHEWSON: Now, Commissioner
25 Bradley, so I and our guests today, we voted it, your

1 motion has been adopted. However, as I understand from
2 what your motion was, we want to have the opportunity to
3 have a public hearing before the Commission so that we
4 hear it, not our staff hears it?

5 COMMISSIONER BRADLEY: Yes, that's the basis
6 of my motion is not a hearing officer as we do in the
7 other disciplinary matters.

8 CHAIRMAN MATHEWSON: Okay. I just want to
9 make sure everybody understood that that was our mission
10 here with that. That was our goal with that motion.

11 Okay. Thank you.

12 COMMISSIONER JONES: Mr. Chairman, when does
13 the 30-day period start? Does it start once notified or
14 does it start as of today?

15 MR. MCNARY: It starts now.

16 COMMISSIONER JONES: Thank you.

17 CHAIRMAN MATHEWSON: Thirty days from today
18 they'll have to do that.

19 Let me take that question one step further,
20 Commissioner, if I may.

21 If the Pinnacle people should decide to wait
22 until the 29th day or the 30th day, then certainly -- then
23 we can then act after that by setting a date. We don't
24 have to set the date within the 30 days, do we?

25 MR. MCNARY: Well, the 29th day, if they

1 request a hearing, then at that point in time you'd set a
2 date and work with them for that date. If they don't
3 file, then the preliminary order becomes final, if they
4 don't request a hearing.

5 CHAIRMAN MATHEWSON: I understand.

6 Okay. Thank you very much.

7 In the interest of all of our people that
8 might have been here in regard to this issue, we have, as
9 you can see by the size of our books, lots and lots and
10 lots of other issues to take up.

11 We're going to take a break for ten minutes,
12 or just a few minutes, before we start with the rest of
13 our agenda.

14 So if that would please the Commission, then
15 that's what we'll do. We'll take a break and then we'll
16 come back. And we have several members of the press here
17 that would like to talk to Mr. McNary here. Why, please
18 do so while we take a break, and then we'll come back and
19 take care of our other business.

20 Thank you very much.

21 (A RECESS WAS TAKEN.)

22 CHAIRMAN MATHEWSON: Okay. We'll get
23 started again. Thank you all, those of you that are still
24 here. Thank you very much.

25 I hope you understand. It gave us an

1 December 16th meeting that we had.

2 COMMISSIONER BRADLEY: Motion to approve.

3 COMMISSIONER JONES: Second.

4 CHAIRMAN MATHEWSON: Any discussion?

5 Call the roll, Angie, please.

6 MS. FRANKS: Chairman Mathewson.

7 CHAIRMAN MATHEWSON: Approve.

8 MS. FRANKS: Commissioner Jones.

9 COMMISSIONER JONES: Approve.

10 MS. FRANKS: Commissioner Plunkett.

11 COMMISSIONER PLUNKETT: Approve.

12 MS. FRANKS: Commissioner Bradley.

13 COMMISSIONER BRADLEY: Approve.

14 MS. FRANKS: By your vote you've adopted the
15 December 16, 2009 minutes.

16 CHAIRMAN MATHEWSON: Thank you.

17 The next order of business, Mr. Director, is
18 consideration of the hearing officer recommendations.

19 MR. MCNARY: Mr. Chairman, Hearing Examiner
20 Don Wolff is going to handle that by phone, and Angie is
21 getting him on the phone now.

22 CHAIRMAN MATHEWSON: Is he still down in
23 Florida or someplace? It seems to me like two meetings
24 ago he was there. Are we paying him too much or what is
25 the deal here? I can only stay ten days.

1 MS. FRANKS: Mr. Wolff?

2 MR. WOLFF: Yes.

3 MS. FRANKS: Okay. We're in the meeting.

4 CHAIRMAN MATHEWSON: Mr. Wolff.

5 MR. WOLFF: Yes, Senator.

6 CHAIRMAN MATHEWSON: God love you. I mean,
7 are you having a nice vacation? I mean, how long have you
8 been down there?

9 MR. WOLFF: Not long enough.

10 CHAIRMAN MATHEWSON: Evidently.

11 MR. WOLFF: And I'm not going to tell you or
12 anyone else there how beautiful it is here or that I'm
13 going to play golf in 80-degree temperature after this
14 phone call. I'm not going to tell you that.

15 CHAIRMAN MATHEWSON: Angie, take him off the
16 speaker. Let's start this thing over again.

17 Okay. I'm glad you're enjoying it, partner.
18 You deserve it.

19 MR. WOLFF: Well, thank you, Senator.

20 CHAIRMAN MATHEWSON: Would you start with
21 your recommendations, sir, please.

22 MR. WOLFF: I will.

23 Good morning to all of you.

24 The first case is Mark Husch. I know you
25 have a very busy docket, so I'm going to try to do this

1 quickly.

2 Mark Husch, it was recommended that we
3 revoke his license for a Level 2 because he failed to
4 disclose this arrest for domestic abuse. He was not
5 prosecuted, he was never charged, but he failed to report
6 his arrest.

7 Initially he stated in his request for a
8 hearing that he did not disclose this arrest because he
9 wasn't charged or prosecuted and believed he didn't have
10 to disclose the information. He was not trying to hide
11 anything or be dishonest. It was just a misunderstanding
12 of the form.

13 When contacted by Mr. Hinckley about
14 appearing at the hearing, he indicated he was no longer
15 working at the casino, had no desire to return and would
16 not show up.

17 He did not show up, and as you know, failure
18 to appear means that we consider all of the allegations as
19 being true.

20 So, therefore, I agree with the Staff's
21 recommendation that his license be revoked for failure to
22 report and disclose an arrest.

23 CHAIRMAN MATHEWSON: Okay. Any questions of
24 Mr. Wolff on Mark Husch?

25 Is Mr. Husch here? Obviously not.

1 Okay. Chair would accept a motion on
2 10-001.

3 COMMISSIONER PLUNKETT: Make a motion --

4 MR. MCNARY: Mr. Chairman, this is a denial.
5 Speak up, Chris.

6 MR. HINCKLEY: It's a denial, not a
7 revocation.

8 MR. MCNARY: It's not a revocation. It's a
9 denial of license for application.

10 CHAIRMAN MATHEWSON: So?

11 MR. HINCKLEY: The motion should be,
12 Mr. Chairman, that the denial be upheld of his
13 application, not the revocation of his license.

14 CHAIRMAN MATHEWSON: Okay. Chair would
15 accept a motion for denial of his license.

16 MR. HINCKLEY: Application.

17 CHAIRMAN MATHEWSON: Application, one of
18 those things.

19 COMMISSIONER PLUNKETT: I make a motion we
20 approve Resolution 10-001.

21 COMMISSIONER JONES: Second.

22 CHAIRMAN MATHEWSON: Any discussion?
23 Call the roll, please.

24 MS. FRANKS: Chairman Mathewson.

25 CHAIRMAN MATHEWSON: Approve.

1 MS. FRANKS: Commissioner Jones.

2 COMMISSIONER JONES: Approve.

3 MS. FRANKS: Commissioner Plunkett.

4 COMMISSIONER PLUNKETT: Approve.

5 MS. FRANKS: Commissioner Bradley.

6 COMMISSIONER BRADLEY: Approve.

7 MS. FRANKS: By your vote you've adopted
8 Resolution No. 10-001.

9 CHAIRMAN MATHEWSON: Mr. Wolff.

10 MR. WOLFF: Senator, the next case is
11 Lethorn Hadden, and on August 24th the Gaming Commission
12 proposed a one-day calendar suspension against his
13 Level 2 occupational license be allowed because -- be
14 opposed because he allowed an underage patron to enter the
15 casino gambling floor.

16 He initially filed an application for a
17 hearing; however, he failed to appear at that hearing, and
18 prior to notifying Mr. Hinckley by phone that he had been
19 terminated, was no longer working at the casino, would not
20 appear at the hearing and, in fact, he did not appear at
21 the hearing.

22 The important facts concerning the matter
23 were that on April 10th of 2009 the licensee permitted an
24 underage female patron to appear on the gambling floor
25 after presenting her license to the licensee.

1 Commission Resolution No. 10-002.

2 COMMISSIONER JONES: Second.

3 CHAIRMAN MATHEWSON: Okay. Any discussion?

4 Call the roll, please.

5 MS. FRANKS: Chairman Mathewson.

6 CHAIRMAN MATHEWSON: Approve.

7 MS. FRANKS: Commissioner Jones.

8 COMMISSIONER JONES: Approve.

9 MS. FRANKS: Commissioner Plunkett.

10 COMMISSIONER PLUNKETT: Approve.

11 MS. FRANKS: Commissioner Bradley.

12 COMMISSIONER BRADLEY: Approve.

13 MS. FRANKS: By your vote you've adopted

14 Resolution No. 10-002.

15 CHAIRMAN MATHEWSON: Okay, Mr. Wolff.

16 Michelle Busalacki.

17 MR. WOLFF: Yes. Members of the Commission,

18 this one is a little bit more complicated, so I'm going to

19 take a few more minutes to explain this matter to you.

20 Michelle Busalacki is a slot shift manager

21 aboard the Ameristar Casino in St. Charles. It has been

22 proposed that you impose a like penalty of the last case,

23 that is, a one-calendar-day suspension against her license

24 as a holder of a Level 2 occupational license, because she

25 failed to promptly report to the Commission that the door

1 to the electronic key box containing critical sensitive
2 keys was left unsecured by one of the people on her staff,
3 the slot -- a slot floor person by the name of Cynthia
4 Foley.

5 The facts are as follows: At 2:21 p.m. on
6 March 26th, 2009, Cynthia Foley, a slot floor person under
7 the command of Ms. Busalacki, closed the door to this key
8 box area but failed to assure that the door latched, and,
9 in fact, while closing the door, it did not latch;
10 therefore, the door remained open.

11 Six minutes later, at 2:27, another person
12 under the command of Ms. Busalacki, Slot Supervisor
13 Frederick Harris, discovered the door to the box was not
14 locked, it was unsecured, and there was an alarm that was
15 sounding.

16 After discovering the door being unlocked,
17 he informed Surveillance and he also informed
18 Ms. Busalacki.

19 Ms. Busalacki immediately instructed Harris
20 to contact Surveillance to see if they could identify
21 which team member had last been in the box.

22 Ten minutes, approximately, passed before
23 any return call from Surveillance, so Ms. Busalacki
24 contacted Surveillance once again and learned that Cynthia
25 Foley was the last person in the box.

1 Foley was contacted and said she shut the
2 door but that she had not known that it had been
3 unlatched.

4 And Busalacki then had Harris, her
5 supervisor, that is, Foley's supervisor, speak with Foley
6 about her leaving the door unlatched and make an entry
7 into Foley's coaching summary. That's another phrase for
8 her personnel file.

9 Busalacki did not herself report this
10 incident to Corporal Norman. Corporal Norman is a
11 relatively new Highway Patrolman who served as the
12 representative of the Commission, as an agent of the
13 Commission, onboard the ship, and he was not notified by
14 Busalacki of the facts that I have just notified you.

15 However, Norman had been notified by
16 Security itself, and he was notified by Surveillance at
17 2:40 p.m. that the door had been unsecured from 2:21 until
18 its discovery at 2:27.

19 So this penalty that we're talking about
20 that is being imposed is being imposed on Busalacki as
21 recommended at least because she herself failed to notify
22 Corporal Norman of the same information that Surveillance
23 had been notified about and which Surveillance had
24 notified Corporal Norman on their own behalf.

25 In consideration of Busalacki's background,

1 she's been employed by Ameristar Casino for 15 years,
2 12 of which have been as manager of the slot floor where
3 Harris and Foley are employed. She has few, if any,
4 entries in her coaching summary. She's a dedicated and
5 competent manager.

6 She did notify Corporal Norman that she
7 didn't report to him as the allegations are here because
8 nowhere does it specifically require in writing that she
9 do so. She did not believe she was required to do so.
10 There are no written directives of this requirement, and
11 it had been, in her testimony, the common practice onboard
12 the boat to not notify a representative from the Highway
13 Patrol.

14 There have been previous instances where
15 neither she, nor other managers, have notified anyone
16 other than Surveillance.

17 She immediately saw to it that Surveillance
18 was notified, and, therefore, she does not believe, in her
19 testimony, that this penalty is appropriate. She believes
20 she followed the proper procedure that she and others have
21 done so in the past and that did not include notification
22 to the Commission.

23 And since this incident she and, under her
24 instruction, others have likewise now learned from her
25 experience and now notify the Highway Patrol

1 representative if such an incident occurs.

2 So what do we have here? We have what the
3 staff considers to be a very serious violation which could
4 have been a very -- had very serious consequences.

5 The facts and circumstances of this case
6 show that the potential harm here in failing to notify the
7 Highway Patrol representative is far greater than the
8 actual harm that resulted, because in this case no harm at
9 all resulted.

10 So we have a dedicated, intelligent manager
11 with many years of superior service and experience and
12 employees under her management and direction, took the
13 steps to discover the unlatched door, they took the
14 steps to report it to Surveillance immediately, and some
15 six minutes lapsed before Surveillance notified
16 Corporal Norman.

17 No clear directive covering this need to
18 report to the Commission has some bearing on my
19 recommendation, which differs from the recommendation of
20 the Staff.

21 I do recognize that failure-to-notify cases
22 normally result in this proposed penalty as we have here,
23 and they do consider this failure to notify a very serious
24 violation.

25 The greater harm here was committed by the

1 individual who left the door unlatched, and yet the
2 penalty she received is a far less penalty than the one
3 that's being recommended.

4 To me this may not be logical and may not
5 make much sense, and when I compare the penalty proposed
6 here with the last case, both of which are my first cases
7 in which a one-day suspension is being recommended, I find
8 that the violation in the last case to be much more
9 serious than the violation in this case.

10 So to the members of the Commission, we now
11 have a difference of recommendation. The Staff recommends
12 to you that you impose a one-day-calendar suspension
13 against her license.

14 Under all of the facts and circumstances, I
15 recommend to you that that's a more serious penalty than
16 ought to be employed under the facts and circumstances of
17 the case, and I recommend that she receive the same
18 penalty, that is, a notification to her file, a notice in
19 her file, which is a less penalty than the one-day-
20 calendar suspension. It would be the same penalty that
21 Foley received, and that's my recommendation to you.

22 MR. MCNARY: Mr. Chairman, Staff did
23 recommend a one-day suspension, but the analytical and
24 comprehensive analysis by the hearing examiner has
25 convinced us that -- we don't think that there can just be

1 a letter go to the file, but we would recommend a
2 nonpunitive letter go to the licensee, and that's
3 consistent with the hearing examiner's position.

4 CHAIRMAN MATHEWSON: Is this lady still an
5 employee?

6 MR. WOLFF: Yes, she is, and she's likely to
7 be there.

8 CHAIRMAN MATHEWSON: Yes, I'm told she is.
9 Are you?

10 MS. BUSALACKI: Yes.

11 CHAIRMAN MATHEWSON: Would you like to make
12 a comment, ma'am, please? Just go to that microphone
13 right there, if you would, please.

14 MS. BUSALACKI: Well, the keys were never
15 unsecured. They were always secured at all times. It was
16 the door that was left open.

17 And the keys, you still have to, in order to
18 get the keys out, scan your hand, enter a code and then
19 you have to have access to the key that you're trying to
20 get out.

21 So even though the door was left open for
22 those six minutes, nobody was able to pull a key out of
23 the Morris Watchman system because they're still secured
24 with the smart key.

25 And the way I explained it was that had I

1 known that I should have contacted Gaming, I would have.

2 I feel that I contact Gaming probably a little too much.

3 And when I was brought in the next day, it
4 was explained to me by Gaming Agent Weiss that the reason
5 he was pursuing this was because the keys were left
6 unsecured.

7 And I explained to him that they were not
8 left unsecured. They were still secured. And that's the
9 direction he said he was going.

10 So that's why I felt that it -- you know,
11 the one-day suspension, I didn't feel that it, you know,
12 was -- that I should have received it because I felt that
13 I had followed all of the guidelines that I should have.

14 And once he informed me from there on, I've
15 always contacted Gaming if the door is left open or for --
16 you know, I probably go a little too far with it now.

17 CHAIRMAN MATHEWSON: Thank you very much for
18 being here. We appreciate that.

19 MS. BUSALACKI: You're welcome.

20 CHAIRMAN MATHEWSON: Any questions?

21 Let me take this one step further.

22 Mr. Director, have we now, in our rules,
23 they now understand that they are to report that? I mean,
24 because evidently from what Mr. Wolff said and the lady
25 said was that there wasn't anything in the rules at that

1 time. Is there now?

2 MR. HINCKLEY: Yes. Well, there is in the
3 rules, that unsecured keys would be a violation of the
4 internal controls and the minimum internal controls. So
5 they're to report those violations.

6 There was a misinterpretation by
7 Ms. Busalacki as to whether or not she needed to report
8 that. She's now obviously very clear that she does, and
9 that's what I think she was saying.

10 CHAIRMAN MATHEWSON: Okay.

11 COMMISSIONER JONES: Mr. Hinckley, the
12 misinterpretation comes from her stating that the keys are
13 still secured and that you have to go through a scanning
14 process. It's just that the door was unlocked.

15 MR. HINCKLEY: Correct. That was the basis
16 for her misunderstanding.

17 COMMISSIONER JONES: Okay.

18 CHAIRMAN MATHEWSON: I'm sorry. You were
19 shaking your head.

20 MS. BUSALACKI: Well, it doesn't state that
21 you should contact Gaming if the door is left open. It
22 states that you should contact Gaming if the system fails.

23 And when the system fails, that's when you
24 have to get a second key out from Surveillance and have a
25 second escort from Security to access the key box. And

1 it's all done manually, so there is no hand scanning.

2 And it clearly states in the internals that
3 you have to contact Gaming immediately. It does not say
4 in the internals -- it even mentions that there are alarms
5 that are sent when the door is left open, but it does not
6 state in the internals that you should contact Gaming for
7 that.

8 After our conversation, you know, we agreed
9 that it is something that I should contact Gaming for as
10 your interpretation of the internals, but it stated that
11 it clearly states in there, but it doesn't. It doesn't
12 clearly state in the internals.

13 CHAIRMAN MATHEWSON: So your point being,
14 you report now because you kind of got your hand slapped
15 because you didn't?

16 MS. BUSALACKI: Sure.

17 CHAIRMAN MATHEWSON: But someone else in
18 your position at another casino might not know about that
19 at all?

20 MS. BUSALACKI: Absolutely. It clearly
21 states that if the system fails, then you contact Gaming,
22 and I've always done that. You contacted Gaming, Security
23 and Surveillance.

24 This was a team member that shut the door.
25 It didn't -- she didn't leave it open intentionally. She

1 shut it and it didn't latch. It sent off an alarm, which
2 caused the supervisor to go in, who contacted me.

3 Our first thing we did was contact
4 Surveillance to find out who it was and to make sure
5 that -- you know, that -- why the door was left open.

6 Once you can see that her intentions were to
7 shut it, you know, then we coached her to make sure that
8 you pull on it after you shut it.

9 And then it was -- you know, I felt that it
10 was -- my responsibilities were taken care of, until the
11 next day when I was contacted.

12 CHAIRMAN MATHEWSON: Okay. Thank you.

13 MS. BUSALACKI: You're welcome.

14 CHAIRMAN MATHEWSON: Thank you very much.

15 What I hear, we've still not corrected the
16 situation as it was at that time. I mean, she knows
17 because it happened to her and, you know, that's the
18 reason why she's here is because it did happen.

19 I would suggest that maybe we need to have
20 staff -- inform staff that that needs to be clear on
21 exactly what happened in this case so that it doesn't
22 happen somewhere else.

23 MR. MCNARY: We'll send a notice to all of
24 the casinos.

25 CHAIRMAN MATHEWSON: Now, can we do that,

1 please?

2 MR. MCNARY: Yes, sir.

3 CHAIRMAN MATHEWSON: Now, your
4 recommendation, sir, as I understood it, was that we --
5 that what?

6 MR. MCNARY: It's a nonpunitive letter,
7 which is one of the sanctions, carries no fine, no
8 suspension, but it is a recognition of a violation of some
9 sort. It's about the minimal sanction that we could do.

10 And it's pretty much consistent with what
11 Mr. Wolff is recommending. He wanted a letter going to
12 the file, a coach's file. We can't direct that. So all
13 we can do is send a letter to the licensee.

14 CHAIRMAN MATHEWSON: Okay. So your
15 recommendation to the Commission is that we send a letter
16 to the lady saying it's not punitive, and we are, in fact,
17 thanking you for coming and taking your time to clarify
18 this and God bless you and have a nice day?

19 MR. MCNARY: Well, the letter doesn't go
20 quite that far.

21 CHAIRMAN MATHEWSON: That's the kind of
22 letter I thought we were talking about, but what the heck.

23 MR. MCNARY: But that's the way the
24 resolution reads.

25 CHAIRMAN MATHEWSON: Okay. Chair would

1 accept a motion to send the letter to the lady.

2 COMMISSIONER PLUNKETT: I'll make a motion,
3 Resolution 10-003.

4 CHAIRMAN MATHEWSON: Okay. Any discussion?

5 COMMISSIONER BRADLEY: Second.

6 CHAIRMAN MATHEWSON: Thank you.

7 Call the roll, please.

8 MS. FRANKS: Chairman Mathewson.

9 CHAIRMAN MATHEWSON: Approve the letter.

10 God bless you.

11 MS. FRANKS: Commissioner Jones.

12 COMMISSIONER JONES: Approve.

13 MS. FRANKS: Commissioner Plunkett.

14 COMMISSIONER PLUNKETT: Approve.

15 MS. FRANKS: Commissioner Bradley.

16 COMMISSIONER BRADLEY: Approve.

17 MS. FRANKS: By your vote you've adopted

18 Resolution No. 10-003.

19 CHAIRMAN MATHEWSON: Again, thank you very

20 much for coming down and clarifying that for us.

21 MS. BUSALACKI: You're welcome.

22 CHAIRMAN MATHEWSON: You have a nice day and

23 be safe going home.

24 MS. BUSALACKI: Thank you.

25 CHAIRMAN MATHEWSON: Okay. Who is next?

1 Is Mr. Wolff still on?

2 MR. WOLFF: I am, Senator. I'm glad to see
3 you have not lost your sense of humor.

4 CHAIRMAN MATHEWSON: You just keep laying in
5 the sun down there, Mr. Wolff. If we need you, we'll call
6 you and you can come home. Okay?

7 MR. WOLFF: I'm coming home in a couple of
8 weeks.

9 CHAIRMAN MATHEWSON: Thank you. Be safe.

10 MR. WOLFF: Thank you.

11 MR. MCNARY: Mr. Stark has the next two.

12 CHAIRMAN MATHEWSON: Good morning,
13 Mr. Stark.

14 MR. STARK: Good morning, Commissioners.

15 CHAIRMAN/COMMISSIONERS: Good morning.

16 MR. STARK: The next case on your agenda is
17 Letter F, Robert Howard. Mr. Howard holds a Level 2
18 occupational license granted by the Commission.

19 On June 4th, 2009 Mr. Howard was employed as
20 a security officer for the Ameristar Casino in
21 Kansas City.

22 On that same day of June 4th, 2009, while he
23 was working on his job as a security officer, he allowed a
24 patron to enter the casino floor who presented her
25 identification card to him, it being a Kansas driver's

1 license. Mr. Howard did look at that Kansas driver's
2 license and, again, allowed the patron on the floor.

3 The patron went to the floor, inserted money
4 into the slot machines, later on attempted to obtain a
5 player's card. She was on the casino floor almost one
6 hour.

7 Now, the patron had a date of birth of
8 May 20th, 1990. The Kansas driver's license says the same
9 thing as her date of birth being May 20th, 1990. On that
10 day of June 2009 she would have only been 19 years of age.

11 At the hearing Mr. Howard did admit that he
12 allowed an underage patron onto the gaming floor. In
13 fact, he said -- and I quote -- I have no excuse of
14 failing to do my job.

15 As a result of this incident, Ameristar
16 Casino did terminate his employment, and Mr. Howard did
17 remain unemployed for three months before he was able to
18 secure other employment at another casino.

19 Now, the law is really clear that a person
20 under the age of 21 years shall not make any wager on a
21 gambling boat and shall not even be allowed in the area on
22 the boat where the gambling is being conducted.

23 So we have a violation of law. We have an
24 admission by the licensee that he has no explanation, no
25 justification for the violation, and Staff did recommend a

1 suspension of one calendar day. That discipline would be
2 appropriate in the circumstances.

3 In some past cases the Commission has given
4 consideration to what discipline the licensee may have
5 received from the casino.

6 I realize the casino and the Commission
7 should act separately and distinctly, but I believe in the
8 past that has been given some consideration.

9 I think Mr. Howard did recognize and was
10 able to take responsibility for his bad act in violating
11 the law, allowing the underage person on the floor.

12 His three months of unemployment would seem
13 to constitute enough of a discipline, that the Commission
14 may want to consider the one-day suspension already
15 served.

16 So my recommendation would be to impose the
17 discipline but consider it having been served.

18 CHAIRMAN MATHEWSON: Any comments, questions
19 or otherwise?

20 We're running the gamut this morning.

21 COMMISSIONER BRADLEY: May I ask: Does
22 this -- maybe I should ask Chris or Gene.

23 Does this resolution that we're looking at,
24 does that make it -- give him credit for time served, that
25 one-day suspension?

1 The resolution just says that it issues a
2 one-day suspension of his occupational license. It
3 doesn't say anything about -- would that be just in the
4 process he was terminated?

5 MR. MCNARY: I think you would have to amend
6 the resolution to give him credit for time served.

7 CHAIRMAN MATHEWSON: Good point.

8 The fact he got fired is your point?

9 COMMISSIONER BRADLEY: He got fired. He
10 didn't have a job for three months.

11 He's working somewhere else now. Correct?

12 MR. STARK: Yes, he's in the casino, another
13 casino.

14 CHAIRMAN MATHEWSON: So he got a three-
15 month suspension instead of one day, in essence.

16 COMMISSIONER BRADLEY: Right. So, I mean, I
17 would think that would be a fair thing to do.

18 CHAIRMAN MATHEWSON: Wait a minute.

19 Mr. Hinckley has -- his face went crooked or something.

20 MR. HINCKLEY: I was just going to ask, what
21 it is you'd like to amend the resolution to say?

22 MR. MCNARY: Get credit --

23 COMMISSIONER BRADLEY: Well, Hearing
24 Officer Stark had recommended that in view of the
25 circumstances, that perhaps we should consider giving him

1 credit for the time served, credit for the one-day --
2 assess the one-day suspension but you've got credit for
3 it, so you don't have to do it now.

4 MR. HINCKLEY: And the only thing I would
5 say is that, you know, this resolution has to do with the
6 discipline imposed and not how it's served.

7 COMMISSIONER BRADLEY: That's my question.

8 MR. HINCKLEY: The internal policies of the
9 Commission would be that upon reapplying for a job, this
10 pending action would then be eliminated.

11 COMMISSIONER BRADLEY: Right. So we don't
12 have to amend this?

13 MR. HINCKLEY: You don't have to put it in
14 the resolution -- I'm sorry --

15 COMMISSIONER BRADLEY: We don't have to
16 amend the resolution --

17 MR. HINCKLEY: -- because it would be taken
18 care of by staff, and this would remain on the books as a
19 discipline that was served.

20 So it should not be in the resolution as to
21 how it would be served or that it has been served.

22 COMMISSIONER BRADLEY: That was exactly my
23 question. Thank you.

24 And no amendment is necessary.

25 CHAIRMAN MATHEWSON: Is Mr. Howard here?

1 Okay. Any further discussion?

2 Chair would accept a motion to adopt the
3 resolution.

4 COMMISSIONER JONES: Move for the adoption
5 of Resolution No. 10-004.

6 COMMISSIONER BRADLEY: Second.

7 CHAIRMAN MATHEWSON: Any further discussion?

8 Call the roll, please.

9 MS. FRANKS: Chairman Mathewson.

10 CHAIRMAN MATHEWSON: Approve.

11 MS. FRANKS: Commissioner Jones.

12 COMMISSIONER JONES: Approve.

13 MS. FRANKS: Commissioner Plunkett.

14 COMMISSIONER PLUNKETT: Approve.

15 MS. FRANKS: Commissioner Bradley.

16 COMMISSIONER BRADLEY: Approve.

17 MS. FRANKS: By your vote you've adopted
18 Resolution No. 10-004.

19 MR. STARK: Our next case is Item Letter G,
20 Ryan Detwiler.

21 Mr. Detwiler made an application to the
22 Gaming Commission for a Level 2 occupational license. The
23 application process does ask the question, have you ever
24 been arrested or given a ticket for driving while
25 intoxicated or under the influence of alcohol or drugs.

1 If yes, describe.

2 Mr. Detwiler did answer yes to that
3 application question, disclosing two different offenses of
4 driving while intoxicated, and stated that one of the
5 offenses did include a charge of assault, with a suspended
6 imposition of sentence.

7 The Gaming Commission conducted its
8 background investigation and found that the assault charge
9 was actually a charge for a felony under which
10 Mr. Detwiler pled guilty. So Mr. Detwiler pled guilty to
11 an assault charge while driving under the influence of
12 alcohol.

13 The Legislature has given the Commission a
14 statute that requires that a license shall not be granted
15 to any applicant who has pled guilty to or has been
16 convicted of a felony.

17 It's disjunctive. It's either/or. It's not
18 that he had to have been convicted to have a conviction on
19 his record because he had a suspended imposition of
20 sentence, and his argument is that did not result in a
21 conviction because he successfully completed his
22 probation, abiding by all of the rules that the judge
23 imposed upon him.

24 But unfortunately for Mr. Detwiler the law
25 is pretty clear that the Commission has no discretion. It

1 shall not offer a license to one who has pled guilty to a
2 felony.

3 So, therefore, the denial of the application
4 for license for Mr. Detwiler would be the appropriate
5 result in this case. That would be my recommendation.

6 CHAIRMAN MATHEWSON: Any discussion?

7 Is Mr. Detwiler here?

8 No.

9 Any further discussion?

10 Chair would accept a motion to accept
11 Resolution 10-005.

12 COMMISSIONER PLUNKETT: Make a motion.

13 COMMISSIONER JONES: Second.

14 CHAIRMAN MATHEWSON: Any further discussion?

15 Call the roll, please.

16 MS. FRANKS: Chairman Mathewson.

17 CHAIRMAN MATHEWSON: Approve.

18 MS. FRANKS: Commissioner Jones.

19 COMMISSIONER JONES: Approve.

20 MS. FRANKS: Commissioner Plunkett.

21 COMMISSIONER PLUNKETT: Approve.

22 MS. FRANKS: Commissioner Bradley.

23 COMMISSIONER BRADLEY: Approve.

24 MS. FRANKS: By your vote you've adopted
25 Resolution No. 10-005.

1 MR. STARK: Thank you very much. That
2 concludes.

3 MR. MCNARY: Mr. Chairman, Item V on the
4 agenda concerns the relicensure of a Class B licensee;
5 namely, Isle of Capri-Boonville, and the presentation will
6 be directed by Barron Fuller, who is the GM, and I see
7 Counsel Tom Campbell is also involved.

8 CHAIRMAN MATHEWSON: Okay. Proceed, please.

9 MR. CAMPBELL: Good morning, Mr. Chairman,
10 Commissioners, Director McNary. My name is Tom Campbell
11 with the law firm of Gallop, Johnson and Neuman, which
12 serves as Missouri regulatory counsel for the Class A
13 Licensee Isle of Capri Casinos, Inc. and the Class B
14 Licensee IOC-Boonville, Inc.

15 We are presenting ourselves this morning for
16 your consideration of a renewal of the Class B license,
17 and before I ask the general manager to engage in the
18 presentation, I would like to introduce for the Commission
19 the new general manager for Kansas City, Paul Avery.

20 Paul, if you would stand.

21 And from the corporate legal office of
22 Isle of Capri, Elizabeth Tranchina.

23 At this time I'd like to introduce Barron
24 Fuller, who is the general manager for the Boonville
25 property, and he will make the presentation.

1 CHAIRMAN MATHEWSON: Good morning.

2 MR. FULLER: Good morning, everybody.

3 Thanks, Tom.

4 Commissioners, staff, I'm Barron Fuller,
5 General Manager of Isle of Capri Casino in Boonville.

6 Before we get going with our presentation, I
7 have some staff from Isle of Capri with me and some
8 members of the City of Boonville, so I'll do some
9 introductions on that side.

10 I have Laura Pfeiffer, who is our Director
11 of Human Resources; Adam Rentschler is our Compliance
12 Officer and Risk Manager; Ken Ostempowski is our Senior
13 Director of Finance, kind of running the projection today.

14 With the City of Boonville we have Dave
15 Nicholas -- Dave is the Mayor of Boonville -- Irl
16 Tessendorf, City Administrator; and Chief Gholson, Chief
17 of Police; and then we have a City Council member with us
18 today, Jim Painter.

19 Thanks, guys.

20 I will start with the presentation, taking a
21 look at our adjusted gross revenues.

22 I'll first hit the development agreement.
23 We're happy to say that we're in compliance with all
24 elements of our development agreement, some odd 300 pages
25 of it, which makes for some nice reading on a rainy

1 afternoon. I think the City will find the same when they
2 come up to speed.

3 Back to AGR. Fiscal year '08 we're at about
4 83.5 projected AGR. We hit about 82. Fiscal year '09,
5 projected was 82.8. Again, about 81.5. And then our
6 projection for fiscal year '10 is about \$82.2 million.
7 We're happy to say we're right on with that projection
8 right now.

9 Admissions. 2.3 million in fiscal year '08
10 against a 2.38 actual. '09, again, 2.38 as a projection.
11 We hit about 2.3. And then a projection for fiscal year
12 '10 is 2.3 or close to 2.4, which we're right on target
13 with right now.

14 Capital investment. Initial capital
15 investment in the facility dating back to 2001 was
16 \$69 million. We added another \$17.5 million with the
17 construction of a hotel and convention center in 2006 and
18 then another \$21 million from the entirety, slot
19 purchases, system maintenance, equipment and things like
20 that, for over \$107 million in capital investment.

21 Employment practices. Isle of Capri-
22 Boonville is committed to the belief that a diverse
23 workforce is essential to our current and future success.

24 Practices to abide by this, some
25 partnerships, job fairs and networking that we do,

1 Unlimited Opportunities within the City of Boonville,
2 Columbia Values Diversity Group, Boonville Concerned
3 Citizens for the Black Community, Division of Workforce
4 Development, State of Missouri, State Fair Community
5 College, Central Methodist University and the University
6 of Missouri. And we're happy to say we'll be doing a job
7 fair at Lincoln University starting this March.

8 Demographic profiles. Actual minorities is
9 6.5 percent right now. Cooper County is 12.2 percent.
10 Howard County is sitting at 10 percent.

11 Female percentages. Our actual is
12 53.6 percent. Cooper County averages 45.9, with Howard
13 County at 51.2 percent.

14 Payroll and benefits. Fiscal year 2008,
15 gross payroll was about \$11.4 million. It's down a little
16 bit in '09, same with benefits on that side. Basically
17 attrition, just operating efficiencies and the reduction
18 of that payroll.

19 All 531 total team members as far as
20 employee count.

21 Vendor diversity. Again, we're committed to
22 vendor diversity. We work with Mr. Nathan trying to
23 secure as many MBE and WBE vendors.

24 A success story is contracting with Davis
25 Safety and Supply this year. We worked with our sister

1 property in Kansas City setting up vendor fairs, and we
2 attended seven minority vendor fairs in the state of
3 Missouri in calendar year 2009.

4 Diversity percentages. MBE, 2009 is at
5 1.66, down slightly from '08. We haven't lost vendors on
6 that side. It's just that as far as we've switched
7 vendors and gotten a better deal on the purchases of the
8 products within there.

9 As far as WBE, again, we haven't lost a
10 vendor. Our percentage is down slightly.

11 Our major vendor is our marketing firm,
12 which is a female-owned marketing firm. As we grow
13 properties in our portfolio, we get efficiencies, and that
14 is why that reduction is there.

15 Problem gaming or responsible gaming, again,
16 we take great pride in promoting this. We're an active
17 member of the Missouri Alliance to Curb Problem Gaming.
18 We conduct compulsive gaming training annually for all of
19 our employees. We participate heavily in the Responsive
20 Gaming Education Week. We include the Bets Off number in
21 all of our advertising materials.

22 We promote the statewide DAP program,
23 self-barmment program. We've implemented on property a
24 bounty hunter program for all of our team members.

25 If they find a DAP on our floor, the team

1 member is eligible for a \$100 bonus.

2 Underage gaming, again, something that's
3 very high on our radar. We have a strict identification
4 policy to identify any patron that looks under the age of
5 35 when they enter the casino.

6 We purchased two new electronic devices, one
7 to help our turnstile, our officers at the turnstile, to
8 swipe IDs into that, and then we put one behind our casino
9 bar.

10 We've incorporated a culture that it's not
11 only Security's responsibility to keep underage patrons
12 off the floor, that it's the entire staff's.

13 So it's not uncommon that you won't see a
14 table games dealer identifying somebody or somebody
15 sitting at a casino bar.

16 We work with our on-site agents for
17 fraudulent identification training and, again, the bounty
18 hunter program. If one of our team members finds a patron
19 on the floor under the age of 21, they're eligible for a
20 \$100 bonus.

21 Charitable contributions. Over \$193,000
22 during this timeframe through charitable contributions.

23 Just to point out a few: The Marshall-
24 Saline Branch, the NAACP, Howard County Economic
25 Development, moving some of the monies out of Cooper

1 County into Howard County, Friends of Historic Boonville,
2 keeping faith with Boonville's strong history and tourism
3 and culture, the 1033 Benevolent Fund, working with Roger
4 Wilson on that one, the Big Brothers and Big Sisters,
5 naming a few.

6 Volunteering. Again, we're strong
7 supporters of United Way. Last year we raised over
8 \$47,000 on our United Way campaign, which is the largest
9 in the history of our property, which we're very proud of
10 considering the economic times.

11 We participate in a program called the
12 United Way Day of Caring, where we get team members
13 together. We built a loft at the YMCA. We participate
14 with Unlimited Opportunities and various organizations
15 throughout Boonville.

16 Another one is Relay for Life, a strong
17 presence for Relay for Life in Cooper County. We
18 participated with that, a gold sponsor last year.

19 The next picture is just a bake sale that we
20 held while we were out at the fairgrounds in Cooper
21 County.

22 Other areas of volunteering, American Red
23 Cross, Central Missouri Food Bank, Toys for Tots, various
24 churches, rotary clubs and things in the area.

25 Again, our mission, obviously we feel we

1 have a strong commitment to the City of Boonville and the
2 State of Missouri, so we look to be the best in our market
3 for our employees, communities, guests and our investors.

4 I'd be happy to answer any questions at this
5 time.

6 MR. MCNARY: Any questions?

7 CHAIRMAN MATHEWSON: We haven't -- do we
8 have -- I'm asking the Director here so I can respond to
9 you.

10 I know I've only been here since April or
11 May or some month like that, but we haven't been there
12 since -- been over at Boonville.

13 MR. MCNARY: We haven't been there since
14 you've been here. We were over there a year ago or so, I
15 think.

16 MR. FULLER: I think you're on the schedule
17 for September of this year.

18 CHAIRMAN MATHEWSON: In September we are?

19 MR. FULLER: Yeah, September.

20 CHAIRMAN MATHEWSON: Okay. I'm sorry. I
21 didn't realize that. Okay. Because we've been touring.

22 MR. FULLER: You're always welcome.

23 CHAIRMAN MATHEWSON: We were -- just about a
24 month ago we were in your property in Kansas City.

25 MR. FULLER: Okay.

1 MR. MCNARY: Well, and Boonville is easy to
2 get to.

3 CHAIRMAN MATHEWSON: Two and a half million
4 people a year got there. Yeah, evidently.

5 MR. MCNARY: It's easy for us to get there
6 too.

7 MR. FULLER: And we're getting updates for
8 our airport, so you can fly in too.

9 CHAIRMAN MATHEWSON: Okay. Any questions?
10 Thank you, sir.

11 MR. FULLER: All right.

12 Irl Tessendorf from the City of Boonville
13 will come up and say a few words on behalf of the City.

14 CHAIRMAN MATHEWSON: Good morning, Irl.

15 MR. TESSENDORF: Good morning, Commissioner.
16 It's good to see you back in public service.

17 CHAIRMAN MATHEWSON: Thank you, sir.

18 MR. TESSENDORF: And the rest of the
19 Commission.

20 I'll just take a brief moment here to
21 highlight the items that I believe you denoted that you
22 wanted the City to address orally.

23 One is the performance of the Isle as a
24 corporate citizen. The community and the governing body
25 are both quite pleased with their performance. They run

1 an efficient operation. They take care of themselves,
2 relatively self-contained. The impacts communitywide are
3 little or none in terms of negative items.

4 In addition to the presentation they made on
5 their nonprofit participations and contributions, I'd also
6 like to note that they have taken appointments to several
7 City boards, which not every industry and so forth will
8 always do, and there is a number of their employees on
9 various City boards, from the Tourism Commission, as you
10 might expect, to something like the Initial Development
11 Authority. So they participated on those governmental
12 boards in a very pleasing fashion also.

13 Economic input, obviously that's twofold.
14 One, the direct monies that the City receives. The City
15 has spent that money on a variety of projects, and I
16 provided a list to staff when they were doing their review
17 prior to the hearing.

18 The bulk of the money is going to
19 infrastructure improvements. Obviously, Boonville is an
20 older community, and we have lots of infrastructure
21 challenges both just in terms of the weight of time and
22 the increasing regulatory requirements from the Clean
23 Water Act and those sorts of things. So it's been very
24 integral to our ability to address those items.

25 The other piece of that pie is probably,

1 looking for it, but I didn't -- I couldn't touch it right
2 away.

3 What's the total amount of money that the
4 City of Boonville received because of the casino there?

5 MR. TESSENDORF: Direct money off the
6 admission fee and the gaming tax, it's approximately 4
7 million, just a hair under that I think last year.

8 CHAIRMAN MATHEWSON: That's gone up
9 considerably since 2001/2002, something like that.

10 MR. TESSENDORF: Yeah. Some of that
11 precedes me. I believe they've had a nice growth pattern.

12 CHAIRMAN MATHEWSON: You were still over in
13 Sedalia.

14 MR. TESSENDORF: I was, yes.

15 CHAIRMAN MATHEWSON: They got all of this
16 money and you went back.

17 MR. TESSENDORF: Yeah, you know.

18 CHAIRMAN MATHEWSON: Just so the Commission
19 knows, Irl and I have been friends for a long, long time.

20 Cooper County, Boonville, was in my Senate
21 district for many, many years, and he was City
22 Administrator there. He and I worked together on that.

23 And then Sedalia hired him, the Sedalia City
24 Council hired him to come from Boonville to Sedalia.

25 And you were in Sedalia for what, 10 years?

1 MR. TESSENDORF: About 17.

2 CHAIRMAN MATHEWSON: 17.

3 And so I worked with him in that part of my
4 Senate district on a lot of different things.

5 And then back about, what, four years ago,
6 something like that?

7 MR. TESSENDORF: Yeah. Four years ago I
8 retired from there and then eventually migrated back to
9 Boonville.

10 CHAIRMAN MATHEWSON: So he went back over to
11 Boonville. So he and I have had a long relationship of
12 working together. He's a great guy to work with.

13 Another little historic factor about this is
14 that there was a senator that had Howard County just
15 across the river, and then I had Cooper County on their
16 side of the river, which includes Boonville, and that son
17 of a gun tried to take that casino before it ever started
18 over to Howard County.

19 I don't know why he wanted to act like that.

20 So he and I are both the same political
21 party, so you know that, and he and I had us a serious
22 debate on the floor for quite some time about who was
23 going to get that casino. I had a good day that day.

24 So that's on the Boonville side instead of
25 the Howard County side. So it's worked out very well.

1 Irl, one other thing. Did I notice there
2 was a list in here on law enforcement on the sharing
3 program that you-all do with law enforcement for Moniteau
4 County? I think Saline County was on the list, et cetera,
5 et cetera.

6 Do you remember those applications were
7 reviewed by you and the City back about three weeks ago or
8 something like that? Did Pettis County get any money this
9 year?

10 MR. TESSENDORF: The decisions haven't been
11 made yet, but they did not apply.

12 CHAIRMAN MATHEWSON: They didn't get an
13 application over there?

14 MR. TESSENDORF: They didn't apply, and I
15 did receive a phone call from them, and they at that point
16 had missed the deadline already because the deadline was
17 back in December.

18 I invited him to send another letter for --
19 because, like I said, the decisions have not been made for
20 consideration. I have not received the letter.

21 CHAIRMAN MATHEWSON: Okay. And for the
22 Commissioners' benefit there, that most people do not
23 know, that Boonville and the other casinos around the
24 state, but Boonville, because that was my area for so many
25 years, they do share law enforcement now.

1 Pettis County is two counties away -- well,
2 actually adjoins Cooper County on, I guess, the southwest
3 corner.

4 But for many years since the casino opened,
5 the City of Boonville -- and as I understand -- as I
6 understand the law, the City of Boonville controls that
7 money that goes to law enforcement in the other counties.
8 In other words, the casino doesn't have anything directly
9 to do with that.

10 Am I correct on that?

11 MR. TESSENDORF: That's correct.

12 CHAIRMAN MATHEWSON: And they take
13 applications each year from law enforcement and other
14 activities.

15 And I know for several years the County of
16 Pettis County, which is Sedalia, they got, like, \$15,000 a
17 year, which went into a drug task force program that all
18 of the counties in that area are involved in.

19 So I share that with you because I suspect
20 that there isn't one out of every million people in the
21 state of Missouri that knows that happens.

22 MR. TESSENDORF: Yeah, that's true.

23 CHAIRMAN MATHEWSON: But that's an excellent
24 program, and I compliment the City of Boonville because
25 that's been in place for a long, long time.

1 MR. TESSENDORF: It's been there from the
2 very beginning.

3 CHAIRMAN MATHEWSON: That's a good idea.

4 I guess with all that, Irl, if you guys
5 would give any consideration to Pettis County for that
6 money, I'd appreciate it.

7 MR. TESSENDORF: We'll try to take note of
8 that.

9 CHAIRMAN MATHEWSON: I want good law
10 enforcement over in my home area.

11 So are you going to invite somebody to come
12 up, Irl?

13 MR. TESSENDORF: Do you care to hear from
14 the Chief? Do you want to hear from Chief Gholson?

15 Chief, would you come up?

16 And the Mayor would be happy to respond to
17 any questions or comments that you would have.

18 CHAIRMAN MATHEWSON: Good morning, Chief.

19 CHIEF GHOLSON: Good morning. Good to be
20 here.

21 CHAIRMAN MATHEWSON: Thank you, sir.

22 CHIEF GHOLSON: I submitted the stats for
23 the City of crime in the area, and I'll be glad to answer
24 any questions you may have regarding those facts.

25 CHAIRMAN MATHEWSON: I saw that in there. I

1 did notice it because, Chief, I have a tendency to have a
2 sense of humor.

3 CHIEF GHOLSON: Okay.

4 CHAIRMAN MATHEWSON: And I did notice that
5 animal calls went up considerably this year over the
6 previous year.

7 MR. FULLER: It's the strong support of the
8 Humane Society.

9 CHAIRMAN MATHEWSON: What were those animals
10 doing? What was the deal with that? I mean, you more
11 than tripled your animal calls down there. What is the
12 casino doing to those animals?

13 CHIEF GHOLSON: I think, as you can
14 obviously see, that the most calls we've had at the Isle
15 of Capri is for us unlocking people's cars, who have
16 locked their keys up in the car. So if you take that
17 away, it's not too many calls do we have from the Isle of
18 Capri.

19 I think one thing I should add is that
20 Isle of Capri and its security works very close with us,
21 and they do a good job reporting anything that needs to be
22 reported to us.

23 CHAIRMAN MATHEWSON: Very good.

24 CHIEF GHOLSON: And the Gaming officers
25 also.

1 CHAIRMAN MATHEWSON: Good. Thank you,
2 Chief.

3 Any questions to the Chief of Police of
4 Boonville?

5 CHAIRMAN MATHEWSON: Good.
6 Thank you, sir. Thank you for coming down
7 here.

8 Anyone else, guys?
9 Let's just say hi to the mayor sitting back
10 there.

11 Good morning, sir. Thank you very much for
12 coming over.

13 MAYOR NICHOLAS: Thank you.

14 CHAIRMAN MATHEWSON: I appreciate it.

15 COMMISSIONER JONES: Mr. Fuller, I want to
16 thank you for your Exhibit B, the strategic plan.

17 MR. FULLER: Okay.

18 COMMISSIONER JONES: Thank you for that.
19 That's good.

20 MR. FULLER: Thank you.

21 You can thank Mr. Ostempowski. He put that
22 together, and Adam Rentchler.

23 So thank you. We appreciate that.

24 COMMISSIONER JONES: Thank you.

25 MR. FULLER: You bet.

1 MR. MCNARY: Any other questions of the
2 manager or anyone else relating to the Boonville project?

3 CHAIRMAN MATHEWSON: Thank you all very much
4 for being here.

5 MR. FULLER: Thank you. We appreciate it.

6 CHAIRMAN MATHEWSON: Thank you.

7 I know I used to say I was new, but I can't
8 even use that anymore. I'm just dumb.

9 How many --

10 MR. MCNARY: Investigative summary.

11 Oh. You have another question?

12 CHAIRMAN MATHEWSON: Yeah.

13 How many years are we looking here for the
14 relicensure?

15 MR. MCNARY: It's two, isn't it?

16 CHAIRMAN MATHEWSON: I don't see it.

17 MR. GREENO: I think this particular one
18 will be just right around the area of a year. That will
19 bring all of the Isle of Capri licenses due on the same
20 day.

21 CHAIRMAN MATHEWSON: Oh, okay. This is one
22 of those we're trying to get aligned. Okay. Okay. I
23 wanted it for their benefit as well as mine, because
24 they're smarter than I am.

25 Okay. So we're just talking about the

1 extension, so we can line them up with our --

2 MR. GREENO: Correct. And then their
3 renewal period, Isle of Capri corporate and all three of
4 the Isle of Capri properties in Missouri will be due on
5 the same day.

6 CHAIRMAN MATHEWSON: Okay. Okay. I knew
7 that was our mission. Okay.

8 Mr. Director, do we need to vote on
9 relicensure today, sir?

10 MR. MCNARY: Yes.

11 But we have -- Sergeant Gary Davidson wants
12 to -- or we would ask him to give the investigative
13 summary.

14 CHAIRMAN MATHEWSON: Okay.

15 MR. MCNARY: His people look into it.

16 CHAIRMAN MATHEWSON: Okay.

17 Good morning, sir.

18 SERGEANT DAVIDSON: Good morning, Chairman,
19 Commissioners.

20 COMMISSIONER JONES: Good morning.

21 SERGEANT DAVIDSON: On August 31st, 2009
22 Isle of C-Boonville, Incorporated submitted a relicensing
23 application to the Missouri Gaming Commission. Isle of
24 Capri-Boonville requested a renewal of their Class B
25 riverboat gaming license, which was to expire on

1 limited to, criminal, financial and general character
2 inquiries of associated key and Level I personnel, of
3 where they lived, worked and frequented, as well as
4 contacts with City, County, State and Federal agencies
5 that have regulatory authority over Isle of Capri-
6 Boonville.

7 No discrepancies or concerns were noted.

8 The City of Boonville and Cooper County
9 officials were contacted during the investigation
10 regarding concerns with the operation of Isle of Capri-
11 Boonville.

12 The Missouri Department of Natural
13 Resources, Missouri Department of Health, Cooper County
14 Department of Health and ABS Consulting, Incorporated were
15 also contacted regarding concerns with the Isle of Capri-
16 Boonville operation.

17 There were no issues, concerns or negative
18 information disclosed from those.

19 The findings of this investigation were
20 provided to Gaming Commission staff for their review, and
21 you possess the detailed summary report before you.

22 The investigating officers are present at
23 the hearing and will be happy to entertain any questions
24 you might have at this time.

25 Thank you.

1 CHAIRMAN MATHEWSON: Thank you, sir.

2 Any questions?

3 Thank you very much.

4 MR. MCNARY: Mr. Chairman, before I make the
5 Staff recommendation, I think that you would enjoy this
6 story.

7 When we toured Isle of Capri-Boonville, they
8 took us around, and they have a very nice community room.
9 And they showed us the community room, and I asked, well,
10 do the Rotary and the Kiwanas and the other service
11 organizations meet here? And they said, no. They meet at
12 some church. It's down the street.

13 And they said, you know, there is a lot more
14 praying that goes on here than goes on down at the church.

15 Staff recommends relicensure.

16 CHAIRMAN MATHEWSON: I've been talking to
17 the slot gods in my life, so you know that. In fact, I
18 just was last week, but not in the state of Missouri. I
19 want everybody to understand that. It was clear out of
20 the continental United States. I had to.

21 Okay. Chair would accept a motion for the
22 licensure of the Boonville operation, please.

23 COMMISSIONER PLUNKETT: I make a motion we
24 approve Resolution 10-006.

25 COMMISSIONER JONES: Second.

1 CHAIRMAN MATHEWSON: Any comments?
2 Call the roll, please.
3 MS. FRANKS: Chairman Mathewson.
4 CHAIRMAN MATHEWSON: Approve.
5 MS. FRANKS: Commissioner Jones.
6 COMMISSIONER JONES: Approve.
7 MS. FRANKS: Commissioner Plunkett.
8 COMMISSIONER PLUNKETT: Approve.
9 MS. FRANKS: Commissioner Bradley.
10 COMMISSIONER BRADLEY: Approve.
11 MS. FRANKS: By your vote you've adopted
12 Resolution No. 10-006.
13 CHAIRMAN MATHEWSON: Thank you.
14 Mr. Director.
15 MR. MCNARY: Item VI on the agenda is
16 consideration of relicensure of certain suppliers, and
17 Lieutenant Rex Scism will handle that.
18 CHAIRMAN MATHEWSON: Good morning, Rex.
19 LIEUTENANT SCISM: Good morning,
20 Mr. Chairman, Commissioners.
21 CHAIRMAN/COMMISSIONERS: Good morning.
22 LIEUTENANT SCISM: Missouri State Highway
23 Patrol investigators conducted the relicensing
24 investigation of two supplier companies currently licensed
25 in Missouri.

1 These investigations consisted of
2 jurisdictional inquiries, feedback from affected gaming
3 company clients, a review of disciplinary actions,
4 litigation and business credit profiles, as well as a
5 review of key persons associated with each company.

6 The results of these investigations were
7 provided to the MGC staff for their review, and the
8 following supplier companies are presented for your
9 consideration.

10 The first one is Konami Gaming, Incorporated
11 from Las Vegas, Nevada.

12 MR. MCNARY: Staff recommends relicensure.

13 CHAIRMAN MATHEWSON: Any discussion,
14 comments?

15 Call the roll.

16 COMMISSIONER JONES: Move for the acceptance
17 of Resolution No. 10-007.

18 COMMISSIONER BRADLEY: Second.

19 CHAIRMAN MATHEWSON: Any discussion?

20 Call the roll, please.

21 MS. FRANKS: Chairman Mathewson.

22 CHAIRMAN MATHEWSON: Approve.

23 MS. FRANKS: Commissioner Jones.

24 COMMISSIONER JONES: Approve.

25 MS. FRANKS: Commissioner Plunkett.

1 COMMISSIONER PLUNKETT: Approve.

2 MS. FRANKS: Commissioner Bradley.

3 COMMISSIONER BRADLEY: Approve.

4 MS. FRANKS: By your vote you've adopted
5 Resolution No. 10-007.

6 CHAIRMAN MATHEWSON: Thank you.

7 LIEUTENANT SCISM: And, finally, the second
8 applicant up for relicensure is Gaming Laboratories
9 International from Lakewood, New Jersey.

10 MR. MCNARY: Staff recommends relicensure.

11 CHAIRMAN MATHEWSON: Any questions,
12 comments?

13 Chair would accept a motion to adopt.

14 COMMISSIONER JONES: Move for the acceptance
15 of Resolution No. 10-008.

16 COMMISSIONER BRADLEY: Second.

17 CHAIRMAN MATHEWSON: Further discussion?

18 Call the roll, please.

19 MS. FRANKS: Chairman Mathewson.

20 CHAIRMAN MATHEWSON: Approve.

21 MS. FRANKS: Commissioner Jones.

22 COMMISSIONER JONES: Approve.

23 MS. FRANKS: Commissioner Plunkett.

24 COMMISSIONER PLUNKETT: Approve.

25 MS. FRANKS: Commissioner Bradley.

1 COMMISSIONER BRADLEY: Approve.

2 MS. FRANKS: By your vote you've adopted
3 Resolution No. 10-008.

4 MR. MCNARY: Item VII on the agenda,
5 Mr. Chairman, is consideration of licensure of certain
6 Level I/key applicants.

7 Lieutenant Scism.

8 LIEUTENANT SCISM: Mr. Chairman and
9 Commissioners, Missouri State Highway Patrol
10 investigators, along with Gaming Commission financial
11 investigators, conducted comprehensive background
12 investigations on multiple key and Level I applicants.

13 The investigations included, but were not
14 limited to, criminal, financial and general character
15 inquiries which were made in the jurisdictions where the
16 applicants lived, worked and frequented.

17 The following individuals are being
18 presented for your consideration: Jacques Pierre Andre,
19 Outside Director for Bally Technologies; David Berl
20 Rollins, Outside Director and Chairman of the Board for
21 Bally Technologies; Bruce A. Hecht, Chief Financial
22 Officer for Gaming Laboratories International; Robert John
23 Kelly, Director for Gaming Partners International; Laura
24 McAllister-Cox, Chief Legal and Gaming Compliance Officer,
25 Gaming Partners International; Gay A. Nordfelt, Corporate

1 Secretary for Gaming Partners International; Alain
2 Thieffry, Director of Gaming Partners International;
3 Melissa M. Price, Vice-President of Gaming for Harrah's
4 Entertainment, Inc.; Thomas E. Borman, Slot Performance
5 Manager for Harrah's Maryland Heights; Richard R. Burt,
6 Independent Director for International Game Technology;
7 Robert Joseph Miller, Independent Director for
8 International Game Technology; Frederick B. Rentschler,
9 Independent Director for International Game Technology;
10 Timothy J. Parrott, CEO and Director of Shuffle Master,
11 Inc.; Bruce Howard Cusens, Shareholder for Tech Art
12 Manufacturing; Gary Alan Miller, Director and Shareholder
13 for Tech Art Manufacturing; and, finally, Ronald Lewis
14 Miller, Vice-President, Director and Shareholder for Tech
15 Art Manufacturing.

16 The results of all investigations were
17 provided to the Gaming Commission staff for their review,
18 and you have summary reports before you for all of the
19 applicants being considered.

20 CHAIRMAN MATHEWSON: Now, are these all new
21 or are these re-- have we already had these folks or the
22 previous Commission has already approved them?

23 LIEUTENANT SCISM: It's a mixture.

24 Actually they're all up for initial
25 licensing. Some of them are new applicants, and some of

1 supplier companies submitted Level 2 disclosures, so it
2 wasn't as quite as an intrusive process. There was still
3 some level of due diligence but not to the level that we
4 did on the key and Level I's.

5 With the changes in the Chapter 4
6 regulations that came about in 2008, that required all of
7 the key people to include all of the Board members for the
8 supplier companies to go through the same process that the
9 key and Level I's for the riverboat companies have gone
10 through and become individually licensed.

11 So some of these folks, if we've already
12 done a complete background investigation, say, five years
13 ago, we just updated it for this purpose, for the
14 licensing purpose, to make sure there hasn't been any
15 adverse actions between that period of investigation and
16 now.

17 And then, of course, as new people come in,
18 then they're completely investigated. Anybody that has
19 been -- if the investigation was older than ten years old,
20 ten years old or older, then we went back and pretty much
21 started from scratch from that last period of
22 investigation, to make sure you had a more -- a fresher
23 investigation, if you will.

24 CHAIRMAN MATHEWSON: Okay. Thank you.

25 Any other questions?

1 Thank you, sir.

2 MR. MCNARY: Mr. Chairman, Staff recommends
3 relicensure of these Level I/key applicants.

4 CHAIRMAN MATHEWSON: Thank you very much.
5 Chair would accept a motion --

6 MR. MCNARY: Licensure, not relicensure. My
7 mistake.

8 CHAIRMAN MATHEWSON: Okay.

9 Chair would accept a motion for licensure of
10 those that are before us, 10-009.

11 COMMISSIONER BRADLEY: I make a motion to
12 approve Commission Resolution No. 10-009.

13 COMMISSIONER JONES: Second.

14 CHAIRMAN MATHEWSON: Any discussion?
15 Call the roll, please.

16 MS. FRANKS: Chairman Mathewson.

17 CHAIRMAN MATHEWSON: Approve.

18 MS. FRANKS: Commissioner Jones.

19 COMMISSIONER JONES: Approve.

20 MS. FRANKS: Commissioner Plunkett.

21 COMMISSIONER PLUNKETT: Approve.

22 MS. FRANKS: Commissioner Bradley.

23 COMMISSIONER BRADLEY: Approve.

24 MS. FRANKS: By your vote you've adopted
25 Resolution No. 10-009.

1 CHAIRMAN MATHEWSON: Mr. Director.

2 MR. MCNARY: Mr. Chairman and Commissioners,
3 these are the disciplinary actions. They are charging
4 documents, allegations, after which there will be a right
5 to be heard by the Respondent.

6 Item N on the agenda, Tab N, concerns
7 Ameristar Casino Kansas City. This is a situation
8 where -- it's in two counts.

9 Count I, the patron gave a military ID at
10 the turnstile, was admitted, stayed for 18 minutes, was
11 caught by the dealer and there was no -- did not consume
12 alcohol, nor did he gamble.

13 Count II concerns a Missouri ID. This
14 individual played the slot -- it sounds as though he
15 played a slot machine on his way to get change for \$5 with
16 a cage cashier. No alcohol, was on the floor for
17 21 minutes and was caught by a casino player's club
18 representative.

19 Both of these counts were before the
20 September meeting when the Commission sent a message to
21 the casinos to get underage patrons under control.

22 Staff recommends -- and I ask for Commission
23 guidance on this. We believe that that message has been
24 heeded and the casinos are cracking down and that this is
25 an example -- these two counts is an example where the

1 casino actually caught the individual after they got on
2 the casino floor.

3 Hence, the staff recommends there be no fine
4 in this case.

5 CHAIRMAN MATHEWSON: So 10-003 -- were you
6 also discussing 10-004, Gene?

7 MR. MCNARY: No.

8 CHAIRMAN MATHEWSON: Just 003.

9 So you recommend no action at this time?

10 MR. MCNARY: That's correct.

11 I'm still open to Commission guidance on
12 this. But speaking to some of you, it's come back to me
13 that you feel as though we want to encourage the casinos
14 to act and you heard Boonville in their presentation talk
15 in terms of a bounty, a reward, to their employees if
16 they'll catch an underage patron, and I think that the
17 Commission wants to encourage that kind of policy.

18 CHAIRMAN MATHEWSON: Well, I certainly do.
19 And as we toured both St. Louis casinos and Kansas City
20 casinos in the last three or four months, I saw example
21 after example of that sort of thing on bonuses.

22 In fact, one of the casinos, I think in
23 Kansas City, was if you catch one -- an employee catches
24 one it's \$100 but if you catch a second one it jumps up to
25 300, or something like that, to do that.

1 I also -- I also -- I hope all of you saw
2 it. I was looking for mine, for my copy of it, but I see
3 Mike Winter out there representing the association.

4 And he at our request from back three or
5 four months ago or something, he supplied us with a
6 document on other states.

7 COMMISSIONER BRADLEY: Here it is. I have a
8 copy.

9 CHAIRMAN MATHEWSON: Thank you. I know I
10 had it because I read it.

11 I thought that was quite informative.

12 You know, there certainly is a broad list on
13 here of -- I think there is, like, five states represented
14 on here of different -- different -- different areas.

15 And I know Mr. Winter probably spent a lot
16 of time. He just went to the file and copied it or had a
17 secretary to do it.

18 So thank you for your diligent work,
19 Mr. Winter.

20 You know, we sent a message. I think the
21 message was heard loud and clear.

22 I certainly have no problem with your
23 recommendation on that, Gene, but I'll see what the
24 Commissioners say.

25 Commissioners, any comments?

1 If there is no comments, I'd accept a motion
2 to accept what the recommendation is.

3 COMMISSIONER PLUNKETT: I agree with
4 Mr. McNary's recommendation, that I think several of the
5 casinos, it's evident that they're catching these folks
6 that no one else is. As long as they continue to police
7 it themselves, they need our help in that.

8 CHAIRMAN MATHEWSON: I think so.

9 Any other comments?

10 Chair would accept a motion to accept --

11 MR. MCNARY: Let me suggest --

12 CHAIRMAN MATHEWSON: Or you don't want
13 anything?

14 MR. MCNARY: That's correct. Let us
15 withdraw the disciplinary action.

16 CHAIRMAN MATHEWSON: Okay. Do you want a
17 motion to withdraw?

18 MR. MCNARY: Does that take any action?

19 MR. HINCKLEY: No, I don't believe so.

20 MR. MCNARY: We'll just withdraw it. You
21 have nothing before you.

22 All right. Mr. Chairman, Tab O concerns
23 Ameristar Casino Kansas City. Staff recommends a \$10,000
24 fine for failing to protect casino assets.

25 CHAIRMAN MATHEWSON: Okay. Any questions by

1 members of the Commission?

2 If none, Chair would accept a motion to
3 accept the recommendations of the Executive Director.

4 COMMISSIONER PLUNKETT: Motion to approve
5 Resolution -- or DC-10-004.

6 COMMISSIONER BRADLEY: Second.

7 CHAIRMAN MATHEWSON: Any questions,
8 comments?

9 Call the roll, please.

10 MS. FRANKS: Chairman Mathewson.

11 CHAIRMAN MATHEWSON: Approve.

12 MS. FRANKS: Commissioner Jones.

13 COMMISSIONER JONES: Approve.

14 MS. FRANKS: Commissioner Plunkett.

15 COMMISSIONER PLUNKETT: Approve.

16 MS. FRANKS: Commissioner Bradley.

17 COMMISSIONER BRADLEY: Approve.

18 MS. FRANKS: By your vote you've adopted
19 DC-10-004.

20 MR. MCNARY: Tab P, Mr. Chairman, concerns
21 Ameristar Casino St. Charles, Inc.

22 Staff recommends that there be no fine and
23 that that discipline be withdrawn. It involved two
24 underage patrons who came through the turnstile; but once
25 they came through the security officer immediately said, I

1 think I made a mistake, and they went in and got them and
2 got them off.

3 Consistent with your past action, we would
4 recommend that that be withdrawn.

5 CHAIRMAN MATHEWSON: Okay.

6 COMMISSIONER BRADLEY: There was no
7 gambling, no alcohol. Correct?

8 MR. MCNARY: That's correct, no gambling, no
9 alcohol.

10 COMMISSIONER BRADLEY: And the employees
11 themselves did it?

12 CHAIRMAN MATHEWSON: The employee caught
13 them?

14 MR. MCNARY: Yes.

15 CHAIRMAN MATHEWSON: Okay. So your request
16 is to withdraw 10-005. Is that correct?

17 MR. MCNARY: Yes, sir.

18 CHAIRMAN MATHEWSON: Okay. Any comments or
19 concerns?

20 Then it shall be withdrawn.

21 MR. MCNARY: Tab Q concerns HGI-Mark Twain.
22 Staff recommends a \$10,000 fine for allowing an underage
23 patron to enter the gambling floor.

24 The patron did consume alcohol and did
25 gamble. This is, in effect, a first offense. There was

1 no prior similar situation in '09, and hence we recommend
2 a \$10,000 fine.

3 CHAIRMAN MATHEWSON: Any questions, comments
4 on 006?

5 Chair would accept a motion to accept the
6 recommendation.

7 COMMISSIONER BRADLEY: Motion to approve
8 DC-10-006.

9 COMMISSIONER JONES: Second.

10 CHAIRMAN MATHEWSON: Any discussion?

11 Call the roll, please.

12 MS. FRANKS: Chairman Mathewson.

13 CHAIRMAN MATHEWSON: Approve.

14 MS. FRANKS: Commissioner Jones.

15 COMMISSIONER JONES: Approve.

16 MS. FRANKS: Commissioner Plunkett.

17 COMMISSIONER PLUNKETT: Approve.

18 MS. FRANKS: Commissioner Bradley.

19 COMMISSIONER BRADLEY: Approve.

20 MS. FRANKS: By your vote you've adopted

21 DC-10-006.

22 MR. MCNARY: Tab R involves Harrah's
23 Maryland Heights. This concerned an underage patron who
24 was allowed to enter the gaming floor and did gamble. I
25 don't have a notice to whether or not any alcohol was

1 consumed.

2 We considered this a first offense, since
3 nothing had occurred in '09, and recommended a \$10,000
4 fine.

5 CHAIRMAN MATHEWSON: Any discussion?

6 Chair would accept a motion.

7 COMMISSIONER JONES: Move for the acceptance
8 of DC-10-007.

9 COMMISSIONER PLUNKETT: Second.

10 CHAIRMAN MATHEWSON: Any further discussion?

11 Call the roll, please.

12 MS. FRANKS: Chairman Mathewson.

13 CHAIRMAN MATHEWSON: Approve.

14 MS. FRANKS: Commissioner Jones.

15 COMMISSIONER JONES: Approve.

16 MS. FRANKS: Commissioner Plunkett.

17 COMMISSIONER PLUNKETT: Approve.

18 MS. FRANKS: Commissioner Bradley.

19 COMMISSIONER BRADLEY: Approve.

20 MS. FRANKS: By your vote you've adopted
21 DC-10-007.

22 MR. MCNARY: Tab S concerns Harrah's North
23 Kansas City, and Staff recommends a \$10,000 fine for
24 violating the coupons to cash regulation.

25 It's written up in your reports as to what

1 the details of the violation were.

2 CHAIRMAN MATHEWSON: I'm still not clear,
3 Gene, on what a coupon for cash means.

4 MR. MCNARY: I'm not sure either.
5 Clarence.

6 MR. GREENO: These are referred to as
7 nonnegotiable real reward coupons. They are promotional
8 coupons that the casino provides patrons. The patron can
9 insert these coupons into an electronic gaming device, and
10 it will place credits on the gaming device for them to
11 play.

12 And in this particular situation the casino
13 had requested the ability to issue generic nonnegotiable
14 real reward coupons.

15 Now, that means they had -- the coupons that
16 they initially issue are specific to a player, and that
17 player's card must be in the machine. The machine
18 recognizes that player's card before it will redeem that
19 coupon.

20 And they issue some of these promotional
21 coupons in rather large denominations. The casino
22 requested permission to redeem those coupons at the cage
23 for nonnegotiable real reward coupons, generic ones, at
24 lower denominations.

25 So basically it would break the higher

1 denomination coupon into lower denominations.

2 Okay? They were granted that variance with
3 the provision that they would not redeem these
4 nonnegotiable coupons for cash at the cage.

5 And it was found that their cage cashiers,
6 through a change in their accounting system, their
7 computer system, it allowed the cashiers the ability to
8 redeem these generic cards, or these generic coupons, for
9 cash.

10 CHAIRMAN MATHEWSON: Okay.

11 Any other questions or concerns?

12 Chair would accept a motion on 10-008.

13 COMMISSIONER PLUNKETT: I make a motion to
14 approve DC-10-008.

15 COMMISSIONER JONES: Second.

16 CHAIRMAN MATHEWSON: Any discussion?

17 Call the roll, please.

18 MS. FRANKS: Chairman Mathewson.

19 CHAIRMAN MATHEWSON: Approve.

20 MS. FRANKS: Commissioner Jones.

21 COMMISSIONER JONES: Approve.

22 MS. FRANKS: Commissioner Plunkett.

23 COMMISSIONER PLUNKETT: Approve.

24 MS. FRANKS: Commissioner Bradley.

25 COMMISSIONER BRADLEY: Approve.

1 MS. FRANKS: By your vote you've adopted
2 DC-10-008.

3 CHAIRMAN MATHEWSON: Mr. Director.

4 MR. MCNARY: Tab T, Mr. Chairman,
5 Commissioners, is what the staff considers to be an
6 egregious violation involving an intoxicated patron at
7 Harrah's North Kansas City.

8 The patron -- and we watched the
9 surveillance tapes of this patron. The employees at
10 several stages had seen the patron intoxicated and allowed
11 the patron to leave the casino, go out to the parking lot,
12 stop -- finally stopped her before she got into her car to
13 drive away.

14 We felt as though it was a systemic
15 breakdown on the part of the casino and its policies and
16 recommend a \$75,000 fine.

17 I should add, it was a civilian who stopped
18 her from getting into the car.

19 COMMISSIONER BRADLEY: Three citizens
20 escorted her back.

21 COMMISSIONER JONES: Then the security guard
22 made a comment about how drunk she was and nothing was
23 done.

24 CHAIRMAN MATHEWSON: Thank God for three
25 caring citizens.

1 COMMISSIONER JONES: That's right.

2 CHAIRMAN MATHEWSON: Okay. Any comments or
3 questions?

4 Chair would accept a motion on 10-009.

5 COMMISSIONER BRADLEY: Motion to approve
6 DC-10-009.

7 COMMISSIONER PLUNKETT: Second.

8 CHAIRMAN MATHEWSON: Any discussion?
9 Call the roll, please.

10 MS. FRANKS: Chairman Mathewson.

11 CHAIRMAN MATHEWSON: Approve.

12 MS. FRANKS: Commissioner Jones.

13 COMMISSIONER JONES: Approve.

14 MS. FRANKS: Commissioner Plunkett.

15 COMMISSIONER PLUNKETT: Approve.

16 MS. FRANKS: Commissioner Bradley.

17 COMMISSIONER BRADLEY: Approve.

18 MS. FRANKS: By your vote you've adopted
19 DC-10-009.

20 MR. MCNARY: Tab U regards Isle of Capri-
21 Caruthersville, and this is a matter of the casino using
22 revoked software found in an electronic gaming device, and
23 our EGD specialists feel strongly about this matter, and
24 Staff recommends a \$10,000 fine.

25 CHAIRMAN MATHEWSON: Any questions,

1 comments?

2 Chair would accept a motion.

3 COMMISSIONER JONES: Move for the acceptance
4 of DC-10-010.

5 COMMISSIONER BRADLEY: Second.

6 CHAIRMAN MATHEWSON: Discussion?

7 Call the roll, please.

8 MS. FRANKS: Chairman Mathewson.

9 CHAIRMAN MATHEWSON: Approve.

10 MS. FRANKS: Commissioner Jones.

11 COMMISSIONER JONES: Approve.

12 MS. FRANKS: Commissioner Plunkett.

13 COMMISSIONER PLUNKETT: Approve.

14 MS. FRANKS: Commissioner Bradley.

15 COMMISSIONER BRADLEY: Approve.

16 MS. FRANKS: By your vote you've adopted
17 DC-10-010.

18 MR. MCNARY: Tab V concerns Missouri Gaming
19 Company. That is Argosy Kansas City. And this concerns
20 an intoxicated patron who was served an enormous amount of
21 alcohol over a period of time. Staff considers it to be a
22 serious violation and recommends a \$20,000 fine.

23 CHAIRMAN MATHEWSON: Any discussion?

24 Chair would accept a motion on 10-011.

25 COMMISSIONER BRADLEY: Motion to approve

1 DC-10-011.

2 COMMISSIONER JONES: Second.

3 CHAIRMAN MATHEWSON: Any discussion?

4 Call the roll, please.

5 MS. FRANKS: Chairman Mathewson.

6 CHAIRMAN MATHEWSON: Approve.

7 MS. FRANKS: Commissioner Jones.

8 COMMISSIONER JONES: Approve.

9 MS. FRANKS: Commissioner Plunkett.

10 COMMISSIONER PLUNKETT: Approve.

11 MS. FRANKS: Commissioner Bradley.

12 COMMISSIONER BRADLEY: Approve.

13 MS. FRANKS: By your vote you've adopted

14 DC-10-011.

15 MR. MCNARY: Tab W is aimed at Ameristar

16 Casino Kansas City. This involves an underage patron who

17 entered the gaming floor, consumed alcohol and gambled,

18 and this is the same casino that in September I believe

19 the Commission fined them \$25,000.

20 Staff has taken that into consideration and

21 has upped it to a -- recommends a \$35,000 fine.

22 CHAIRMAN MATHEWSON: Any discussion?

23 Chair would accept a motion.

24 COMMISSIONER PLUNKETT: Motion to approve

25 DC-10-022.

1 COMMISSIONER BRADLEY: Second.

2 CHAIRMAN MATHEWSON: Discussion?

3 Call the roll, please.

4 MS. FRANKS: Chairman Mathewson.

5 CHAIRMAN MATHEWSON: Approve.

6 MS. FRANKS: Commissioner Jones.

7 COMMISSIONER JONES: Approve.

8 MS. FRANKS: Commissioner Plunkett.

9 COMMISSIONER PLUNKETT: Approve.

10 MS. FRANKS: Commissioner Bradley.

11 COMMISSIONER BRADLEY: Approve.

12 MS. FRANKS: By your vote you've adopted

13 DC-10-022.

14 MR. MCNARY: And the last tab, Mr. Chairman,

15 concerns Lumiere Place. Somehow this patron walked from

16 the hotel through the turnstiles, didn't drink, didn't

17 gamble, managed to get to the VIP lounge, and the total

18 time that the patron was there was seven minutes. At the

19 VIP lounge they caught him.

20 We recommend that that discipline be

21 withdrawn.

22 CHAIRMAN MATHEWSON: Any discussion?

23 It will be withdrawn.

24 Mr. Director.

25 MR. MCNARY: Now, depending on the desires

1 of the Chair, this may be a time to take a break, or if
2 you want to proceed ahead, we can go to settlement
3 agreements.

4 MR. MCNARY: I'd like to take a break real
5 quick.

6 COMMISSIONER PLUNKETT: I'll second that.

7 CHAIRMAN MATHEWSON: Real quick.

8 (A RECESS WAS TAKEN.)

9 CHAIRMAN MATHEWSON: If we can get started
10 again, please. We're going to start again.

11 Okay. Mr. Director.

12 MR. MCNARY: Mr. Chairman, Item IX on the
13 agenda concerns settlement agreements. General Counsel
14 Hinckley will bring us up to date on those.

15 CHAIRMAN MATHEWSON: Mr. Hinckley.

16 MR. HINCKLEY: Mr. Chairman, Commissioners,
17 I direct your attention to Tab Y and Commission Resolution
18 No. 10-010 regarding settlement agreement and waiver of
19 hearings concerning Licensee Ameristar Casino Kansas City
20 and underlying disciplinary matter 09-341.

21 In that matter the Commission issued a
22 \$10,000 fine after hearing facts alleging that a
23 disassociated person was allowed to play poker at the
24 facility and claim a jackpot.

25 Upon the Commission issuing the fine, the

1 licensee immediately contacted the Commission, took
2 responsibility for their actions or inactions and engaged
3 in settlement negotiations with the Commission and agreed
4 to settle the matter for a payment of \$9,000.

5 The Staff recommends that the Commission
6 adopt this resolution.

7 CHAIRMAN MATHEWSON: What's this
8 disassociated person mean?

9 MR. HINCKLEY: It's a voluntary exclusion.
10 They voluntarily disassociate themselves from the casino.

11 COMMISSIONER BRADLEY: DAP. DAP program.

12 CHAIRMAN MATHEWSON: Oh, okay. Very good.

13 Thank you.

14 Any questions of Mr. Hinckley?

15 Chair would accept a motion.

16 COMMISSIONER PLUNKETT: Motion to approve
17 Resolution 10-010.

18 COMMISSIONER JONES: Second.

19 CHAIRMAN MATHEWSON: Any discussion?

20 Call the roll, please.

21 MS. FRANKS: Chairman Mathewson.

22 CHAIRMAN MATHEWSON: Approve.

23 MS. FRANKS: Commissioner Jones.

24 COMMISSIONER JONES: Approve.

25 MS. FRANKS: Commissioner Plunkett.

1 COMMISSIONER PLUNKETT: Approve.

2 MS. FRANKS: Commissioner Bradley.

3 COMMISSIONER BRADLEY: Approve.

4 MS. FRANKS: By your vote you've adopted
5 Resolution No. 10-010.

6 CHAIRMAN MATHEWSON: Mr. Hinckley.

7 MR. HINCKLEY: I now direct your attention
8 to Tab Z and Commission Resolution No. 10-011 regarding
9 settlement agreement and waiver of hearings concerning
10 Licensee Ameristar Casino St. Charles and underlying
11 disciplinary matter No. 09-342.

12 In that matter the Commission issued a
13 \$25,000 fine after hearing facts alleging that the
14 casino's progressive EGD, or electronic gaming device, had
15 failed for a large amount of coin in play.

16 Upon the Commission issuing this fine, the
17 licensee contacted the Commission, took responsibility for
18 their actions and engaged in settlement negotiations.
19 Pending Commission approval they agreed to settle the
20 matter for a payment of \$22,500.

21 The Staff recommends that the Commission
22 adopt this resolution.

23 CHAIRMAN MATHEWSON: Any questions of
24 Mr. Hinckley?

25 Chair would accept a motion for adoption.

1 COMMISSIONER BRADLEY: Motion to approve
2 Commission Resolution No. 10-011.

3 COMMISSIONER JONES: Second.

4 CHAIRMAN MATHEWSON: Any discussion?

5 Call the roll, please.

6 MS. FRANKS: Chairman Mathewson.

7 CHAIRMAN MATHEWSON: Approve.

8 MS. FRANKS: Commissioner Jones.

9 COMMISSIONER JONES: Approve.

10 MS. FRANKS: Commissioner Plunkett.

11 COMMISSIONER PLUNKETT: Approve.

12 MS. FRANKS: Commissioner Bradley.

13 COMMISSIONER BRADLEY: Approve.

14 MS. FRANKS: By your vote you've adopted
15 Resolution No. 10-011.

16 CHAIRMAN MATHEWSON: Mr. Hinckley.

17 MR. HINCKLEY: I direct your attention now
18 to Tab AA and Commission Resolution No. 10-012 regarding
19 settlement agreement and waiver of hearings concerning
20 Licensee Supplier Aristocrat Technologies and underlying
21 disciplinary matter No. 09-343.

22 In that matter the Commission issued a
23 \$10,000 fine after hearing facts alleging that the
24 licensee shipped unapproved software to a casino in
25 Missouri.

1 Upon the Commission issuing the fine, the
2 licensee took responsibility for their actions or
3 inactions, engaged in settlement negotiations with the
4 Commission, and pending Commission approval agreed to
5 settle the matter for a payment of \$9,000.

6 The Staff recommends that the Commission
7 adopt this resolution.

8 CHAIRMAN MATHEWSON: Any questions of
9 Mr. Hinckley?

10 Chair would accept a motion.

11 COMMISSIONER JONES: Move for the adoption
12 of Resolution No. 10-012.

13 COMMISSIONER BRADLEY: Second.

14 CHAIRMAN MATHEWSON: Any discussion?

15 Call the roll, please.

16 MS. FRANKS: Chairman Mathewson.

17 CHAIRMAN MATHEWSON: Approve.

18 MS. FRANKS: Commissioner Jones.

19 COMMISSIONER JONES: Approve.

20 MS. FRANKS: Commissioner Plunkett.

21 COMMISSIONER PLUNKETT: Approve.

22 MS. FRANKS: Commissioner Bradley.

23 COMMISSIONER BRADLEY: Approve.

24 MS. FRANKS: By your vote you've adopted
25 Resolution No. 10-012.

1 CHAIRMAN MATHEWSON: Mr. Hinckley.

2 MR. HINCKLEY: I direct your attention now
3 to Tab BB and Commission Resolution No. 10-013 regarding
4 settlement agreement and waiver of hearings concerning
5 Licensee Casino One Corporation, or Lumiere Place Casino,
6 and underlying disciplinary matter No. 09-254.

7 In this matter the Commission issued a
8 \$70,000 fine after hearing facts alleging that in seven
9 separate counts there were underage patrons that were
10 permitted access to the gaming floor and on various counts
11 there was gambling and/or drinking.

12 Upon the Commission issuing this fine, the
13 licensee contacted the Commission and engaged in
14 settlement negotiations, took responsibility for their
15 actions, and pending Commission approval agreed to settle
16 the matter for a payment of \$63,000.

17 The Staff recommends that the Commission
18 adopt this resolution.

19 CHAIRMAN MATHEWSON: Chris, on
20 paragraph 7 -- is that it?

21 COMMISSIONER JONES: Yes.

22 CHAIRMAN MATHEWSON: -- it says Preliminary
23 Order 254 was issued by the Commission in the amount of
24 \$70,000. Preliminary Order 275 was issued by the
25 Commission in the amount of 60,000.

1 Commission and Casino One hereby agreed to
2 settle all issues concerning both preliminary orders, and
3 in consideration of the payment of Casino One of \$117,000
4 as shall be directed by the Commission.

5 We run numbers two ways on me there. We
6 went from 70,000 to 60,000 and then we went to 117.

7 COMMISSIONER JONES: Yeah, I think the
8 resolution should just include both of them or just one of
9 them.

10 MR. HINCKLEY: Actually, the resolutions are
11 handled for settlement of the individual disciplinary
12 orders. The settlement agreement applies to both. So the
13 settlement agreement is behind both of them.

14 We have to handle the resolutions or the
15 actions here per the individual disciplinary orders. The
16 fact that the settlement agreement incorporates both of
17 those just means that I -- it applies to both tabs and it
18 is included under both tabs.

19 There is a collective amount in there that
20 denotes -- or notes both settlements from Tab BB and CC in
21 the settled-agreed-to amount.

22 So if you settle both of these, it would be
23 \$117,000. If for some reason the Commission were to say
24 we'd like to settle BB but not CC, we would have to draw
25 up a new settlement agreement because one of the two tabs

1 would not apply.

2 COMMISSIONER JONES: So the resolution is
3 only germane to the \$70,000, not the agreement?

4 MR. HINCKLEY: Okay. You agreed to settle
5 it, and I provide the settlement agreement that affects
6 that.

7 CHAIRMAN MATHEWSON: You're all right,
8 Mr. Hinckley. Sometimes you're hard to understand, but
9 you hang right in there.

10 Okay. Chair would accept a motion.

11 COMMISSIONER PLUNKETT: Motion to approve
12 Resolution 10-013.

13 COMMISSIONER BRADLEY: Second.

14 CHAIRMAN MATHEWSON: Any discussion?
15 Call the roll, please.

16 MS. FRANKS: Chairman Mathewson.

17 CHAIRMAN MATHEWSON: Approve.

18 MS. FRANKS: Commissioner Jones.

19 COMMISSIONER JONES: Approve.

20 MS. FRANKS: Commissioner Plunkett.

21 COMMISSIONER PLUNKETT: Approve.

22 MS. FRANKS: Commissioner Bradley.

23 COMMISSIONER BRADLEY: Approve.

24 MS. FRANKS: By your vote you've adopted
25 Resolution No. 10-013.

1 CHAIRMAN MATHEWSON: Do you have any further
2 things to say about the next one?

3 MR. HINCKLEY: Just that it incorporates the
4 same settlement agreement.

5 CHAIRMAN MATHEWSON: Any discussion?

6 Chair would accept a motion on CC.

7 COMMISSIONER BRADLEY: Motion to approve
8 Commission Resolution 10-014.

9 COMMISSIONER JONES: Second.

10 CHAIRMAN MATHEWSON: Any discussion?

11 Call the roll, please.

12 MS. FRANKS: Chairman Mathewson.

13 CHAIRMAN MATHEWSON: Approve.

14 MS. FRANKS: Commissioner Jones.

15 COMMISSIONER JONES: Approve.

16 MS. FRANKS: Commissioner Plunkett.

17 COMMISSIONER PLUNKETT: Approve.

18 MS. FRANKS: Commissioner Bradley.

19 COMMISSIONER BRADLEY: Approve.

20 MS. FRANKS: By your vote you've adopted
21 Resolution 10-014.

22 CHAIRMAN MATHEWSON: Mr. Hinckley.

23 MR. HINCKLEY: I direct your attention to
24 Tab DD and Commission Resolution 10-015 regarding
25 settlement agreement and waiver of hearings of Licensee

1 Isle of Capri-Kansas City. The underlying disciplinary
2 matter was 09-346, where the Commission fined the licensee
3 \$12,500 for an incident where electronic gaming devices
4 were put into play before required testing was complete.

5 After the Commission issued the fine, the
6 licensee contacted the Commission, engaged in settlement
7 negotiations, took responsibility for their actions and
8 agreed to settle the matter for \$11,250.

9 The Staff recommends that the Commission
10 adopt this resolution.

11 CHAIRMAN MATHEWSON: Any questions of
12 Mr. Hinckley?

13 Chair would accept a motion, please.

14 COMMISSIONER BRADLEY: Motion to approve
15 Commission Resolution No. 10-015.

16 COMMISSIONER JONES: Second.

17 CHAIRMAN MATHEWSON: Any questions?

18 Call the roll, please.

19 MS. FRANKS: Chairman Mathewson.

20 CHAIRMAN MATHEWSON: Approve.

21 MS. FRANKS: Commissioner Jones.

22 COMMISSIONER JONES: Approve.

23 MS. FRANKS: Commissioner Plunkett.

24 COMMISSIONER PLUNKETT: Approve.

25 MS. FRANKS: Commissioner Bradley.

1 COMMISSIONER BRADLEY: Approve.

2 MS. FRANKS: By your vote you've adopted
3 Resolution No. 10-015.

4 CHAIRMAN MATHEWSON: I now direct your
5 attention to Tab EE and Commission Resolution No. 10-016
6 regarding the settlement agreement and waiver of hearings
7 with the Licensee Missouri Gaming Company and the
8 underlying disciplinary matter 09-344.

9 In this matter the Commission fined the
10 casino \$10,000 after hearing facts alleging that they
11 admitted continued violations of two separate audit
12 findings.

13 Upon the Commission issuing the fine, the
14 licensee contacted the Commission, engaged in settlement
15 negotiations, took responsibility for their actions and
16 agreed to settle the matter for a payment of \$9,000.

17 Staff recommends that the Commission adopt
18 this resolution.

19 CHAIRMAN MATHEWSON: Any comments,
20 questions?

21 Chair would accept a motion.

22 COMMISSIONER PLUNKETT: Motion to approve
23 Resolution 10-016.

24 COMMISSIONER JONES: Second.

25 CHAIRMAN MATHEWSON: Comments?

1 Call the roll, please.

2 MS. FRANKS: Chairman Mathewson.

3 CHAIRMAN MATHEWSON: Approve.

4 MS. FRANKS: Commissioner Jones.

5 COMMISSIONER JONES: Approve.

6 MS. FRANKS: Commissioner Plunkett.

7 COMMISSIONER PLUNKETT: Approve.

8 MS. FRANKS: Commissioner Bradley.

9 COMMISSIONER BRADLEY: Approve.

10 MS. FRANKS: By your vote you've adopted

11 Resolution No. 10-016.

12 CHAIRMAN MATHEWSON: Mr. Hinckley.

13 MR. HINCKLEY: I now direct your attention

14 to Tab FF and Commission Resolution No. 10-017 regarding

15 the settlement agreement and waiver of hearings of

16 Licensee Missouri Gaming Company, the underlying -- as

17 well as the underlying disciplinary matter No. 09-345.

18 In this matter the Commission issued a

19 \$10,000 fine after hearing facts alleging that there were

20 electronic gaming devices at the licensed facility with

21 revoked software.

22 Upon the Commission issuing this fine, the

23 licensee contacted the Commission, engaged in settlement

24 negotiations, took responsibility for their actions and

25 agreed to settle the matter for \$9,000.

1 Staff recommends that the Commission adopt
2 this resolution.

3 CHAIRMAN MATHEWSON: Any comments or
4 questions?

5 Chair would accept a motion, please.

6 COMMISSIONER JONES: Move for the acceptance
7 of Resolution No. 100-017.

8 COMMISSIONER PLUNKETT: Second.

9 CHAIRMAN MATHEWSON: Comments?

10 Call the roll, please.

11 MS. FRANKS: Chairman Mathewson.

12 CHAIRMAN MATHEWSON: Approve.

13 MS. FRANKS: Commissioner Jones.

14 COMMISSIONER JONES: Approve.

15 MS. FRANKS: Commissioner Plunkett.

16 COMMISSIONER PLUNKETT: Approve.

17 MS. FRANKS: Commissioner Bradley.

18 COMMISSIONER BRADLEY: Approve.

19 MS. FRANKS: By your vote you've adopted

20 Resolution No. 10-017.

21 CHAIRMAN MATHEWSON: Mr. Hinckley.

22 MR. HINCKLEY: And, finally, I direct your
23 attention to Tab GG and Commission Resolution No. 10-018,
24 settlement agreement and waiver of hearings with Licensee
25 HGI-Mark Twain and the underlying disciplinary matter

1 09-347.

2 In this matter the Commission issued a
3 \$10,000 fine after hearings facts alleging that the
4 licensee had continued violations of a previous audit
5 finding.

6 Upon the Commission issuing this fine, the
7 licensee immediately contacted the Commission, engaged in
8 settlement negotiations, took responsibility for their
9 action or inaction and agreed to settle the matter for a
10 payment of \$9,000.

11 The Staff recommends that the Commission
12 adopt this resolution.

13 CHAIRMAN MATHEWSON: Any comments?

14 Chair would accept a motion, please.

15 COMMISSIONER BRADLEY: Motion to approve
16 Commission Resolution No. 10-018.

17 COMMISSIONER JONES: Second.

18 CHAIRMAN MATHEWSON: Any comments?

19 Call the roll, please.

20 MS. FRANKS: Chairman Mathewson.

21 CHAIRMAN MATHEWSON: Approve.

22 MS. FRANKS: Commissioner Jones.

23 COMMISSIONER JONES: Approve.

24 MS. FRANKS: Commissioner Plunkett.

25 COMMISSIONER PLUNKETT: Approve.

1 MS. FRANKS: Commissioner Bradley.

2 COMMISSIONER BRADLEY: Approve.

3 MS. FRANKS: By your vote you've adopted
4 Resolution No. 10-018.

5 CHAIRMAN MATHEWSON: You know, a side bar,
6 maybe in the future, Commissioners, we should fine them
7 11,000 since we're going to settle them for a thousand
8 dollars less.

9 Okay. Mr. McNary.

10 MR. MCNARY: Just round it off that way.

11 CHAIRMAN MATHEWSON: It just seems to me
12 like that's what we're doing.

13 MR. MCNARY: Item X on the agenda,
14 Mr. Chairman, concerns a proposed rule, and Clarence
15 Greeno will address that issue.

16 CHAIRMAN MATHEWSON: Mr. Clarence.

17 MR. GREENO: Yes, sir.

18 Mr. Chairman, Commissioners, behind Tab HH
19 is a proposed amendment to 11 CSR 45-12.010 relating to
20 excursion liquor licenses.

21 Section 2 of the rules provides the
22 Commission the authority to discipline for cause the
23 excursion liquor license or the Class A licensee for any
24 violation of Missouri law or the liquor rules set forth in
25 Chapter 12 of the regulations.

1 The proposed change to this rule has the
2 wording "any facility named on the excursion liquor
3 license," thereby providing the Commission the ability to
4 impose discipline upon a specific venue covered under the
5 liquor license rather than upon the excursion liquor
6 license in totality, which covers every venue on the
7 property at which liquor is sold or served.

8 As background on this issue, the
9 Disciplinary Review Board was recently presented a case in
10 which one particular venue on a casino property violated
11 liquor regulations, and Staff deemed suspension of the
12 venue's liquor license appropriate; however, was unable to
13 recommend such discipline because the rule allowed only
14 for discipline against the excursion liquor license as a
15 whole.

16 Had the proposed amendment been in place,
17 the violating venue's ability to serve liquor could have
18 been suspended, while other venues at the property could
19 continue operation.

20 I'd be happy to entertain any questions you
21 might have relative to the proposed amendment.

22 CHAIRMAN MATHEWSON: Any questions or
23 comments of Clarence?

24 Chair would accept a motion for adoption.

25 COMMISSIONER JONES: Move for the adoption

1 of the proposed amendment to 11 CSR 40-12.010.

2 COMMISSIONER PLUNKETT: Second.

3 CHAIRMAN MATHEWSON: Any comments?

4 Call the roll, please.

5 MS. FRANKS: Chairman Mathewson.

6 CHAIRMAN MATHEWSON: Approve.

7 MS. FRANKS: Commissioner Jones.

8 COMMISSIONER JONES: Approve.

9 MS. FRANKS: Commissioner Plunkett.

10 COMMISSIONER PLUNKETT: Approve.

11 MS. FRANKS: Commissioner Bradley.

12 COMMISSIONER BRADLEY: Approve.

13 MS. FRANKS: By your vote you've adopted

14 proposed amendment to 11 CSR 45-12.010.

15 CHAIRMAN MATHEWSON: Before we move on to
16 new business, Clarence, are we seeing an increase in
17 bringing folks in or -- I mean, is that moving along now
18 by the casinos?

19 MR. GREENO: I'm sorry?

20 CHAIRMAN MATHEWSON: We discussed at the
21 last meeting where they're starting now to put excursion
22 trips --

23 MR. GREENO: Junkets?

24 CHAIRMAN MATHEWSON: Junkets, yes.

25 MR. GREENO: I have not been informed of any

1 additional junkets other than those contracts we had
2 previously reviewed.

3 CHAIRMAN MATHEWSON: Okay. Okay.

4 All right. Mr. Director.

5 MR. MCNARY: Under new business, every three
6 years we're audited by the State Auditor. Do you want
7 to -- do you know what they have to say?

8 CHAIRMAN MATHEWSON: Do I know that? Did
9 you give me that?

10 Why not?

11 I will make a comment that we went through
12 the whole alphabet once and started over again. That's a
13 pretty good day.

14 I have that, Mr. Director, and I was
15 obviously very pleased with it, somewhere, but darn if I
16 know what I did with it.

17 I have your bulletin. Okay?

18 MR. MCNARY: Yes, sir.

19 CHAIRMAN MATHEWSON: And, you know, I was
20 very pleased. And, again, Gene, thank you for sharing
21 that information with us, all your -- all of these that
22 you sent out to us are good and from, at least my
23 standpoint, very well received.

24 The State Auditor's Office found no
25 findings -- thank you -- does not find any problems.

1 And, you know, I worry about our State
2 budget because I had to do that for 30 years and I wanted
3 to do that for 30 years and I saw good times and bad
4 times.

5 But the fact that the audit points out that
6 over the last three years the casinos in the state of
7 Missouri, the gaming proceeds, \$895 million.

8 I mean, you know, you go back and think of
9 when I first came here or came to the Legislature. My
10 goodness, to think that over a three-year period we had
11 almost \$900 million really of new money that's coming into
12 that Education Fund.

13 And I have always believed -- as a side bar,
14 forgive me -- but I never met a legislator in 30 years
15 that didn't have as the No. 1 priority education.

16 Now, there is different approaches to it,
17 but every one of them had a serious concern about
18 education. And I never met one -- I'll say it again --
19 that didn't -- wasn't concerned and believed that that was
20 our No. 1 priority.

21 And for anyone that doesn't know this,
22 that's the reason why under our constitution, the No. 1
23 bill of the budget every year is debt, debt service.

24 Okay? Logically so. Right?

25 No. 2 is education, I mean, and then all of

1 the rest of them track after that.

2 And so to be a part of something --
3 Commissioners and staff, to be a part of something to
4 regulate in the fairest way that we possibly can,
5 sustaining always the thought of what's in the public's
6 best interest, to have almost \$900 million in the last
7 three years pumped into education is one hell of a good
8 feeling. It should be for all of us.

9 And I compliment the previous commissioners
10 for doing it and all of the staff because that's good
11 stuff, you know.

12 And I think this year, if I remember
13 correctly, wasn't that about 367? Somebody help me out.
14 Wasn't the amount of revenue coming to education for
15 calendar year '09, wasn't it around 367? Anybody know?

16 MR. MCNARY: I think it's around 330. And
17 then there is another 50 plus that goes for the -- to the
18 various worthy causes. Early Childhood gets 30.

19 CHAIRMAN MATHEWSON: Yeah, they get 30.

20 MR. MCNARY: So you can consider that
21 education as well.

22 CHAIRMAN MATHEWSON: So at any rate, you
23 know, it's a good feeling to be a part of a group and
24 staff. I compliment you on doing that.

25 Because the State Auditor comes in -- and I

1 remember when I was President of the Senate. Year after
2 year they'd come in and audit us and I'd say, oh, hell,
3 you know. And they often said nasty things to us.

4 We were clean. That's good. That's good.

5 Help me out, LeAnn. You and I talked about
6 there was something else that I wanted to thank staff for.
7 Do you remember that?

8 Do you remember even talking to me?

9 MS. MCCARTHY: I don't. I've slept since
10 then.

11 CHAIRMAN MATHEWSON: Okay. Well, I didn't
12 know.

13 COMMISSIONER JONES: Mr. Chairman, what was
14 the time period that covered, the audit?

15 MR. MCNARY: The past three years.

16 COMMISSIONER JONES: What was that, 6-07 to
17 6-09?

18 MR. MCNARY: Yes. That really covers your
19 term pretty much. So that's a clean bill of health for
20 you.

21 CHAIRMAN MATHEWSON: Yeah, good point. Good
22 point.

23 And I hope you're not going to leave now
24 just because you had a good three years.

25 CHAIRMAN MATHEWSON: This states exactly the

1 same thing as Gene said, this period ending June -- three
2 years, June 30th, 2009. So it would have been the
3 previous fiscal years leading up to that.

4 So good stuff.

5 MR. MCNARY: Old business, if there is any.

6 Otherwise, time to adjourn.

7 CHAIRMAN MATHEWSON: Anyone have any --

8 MR. MCNARY: You need a motion for a closed
9 meeting.

10 CHAIRMAN MATHEWSON: Anyone else? Any
11 comments?

12 Okay. Thank you all again for being here.

13 Mike, seriously, thank you for providing
14 that. One of the commissioners, after I picked on you a
15 little bit, said they really appreciate seeing that,
16 because we've never seen a comparison on the other states
17 on how they were dealing with that.

18 MR. WINTER: Glad to do it.

19 CHAIRMAN MATHEWSON: Even though I know you
20 didn't work very hard at doing it, I appreciate it. As I
21 used to say to your mother, tell Mike to get a real job.

22 Okay. Anything else?

23 Any commissioner got any thoughts, comments?

24 We would accept a motion to go out of this
25 and go into a closed.

1 Is that what we're doing, Angie?

2 MS. FRANKS: Yes.

3 COMMISSIONER BRADLEY: Mr. Chairman, I move
4 that the Commission -- that we close this meeting for a
5 closed meeting under Section 313.847 and Section 610.021,
6 Subsection 1 and Subsection 14, of the Missouri Revised
7 Statutes.

8 CHAIRMAN MATHEWSON: Thank you.

9 Do I have a second?

10 COMMISSIONER JONES: Second.

11 CHAIRMAN MATHEWSON: Call the roll, please.

12 MS. FRANKS: Chairman Mathewson.

13 CHAIRMAN MATHEWSON: Yes.

14 MS. FRANKS: Commissioner Jones.

15 COMMISSIONER JONES: Approve.

16 MS. FRANKS: Commissioner Plunkett.

17 COMMISSIONER PLUNKETT: Approve.

18 MS. FRANKS: Commissioner Bradley.

19 COMMISSIONER BRADLEY: Approve.

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1 CERTIFICATE OF REPORTER

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MISSOURI GAMING COMMISSION
Open Session Minutes
January 27, 2010

The Missouri Gaming Commission (the “Commission”) went back into open session at approximately 1:35 p.m. on January 27, 2010, at the Missouri Gaming Commission’s Jefferson City office.

Commissioner Plunkett moved to adjourn the open session meeting. Commissioner Jones seconded the motion. After a roll call vote was taken, the motion passed unanimously.

Open session ended at 1:37 p.m.