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MISSOURI GAMING COMMISSION MEETING

Held on October 28, 2009, at 9:00 a.m., at
Riverside City Hall, Council Chambers, 2950 NW
Vivion Road, Riverside, Missouri 64150.

Appearances:

James L. Mathewson, Chairman
Suzanne B. Bradley, Commissioner
Noel Shull, Commissioner
Darryl Jones, Commissioner
Larry W. Plunkett, Sr., Commissioner

Also Present:

Chris Hinckley, General Counsel
Gene McNary, Executive Director
Alden Henrickson, Deputy Director of Admin.
Roger Stottlemire, Deputy Director of Enforcement
Angie Franks, Designated Principal Assistant

1 CHAIRMAN MATHEWSON: Good morning,
2 everyone. Thank you for being here to start our
3 October Commission meeting. For all of those of
4 you that were with us yesterday and greeted us at
5 your casino, we thank you for the time that you
6 spent with us and letting us see your operations.
7 We did the same thing across the state last month
8 and thought that was time well spent in being able
9 to go into your operations and have you show us
10 your operations, including your hotels and the
11 amount of impact really that casinos in the State
12 of Missouri are playing in tourism and total
13 economic development for the state. So we
14 appreciate your time, effort and energy yesterday.
15 Thank you very much, all of you, for the kindness
16 you showed to us yesterday as we spent time with
17 you in your operations. With that we'll call this
18 meeting to order. Would you call the roll.

19 MS. FRANKS: Chairman Mathewson?

20 CHAIRMAN MATHEWSON: Present.

21 MS. FRANKS: Commissioner Shull?

22 COMMISSIONER SHULL: Present.

23 MS. FRANKS: Commissioner Jones?

24 COMMISSIONER JONES: Present.

25 MS. FRANKS: Commissioner Plunkett?

1 COMMISSIONER PLUNKETT: Present.

2 MS. FRANKS: Commissioner Bradley?

3 COMMISSIONER BRADLEY: Present.

4 CHAIRMAN MATHEWSON: We need to consider
5 our minutes, which you have, members of the
6 Commission. The chair would accept a motion for
7 the minutes of September 28th, we actually have
8 three. Help me out, Gene. Did we vote those all
9 three at the same time the last time or did we do
10 them separately?

11 MR. MCNARY: The same time.

12 CHAIRMAN MATHEWSON: Same time.

13 COMMISSIONER JONES: Mr. Chairman, and
14 can we take them separately, I wasn't there.

15 CHAIRMAN MATHEWSON: Okay. Sure, thank
16 you. I didn't remember that you weren't there.
17 Chair will accept a motion to adopt the minutes
18 from the September 28th, 2009 meeting, please.

19 COMMISSIONER BRADLEY: So moved.

20 COMMISSIONER JONES: Second.

21 CHAIRMAN MATHEWSON: Any discussion?

22 Call the roll on the adoption of the minutes,
23 please.

24 MS. FRANKS: Chairman Mathewson?

25 CHAIRMAN MATHEWSON: Aye.

1 MS. FRANKS: Commissioner Shull?

2 COMMISSIONER SHULL: Approve.

3 MS. FRANKS: Commissioner Jones?

4 COMMISSIONER JONES: Abstain.

5 MS. FRANKS: Commissioner Plunkett?

6 COMMISSIONER PLUNKETT: Approve.

7 MS. FRANKS: Commissioner Bradley?

8 COMMISSIONER BRADLEY: Approve.

9 MS. FRANKS: By your vote you've adopted
10 the minutes of the September 28th, 2009 meeting.

11 CHAIRMAN MATHEWSON: Thank you. Now
12 Chair will accept a motion for the 29th, 2009
13 September meeting.

14 COMMISSIONER JONES: So moved.

15 COMMISSIONER BRADLEY: Second.

16 CHAIRMAN MATHEWSON: Any discussions?

17 Call roll, please.

18 MS. FRANKS: Chairman Mathewson?

19 CHAIRMAN MATHEWSON: Approve.

20 MS. FRANKS: Commissioner Shull?

21 COMMISSIONER SHULL: 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 the minutes of the September 29th, 2009 meeting.

5 CHAIRMAN MATHEWSON: Thank you. Chair
6 will accept a motion on the September 30th, 2009
7 meeting.

8 COMMISSIONER SHULL: Make a motion to
9 approve.

10 MR. JONES: Second.

11 CHAIRMAN MATHEWSON: Any discussion?
12 Call the roll, please.

13 MS. FRANKS: Chairman Mathewson?

14 CHAIRMAN MATHEWSON: Aye.

15 MS. FRANKS: Commissioner Shull?

16 COMMISSIONER SHULL: Approve.

17 MS. FRANKS: Commissioner Jones?

18 COMMISSIONER JONES: Approve.

19 MS. FRANKS: Commissioner Plunkett?

20 COMMISSIONER PLUNKETT: Approve.

21 MS. FRANKS: Commissioner Bradley?

22 COMMISSIONER BRADLEY: Approve.

23 MS. FRANKS: By your vote you've adopted
24 the minutes of the September 30th, 2009 meeting.

25 CHAIRMAN MATHEWSON: Thank you. Before

1 a situation in the count room that involved a
2 mishandling of some funds. And what happened was
3 that the casino actually had two different types
4 of lock box safes. One was for the deposit of
5 funds, the second type of lock box safe was for
6 the deposit of paperwork created by the employees
7 who documented their work. On May 12, 2008, at
8 that time period the lock box for the paperwork
9 malfunctioned, so the employees were not able to
10 put their paperwork into the appropriate lock box.
11 So they were instructed by the casino to put the
12 paperwork and the funds together in the same lock
13 box.

14 The licensee instructed and supervised
15 the employees and separated the paperwork and
16 funds in the count room. But on the date of May
17 12th, 2008 there was found a bag that was supposed
18 to have only paperwork in it but had funds
19 unaccounted for. The commission regulations
20 require that all licensees are responsible for
21 safeguarding casino assets by having that amount
22 of funds -- it was undetermined the amount, but
23 anyway, having funds unaccounted for would
24 represent or indicate a violation of this
25 regulation and discipline would be appropriate.

1 Now, Ms. Worthington explained that the
2 volume of paperwork that day was so great that
3 there was no intentional violation of the law, it
4 was merely an accident. But accidents don't
5 constitute a valid justification for having
6 mishandled the funds. Therefore, the
7 recommendation is that the one-day calendar
8 suspension would be appropriate, and that's my
9 recommendation that there be discipline.

10 CHAIRMAN MATHEWSON: Any questions from
11 the members of the Commission on Sheila
12 Worthington?

13 COMMISSIONER SHULL: Did anyone ever
14 determine the amount of money that was involved?

15 MR. STARK: That was never indicated.

16 COMMISSIONER SHULL: And it was
17 indicated that the money was not from the casino
18 floor, it was from the business, in your testimony
19 I believe?

20 MR. STARK: I don't recall that,
21 Commissioner. I apologize, I don't recall that.
22 All I remember --

23 COMMISSIONER SHULL: I was just
24 wondering if it was relative to -- if it was a
25 casino business or if it was a business that they

1 process for that the casino did not -- you know,
2 that the casino actually owned that business?

3 MR. STARK: My understanding was that --
4 you mean the funds themselves was casino assets.
5 I understand it to be assets of the casino, yes.

6 CHAIRMAN MATHEWSON: Anyone else have
7 questions of Mr. Stark? Thank you. Is Sheila
8 Worthington here? No. Okay. Thank you. The
9 Chair will accept a motion to accept the
10 recommendation of the hearing officer.

11 COMMISSIONER SHULL: Motion to accept
12 Resolution 09-081.

13 COMMISSIONER JONES: Seconded.

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

16 MS. FRANKS: Chairman Mathewson?

17 CHAIRMAN MATHEWSON: Accepted, yes.

18 MS. FRANKS: Commissioner Shull?

19 COMMISSIONER SHULL: Approved.

20 MS. FRANKS: Commissioner Jones?

21 COMMISSIONER JONES: Approved.

22 MS. FRANKS: Commissioner Plunkett?

23 COMMISSIONER PLUNKETT: Approved.

24 MS. FRANKS: Commissioner Bradley?

25 COMMISSIONER BRADLEY: Approved.

1 MS. FRANKS: By your vote you've adopted
2 Resolution No. 09-081.

3 CHAIRMAN MATHEWSON: Thank you.
4 Proceed, sir.

5 MR. STARK: The next item, Letter E,
6 Everett Gilliam. Mr. Gilliam held a Level II
7 Occupational License employed as a slot
8 technician. The casino he was working at was
9 upgrading its software for its electronic gaming
10 devices. And as part of that upgrade a computer
11 chip had to be used to clear the existing programs
12 in those electronic gaming devices in order to
13 install the new software. The computer chip that
14 was sent to the casino was a particular version
15 that was identified by numbers 06.02.22.

16 Mr. Gilliam did install and use that
17 particular version in the installation process of
18 upgrading the software. Now, the casino has an
19 outside vendor or company that tests for
20 compliance with computer chips and software with
21 the Gaming Laboratories International. And this
22 version of the chip, computer chip 06.02.22 was
23 not yet tested by the Gaming Laboratories
24 International. So it wasn't approved for use in
25 Missouri as to the determination, as compliance

1 was not yet made.

2 The regulations require that any
3 licensee again protect and safeguard any assets of
4 the casino, and furthermore, regulations require
5 that all hardware and software be subject to
6 testing for compliance and be reviewed and
7 approved by the Commission. This particular
8 computer chip was not approved, not tested. And
9 the job duty of the licensee, Mr. Gilliam, was to
10 assure that these gaming devices operated with
11 approved software.

12 Now, at the hearing the licensee did
13 testify incredibly that the software contained
14 other software that was approved. I guess the
15 software had bigger versions to it, and his
16 understanding was that one version was approved
17 would indicate that the whole package would have
18 been approved. And furthermore the manufacturer
19 of the software surely would not have sent
20 unapproved software. However, Mr. Gilliam as a
21 licensee has his own independent duty to assure
22 compliance, and the fact that the manufacturer
23 sent incorrect software does negate his own duty
24 to make sure that approved software is part of the
25 installation process.

1 So discipline would be appropriate. The
2 recommendation that the suspension of one calendar
3 day is appropriate.

4 CHAIRMAN MATHEWSON: I assume because of
5 the date of this activity, that's already
6 occurred?

7 MR. STARK: The installation of the
8 unapproved software?

9 CHAIRMAN MATHEWSON: No, the one day.

10 MR. STARK: Oh, that I do not know, if
11 he was actually suspended or not. He challenged
12 his suspension, but I assume it was not.

13 CHAIRMAN MATHEWSON: Is Mr. Gilliam
14 here? Any questions by members of the Commission?
15 The Chair would accept a motion on the
16 recommendation.

17 COMMISSIONER JONES: Move for acceptance
18 of Resolution No. 09-082.

19 COMMISSIONER PLUNKETT: Second.

20 CHAIRMAN MATHEWSON: Any further
21 discussion? Call roll, please.

22 MS. FRANKS: Chairman Mathewson?

23 CHAIRMAN MATHEWSON: Aye.

24 MS. FRANKS: Commissioner Shull?

25 COMMISSIONER SHULL: Approved.

1 MS. FRANKS: Commissioner Jones?

2 COMMISSIONER JONES: Approved.

3 MS. FRANKS: Commissioner Plunkett?

4 COMMISSIONER PLUNKETT: Approved.

5 MS. FRANKS: Commissioner Bradley?

6 COMMISSIONER BRADLEY: Approved.

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

8 Resolution No. 09-082.

9 MR. STARK: Our next case is Letter F,
10 Christopher Grimpo. Grimpo, G-R-I-M-P-O. Mr.
11 Grimpo holds a Level II Occupational License
12 working as a slot performance manager in the
13 casino. This scenario is the same as the previous
14 case with Mr. Gilliam, but for the record I'll
15 have to repeat myself here. The casino was doing an
16 upgrade with regard to its electronic game
17 devices, installing new software, and part of that
18 process was to install a chip that would clear the
19 existing programs.

20 And the casino was sent a version of
21 software known as 06.0222. And Mr. Grimpo
22 assisted his employees in a supervisory capacity
23 in installing that particular software. The
24 Commission has an entity that does its testing for
25 compliance on software and computer devices called

1 "Gaming Laboratories International." Gaming
2 Laboratories International had not yet tested
3 versions 06.02.22, therefore, 06.02.22 had not
4 been approved or reviewed by the Commission.

5 The law is very clear that any software
6 or hardware used in the gaming devices has to be
7 tested, reviewed and approved by the Commission,
8 this particular version was not. Therefore, I
9 find that a violation of the gaming commission
10 regulations did indeed occur. At the hearing Mr.
11 Grimpo testified that when he looked at the
12 approved software list it identified the software
13 as 06.02.21 or higher as being approved.

14 So reading that, he assumed that the
15 next number 06.02.22 would have been on that
16 approved list. However, 06.02.22 was not on the
17 list and Mr. Grimpo should have done a little bit
18 more investigation to assure that the specific
19 version was indeed on the approved list. So
20 relying on the term "or higher" in my opinion
21 would not suffice to negate this violation.
22 Therefore, the recommendation is that the
23 suspension of one calendar day would be
24 appropriate.

25 CHAIRMAN MATHEWSON: Any questions of

1 the officer?

2 COMMISSIONER BRADLEY: Can you hear me?

3 MR. STARK: Yes.

4 COMMISSIONER BRADLEY: Am I reading this
5 correctly, it looks like there were almost 700
6 actions set up and that took several weeks to -- I
7 know this is the same as the case before, but that
8 looks like that would have been at the same time?

9 MR. STARK: Right, right.

10 COMMISSIONER BRADLEY: But it looks like
11 that was used during that time?

12 MR. STARK: Yes, that would be my
13 understanding.

14 COMMISSIONER BRADLEY: I want to make
15 sure I'm understanding this correctly. Was this
16 upgraded, was it actually used, upgraded chips put
17 into the machines?

18 MR. STARK: It was used, yes, correct.
19 As I understand it, the chip just wiped out the
20 current programs so the new software could be
21 installed. The new software that was installed
22 was approved, it's just this mechanism of erasing
23 existing programs was not.

24 COMMISSIONER BRADLEY: And have the
25 devices been cancelled?

1 MR. STARK: Yes, Mr. Gilliam and Mr.
2 Grimpo were both employees. I think Mr. Grimpo
3 was actually a supervisor and they both worked on
4 the same day, same machines, same devices, yeah.

5 COMMISSIONER BRADLEY: Thank you.

6 CHAIRMAN MATHEWSON: Is Mr. Grimpo here
7 today? The Chair would accept a motion to accept
8 the recommendation.

9 COMMISSIONER BRADLEY: Motion to approve
10 Commission Resolution No. 09-083.

11 COMMISSIONER JONES: Seconded.

12 CHAIRMAN MATHEWSON: Any further
13 discussion? Call roll, please.

14 MS. FRANKS: Chairman Mathewson?

15 CHAIRMAN MATHEWSON: Approved.

16 MS. FRANKS: Commissioner Shull?

17 COMMISSIONER SHULL: Approved.

18 MS. FRANKS: Commissioner Jones?

19 COMMISSIONER JONES: Approved.

20 MS. FRANKS: Commissioner Plunkett?

21 COMMISSIONER PLUNKETT: Approved.

22 MS. FRANKS: Commissioner Bradley?

23 COMMISSIONER BRADLEY: Approved.

24 MS. FRANKS: By your vote you've adopted
25 Resolution No. 09-083.

1 MS. STARK: Next on our agenda is
2 Letter G, Kelly Crownover. Ms. Crownover has an
3 Occupational License Level II working as a dealer.
4 On December 22nd, 2008 she was working at a blackjack
5 table and a patron came to exchange \$12,725 worth
6 of chips from low denomination chips to higher
7 denomination chips. The term "coloring up"
8 identifies that particular transaction. However,
9 Ms. Crownover provided an overpayment to that
10 patron in the amount of \$10,025.

11 She used incorrect chips in providing
12 the exchange in chips by providing a higher
13 denomination than the exchange really warranted.
14 Again, the law is clear that each licensee is
15 obligated to safeguard the assets of the casino.
16 And as provided, too much money in exchange for chips
17 would constitute a violation of that. So the
18 overpaying of a patron would violate that law. So
19 discipline is appropriate.

20 And the discipline recommended is two
21 consecutive calendar days. And I find that to be
22 an appropriate discipline. However, in this case
23 I think the Commission needs to consider some
24 other facts. Ms. Crownover was being supervised,
25 her supervisor was present at the time and

1 instructed her which colors to give in the
2 exchange. So it was the supervisor that
3 instructed her to give the higher denominated
4 chips, making the overpayment occur.

5 Ms. Crownover testified she didn't (sic)
6 realize she was making a mistake, but she was
7 following the instructions of her supervisor and
8 she did not question the supervisor. And the
9 reason she gives for not questioning the
10 supervisor is that in a previous occurrence she
11 was reprimanded by her employer for questioning
12 the supervisor's instructions, so she felt that
13 she had the inability to change the transaction
14 because her supervisor had instructed her how to
15 do it. I would consider that a mitigating
16 circumstance to the extent that she was
17 terminated for this particular instance by her
18 employer.

19 And my recommendation is that given
20 those circumstances that the termination from
21 employment should be considered as part of this
22 discipline, that is the two consecutive days of
23 suspension, that I would recommend has been served
24 because of the termination of employment. If the
25 Commission finds that appropriate, that would be

1 my recommendation.

2 CHAIRMAN MATHEWSON: Was the -- I was
3 trying to find it here, but it's quite lengthy.
4 Was the supervisor interviewed?

5 MR. STARK: Yes, he was interviewed by
6 the gaming commission agent and he did indicate,
7 basically admitted that he had made a mistake in
8 instructing Ms. Crownover to provide those
9 particular colored chips. So he admits to his
10 mistake.

11 CHAIRMAN MATHEWSON: So was he
12 disciplined?

13 MR. STARK: The record did not reflect
14 that, so I don't know. I don't think that came
15 into evidence at all.

16 CHAIRMAN MATHEWSON: Can anyone answer
17 that?

18 MS. ALLEN: Yes.

19 MR. STARK: The supervisor's name was a
20 Mark -- or no, excuse me, Nick Hudson,
21 H-U-D-S-O-N. Nick Hudson.

22 CHAIRMAN MATHEWSON: First of all, is
23 Kelly Crownover here? No. Ma'am, you indicated
24 you could answer that question?

25 MS. ALLEN: Yes.

1 CHAIRMAN MATHEWSON: Would you come up
2 here, please, so we can identify you for the
3 record. Thank you.

4 MS. ALLEN: Good morning. My name is
5 Julie Allen and I am the director of resolution
6 for compliance with Ameristar Kansas City.

7 CHAIRMAN MATHEWSON: Okay. And what
8 could you add to this discussion about the
9 supervisor?

10 MS. ALLEN: Mr. Hudson was terminated
11 for the incident.

12 CHAIRMAN MATHEWSON: He was terminated?

13 MS. ALLEN: Yes.

14 CHAIRMAN MATHEWSON: So both of them
15 were?

16 MS. ALLEN: Yes.

17 CHAIRMAN MATHEWSON: Okay. Any
18 questions?

19 COMMISSIONER JONES: Just quickly.

20 CHAIRMAN MATHEWSON: Yes.

21 COMMISSIONER JONES: The petitioner
22 retains her license, correct, she is just
23 terminated from your employment, but she retains
24 her license; am I correct?

25 MR. STARK: Yes, that would be my

1 please.

2 MR. HINCKLEY: My name is Chris
3 Hinckley, I'm general counsel for the Commission.
4 Commissioner?

5 COMMISSIONER SHULL: There appear to be
6 two violations and I was wondering -- my question
7 was, was he disciplined?

8 MR. HINCKLEY: I don't know at this time
9 if he was disciplined. Clearly there was some
10 wrongdoing on his part. We could check, however,
11 to see if he was disciplined by making a phone
12 call to the Commission and have the answer to
13 that.

14 MS. HUTCHISON: Chris, the supervisor
15 was --

16 CHAIRMAN MATHEWSON: Wait a minute.
17 Come up so we can get you on record, please.
18 Thank you.

19 MS. HUTCHISON: Terry Hutchison,
20 Missouri Gaming Commission, gaming enforcement
21 manager. The supervisor was also disciplined.
22 The problem is I don't know if he got one or two
23 days. I do remember he was disciplined. A lot of
24 times we give the supervisor a heavier discipline
25 because they are in a higher position.

1 COMMISSIONER SHULL: So he accepted the
2 discipline and did not --

3 MS. HUTCHISON: He accepted the
4 discipline.

5 COMMISSIONER SHULL: Okay. Thank you.

6 CHAIRMAN MATHEWSON: Any other
7 questions? Thank you. The Chair would then
8 accept a motion on the recommendation of staff on
9 Kelly Crownover.

10 COMMISSIONER SHULL: Move for approval
11 of the Commission Resolution No. 09-084.

12 COMMISSIONER BRADLEY: Seconded.

13 CHAIRMAN MATHEWSON: Call the roll,
14 please.

15 MS. FRANKS: Chairman Mathewson?

16 CHAIRMAN MATHEWSON: Approved.

17 MS. FRANKS: Commissioner Shull?

18 COMMISSIONER SHULL: Approved.

19 MS. FRANKS: Commissioner Jones?

20 COMMISSIONER JONES: Approved.

21 MS. FRANKS: Commissioner Plunkett?

22 COMMISSIONER PLUNKETT: Approved.

23 MS. FRANKS: Commissioner Bradley?

24 COMMISSIONER BRADLEY: Approved.

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

1 Resolution No. 09-084.

2 MR. STARK: The next case, Letter H,
3 Dennis Dierking. Mr. Dierking had a Level II
4 Occupational License serving as a table games
5 supervisor. On the night of January 3rd of 2009
6 he was assigned as a relief supervisor taking the
7 temporary place of several different supervisors
8 who would go on breaks throughout the work shift.
9 At one particular table the table was being closed
10 by the dealer. The regulations require that there
11 be a complete accounting of the amount of assets
12 at a table when a table is closed.

13 Furthermore, paperwork needs to be done
14 to document that. And also when the table is
15 left, unattended that is, the tray that contains
16 the chips has to be locked. On this particular
17 night, this particular table under the supervision
18 of Mr. Dierking, the table was left, after it was
19 closed down, unattended and unlocked for about a
20 period of a half hour, 27 minutes I believe. And,
21 therefore, clearly there was not appropriate
22 action to safeguard the assets.

23 And the regulation regarding locking the
24 table after being closed down was not followed as
25 well. So there were two violations of the

1 regulations of the Commission. Mr. Dierking
2 indicated that he was merely a temporary
3 supervisor, that the supervisor of that table
4 actually did sign the documentation saying that
5 the table was appropriately closed. So it seems
6 that Mr. Dierking is trying to transfer the
7 obligation to the assigned supervisor who signed
8 the closing accounting paperwork.

9 If you look at Exhibit 5, the assigned
10 supervisor did sign that, but also Mr. Dierking
11 signed it as well. In fact, he signed it as the
12 outgoing table games supervisor, which would
13 indicate that he was there on the site at the time
14 the table was closed. So even though there's an
15 extra signature on Exhibit 5, that does not negate
16 Mr. Dierking's duty to assure that a table is not
17 unattended and unlocked with chips available for
18 the taking in effect. Therefore, the suspension
19 of one calendar day as recommended by the staff
20 would be appropriate, and that would be my
21 recommendation.

22 CHAIRMAN MATHEWSON: Any questions? Is
23 Mr. Dierking here? The Chair would accept a
24 motion, please.

25 COMMISSIONER PLUNKETT: Motion to accept

1 Resolution No. 09-085.

2 COMMISSIONER JONES: Second.

3 CHAIRMAN MATHEWSON: Any further
4 discussion? Call roll, please.

5 MS. FRANKS: Chairman Mathewson?

6 CHAIRMAN MATHEWSON: Approved.

7 MS. FRANKS: Commissioner Shull?

8 COMMISSIONER SHULL: Approved.

9 MS. FRANKS: Commissioner Jones?

10 COMMISSIONER JONES: Approved.

11 MS. FRANKS: Commissioner Plunkett?

12 COMMISSIONER PLUNKETT: Approved.

13 MS. FRANKS: Commissioner Bradley?

14 COMMISSIONER BRADLEY: Approved.

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

16 Resolution No. 09-085.

17 MR. STARK: The next item, Letter I,

18 Kenneth Murray. Mr. Murray made application for

19 an occupational license. Part of the application

20 process requires that you disclose all past

21 criminal history including arrests, being

22 detained, charged with criminal violations. Mr.

23 Murray did respond yes to that question, he did

24 disclose several items in his criminal history.

25 The Gaming Commission conducted its

1 investigation and found out that Mr. Murray did
2 fail to disclose one item. He had been arrested
3 for battery and damage to property in the State of
4 Kansas in the year 2000. Mr. Murray stated at the
5 hearing that he did not realize that a Kansas
6 criminal arrest would relate to a Missouri job
7 application. And he said he didn't really
8 remember it as being an arrest.

9 He did indicate that he realized it
10 should have probably been disclosed, but again he
11 just didn't think something in Kansas related to
12 Missouri. So the failure to disclose that
13 particular criminal incident, being arrested would
14 be appropriate grounds to deny a license. And
15 that would be my recommendation.

16 CHAIRMAN MATHEWSON: Say that again,
17 please.

18 MR. STARK: My recommendation would be
19 that, yes, the denial of his application for a
20 license would be appropriate.

21 CHAIRMAN MATHEWSON: Thank you. Any
22 questions? Is Mr. Murray here? Thank you. The
23 Chair will accept a motion on the recommendation,
24 please.

25 COMMISSIONER SHULL: Move for approval

1 of Resolution No. 09-086.

2 COMMISSIONER JONES: Seconded.

3 CHAIRMAN MATHEWSON: Any further
4 discussion? Call the roll, please.

5 MS. FRANKS: Chairman Mathewson?

6 CHAIRMAN MATHEWSON: Approved.

7 MS. FRANKS: Commissioner Shull?

8 COMMISSIONER SHULL: Approved.

9 MS. FRANKS: Commission Jones?

10 COMMISSIONER JONES: Approved.

11 MS. FRANKS: Commissioner Plunkett?

12 COMMISSIONER PLUNKETT: Approved.

13 MS. FRANKS: Commissioner Bradley?

14 COMMISSIONER BRADLEY: Approved.

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

16 Resolution No. 09-086.

17 MR. STARK: At the top of the second
18 page of the agenda, Item J, Murel Louderback. Mr.
19 Louderback made application for an occupational
20 license. The application process requires a
21 disclosure of any criminal history including
22 arrests obtained by law enforcement, any charges.
23 Mr. Louderback gave his answer as no. The process
24 of applying does give adequate notice and certain
25 examples as to what would constitute a criminal

1 history to disclose.

2 In spite of that, the Gaming Commission
3 found that Mr. Louderback failed to disclose a
4 felony arrest for burglary second degree in the
5 year 1984. Mr. Louderback testified that he
6 didn't recall being arrested. He said he was
7 never put in jail, he was never charged. He did
8 indicate that he was fingerprinted and questioned
9 by the police.

10 The definition of arrest does include
11 things such as being stopped or detained by law
12 enforcement. So a reasonable person being
13 fingerprinted and questioned by police should have
14 realized that that is a particular item that
15 should have been disclosed in this application
16 process. So the denial of license based upon
17 failure to disclose that particular arrest would
18 constitute grounds appropriate to deny an
19 application for license. And that would be my
20 recommendation as well.

21 CHAIRMAN MATHEWSON: Any questions? Is
22 Mr. Louderback here? No. The chair would accept
23 the motion for recommendation of staff.

24 COMMISSIONER JONES: Move for the
25 acceptance of Resolution No. 09-087.

1 COMMISSIONER PLUNKETT: Second.

2 CHAIRMAN MATHEWSON: Call roll, please.

3 MS. FRANKS: Chairman Mathewson?

4 CHAIRMAN MATHEWSON: Approved.

5 MS. FRANKS: Commissioner Shull?

6 COMMISSIONER SHULL: Approved.

7 MS. FRANKS: Commissioner Jones?

8 COMMISSIONER JONES: Approved.

9 MS. FRANKS: Commissioner Plunkett?

10 COMMISSIONER PLUNKETT: Approved.

11 MS. FRANKS: Commissioner Bradley?

12 COMMISSIONER BRADLEY: Approved.

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

14 Resolution No. 09-087.

15 MR. MCNARY: Chairman, Item K concerning

16 Troy Jordan. If the Commission would postpone

17 that to the next meeting. We heard from Mr.

18 Jordan, he'd like to be here and could not be. I

19 think -- is Mr. Jordan here? And we think he

20 should have an opportunity to be heard. So if we

21 could postpone that to the next commission

22 meeting. Do the commissioners accept that?

23 COMMISSIONER PLUNKETT: I make a motion

24 we table it until the next meeting.

25 COMMISSIONER SHULL: Second.

1 CHAIRMAN MATHEWSON: Any further
2 discussion? Call roll, please.

3 MS. FRANKS: Chairman Mathewson?

4 CHAIRMAN MATHEWSON: Approved.

5 MS. FRANKS: Commissioner Shull?

6 COMMISSIONER SHULL: Approved.

7 MS. FRANKS: Commissioner Jones?

8 COMMISSIONER JONES: Approved.

9 MS. FRANKS: Commissioner Plunkett?

10 COMMISSIONER PLUNKETT: Approved.

11 MS. FRANKS: Commissioner Bradley?

12 COMMISSIONER BRADLEY: Approved.

13 MR. STARK: Commissioners, that
14 concludes my presentation for today. Thank you
15 very much.

16 CHAIRMAN MATHEWSON: Thank you.

17 MR. MCNARY: Item 4, Mr. Chairman,
18 concerns licensure of a certain Level I/Key
19 Applicants. Captain Lester Elder will handle
20 that.

21 MR. ELDER: Good morning, Mr. Chairman
22 and Commissioners. The Missouri State Highway
23 Patrol along with the Gaming Commission Financial
24 Investigators conducted background investigations
25 on multiple key person and Level I applicants.

1 The investigations included, but were not limited
2 to criminal, financial and general character
3 inquires, which were made in the jurisdictions
4 where the applicants lived, worked and frequented.

5 The following individuals are being
6 presented for your consideration: Gary Herman of
7 Ameristar Kansas City; Arthur Miller, Tech Art;
8 Howard Miller, Tech Art Manufacturing; Joseph
9 Miller, Tech Art Manufacturing; Marsha Miller,
10 Tech Art Manufacturing; David Roberson with
11 International Gaming Technology; Michael Lewis
12 with Isle of Capri Booneville; Gary Saunders with
13 Shuffle Master, Incorporated.

14 The results of the investigations were
15 provided to the gaming commission staff for their
16 review, and you have summary reports before you
17 for the applicants being considered.

18 CHAIRMAN MATHEWSON: Questions of the
19 panel, please? The Chair will accept a motion on
20 the recommendation.

21 MR. MCNARY: Staff recommends licensure.

22 COMMISSIONER PLUNKETT: Move for the
23 approval of 09-089.

24 COMMISSIONER JONES: Second.

25 CHAIRMAN MATHEWSON: Call the roll,

1 please.

2 MS. FRANKS: Chairman Mathewson?

3 CHAIRMAN MATHEWSON: Approved.

4 MS. FRANKS: Commissioner Shull?

5 COMMISSIONER SHULL: Approved.

6 MS. FRANKS: Commissioner Jones?

7 COMMISSIONER JONES: Approved.

8 MS. FRANKS: Commissioner Plunkett?

9 COMMISSIONER PLUNKETT: Approved.

10 MS. FRANKS: Commissioner Bradley?

11 COMMISSIONER BRADLEY: Approved.

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

13 Resolution No. 09-089.

14 MR. ELDER: Thank you, Commission.

15 MR. MCNARY: Item 5, Mr. Chairman, is
16 Consideration of Placement of an Individual on the
17 Exclusion List. Roger Stottlemire will do that.

18 MR. STOTTEMYRE: Mr. Chairman,
19 commissioners, good morning. I direct your
20 attention to Tab M and Commission Resolution
21 09-090 regarding the exclusion of an individual
22 Carolyn K. Yelton from Excursion Gambling Boats
23 and Facilities in Missouri. Pursuant to Chapter
24 11 of the Code of State Regulations 45-15.030, the
25 Missouri Gaming Commission has the authority to

1 place a person on the exclusion list for
2 conviction of a felony in any jurisdiction of any
3 crime involving moral turpitude or performing any
4 act or having any notorious or unsavory reputation
5 which would adversely affect public confidence and
6 trust in gaming. And placement on the exclusion
7 list prohibits such person from contact of any
8 kind with any Missouri Riverboat Gaming operation.

9 The evidence in support of our request
10 to exclude Ms. Yelton is as follows: On April
11 24th, 2009, Carolyn Yelton pled guilty to one
12 count of theft from an organization receiving
13 federal funds in district court for the Eastern
14 District of Missouri and was sentenced to 14
15 months in prison. More specifically, Ms. Yelton
16 from 2003 until her arrest embezzled approximately
17 \$213,793 from the Wellsville Middleton School
18 District where she worked. During that same time
19 Ms. Yelton became a frequent customer at the
20 casinos in the area where over time she wagered
21 approximately \$1 million.

22 Further, as a special condition of her
23 probation, the court ordered that Ms. Yelton
24 receive treatment for her gambling addiction and
25 be prohibited from gambling in any form.

1 Resolution No. 09-090.

2 MR. MCNARY: Item 6, Consideration of
3 Settlement Agreements. General Counsel Chris
4 Hinckley will handle that.

5 MR. HINCKLEY: Good morning, Mr.
6 Chairman, commissioners. Before I start I just
7 want to make one or two requests. Tab N involving
8 Casino One and Tab O involving Casino One, I noted
9 that the leave date, that there was a
10 typographical error on the settlement agreements
11 describing Casino One Corporation as a Nevada
12 corporation, which you'll probably note in your
13 copies of the settlement agreements. Since
14 observing that correction I've asked counsel for
15 Casino One, lodged in a hurried fashion, to get me
16 signed copies of the same settlement agreement
17 with correction.

18 So I only have one copy right now. I
19 would like to give these to the Chairperson to
20 follow along. And perhaps the rest of the
21 commissioners on that one notation just amend it
22 to Mississippi Corporation, which is the correct
23 state where Casino One is incorporated. And then
24 we can --

25 CHAIRMAN MATHEWSON: Is that the only

1 change?

2 MR. HINCKLEY: Excuse me?

3 CHAIRMAN MATHEWSON: Is that the only
4 change?

5 MR. HINCKLEY: Correct, that is the only
6 change in these documents. And these are now --
7 I would like to replace those or put these in
8 place of the ones in your notebooks now.

9 CHAIRMAN MATHEWSON: Okay.

10 MR. HINCKLEY: Tab N, which is 09-091,
11 the settlement agreement -- I'm sorry, the
12 Resolution. In Paragraph 2 of that settlement
13 agreement you'll see Casino One is a Nevada
14 corporation, that's actually supposed to be a
15 Mississippi corporation, and that's reflected in
16 the documents that I just handed to the Chairman.
17 And Tab O, same thing, I believe it's in the same
18 paragraph of the settlement agreement, Number 2,
19 same correction.

20 CHAIRMAN MATHEWSON: Okay. Does anyone
21 of the Commission have questions about this
22 change, do you want to see it or are you okay with
23 it? Okay. Proceed.

24 MR. HINCKLEY: I direct your attention
25 to Tab O -- or I'm sorry, Tab N, which is

1 Commission Resolution No. 09-091 regarding a
2 settlement agreement with Casino One Corporation
3 and doing business as Lumiere Place Casino. In
4 this settlement agreement, as the result of
5 Disciplinary Order 09-156 where the Class B
6 licensee was fined \$15,000 for repeat audit
7 findings. Soon after the Commission issued its
8 disciplinary order the licensee contacted the
9 Commission, engaged in settlement negotiations and
10 agreed with the Commission to settle this matter
11 for \$13,500.

12 The staff recommends that the Commission
13 adopt this settlement agreement -- or approve,
14 excuse me.

15 CHAIRMAN MATHEWSON: Any questions of
16 Chris? The Chair will accept a motion on the
17 recommendation of staff.

18 COMMISSIONER BRADLEY: I move to approve
19 Resolution No. 09-091.

20 COMMISSIONER PLUNKETT: Second.

21 CHAIRMAN MATHEWSON: Any further
22 discussion? Call roll, please.

23 MS. FRANKS: Chairman Mathewson?

24 CHAIRMAN MATHEWSON: Approved.

25 MS. FRANKS: Commissioner Shull?

1 COMMISSIONER SHULL: Approve.

2 MS. FRANKS: Commissioner Jones?

3 COMMISSIONER JONES: Approve.

4 MS. FRANKS: Commissioner Plunkett?

5 COMMISSIONER PLUNKETT: Approve.

6 MS. FRANKS: Commissioner Bradley?

7 COMMISSIONER BRADLEY: Approve.

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

9 Resolution No. 09-091.

10 MR. HINCKLEY: Now I direct your
11 attention to Tab O, Commission Resolution 09-092
12 regarding settlement agreement of Casino One
13 Corporation doing business as Lumiere Place
14 Casino. This resolution refers to the
15 underlying disciplinary matter 09-157 where the
16 casino was fined \$5,000 for allowing an underage
17 patron on to the gaming floor. If you recall,
18 this matter was first heard in a Caruthersville
19 meeting and was tabled. And since then we've had
20 the opportunity to finalize the settlement
21 agreement and bring it back before you, off the
22 table and back before you.

23 Actually soon after the time this
24 discipline was originally issued the casino or
25 Class B licensee contacted the Commission and took

1 responsibilities for their actions or inactions in
2 this case, and engaged in settlement agreements
3 and came to an agreement to settle this matter
4 with the commission staff for \$4,500. The staff
5 would recommend that the Commission approve this
6 settlement agreement.

7 CHAIRMAN MATHEWSON: Any questions? The
8 Chair would accept a motion to approve the
9 recommendation.

10 COMMISSIONER PLUNKETT: Motion to
11 approve the Resolution of 09-092.

12 CHAIRMAN MATHEWSON: Any discussion --
13 excuse me.

14 COMMISSIONER JONES: Second.

15 CHAIRMAN MATHEWSON: Any discussions?

16 Call roll, please.

17 MS. FRANKS: Chairman Mathewson?

18 CHAIRMAN MATHEWSON: Approved.

19 MS. FRANKS: Commissioner Shull?

20 COMMISSIONER SHULL: Approve.

21 MS. FRANKS: Commissioner Jones?

22 COMMISSIONER JONES: Approve.

23 MS. FRANKS: Commissioner Plunkett?

24 COMMISSIONER PLUNKETT: Approved.

25 MS. FRANKS: Commissioner Bradley?

1 COMMISSIONER BRADLEY: Approved.

2 MS. FRANKS: By your vote you've adopted
3 Resolution No. 09-092.

4 MR. HINCKLEY: I direct your attention
5 to Tab P, Commission Resolution No. 09-093
6 regarding settlement agreement with Harrah's
7 Maryland Heights. And this involves the
8 underlying Disciplinary Matter No. 09-276 where
9 the Class B licensee was fined \$5,000 for repeat
10 audit findings. Immediately after the Commission
11 issued its discipline in this matter, the licensee
12 contacted the Commission, took responsibilities
13 for actions or inactions and engaged in settlement
14 negotiations with the commission staff.

15 As a result the commission staff and
16 licensee have agreed to settle the matter for a
17 payment of \$4,500. And the staff recommends that
18 the Commission approve this settlement agreement.

19 CHAIRMAN MATHEWSON: Any questions? The
20 Chair will accept a motion for the recommendation.

21 COMMISSIONER SHULL: Move for approval
22 of 09-090.

23 COMMISSIONER JONES: Second.

24 CHAIRMAN MATHEWSON: Call roll, please.

25 MS. FRANKS: Chairman Mathewson?

1 CHAIRMAN MATHEWSON: Approved.

2 MS. FRANKS: Commissioner Shull?

3 COMMISSIONER SHULL: Approved.

4 MS. FRANKS: Commissioner Jones?

5 COMMISSIONER JONES: Approved.

6 MS. FRANKS: Commissioner Plunkett?

7 COMMISSIONER PLUNKETT: Approved.

8 MS. FRANKS: Commissioner Bradley?

9 COMMISSIONER BRADLEY: Approved.

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

11 Resolution No. 09-093.

12 CHAIRMAN MATHEWSON: Proceed, sir,

13 please.

14 MR. HINCKLEY: This is Tab Q and
15 Resolution No. 09-094 regarding settlement
16 agreement and a voluntary dismissal of -- well,
17 involving underlying Disciplinary Matter 09-278
18 where the Missouri Gaming Company was fined
19 \$10,000 for a failure to detect a payment of
20 jackpot to a disassociated person. Immediately
21 after the Commission issued its findings for a
22 fine in this matter, the licensee contacted the
23 commission staff, took responsibility for her
24 actions or inactions and engaged in settlement
25 negotiations.

1 As a result of those negotiations the
2 staff and the licensee agreed to settle this
3 matter for a payment of \$9,000. And the staff
4 recommends that the Commission approve the
5 settlement agreement.

6 CHAIRMAN MATHEWSON: Any questions of
7 Mr. Hinckley? The chair will accept a motion to
8 approve the recommendation.

9 COMMISSIONER PLUNKETT: Motion to
10 approve Resolution 09-094.

11 COMMISSIONER SHULL: Second.

12 CHAIRMAN MATHEWSON: Further
13 discussion? Call roll, please.

14 MS. FRANKS: Chairman Mathewson?

15 CHAIRMAN MATHEWSON: Approved.

16 MS. FRANKS: Commissioner Shull?

17 COMMISSIONER SHULL: Approved.

18 MS. FRANKS: Commissioner Jones?

19 COMMISSIONER JONES: Approved.

20 MS. FRANKS: Commissioner Plunkett?

21 COMMISSIONER PLUNKETT: Approved.

22 MS. FRANKS: Commissioner Bradley?

23 COMMISSIONER BRADLEY: Approved.

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

25 09-094.

1 MR. MCNARY: Mr. Chairman, I have
2 something on the agenda, it concerns a
3 presentation, a PowerPoint presentation I believe
4 by the executive director of Missouri Gaming
5 Association, Mike Winter. You have everything set
6 up, Mike?

7 MR. WINTER: We elected not to do a
8 PowerPoint presentation because I think we can
9 move through it a little bit quicker without the
10 high technology. For the record I am Mike Winter
11 --

12 CHAIRMAN MATHEWSON: Does that mean you
13 didn't understand the high technology? I'm sorry.

14 MR. WINTER: For the record I'm the
15 executive director of the Missouri Gaming
16 Association. And at the September meeting of the
17 Commission, the Chairman asked us to gather some
18 information on what we've done as an industry to
19 address the underage patron issue, which the
20 Commission has been dealing with on a regular
21 basis. What I would like to do is give you an
22 overview of what the industry is doing to prevent
23 underage patrons from gaining access to the floor.

24 We have increased requirements on
25 pre-job applications; ongoing training, both

1 initial training as well as training on an annual
2 basis of our existing employees. Some of the new
3 technology is also available, and then just some
4 other general issues. We have gone to great
5 lengths I think to prevent underage patrons from
6 gaining access to the casino floor. Our casinos
7 are continually training and reenforcing the
8 importance of this on a daily basis. Are those
9 efforts working to 100 percent perfection in
10 keeping all minors off the gaming floor? The
11 answer is obviously no.

12 However, the degree of which the casinos
13 have gone in addressing this issue deserves some
14 consideration also. We are closely screening new
15 job applicants on an ongoing basis to test
16 aptitude for those individuals before working the
17 points of entry to the casino floor. Essentially
18 employees in many instances are now being asked to
19 take math aptitude and show proficiency in math.
20 And then other types of tests to determine their
21 ability in paying attention to detail.

22 Obviously since you took your tours
23 yesterday you probably saw some of this in action
24 with security personnel asking for identification
25 and checking people as they walked through

1 turnstiles. Once employed by the casinos, there
2 are a number of options in which we use in
3 providing training opportunities to new staff.
4 While there's obviously going to be differences in
5 training between security people, food and
6 beverage, and our other employees, all employees
7 receive training stressing the importance of
8 preventing underage gambling.

9 In addition to the formal training that
10 security personnel receive, it's pretty common
11 that new security staff shadow the more
12 experienced security personnel for weeks at a time
13 until those more senior security personnel are
14 comfortable that the new hires can handle the
15 activity and the pressure that comes with working
16 the turnstile areas during peak hours. The
17 training for our employees doesn't stop with new
18 employee training, every property conducts ongoing
19 training annually. In some instances Les Hine
20 will assist with providing training or the gaming
21 agents of staffing the boats will assist in those
22 annual trainings. Each property conducts the
23 training which looks at underage identification
24 and also provides additional training and review
25 of fake and altered ID's.

1 Much of this education is really looked
2 at and tried to be provided in a classroom
3 setting, which is the way to gain the most
4 attention from your employees in trying to
5 reeducate or better inform them on some of these
6 ongoing activities. We also, in addition to annual
7 training, many times will conduct quarterly or
8 semiannual training. In some instances I think
9 you're starting to hear that the individual
10 casinos have asked for the assistance of the boat
11 sergeants to attend daily staff and shift meetings
12 with instances of new or fake or altered ID's
13 that are being found in the community.

14 The gaming agents are very good about
15 making themselves available to attend these
16 meetings and assisting the employees in becoming
17 better acquainted with how ID's can be altered and
18 what to look for as new situations present
19 themselves. What they will also do is they will
20 provide an ongoing review of the state issued
21 identification manuals during these pre-shift
22 meetings as well as the ongoing training. And
23 those are also going to be available at the point
24 of entry to the casino floor for all the security
25 staff to check identifications when they're being

1 presented.

2 Some of the other techniques that we
3 have found in discussing this with the security
4 personnel and others from our casino properties, a
5 lot of the properties will use black lights to
6 look at the identification. This is used because
7 a lot of the identifications and the State ID's
8 will have a water mark, which if it's a fake ID,
9 it's not going to show by using the black light.
10 There are obviously other techniques that are used
11 by the security personnel in trying to determine
12 if an ID has been altered in any fashion. In
13 those instances when we do find an altered
14 identification, it's pretty typical to either
15 contact the senior security personnel in the
16 facility to come verify that there may be a
17 problem with a driver's license or contact the
18 gaming agents for their assistance.

19 There is also new technology obviously
20 that comes available on an ongoing basis, which a
21 number of our members have put in place, which is
22 the license validators. If you've seen them, and
23 you take out your driver's license, there's a bar
24 code on the back, and those can be swiped when you
25 walk into a casino. And it's got the small screen

1 that flashes up and provides the name of the
2 individual and the date of birth. And I think
3 some are even giving the exact age of the
4 individual. So we're taking advantage of some of
5 the new technology that's out there on an ongoing
6 basis as well.

7 All the properties are employing the
8 under 30 policy before allowing anyone admission
9 to the casino floor. That has resulted in
10 obviously a lot of people being carded, which
11 previously would have not probably had to show
12 their identification. During peak hours we're
13 seeing every property increase the number of
14 security personnel that are manning the points of
15 entry to the casino floor to make sure that they
16 have an adequate staff to check everyone that
17 needs to be checked before gaining access to the
18 floor.

19 As you saw yesterday probably on the
20 tour, there are reminders before going onto the
21 casino floor that you must be 21 years of age and
22 if you are not, then you shouldn't attempt to go
23 onto the casino floor. In an effort to prevent
24 individuals with improper or altered ID's from
25 gaining access to the floor, what we're finding is

1 that the properties will usually only accept
2 driver's licenses and State ID's with
3 photo identification, valid passports, US military
4 ID, and some foreign ID's that are limited to
5 those that can be verified by the manual called
6 the "ID Checking Guide." Again, if there's any
7 kind of a question about the identifications being
8 presented, a supervisor is called in to assist in
9 making that determination.

10 Just to put things in perspective,
11 during the last fiscal year there were over 25
12 million patrons that attended our -- or came on
13 our properties. And depending on the size of the
14 casino, that would range from anywhere from a
15 little less than 37,000 per month to over 347,000
16 individuals, different individuals during a
17 monthly basis. And to put this in perspective, we
18 are literally checking tens of thousands of ID's
19 on a monthly basis to insure that we are
20 preventing underage individuals from getting on
21 the property.

22 While we have greatly increased our
23 efforts to prevent minors from gaining access, you
24 have to ask, given the volume of patrons, if it's
25 reasonable to expect this will never occur. It's

1 my opinion that the answer to that is no. We're
2 providing more training to food and beverage
3 personnel, security, and our entire staff as never
4 before. We're carding more individuals than we
5 probably ever have, but mistakes are going to
6 happen. We've got human beings that are staffing
7 the points of entry, checking ID's and they're
8 going to make mistakes regardless of the training,
9 the technology that's available or how diligently
10 they try to perform their duties.

11 ID's are going to be misread and, for
12 whatever reason, limited instances of people
13 gaining access to the casino floor are going to
14 continue to happen. But in those limited
15 instances where someone has gained access to the
16 floor, it's through the continued diligence of the
17 casino employees those individuals have been
18 caught. I'm not here today to make excuses for
19 what's occurred in the past, but instead to try to
20 highlight some of the things in the extent that
21 the industry has gone in attempting to prevent
22 all underage patrons from gaining access to the
23 floor.

24 However, we are looking at other things
25 which may need to be modified, which will help to

1 get the message across to minors that they should
2 not even attempt to try to gain access to the
3 floor. We are in the process of reviewing
4 surrounding states and what the penalties are in
5 those states for individuals who attempt to gain
6 access and do gain access to the casino floor to
7 see how our penalties match up to other
8 jurisdictions. After that review is complete we
9 may elect to make recommendations for the general
10 assembly to consider if we think they need to be
11 strengthened. Also local prosecutors are
12 obviously a key in these cases being prosecuted.
13 We are continuing to think about approaching the
14 prosecutors so they are better aware, have an
15 awareness in order to gain a greater understanding
16 of what we're dealing with. And then also to try
17 to determine how many of these cases are pursued
18 and what the final resolution of those cases are
19 as they move through the process.

20 Mr. Chairman, on a broader note, I've
21 watched numerous commissions and the disciplinary
22 process and how it works. I would like to
23 respectfully request the Commission consider
24 modifying its disciplinary process to allow input
25 from a property before a preliminary disciplinary

1 representing those cases, a violation of this will
2 be prosecuted, you aren't sure if they're going to
3 be prosecuted at all?

4 MR. WINTER: It's still left up to the
5 local prosecutor and I would assume the local
6 judge at that point on how quickly some of these
7 cases move along. And like I say, commissioners,
8 this is something we just don't have information
9 on. We're going to try to get some.

10 COMMISSIONER JONES: Okay. Thank you.

11 CHAIRMAN MATHEWSON: I would think that
12 at least what I read and what I see in my own
13 community, prosecutors are overburdened with
14 cases, in most cases they are. And its going to
15 be interesting what you find.

16 MR. WINTER: Yes. And I'm not trying to
17 disparage any local law enforcement or
18 prosecutors, they have very full plates with a lot
19 of things going on.

20 CHAIRMAN MATHEWSON: I think I am trying
21 to support them because they are overloaded with
22 cases and certainly are in my area. But then
23 again, some people will think that most people
24 come to my area to commit crime, so. Some might
25 accuse me of -- but at any, rate they are, yeah.

1 I have to wonder what you're going to find out,
2 because if I'm sitting there and I'm loaded up
3 with cases, which most of them are I suspect in
4 all of our areas, then how high up a priority is
5 it going to be, you know, to take care of some
6 20-year-old that got on a boat, on a casino floor.
7 So it will be interesting to see what you find
8 out.

9 MR. MCNARY: When do you think, Mike,
10 that you'll have that information from surrounding
11 states or other states? Is that something that
12 will happen fairly soon on what some of our
13 penalties are on underage or how they're dealing
14 with it, or what's your time frame, do you think?

15 MR. WINTER: I could probably have you
16 information -- I could probably have information
17 back by our December meeting at the latest. I
18 would think we would be able to ascertain --
19 because we have other colleagues in those states
20 that we're approaching, and ask them for the
21 information, so it shouldn't be too hard to
22 compile.

23 CHAIRMAN MATHEWSON: Well, yeah, I would
24 hope that's true because, I mean, some of them are
25 operating here and operating in other states.

1 MR. WINTER: True.

2 CHAIRMAN MATHEWSON: In fact, most do I
3 think. Okay. I would say hope and someone help
4 me out here. Gene, are we going to be back on the
5 3rd of December or something like that?

6 MS. FRANKS: I think it's December 2nd.

7 CHAIRMAN MATHEWSON: December 2nd?

8 MS. FRANKS: It's the first Wednesday.

9 CHAIRMAN MATHEWSON: So if you could, we
10 would sure appreciate that, that's something that
11 is concerning to the Commission and we would like
12 to deal with it. So anything you could do to help
13 us out to make any decisions on that, we would
14 appreciate it.

15 MR. WINTER: We'll get you some
16 additional information.

17 CHAIRMAN MATHEWSON: Also I noticed that
18 all of us were there yesterday for the tour, but
19 there is a broad range of things going on out
20 here, you know, for -- every casino has its own
21 way, I mean, of dealing with entry. Some of them
22 are the same, but they also were adding other
23 things to it.

24 MR. WINTER: Yeah, I think there's no
25 cookie-cutter approach to how all the different

1 operators want to configure how things move in and
2 out on the floor of a casino. And it's quite an
3 interesting industry to watch as it evolves.

4 CHAIRMAN MATHEWSON: And we as a
5 Commission or certainly me, I don't think it's our
6 responsibility to fix it. I think it's the
7 casino's responsibility to fix it and we'll decide
8 depending on what happens after that. I mean,
9 it's not our role, so. Other questions of Mr.
10 Winter?

11 COMMISSION SHULL: I just have a
12 comment, that would be that as you look at
13 changing the law about the penalties, I know
14 nothing that is more dear to an individual that is
15 less than 21 years old than their driver's
16 license. As I purchased gasoline, I noticed there
17 is a notice that is on the pump that says, you
18 know, if you drive off and don't pay for the
19 gasoline, you're going to lose your license. And
20 so you might have a special prosecutor appointed
21 that is paid by the individuals who are committing
22 this crime, however, it's looked at, and that
23 would be a way to have someone that could be paid
24 to prosecute them and maybe looking for work. As
25 I understand it, there's a lot of hungry lawyers now.

1 CHAIRMAN MATHEWSON: Hasn't there always
2 been? I did not mean that. Mr. Hinckley, I did
3 not mean that directed at you.

4 MR. WINTER: Well, Mr. Chairman, we
5 appreciate the opportunity to present some
6 comments today. If there are other things that we
7 can be of help in giving you additional
8 information, we're more than happy to try to do
9 so.

10 CHAIRMAN MATHEWSON: If I remember, you
11 are correct, Mr. Winter, but I think that
12 Senator Staples took the driver's license
13 away from people that ran away from a gas pump in
14 about 2000?

15 MR. WINTER: I think you're right.

16 CHAIRMAN MATHEWSON: He did one good
17 thing that I remember, besides providing humor for
18 all of us. Any other questions of Mr. Winter?
19 Mike, thank you for being here. Thank you for
20 putting this together. And we'll look forward to
21 hearing from you at the next meeting, okay. Thank
22 you. Mr. McNary, please.

23 MR. MCNARY: Mr. Chairman, Item 8 is a
24 report on River City Casino Project. And Pinnacle
25 counsel, Jerry Riffel will do that.

1 MR. RIFFEL: Good morning, Mr. Chairman,
2 members of the Commission. Jerry Riffel, Lathrop
3 & Gage Law Firm. I'm outside counsel for Casino
4 One Corporation. I hope each of you has a marked
5 copy of the PowerPoint presentation sometimes
6 given by Mr. Bob Herr. I'm speaking on behalf of
7 Mr. Herr and the construction team for River City
8 Casino. And we would just like to highlight
9 several of those slides.

10 I know that you toured the River City
11 Casino in September, the day before your last
12 monthly meeting. I would direct your attention to
13 Slide 2, which states progress on River City
14 Casino Boulevard. The road from the interstate to
15 the our casino that is Phase II, which is between
16 LeMay Road and Broadway, is as you
17 may have noticed basically complete. When I say
18 Slide 2, it's the page. LeMay Boulevard at
19 that point is undergoing some interesting final
20 legal steps.

21 The metropolitan sewer district, the
22 county and the city are exchanging and finalizing
23 and closing agreements. For example, an easement
24 has to be moved, an agreement has to be moved a
25 little bit, and the legal description has to be

1 changed some. The county has to accept two
2 things, one, dedication of the road. Part of the
3 road is in the city, part of the road is in the
4 county. A lot of the road is under the
5 jurisdiction of MSD. And so all of this is being
6 worked out.

7 Then when that road is operational it
8 will be under the maintenance and responsibility
9 of the county. So that we think will be wound up
10 very quickly. Slide 4, if you're interested in an
11 overhead, it shows how near complete the facility
12 is. There's an aerial photo. In Slide 5 Mr. Herr
13 states the overall progress is 75 percent
14 complete; the exterior walls are 95 percent
15 complete; and the casino ceiling is -- I don't
16 know what this means, but it's 80 percent
17 complete, Mr. Chairman.

18 We still are on schedule as you'll see
19 in Slide 6. We plan on opening to the public in
20 the spring. And we should be able to get a
21 temporary certificate of occupancy to operate.
22 But certificate of occupancy to complete by
23 January is our belief. Slide 7 has EGD or
24 Electronic Gaming Devices scheduled for
25 completion, testing, working with MGC and getting

1 everything operational for opening.

2 A few other highlights, if you look at
3 Slides 8, you'll see in the support areas we now
4 have a temporary certificate of occupancy. On
5 Level I, you'll see the Commission and our
6 security offices are in place. On Level II we
7 have surveillance and IT, which is beginning
8 operation. A couple of photos. The ones I would
9 like to point out because I think they show the
10 quality and detail of this finished product. If
11 you look at Slide 12, which shows St. Louis
12 World's Fair architecture on the north elevation,
13 is in my judgment spectacular.

14 13 is another shot of the north entry.
15 14 shows the north entry drop-off. And 18 shows
16 an excellent juxtaposition of road access as to
17 the entire project. So are there any questions?

18 CHAIRMAN MATHEWSON: We were down there
19 last month. I was really impressed with how they
20 had moved along with this project during one of
21 the rainiest years that we have had in the state,
22 maybe ever. But certainly we've had a lot all
23 year and the project has moved along very well.
24 And, Mike, as you pointed out in your
25 presentation, it's still right on time.

1 MR. RIFFEL: I think October, Mr.
2 Chairman, there was a record in that area of the
3 county, the most rainfall ever. And I know that
4 that roadway, they had real rain problems during
5 the warm season last year. So there's been a lot
6 of obstacles that that team has done very well
7 handling.

8 CHAIRMAN MATHEWSON: I was very
9 impressed with how well they moved the project
10 along. Any questions of Mr. Riffel?

11 MR. RIFFEL: Thank you very much.

12 CHAIRMAN MATHEWSON: Thank you for
13 making the presentation. Mr. McNary.

14 MR. MCNARY: Mr. Chairman, let me under
15 new business take this opportunity. We have with
16 us the electronic gaming device specialist and the
17 audit staff from the Kansas City office, and I
18 would like to introduce them and have this
19 distinguished group stand.

20 CHAIRMAN MATHEWSON: Stand up so we can
21 recognize you. I might add that the young man
22 over at the end there, who has only been on the
23 board for, what, about two months now, something
24 like that, not very long.

25 MR. FOUST: Not long.

1 CHAIRMAN MATHEWSON: You signed a
2 contract with Pittsburg?

3 MR. FOUST: Yeah.

4 CHAIRMAN MATHEWSON: He was a pitcher
5 for Pittsburg.

6 MR. MCNARY: 95-mile-an-hour fast ball.

7 CHAIRMAN MATHEWSON: Until his arm gave
8 out on him. Well, that stuff happens when you
9 throw on that many times. I'm just making a joke,
10 I'm sorry. What happened to you, I didn't mean it
11 that way, certainly. I've never done that, but I
12 sure have hurt myself. Nice to have all of you
13 here. Thanks for what you do. Mr. McNary.

14 MR. MCNARY: That's the extent of the
15 agenda. We need a motion to close the meeting
16 under Sections 3 --

17 CHAIRMAN MATHEWSON: What about old
18 business, do we have any old business?

19 MR. MCNARY: No old business.

20 CHAIRMAN MATHEWSON: Okay. The Chair
21 will accept a motion to close the meeting.

22 MR. MCNARY: We want to go into closed
23 session.

24 CHAIRMAN MATHEWSON: What did I say?

25 MR. MCNARY: You want to close the

1 meeting.

2 CHAIRMAN MATHEWSON: The Chair will
3 accept a motion.

4 COMMISSIONER BRADLEY: Mr. Chairman, I
5 would move to --

6 THE REPORTER: Ma'am, I'm sorry, I could
7 not hear you.

8 COMMISSIONER BRADLEY: Do you want me to
9 repeat it?

10 THE REPORTER: Yes, please. Is your mic
11 on?

12 COMMISSIONER: I didn't do a thing, it's
13 on now.

14 COMMISSIONER BRADLEY: I'm going to move
15 to close this meeting under Sections 313.847 and
16 Section 610.021 of Subsections 1 and Subsection 14
17 under the Missouri statutes.

18 COMMISSIONER PLUNKETT: Second.

19 CHAIRMAN MATHEWSON: Call roll, please.

20 MS. FRANKS: Chairman Mathewson?

21 CHAIRMAN MATHEWSON: Yes.

22 MS. FRANKS: Commissioner Shull?

23 COMMISSIONER SHULL: Approved.

24 MS. FRANKS: Commissioner Jones?

25 COMMISSIONER JONES: Approved.

1 MS. FRANKS: Commissioner Plunkett?

2 COMMISSIONER PLUNKETT: Approved.

3 MS. FRANKS: Commissioner Bradley?

4 COMMISSIONER BRADLEY: Approved.

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C E R T I F I C A T E

I, JENNY L. EASTABROOKS, Certified Court Reporter, do hereby certify that I appeared at the time and place hereinbefore set forth; I took down in shorthand the entire proceedings had at said time and place, and the foregoing sixty-six pages constitute a true, correct and complete transcript of my said shorthand notes.

Certified to this ___ day of _____, _____.

Jenny L. Eastabrooks, CCR.
Certified Court Reporter No. 1032
Notary Public, State of Missouri

