

BEFORE THE MISSOURI GAMING COMMISSION  
STATE OF MISSOURI

\_\_\_\_\_  
MEETING

September 28, 2011  
Missouri Gaming Commission  
3417 Knipp Drive  
Jefferson City, Missouri

\_\_\_\_\_  
COMMISSIONERS PRESENT:

- James L. Mathewson, Chairman
- Darryl T. Jones
- Jack L. Merritt

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REPORTED BY:

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1                   CHAIRMAN MATHEWSON: Good morning,  
2 everyone. Appreciate everyone being here this  
3 morning. We'll call this meeting to order.

4                   Angie, would you call roll, please.

5                   MS. FRANKS: Commissioner Merritt.

6                   COMMISSIONER MERRITT: Present.

7                   MS. FRANKS: Commissioner Hatches.

8                   (No response.)

9                   MS. FRANKS: Commissioner Jones.

10                  COMMISSIONER JONES: Present.

11                  MS. FRANKS: Chairman Mathewson.

12                  CHAIRMAN MATHEWSON: Present.

13                  Before we take the motion on the  
14 minutes, I want to explain to everyone: There  
15 is only three of us here this morning.

16 Commissioner Hatches told us back some time ago  
17 that he was not going to be able to be here.

18                  And then Governor had to withdraw  
19 Suzanne's name because there wasn't any special  
20 session. I think there were, what, twenty-some  
21 names --

22                  MR. HENRICKSON: Twenty-three names.

23                  CHAIRMAN MATHEWSON: -- twenty-three  
24 names that Governor had to withdraw on  
25 appointments, because you can't have them lay

1 over during a legislative session -- it's always been  
2 that way -- so he had to withdraw her, so she can't  
3 come. She can't be here for a meeting and vote since  
4 she hasn't been confirmed by the Senate, so as soon  
5 as that special session is over, which would appear  
6 to me it's over -- they just haven't decided to say  
7 it's over yet -- so as soon as that, well, then  
8 Governor will reappoint everyone and we'll get back  
9 on track again. Right now that's one of the reasons  
10 why one of our members isn't here.

11 With three of us here, we do have a  
12 quorum, and we'll do business.

13 Would you make a motion, please, for the  
14 minutes from the August 24 meeting, please.

15 COMMISSIONER JONES: So moved.

16 COMMISSIONER MERRITT: Second.

17 CHAIRMAN MATHEWSON: Any discussion?

18 (No response.)

19 CHAIRMAN MATHEWSON: Call roll, Angie,  
20 please.

21 MS. FRANKS: Commissioner Merritt.

22 COMMISSIONER MERRITT: Approved.

23 MS. FRANKS: Commissioner Jones.

24 COMMISSIONER JONES: Approved.

25 MS. FRANKS: Chairman Mathewson.

1                   CHAIRMAN MATHEWSON: Approved.

2                   MS. FRANKS: By your vote you've adopted  
3 the minutes of the August 24, 2011, meeting.

4                   DIRECTOR STOTTLEMYRE: Mr. Chairman,  
5 Item III on the agenda is consideration of hearing  
6 officer recommendations, and Mr. Steven Stark will  
7 present.

8                   CHAIRMAN MATHEWSON: Morning, Steve.

9                   MR. STARK: Good morning, Commissioners.

10                  COMMISSIONER JONES: Good morning.

11                  MR. STARK: The first item for  
12 consideration you have is Item B, Ameristar Casino,  
13 St. Charles. This case involved an allegation that  
14 the casino permitted an underage patron on the gaming  
15 floor to gamble and to drink alcoholic beverages.

16                  The facts as found are as follows: On  
17 the date of February 25, 2010, a security guard at  
18 the entrance of the casino's gaming floor checked the  
19 ID, identification, of a respective patron named  
20 Jacob Sims [sic]. The security guard denied  
21 Mr. Sims access to the casino because his  
22 identification did not match the appearance of  
23 Mr. Sims.

24                  The casino immediately reported this to  
25 the Commission. The Commission then arrested --

1           commission agent arrested Mr. Sims with a charge of  
2           presenting a false identification in order to gain  
3           entry into the gaming boat.

4                       Now, during the arrest, Mr. Sims  
5           informed the Commission's agents that he had been  
6           allowed on this same casino gambling floor on two  
7           prior occasions. The Commission then conducted its  
8           investigation as to those allegations, and the  
9           findings were that, indeed, Mr. Sims had presented  
10          himself the day before, on February 24, 2010,  
11          presenting the security guard the same ID card, but  
12          that ID card was the identification of another  
13          person. The other person's identification showed a  
14          seven-year difference.

15                      When Mr. Sims had presented that card,  
16          he had a baseball cap upon his head partially  
17          disguising his appearance. But on February 24, 2010,  
18          the security guard did allow Mr. Sims on the floor.  
19          He stayed on the floor for nearly 15 hours gambling  
20          and playing all the different games and also was  
21          served ten alcoholic beverages.

22                      During that 15-hour period, Mr. Sims  
23          came into act with 33 different employees of the  
24          casino. Mr. Sims' true birth date was March 19,  
25          1989, making him 20 years old, which was actually

1 just 23 days before he turned 21.

2 The security guard that allowed Mr. Sims  
3 onto the gaming floor did have specialized training  
4 in recognizing improper use of identification, had  
5 training on what deceptive means that patrons might  
6 use to avoid detection.

7 The casino itself took some disciplinary  
8 action against the security guard, and the security  
9 guard actually provided a written statement as to the  
10 events of that evening. In fact, the security guard  
11 said that, Mr. Sims presented his Missouri state  
12 operators license to me. After verifying the  
13 information on the license, I glanced at him and I  
14 did allow him to enter. Had I asked him to remove  
15 his hat, I would have recognized that he was not the  
16 individual on the presented ID, and I would not have  
17 allowed him to enter. Again, that's the written  
18 statement of the security guard.

19 The security guard from the casino  
20 received a written coaching statement that was  
21 written by his supervisor, and the supervisor stated  
22 that: It was apparent that you, the security guard,  
23 did not effectively evaluate and compare the photo on  
24 the identification to the person presenting it to  
25 you. For the majority of the interaction with you,

1 the guest kept his head tilted downward. This,  
2 combined with the fact that the guest was wearing a  
3 ball cap, prevented you from making an effective  
4 comparison between the two.

5 Now, in response to what the security  
6 guard had done, the Gaming Commission itself actually  
7 sent a letter to the security guard, and this letter  
8 stated to the security guard, quote, This letter is  
9 to notify you that the Missouri Gaming Commission is  
10 greatly concerned regarding this incident and urges  
11 you to use your best efforts to fully comply in the  
12 future with Commission regulations; however, the  
13 Commission has determined that no further action will  
14 be taken against you concerning these matters, end of  
15 quote. That's what the Commission told the  
16 individual security guard involved in this incident.

17 A proposed discipline against the casino  
18 is suggesting proposing a monetary penalty of  
19 \$75,000. The casino requested a hearing, and this  
20 evidence was presented to me as the hearing officer.

21 Now, the law is clear that a person under  
22 the age of 21 shall not make any wager on the  
23 gambling boat and should not even be allowed on the  
24 area of the boat where gambling is conducted. Also  
25 the law provides that no vender of liquor shall

1 supply any type of intoxicating liquor to any person  
2 under the age of 21, so those are the laws that are a  
3 concern to the Commission as having been violated in  
4 this particular incidence.

5 The casino makes several arguments, one  
6 being that the law that I just quoted said that a  
7 person under 21 years of age shall not make a wager  
8 on an excursion gambling boat and shall not be  
9 allowed in the area of excursion boat where gambling  
10 is being conducted.

11 The casino places focus upon the word  
12 "allowed" and stating that they -- that the security  
13 guard did not allow the individual onto the gaming  
14 floor, in that the definition of "allowed," through a  
15 previous case of 1970, determined that the word  
16 "allowed" meant "acquiescence with knowledge and  
17 consent."

18 Basically, they're saying that the  
19 individual deceived the security guard, and the  
20 security guard didn't have any knowledge that the  
21 individual was under the age of 21; however, my  
22 findings are that, in fact, the casino, through its  
23 own investigation, provided its discipline of the  
24 security guard, basically saying that the security  
25 guard did enable the underaged patron to gain access

1 to the gaming floor in order to gamble, in order to  
2 drink alcoholic beverages, and the security guard  
3 himself realized that, with his training, he should  
4 have recognized the ID card as being invalid, did not  
5 match the individual who provided that ID. And,  
6 again, his statement seems to be pretty clear that he  
7 realized he made a mistake based upon his training.

8 So my conclusion was: To state that he  
9 was without knowledge was not appropriate analysis of  
10 this case. The security guard had the training, had  
11 the ability to gain the knowledge, and just failed  
12 to, basically, do his job.

13 A second argument that the casino makes  
14 is that -- the high-dollar amount of the proposed  
15 monetary penalty. The casino says that the  
16 Commission's proposed \$75,000 penalty is punitive and  
17 grossly disproportionate to the penalties imposed in  
18 similar cases in the past.

19 The casino presented, along with the  
20 Commission, several other cases of past discipline  
21 and past proposed discipline, and if you look at the  
22 Findings of Fact, No. 25, I outlined about 20  
23 different cases there.

24 The casino does correctly make a  
25 comparison of those cases trying to show a contrast

1 to this present case before us today, but I actually  
2 found that the comparisons were very difficult in  
3 that each of the cases had a variety of factors, and  
4 so I actually kind of posed some questions in my  
5 written recommendation here, is that: Is the penalty  
6 based upon the type of identification used, or in  
7 some cases no ID was even used and individuals  
8 underage were able to pass the turnstile? Is the  
9 length of time on the gaming floor the controlling  
10 factor? Is it the number of employees of the casino  
11 who interact with the underage individual while on  
12 the gaming floor a considering factor? Does the time  
13 actually devoted to gambling play a part in the  
14 amount of the penalty? Does the amount of alcohol  
15 beverage consumption relate to the monetary penalty?

16 For example, one proposed penalty to  
17 another casino was that there was a 19-year-old on  
18 the gaming floor for 22 minutes, with no gambling, no  
19 consumption of alcohol beverages. In that case, the  
20 proposed penalty was \$25,000, which would exceed  
21 \$1,000 per minute, if you want to make that  
22 comparison.

23 Another case had ten different underage  
24 individuals that were on the gaming floor for nearly  
25 14 hours. The penalty for that case proposed was

1           \$70,000, which would amount to only \$83 per minute.  
2           So I found it a little difficult to make comparisons  
3           with previous cases.

4                         And another factor missing from the  
5           analysis is that we do have a statute that puts a  
6           limit on your authority to impose monetary penalties,  
7           and that statute says that the maximum is up to three  
8           times the highest daily amount of gross receipts  
9           derived from wagering on the gambling games conducted  
10          during the previous 12 months, so there's a  
11          limitation there which leads to an inference that the  
12          legislature intended that there be a imposition of  
13          penalty based upon the amount of business that the  
14          licensee may do, so that particular piece of evidence  
15          was missing from these cases.

16                        Also, the casino brought up the fact that  
17          the Commission itself issued that letter I mentioned  
18          before to the security guard, basically saying that,  
19          Please use your best efforts. We're not going to do  
20          anything right now, which would lead one to believe  
21          that maybe the Commission didn't think this was as  
22          serious with the individual security guard as it does  
23          now with the casino.

24                        However, my finding is that the law does  
25          authorize a penalty in this dollar amount, that there

1 was, indeed, a violation of law in allowing this  
2 individual, under age, to be admitted into the  
3 casino, and my recommendation would be that the  
4 evidence does support the \$75,000 monetary penalty.

5           Whether or not public perception may  
6 consider fairness to be an issue here or not, I did  
7 not feel, as the hearing officer, I had that  
8 discretion to try to figure out what was fair  
9 compared to previous decisions of the Commission, but  
10 that discretion exists with the Commission and,  
11 again, legal authority exists for the \$75,000  
12 penalty.

13           CHAIRMAN MATHEWSON: Thank you, Steve,  
14 very much.

15           Any questions of Steve at this time?

16           COMMISSIONER JONES: In the training,  
17 Mr. Stark, is part of the training for, I guess, the  
18 agent or security person, is it to ask the patron to  
19 remove his ball cap, anything in there? Do they have  
20 that in the training package, or have they  
21 implemented something like that now that, you know,  
22 you are to ask them to remove baseball caps, caps,  
23 and all that other stuff?

24           MR. STARK: What was described to me was  
25 that the individual would look at the space between

1 the eyes -- there are certain facial factors that are  
2 constant for an individual, regardless of their  
3 aging, such that an individual picture can be matched  
4 to an individual person standing in front of you, so  
5 removing the cap would probably be important to  
6 figure out some of those facial recognition factors.

7 I don't know that I saw anything that  
8 specifically said, Please ask all prospective patrons  
9 to remove their caps, but I -- my understanding from  
10 the security guard was that that would have been  
11 normal practice.

12 COMMISSIONER JONES: And the reason I do  
13 ask that is, I know when you go through airplane  
14 security, the TSA --

15 MR. STARK: Uh-huh.

16 COMMISSIONER JONES: -- they ask you to  
17 remove sunglasses and baseball caps so they can match  
18 the ID with the photo --

19 MR. STARK: Right.

20 COMMISSIONER JONES: -- with the person.

21 MR. STARK: I would suspect similar  
22 training is being conducted with the casino security  
23 guards as well, yeah.

24 COMMISSIONER MERRITT: But the security  
25 guard did have the training on the identification

1 process?

2 MR. STARK: Yes. Yes. Yeah.

3 CHAIRMAN MATHEWSON: Any other questions  
4 of Steve at this time?

5 (No response.)

6 CHAIRMAN MATHEWSON: Is there anyone  
7 representing the Ameristar, St. Charles?

8 Morning, sir.

9 MR. FRANKE: Morning. Morning, Chairman  
10 Mathewson, Commissioners Jones, Commissioner  
11 Merritt. I appreciate the opportunity to address the  
12 Commission.

13 I'm not here today to argue the facts of  
14 this case. I think --

15 CHAIRMAN MATHEWSON: Give us your name so  
16 that the lady --

17 MR. FRANKE: I'm sorry.

18 CHAIRMAN MATHEWSON: -- can get that on  
19 the record, please.

20 MR. FRANKE: My name's Jim Franke,  
21 general manager of Ameristar, St. Charles.

22 Again, I'm not here to argue the facts of  
23 the case; however, I did come before you to request  
24 that you reconsider the size of the fine.

25 Recently the Commission fined a licensee

1           \$25,000 for a very similar situation. You know, one  
2           could argue that the situation was actually worse,  
3           whereby the minor, using a fake ID, gained access to  
4           this licensee four different times, while ours was  
5           caught on its third attempt but, then again, others  
6           are going to be able to argue that ours is worse  
7           because that minor did come in contact with more team  
8           members, 33 at our facility, compared to 23 at the  
9           other licensee's facility.

10                         One could also argue that the fine is  
11           justified due to our previous experience with minors  
12           on the casino floor, but that is not supported when  
13           you compare the number of violations we have had with  
14           other licensees.

15                         As a part of the process, a hearing  
16           officer did compare and document previous Commission  
17           disciplinary action taken against those for  
18           violations involving minors. As a matter of fact, in  
19           the last paragraph on page 14 of the hearing officer  
20           report, he states that \$75,000 monetary penalty,  
21           while harsh compared to other proposals for other  
22           licensees, is authorized by law.

23                         We understand that you have the authority  
24           to impose this fine; however, I come before you today  
25           requesting that the fine be reduced and be consistent

1 with other actions taken by the Commission.

2 I appreciate your consideration in this  
3 matter.

4 CHAIRMAN MATHEWSON: Any comments?  
5 Questions?

6 (No response.)

7 CHAIRMAN MATHEWSON: Could I ask just one?

8 DIRECTOR STOTTLEMYRE: He wants to speak  
9 on the case.

10 CHAIRMAN MATHEWSON: Let me ask Rick: Is  
11 that security guard still employed there?

12 MR. FRANKE: No, sir.

13 CHAIRMAN MATHEWSON: And are we violating  
14 his rights by asking why? I don't want to do that,  
15 if I am.

16 MR. FRANKE: Yeah, it's probably not  
17 appropriate to go into any --

18 CHAIRMAN MATHEWSON: Okay. Okay. Can I  
19 ask you this: How long has he not been an employee  
20 there?

21 MR. FRANKE: I believe it's been within  
22 the last six months --

23 CHAIRMAN MATHEWSON: Okay.

24 MR. FRANKE: -- that he has left.

25 CHAIRMAN MATHEWSON: Do you have any

1 knowledge -- is he a security guard at any other  
2 Casino?

3 MR. FRANKE: I do not have any knowledge  
4 of his activities.

5 CHAIRMAN MATHEWSON: Okay. Okay.

6 Ed, you had something for comment?

7 MR. GREWACH: Just to respond briefly, and  
8 really to agree with what Mr. Stark said, these are  
9 difficult to compare, one case to another. I can  
10 tell you that the DRB does look at prior cases when a  
11 case like this comes in, looks at all those factors  
12 that he talked about: Person's age, fake ID, how  
13 long they are on the floor, number of people they  
14 encounter; did they drink; did they gamble, but as  
15 you look through all the ones in the record here, it  
16 is difficult to compare apples to oranges sometimes  
17 to make, you know, an exact science out of coming up  
18 with this fine, but this is exactly the process as  
19 it's intended to work.

20 You know, we began with a Proposed Order  
21 of Discipline after the hearing. Then it's the  
22 Commission's final decision to lower the fine, keep  
23 it the same, raise it. You have all the authority  
24 when it gets to this stage of the proceeding.

25 CHAIRMAN MATHEWSON: Any question?

1 (No response.)

2 CHAIRMAN MATHEWSON: Go ahead. I don't  
3 have any more questions. You know, I apologize  
4 'cause I'm old. I don't remember exactly everything  
5 that happened, and I've read this before, Steve,  
6 so -- I mean, I've read this before you presented it.

7 It's an interesting case, I think. Now,  
8 what our mind-set as a commission was at the time  
9 that we had this before us and what our mind-set was  
10 when we sent a letter to that security officer, not  
11 taking any action against his act, I'm sorry. I  
12 don't remember, you know, what our mind-set was.

13 It seems like, though, that after  
14 reviewing this, my own personal review of all your  
15 information, which is very thorough, and I appreciate  
16 all that you do, it seems to me like that maybe that  
17 should've been the direction that we might've wanted  
18 to take at that time, was more action against the  
19 security officer, because as Commissioner Jones asked  
20 you, you know, Was one of those things in his  
21 training to remove your hat?

22 And as he also pointed out, when you go  
23 through an airport security -- I've been wearing  
24 sunglasses before, and that is an absolute no-no.  
25 They really get upset when you're trying to wear

1 sunglasses through a security deal, and I understand  
2 that. They're right, and I appreciate what they do.

3 Now, we find ourselves in a situation  
4 here where a \$75,000 penalty may seem extreme, as you  
5 pointed out, you know, that -- that it might be so,  
6 you know. I further inquired of the manager of the  
7 St. Charles casino in whether or not he was an  
8 employee there or not anymore, and he said he is not  
9 an employee there.

10 Now who knows what that's about, you  
11 know, 'cause we can't ever know that, probably, but I  
12 suspect -- and I don't remember what our mind-set was  
13 that day, if we were trying to send a message, you  
14 know, to the casino: Get Jack right on these minors,  
15 because we were having those a lot at that time,  
16 Commissioner Jones, as I remember, and we were trying  
17 to send a message that, you know, we're tired of  
18 this, you know, having this on there. You know your  
19 obligation. You know what the law says. Now start  
20 living with it, okay?

21 Now, in our opportunity to go visit  
22 casinos around the state where we've seen since this  
23 action that they have installed all kinds of  
24 different measures, about every one of them  
25 different, you know, but what they believe is helping

1 with the problem, and maybe it's always going to be a  
2 problem. I don't know.

3 So, you know, based on what I've stated,  
4 and probably what I haven't stated, you know, it  
5 would seem to me like -- and Steve, please, sir, we  
6 totally respect what you do, you know, and appreciate  
7 it very much, but on this particular issue, I'm going  
8 to -- I'm going to make a recommendation to the  
9 commissioners that we reduce that 75 to 25,000 and --  
10 and they see our minutes, too, you know, and they  
11 recognize that -- that doesn't mean we're getting  
12 soft on minors. I want that message to go very  
13 strongly, that we aren't, and be careful if you think  
14 we are.

15 I'm going to make a motion, guys, that we  
16 reduce that 75 to 25,000.

17 Comments?

18 COMMISSIONER JONES: Yeah. Point of  
19 order: As a Chair, I don't think you can make that  
20 motion.

21 CHAIRMAN MATHEWSON: Oh, yes, I can.

22 COMMISSIONER JONES: I mean, you can do  
23 whatever you want to, but I don't think you can make  
24 that motion but --

25 CHAIRMAN MATHEWSON: Did you want to?



1 I -- that most of the time that I, being Chair, here,  
2 I'm reflecting back to the days when I had all this  
3 power being a senator --

4 COMMISSIONER JONES: Yes, sir.

5 CHAIRMAN MATHEWSON: -- and I could do  
6 whatever the hell I wanted to, and very seldom was  
7 there a challenge.

8 COMMISSIONER MERRITT: That's all gone  
9 now.

10 CHAIRMAN MATHEWSON: That's what I used to  
11 be.

12 COMMISSIONER JONES: I understand that,  
13 yeah.

14 CHAIRMAN MATHEWSON: Just so you know, I  
15 mean, where it's coming from. I didn't just dream it  
16 up. Hell, I lived it.

17 Commissioner Jones has made a motion that  
18 we reduce the \$75,000 to 25,000.

19 COMMISSIONER MERRITT: And I will second  
20 that to bring this to a close.

21 CHAIRMAN MATHEWSON: You're sick and tired  
22 of it; right?

23 Angie, we have a motion and a second on  
24 this.

25 And again, Steve, thank you. This is not

1 being disrespectful to you, sir.

2 MR. STARK: Oh, no.

3 CHAIRMAN MATHEWSON: We appreciate you.

4 Call roll, Angie, please.

5 MS. FRANKS: Commissioner Merritt.

6 COMMISSIONER MERRITT: Approved.

7 MS. FRANKS: Commissioner Jones.

8 COMMISSIONER JONES: Approved.

9 MS. FRANKS: Chairman Mathewson.

10 CHAIRMAN MATHEWSON: Approved.

11 MS. FRANKS: Now we need to vote on the  
12 resolution as amended.

13 CHAIRMAN MATHEWSON: Commissioner Jones,  
14 make the motion --

15 COMMISSIONER JONES: I make the motion to  
16 approve the resolution as amended.

17 CHAIRMAN MATHEWSON: Jack? Commissioner  
18 Merritt will second that.

19 COMMISSIONER MERRITT: I will second that.

20 CHAIRMAN MATHEWSON: Okay. Call roll,  
21 Angie, please.

22 MS. FRANKS: Commissioner Merritt.

23 COMMISSIONER MERRITT: Approved.

24 MS. FRANKS: Commissioner Jones.

25 COMMISSIONER JONES: Approved.

1 MS. FRANKS: Chairman Mathewson.

2 CHAIRMAN MATHEWSON: Approved.

3 MS. FRANKS: By your vote you've adopted  
4 Resolution 11-056 as amended.

5 CHAIRMAN MATHEWSON: Steve.

6 MR. STARK: Our second item, your  
7 Letter C, Jay Mehta: Mr. Mehta is a holder of a  
8 Level II occupational license for employment in the  
9 gaming industry.

10 On December 8, 2008, Mr. Mehta was  
11 employed as a dealer for Ameristar Casino in  
12 St. Charles. On December 8, 2008, he was serving as  
13 a dealer in a card game of poker, and he had upon his  
14 poker table a rack of poker chips. On that night at  
15 his table the rack of poker chips were valued at  
16 \$500.

17 The \$500 worth of chips would consist of  
18 white-colored chips, each having a value of \$1, and  
19 red-colored chips, each of those red-colored chips  
20 having an individual value of \$5. The purpose of  
21 this rack of \$500 worth of chips in front of the  
22 dealer is to be able to make change for patrons  
23 during the course of the poker game and also to  
24 exchange small domination [sic chips for larger  
25 domination] chips, an act called "coloring up."

1                   Now, Mr. Mehta's job throughout the game  
2                   was to maintain that poker chip rack at \$500. Since  
3                   the chips were only used to exchange for equal  
4                   exchanges, it should remain \$500 throughout the whole  
5                   night. If the rack happened to be something  
6                   different than \$500 at the end of his work shift,  
7                   Mr. Mehta would have been subjected to a system of  
8                   progressive discipline with his employer of the  
9                   casino.

10                   Now, on the date of December 8, 2008, at  
11                   approximately 10:30 p.m, the rack in use by Mr. Mehta  
12                   had a value of \$520. Now, through the course of the  
13                   night Mr. Mehta would be receiving tips in the form  
14                   of poker chips from the patrons playing at his table,  
15                   and the casino provides the dealers with a receptacle  
16                   to place the dealer tips in that's attached to the  
17                   poker table.

18                   The surveillance shows that Mr. Mehta  
19                   that night was -- this was approximately at  
20                   10:15 p.m. the night of December 8th, the year 2008,  
21                   that he appeared to be looking down, counting the  
22                   chips on his rack. In looking at surveillance, the  
23                   gaming commission agents were able to determine at  
24                   10:17 p.m. that the rack of poker chips contained  
25                   \$535.

1                   Near that time, also at 10:17 p.m,  
2                   Mr. Mehta removed two red poker chips valued at \$10  
3                   from the rack without bringing other chips in  
4                   exchange to the rack for an equal amount. Then  
5                   Mr. Mehta's observed taking those two red poker chips  
6                   and depositing those same two poker chips in the  
7                   receptacle used for placing and storing his own tips.

8                   So at 10:22 p.m, the poker chip rack  
9                   contained \$525 worth of chips. Then at the same  
10                  time, at 10:22 p.m, Mr. Mehta placed five white poker  
11                  chips -- total value of \$5 -- that he had already  
12                  received as tips, placed those five chips into the  
13                  rack and then removed two red poker chips valued at  
14                  \$10. Then Mr. Mehta is observed placing those two  
15                  red chips of \$10 into his tip box attached to the  
16                  poker table.

17                  The allegation from the Commission is  
18                  that this was an act of stealing, and the definition  
19                  of "stealing" in the statutes is: A person commits  
20                  the crime of stealing if he or she appropriates  
21                  property or services of another with the purpose to  
22                  deprive him or her thereof, either without his or her  
23                  consent or by means of deceit or coercion.

24                  Well, the allegation is that any money  
25                  over \$500 in the poker rack would belong to the

1 casino, and thus removing money from the rack without  
2 replacing it with an equal amount and placing it into  
3 your own possession, the tip box, would be the act of  
4 stealing.

5 The recommended discipline would be --  
6 from the Commission is revocation. My findings in  
7 the hearing would support that, that there was an act  
8 of stealing. Stealing, regardless of the dollar  
9 amount, is a serious concern that needs to have the  
10 severe discipline of revocation, and that would be  
11 appropriate.

12 CHAIRMAN MATHEWSON: I'm going to call --  
13 let me ask Steve a question first, sir. Then I'll  
14 come to you, please.

15 Steve, this case -- we started this whole  
16 case way back in June of 2002; is that correct?

17 MR. STARK: Actually, we had two days of  
18 hearing that were spaced out pretty lengthy times. I  
19 think -- yeah, the disciplinary action is dated  
20 June 18, 2009. I conducted hearings in September and  
21 in November of 2010.

22 CHAIRMAN MATHEWSON: Okay. So I'm clear  
23 on this and we get it in the record: The hearing  
24 that you conducted, was Mr. Mehta notified of that  
25 hearing?

1                   MR. STARK: Oh, yes. He was present with  
2 his attorney.

3                   CHAIRMAN MATHEWSON: He was present?

4                   MR. STARK: Oh, yes, he was present.

5                   CHAIRMAN MATHEWSON: With an attorney?

6                   MR. STARK: With an attorney, correct.

7                   CHAIRMAN MATHEWSON: Okay. Okay. Thank  
8 you, Steve.

9                   Now, is there anyone here that would like  
10 to speak on behalf of -- is Mr. Mehta here or anyone  
11 on his behalf?

12                  MR. ROITMAN: He is. May I introduce  
13 myself?

14                  CHAIRMAN MATHEWSON: Please, sir.

15                  MR. ROITMAN: Commissioner Jones,  
16 Commissioner Mathewson [sic], Commissioner Merritt,  
17 my name is Irwin Roitman. I am the new attorney for  
18 Mr. Mehta. I'm recently in the case. I entered my  
19 appearance within the last two weeks in this matter.

20                  We were notified of these findings  
21 September 1 and, actually, I consider it a bit  
22 premature right now to be able to fully amplify my  
23 comments in response to the findings, so my request  
24 this morning to the commissioners is a request to  
25 continue this matter so that I can file specific and

1 detailed findings from the standpoint of Mr. Mehta.

2 CHAIRMAN MATHEWSON: Sir, I'm not an  
3 attorney, so I've not practiced law, though many  
4 years in the Senate I was accused of it. I didn't  
5 care, you know.

6 But are you showing up a little late on  
7 this whole thing? I mean, this all started clear  
8 back in 2009, that he had -- he was represented by a  
9 lawyer, so Steve just told us, back when that hearing  
10 was set.

11 This has been going on for -- I don't  
12 know -- what? Two years? I mean, before we finally  
13 are ready -- was ready to take action on this thing,  
14 and now, you know, you representing him is showing up  
15 kind of at the eleventh hour. Aren't you?

16 MR. ROITMAN: Yes.

17 CHAIRMAN MATHEWSON: I mean, help me  
18 understand that, sir, because I'm not a practicing  
19 attorney, so help me understand what we're doing  
20 here.

21 MR. ROITMAN: Mr. Mehta's previous  
22 attorney is unable to represent him in the capacity  
23 of an attorney, so he is entitled to legal  
24 representation.

25 CHAIRMAN MATHEWSON: He was not an

1 attorney?

2 MR. ROITMAN: He was an attorney, yes, but  
3 he is now disabled from advocating on behalf of  
4 Mr. Mehta, so I am substituting for his prior  
5 counsel.

6 I was -- I received the Findings of Fact,  
7 Conclusions of Law. They're lengthy. I'm merely  
8 asking for one continuance so that I can  
9 appropriately file the findings, from Mr. Mehta's  
10 perspective, in writing.

11 CHAIRMAN MATHEWSON: Okay. Yeah.

12 Questions?

13 COMMISSIONER MERRITT: When were you  
14 retained?

15 MR. ROITMAN: About three weeks ago.

16 CHAIRMAN MATHEWSON: Okay.

17 MR. ROITMAN: On or about the time the  
18 Findings of Fact came down in this matter.

19 CHAIRMAN MATHEWSON: Okay.

20 MR. ROITMAN: I might -- may I add, sir,  
21 that it was our understanding that today the matter  
22 would be tentatively scheduled, not conclusively  
23 scheduled, and I learned this morning that it was  
24 conclusively on the docket today.

25 CHAIRMAN MATHEWSON: It's been on it for,

1 I think, several days, I mean, 'cause I received this  
2 book, what, a week and a half ago, and it was in  
3 here.

4 MR. STOTTLEMYRE: If we could let  
5 Mr. Grewach --

6 CHAIRMAN MATHEWSON: Yeah. Let our legal  
7 counsel -- thank you, sir, for being here. I'm not  
8 trying to cut you off. I just need a little help  
9 here.

10 Ed?

11 MR. GREWACH: And we're -- the request of  
12 Rule 13.070 provides for a 20-day notice prior to the  
13 public meeting in which the case is to be  
14 considered. Now, both Mr. Stark and Ms. Franks send  
15 a letter to the licensee.

16 I think the word is -- the term "likely  
17 to be on that date" may be included in the letter, to  
18 Mr. Stark, particularly, just in case the meeting  
19 gets postponed or the date changes, but they are told  
20 with -- you know, prior to that 20 days required by  
21 the rule that this is the date that the case is  
22 likely to be proved.

23 CHAIRMAN MATHEWSON: Okay. So that's a  
24 standard comment when we're notifying someone. Is  
25 that right, Steve?



1 the state, sir?

2 CHAIRMAN MATHEWSON: Huh?

3 MR. ROITMAN: Of the gambling casino?

4 CHAIRMAN MATHEWSON: Are you Mr. Mehta?

5 MR. MEHTA: Yes. Let me introduce  
6 myself. I'm Mr. Mehta. I work at Pinnacle  
7 Entertainment as a poker dealer.

8 CHAIRMAN MATHEWSON: Okay. Did you get  
9 that?

10 THE COURT REPORTER: (Nodded.)

11 CHAIRMAN MATHEWSON: Okay. Thank you,  
12 sir. Okay.

13 So he still is an employee. Not an  
14 employee. He is an employee. May I inquire of you,  
15 Mr. Mehta?

16 MR. MEHTA: Yes. I'm -- I'm not an  
17 employee at Ameristar Casino anymore. I'm working at  
18 a different Casino, Pinnacle Entertainment.

19 CHAIRMAN MATHEWSON: Okay, but still as a  
20 licensed --

21 MR. MEHTA: Absolutely.

22 CHAIRMAN MATHEWSON: -- person there?

23 MR. MEHTA: Yes.

24 CHAIRMAN MATHEWSON: Okay. Thank you,  
25 sir.

1                   Do you have any further comments, sir?

2                   MR. ROITMAN: I do have a comment that I  
3 can submit to the Commission, but I would prefer to  
4 amplify my comments, if the Commission deems fit to  
5 give me a continuance; however, I would be prepared  
6 to read and submit to you some comments this morning  
7 either in anticipation of that, or this morning.

8                   CHAIRMAN MATHEWSON: Well, sir, you know,  
9 my personal feelings is that this case has been going  
10 on for two years. I mean, it's gone through all of  
11 the different processes which, to be honest with you,  
12 as a member of this commission seems like it's long  
13 and lengthy to me, generally, that it goes through  
14 such a long process, but it does. That's the way it  
15 is.

16                   And it seems to me like that at this  
17 point for Mr. Mehta -- and, again, since I'm not a  
18 practicing attorney, I can't apply this to a court  
19 system -- but somehow I can in my own mind, at  
20 least -- that it seems you're showing up at the  
21 eleventh hour to request a hearing be postponed at  
22 this time and reset, and based on the information  
23 that we have before us and with the hearing that's  
24 been conducted, I don't know that there can be any  
25 change in where our position would be.

1                   You know, I'm not trying to close my mind  
2                   to it, sir, but at the same time I am closing my mind  
3                   to it. It seems like we've gone through all the  
4                   process we can go through, and to extend it for  
5                   another month doesn't seem logical to me.

6                   MR. ROITMAN: Sir, perhaps if I read my  
7                   comment compared to this morning, you might consider  
8                   that in light of what --

9                   CHAIRMAN MATHEWSON: Sir, I don't want to  
10                  deny you the right to do what's in the best interest  
11                  of your client. I do not want to deny that. Unless  
12                  there's any opposition to members of the Commission,  
13                  I would allow that. Is that okay?

14                  COMMISSIONER MERRITT: Fine.

15                  CHAIRMAN MATHEWSON: Okay. Proceed,  
16                  sir --

17                  MR. ROITMAN: It's a short statement.

18                  CHAIRMAN MATHEWSON: -- unless it's real  
19                  lengthy, because we've got a long schedule today.

20                  MR. ROITMAN: Thank you. Thirteen times  
21                  the finding -- may I hand to you the document?

22                  CHAIRMAN MATHEWSON: Sure. Sure.

23                  MR. ROITMAN: I'm sorry. I only have one  
24                  copy.

25                  CHAIRMAN MATHEWSON: We'll share.

1                   MR. ROITMAN: Thirteen times the Findings  
2 of the Fact say the incidence occurred on  
3 December 8. This is incorrect. The incidence  
4 occurred on December 6, 2008, according to two casino  
5 reports prepared by poker room manager, Lisa Young.

6                   The testimony of Young and video show  
7 that the value of the rack would have had to have  
8 reached an overage of \$35, or seven red chips, for  
9 the \$15 theft to have occurred. Young never  
10 testifies that she observes the rack at 535. She  
11 said twice that the rack got to 525 or 530.

12                   We provided an initial rack evaluation  
13 analysis. Lisa Young says it was at \$520 at 22:14:58  
14 at the end of the Mehta session and the Simmons  
15 session. She says the casino cannot account for the  
16 overage by viewing the DVDs.

17                   That is my comment, and based on those  
18 suggestions, I would request that the Commission  
19 afford me the opportunity to amplify those  
20 conclusions in greater detail.

21                   CHAIRMAN MATHEWSON: What do you guys want  
22 to do?

23                   COMMISSIONER MERRITT: I have a question  
24 on that.

25                   MR. ROITMAN: Sure.

1                   COMMISSIONER MERRITT: There's not a  
2 question of it happening; there's just a question of  
3 what date and how much? You're not making any  
4 contentions that it didn't happen or --

5                   MR. ROITMAN: There was an incident, yes,  
6 but as to the facts underlying the incident and the  
7 valuations, I would request that I be afforded the  
8 opportunity to provide you greater detail.

9                   COMMISSIONER MERRITT: So if you argue  
10 this case in a month, that would be your argument,  
11 that the dates are wrong on the report and the exact  
12 number of chips, maybe, but you're not going to argue  
13 that he did not do it?

14                  MR. ROITMAN: There is an incident, yes.

15                  COMMISSIONER MERRITT: Okay. With that --

16                  MR. ROITMAN: But whether --

17                  COMMISSIONER MERRITT: -- I'd make a  
18 motion that we deny the continuance.

19                  COMMISSIONER JONES: Second.

20                  CHAIRMAN MATHEWSON: We have a motion and  
21 a second to deny the continuance.

22                  Call roll, Angie, please.

23                  MS. FRANKS: Commissioner Merritt.

24                  COMMISSIONER MERRITT: Approved.

25                  MS. FRANKS: Commissioner Jones.

1 COMMISSIONER JONES: Approved.

2 MS. FRANKS: Chairman Mathewson.

3 CHAIRMAN MATHEWSON: Approved.

4 Okay. Thank you, sir. Thank you for  
5 being here.

6 MR. ROITMAN: Thank you.

7 CHAIRMAN MATHEWSON: Now, the resolution  
8 is now before us. Chair would accept the motion on  
9 Resolution 11-057, please.

10 COMMISSIONER JONES: Move for the  
11 acceptance of Resolution No. 11-057.

12 COMMISSIONER MERRITT: Second.

13 CHAIRMAN MATHEWSON: Call roll, Angie,  
14 please.

15 MS. FRANKS: Commissioner Merritt.

16 COMMISSIONER MERRITT: Approved.

17 MS. FRANKS: Commissioner Jones.

18 COMMISSIONER JONES: Approved.

19 MS. FRANKS: Chairman Mathewson.

20 CHAIRMAN MATHEWSON: Approved.

21 MS. FRANKS: By your vote you've adopted  
22 Resolution No. 11-057.

23 CHAIRMAN MATHEWSON: Okay. Steve.

24 MR. STARK: The next item is Item

25 Letter D, Siril Fleurime. Mr. Fleurime has a Level

1           II occupational license granted by the Commission to  
2           be employed on a gaming boat.

3                       On August 18, 2010, Mr. Fleurime was  
4           employed as a hard-count employee with the Isle  
5           of Capri Casino in Kansas City. Another employee  
6           was working with Mr. Fleurime on the morning of  
7           August 18, 2010, removing bill validator canisters  
8           from the slot machines on the casino floor.

9                       An argument occurred between the two  
10          co-employees on the casino floor, as there were also  
11          gaming patrons in the vicinity of the two employees  
12          who were arguing. The co-employee was very  
13          persistent in making insults to Mr. Fleurime about  
14          his wife. Mr. Fleurime struck the other employee  
15          with a closed fist several times, chasing him through  
16          the casino floor, and at one time they almost ran  
17          over an elderly gentleman during their chase.

18                      Mr. Fleurime admitted that the fight  
19          occurred. The insults to his wife were very  
20          passionate, but the public would expect that an  
21          employee of a casino would be able to demonstrate  
22          some self-control, regardless of the insults.

23                      His behavior didn't comport with the  
24          gaming industry. That's strictly regulated. There  
25          was no evidence that Mr. Fleurime presented that

1 would be clear and convincing to overcome the  
2 Commission's proposal of a revocation of his  
3 license. My recommendation is that the revocation is  
4 appropriate.

5 CHAIRMAN MATHEWSON: Any questions of  
6 Steve on this?

7 (No response.)

8 CHAIRMAN MATHEWSON: Is Mr. Fleurime here  
9 or someone speaking on his behalf?

10 (No response.)

11 CHAIRMAN MATHEWSON: Seeing none, we will  
12 move forward.

13 COMMISSIONER JONES: Move for the  
14 acceptance of Resolution No. 11-058.

15 COMMISSIONER MERRITT: Second.

16 CHAIRMAN MATHEWSON: Call roll, Angie,  
17 please.

18 MS. FRANKS: Commissioner Merritt.

19 COMMISSIONER MERRITT: Approved.

20 MS. FRANKS: Commissioner Jones.

21 COMMISSIONER JONES: Approved.

22 MS. FRANKS: Chairman Mathewson.

23 CHAIRMAN MATHEWSON: Approved.

24 MS. FRANKS: By your vote you've adopted  
25 Resolution No. 11-058.

1                   MR. STARK: Our next case is Item F,  
2 Michael Helton. Mr. Helton has a Level II  
3 occupational gaming license. He's employed -- or was  
4 employed as a dealer with the Ameristar Casino in  
5 Kansas City.

6                   Mr. Helton made a request for hearing  
7 relative to an allegation that he failed to reply to  
8 another regulatory agency that regulates security  
9 dealers, an agency by the name of FINRA, which is the  
10 Financial Industry Regulatory Authority.

11                   The allegations from that regulatory  
12 agency was that he embezzled approximately \$50,000  
13 from a client while he was serving in an investment  
14 brokerage firm. Mr. Helton did not show up for the  
15 hearing, and the allegation, again, was that he was  
16 alleged to have embezzled funds.

17                   Furthermore, he was arrested for that  
18 alleged embezzlement, and he failed to report the  
19 arrest to the Commission. Because of his  
20 nonattendance at the hearing, the regulation of the  
21 Commission is that allegations are deemed to be  
22 admitted, but the Commission did present evidence to  
23 support the finding that a revocation of Mr. Helton's  
24 occupational license would be appropriate. That  
25 would be my finding, my recommendation, that

1 Mr. Helton have his license revoked.

2 CHAIRMAN MATHEWSON: Any questions of  
3 Steve?

4 (No response.)

5 COMMISSIONER MERRITT: I would make a  
6 motion to approve Resolution --

7 CHAIRMAN MATHEWSON: Let me call -- he  
8 didn't show up for a hearing, Jack, so I assume he  
9 isn't here.

10 Is Mr. Hilton here or anyone representing  
11 Mr. Hilton?

12 (No response.)

13 CHAIRMAN MATHEWSON: Thank you. Make your  
14 motion.

15 COMMISSIONER MERRITT: -- that we approve  
16 11-060.

17 COMMISSIONER JONES: Second.

18 CHAIRMAN MATHEWSON: Call roll, please.

19 MS. FRANKS: Commissioner Merritt.

20 COMMISSIONER MERRITT: Approved.

21 MS. FRANKS: Commissioner Jones.

22 COMMISSIONER JONES: Approved.

23 MS. FRANKS: Chairman Mathewson.

24 CHAIRMAN MATHEWSON: Approved.

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

1 Resolution No. 11-060.

2 MR. STARK: Our next item, Item G, is  
3 Roger Walsh. Mr. Walsh holds an occupational Level  
4 II gaming license.

5 On November 26, 2010, Mr. Walsh was  
6 employed as a casino operations supervisor at the  
7 Harrah's North Kansas City Casino. On that evening  
8 of November 26, 2010, a patron by the name of Patrick  
9 won a jackpot of \$7,600 at a slot machine at the  
10 casino.

11 Mr. Patrick was a disassociated person  
12 whose name is actually listed on the Commission's  
13 list of disassociated persons, so he was not to be on  
14 the gaming floor.

15 Upon winning the jackpot, Mr. Patrick  
16 asked another patron nearby named Ted to collect the  
17 jackpot for him and to pretend that Ted, himself, was  
18 the true winner.

19 The licensee, Mr. Walsh, approached the  
20 slot machine to determine the winnings and to  
21 determine the winner, and initially Ted denied that  
22 he was the winner but then claimed that he was,  
23 indeed, the winner, so apparently there was some  
24 conversation back and forth between Mr. Walsh and  
25 Ted, the imposter winner.

1                   Mr. Walsh proceeded to go ahead and pay  
2                   Ted a check in the amount of the winnings and issued  
3                   the check to him. Then the way Mr. Walsh testified  
4                   was that he had a gut feeling that something was  
5                   wrong, so after completing the transaction with Ted,  
6                   he went to surveillance to figure out if, indeed, Ted  
7                   was the true winner. He discovered that Patrick was  
8                   actually the true winner. Mr. Walsh alerted  
9                   security, had Patrick arrested for trespassing as a  
10                  disassociated person, and the check to the jackpot  
11                  was canceled.

12                  The Commission is alleging that Mr. Walsh  
13                  failed to take reasonable actions to safeguard assets  
14                  of the casino and that he didn't properly identify  
15                  the winner of the jackpot. Mr. Walsh did testify  
16                  that he made a mistake. He recognized it as a  
17                  mistake, and his only concern was that the proposed  
18                  discipline of five days of suspension was severe  
19                  given the fact that he was able to remedy the  
20                  situation.

21                  While he should be commended for not  
22                  trying to hide his mistake in taking immediate action  
23                  to correct the mistake, he did violate the law, he is  
24                  subject to discipline, and the Commission has the  
25                  discretion and authority to make it five days, and

1           that would be my recommendation as an appropriate  
2           discipline.

3                         CHAIRMAN MATHEWSON:  Any questions of  
4           Steve on this one?

5                         COMMISSIONER JONES:  I have a question.

6                         CHAIRMAN MATHEWSON:  Sure.

7                         COMMISSIONER JONES:  Now, is this a result  
8           of, let's not be having a card, that this person was  
9           able to have access to the floor?

10                        MR. STARK:  Not having a card?

11                        COMMISSIONER JONES:  Not having an  
12           identification card.  I mean the cards that we used  
13           to have, the Players card.

14                        MR. STARK:  Okay.  That didn't come into  
15           evidence at the hearing, so I don't know that I  
16           have -- I didn't have that information before me --

17                        COMMISSIONER JONES:  Before that law --  
18           before the vote, didn't everyone have to have a  
19           Players card --

20                        CHAIRMAN MATHEWSON:  Sure.  Sure.

21                        COMMISSIONER JONES:  -- something to gain  
22           access?

23                        CHAIRMAN MATHEWSON:  Sure

24                        COMMISSIONER JONES:  And did we cut that  
25           out?

1 COMMISSIONER MERRITT: That's correct.

2 COMMISSIONER JONES: That's correct.

3 CHAIRMAN MATHEWSON: The boat cut it out.

4 COMMISSIONER JONES: Right, the boat cut  
5 it out, so this was a result of this -- so this guy  
6 was able to just have -- just come on?

7 CHAIRMAN MATHEWSON: Yeah.

8 COMMISSIONER JONES: Okay.

9 CHAIRMAN MATHEWSON: Okay. Is Mr. Walsh  
10 here or anyone representing Mr. Walsh?

11 (No response.)

12 CHAIRMAN MATHEWSON: Okay. Chair would  
13 accept a motion on 11-061, please.

14 COMMISSIONER MERRITT: I would admit for  
15 approval Resolution No. 11-061.

16 COMMISSIONER JONES: Second.

17 CHAIRMAN MATHEWSON: Call roll, Angie,  
18 please.

19 MS. FRANKS: Commissioner Merritt.

20 COMMISSIONER MERRITT: Approved.

21 MS. FRANKS: Commissioner Jones.

22 COMMISSIONER JONES: Approved.

23 MS. FRANKS: Chairman Mathewson.

24 CHAIRMAN MATHEWSON: Approved.

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

1 Resolution No. 11-061.

2 MR. STARK: The next case is Letter H,  
3 Benjamin Burton. Mr. Burton was a holder of a Level  
4 II occupational license between the dates of  
5 September 2009 to September 2010.

6 During that time period a patron of the  
7 casino named Mr. Barry was working with two other  
8 patrons to obtain money. Well, let me back up.  
9 Mr. Barry approached two patrons in the casino, while  
10 on the casino floor, to seek assistance in gaining  
11 money for his sports teams, and apparently Mr. Barry  
12 would sponsor youth sports teams to travel to other  
13 parts of the country to participate in sporting  
14 activities, and he explained to these other two  
15 patrons that if he could get money from them, he  
16 would be able to purchase airline tickets ahead of  
17 time at a discounted rate and then seek reimbursement  
18 at the regular retail rate, pocketing the money, and  
19 would be willing to share it with the two other  
20 patrons.

21 Apparently these two other patrons bought  
22 this idea of making some money, and the scheme was to  
23 have checks cashed at the casino in these other two  
24 patrons' names to gain cash, and then give that over  
25 to Mr. Barry to purchase the airline tickets, and

1           then Mr. Barry, later on, would compensate these two  
2           other patrons.

3                       Now, in order to cash checks, personal  
4           checks, at the casino, there was a check verification  
5           system in place that would accept checks based upon a  
6           background check as to the payer's check writing  
7           history, and even the sequential number on the check  
8           would be a factor in whether or not the check would  
9           be approved for cash.

10                      Now, the check verification system can be  
11           overridden by one of the casino managers, so the  
12           allegation is to that these two individuals tried to  
13           cash checks of -- their own personal checks, were  
14           rejected because they didn't have the check cashing  
15           experience, low numbers on their checking accounts,  
16           so Mr. Barry went to Mr. Burton, our licensee here,  
17           to try to figure out how these checks could be  
18           cashed.

19                      Apparently in a casino, if a patron has a  
20           high-priority Star Club card, they could ask to  
21           override the check verification system, be able to  
22           get cash for their checks. Now, the evidence did not  
23           show that Mr. Burton actually approved and provided  
24           the two patrons with this elevated Star Club card.  
25           In fact, the two patrons' history at the casino would

1 not qualify them for the card, but somehow -- again,  
2 the evidence wasn't clear as to how these two patrons  
3 were able to become Star Club members.

4 So with a Star Club membership, they were  
5 able to go cash these checks, get cash, give it to  
6 this other gentleman, Mr. Barry, who apparently was  
7 actually conducting a scheme, and the two patrons  
8 came to the casino wanting to, in effect, blame the  
9 casino for facilitating Mr. Barry's scheme to get  
10 money from them.

11 Now, what the allegation is, is that  
12 Mr. Burton knew Mr. Barry, received cash from  
13 Mr. Barry, and also received a gift of an athletic  
14 sweat suit. My findings did not find that Mr. Burton  
15 ever received cash from Mr. Barry; however, he did  
16 receive this athletic sweat suit from the patron,  
17 Mr. Barry.

18 The regulation is pretty absolute with  
19 regard to receiving gifts. It says, Occupational  
20 licensees may accept gifts from vendors, but not from  
21 players or patrons. Mr. Burton did admit that he  
22 received this gift of clothing from Mr. Barry, and  
23 the rule, again, is pretty clear that you do not  
24 accept gifts, regardless of value.

25 The recommendation is a revocation of

1 Mr. Burton's license. It seems pretty harsh for  
2 receiving an item of clothing, but that's what the  
3 law is, so I would say that the revocation is  
4 appropriate given those circumstances, and that would  
5 be my recommendation to confirm that.

6 CHAIRMAN MATHEWSON: Is Mr. Burton here or  
7 anyone representing Mr. Burton?

8 (No response.)

9 CHAIRMAN MATHEWSON: No?

10 Any questions of Steve on this?

11 Steve, help me out, bud.

12 MR. STARK: Yeah.

13 CHAIRMAN MATHEWSON: With all these  
14 players involved here --

15 MR. STARK: Right. Right.

16 CHAIRMAN MATHEWSON: -- what was it that  
17 Mr. Burton actually did? He accepted this jogging  
18 suit or something?

19 MR. STARK: Well, that's the end violation  
20 that would be grounds for discipline, but apparently  
21 he had conversations with Mr. Barry to try to figure  
22 out how to get these checks cashed for these other  
23 two patrons.

24 CHAIRMAN MATHEWSON: But you never could  
25 find out exactly how that happened; right? I mean,

1 he didn't become a Star Club member immediately. Can  
2 you --

3 MR. STARK: Well, apparently they did  
4 somehow, but the evidence didn't show that.

5 CHAIRMAN MATHEWSON: Okay.

6 MR. STARK: I'm assuming management could  
7 issue -- again, override the system as to granting  
8 Star Club membership, but I think the casino rules  
9 are yet at a certain level of playing, dollar amount  
10 level of playing, before you became a member, so  
11 somehow they got the Star Club membership to be able  
12 to --

13 CHAIRMAN MATHEWSON: So we don't know that  
14 Mr. Burton was the one that got the -- moved the  
15 system somehow to cash those checks. Someone may --  
16 someone in top management may have done that, but  
17 Mr. Burton didn't do that. Are we saying that, but  
18 we don't know who that is?

19 MR. STARK: Right. There was not enough  
20 evidence for me to conclude that Mr. Burton did that.

21 CHAIRMAN MATHEWSON: Yeah, I'm not being  
22 critical, bud.

23 MR. STARK: Well, no.

24 CHAIRMAN MATHEWSON: All I'm trying to do  
25 is determine that it seems to me like that's the

1 trigger.

2 MR. STARK: Yeah.

3 CHAIRMAN MATHEWSON: You know, whoever  
4 that might have been that caused that because, you  
5 know, having those high-player cards usually don't  
6 come very easy.

7 MR. STARK: Right. Right.

8 CHAIRMAN MATHEWSON: You know, you've got  
9 to prove it up, you know, usually, I think.

10 MR. STARK: Yeah, that's my understanding.

11 CHAIRMAN MATHEWSON: So someone intervened  
12 there.

13 MR. STARK: Correct.

14 CHAIRMAN MATHEWSON: That seems to me like  
15 maybe by penalizing Mr. Burton, which may under -- as  
16 you state, under the rules and under the law, may  
17 very well need to be 'cause he did accept the gift --  
18 and he admitted to accepting the gift; right?

19 MR. STARK: Right. Yeah.

20 CHAIRMAN MATHEWSON: -- however, the  
21 person -- he would have never received the gift had  
22 we found the person that actually caused the  
23 override. Is that a fair statement?

24 MR. STARK: No. No, I don't think so. I  
25 think Mr. Barry probably gave Mr. Burton the gift of

1 clothing probably either in anticipation of receiving  
2 assistance or just for having the conversation. I  
3 don't know --

4 COMMISSIONER JONES: I think that's my  
5 question, because it sounded like, just in here and  
6 what you were saying, that they had a relationship  
7 prior to this, or was this the first time that they  
8 ever met?

9 MR. STARK: That was not my impression. I  
10 don't know. I didn't write that in my findings, and  
11 I can't remember if that was even brought up, whether  
12 or not this was the very first time that Mr. Barry  
13 and Mr. Burton met, but sounded like Mr. Barry was a  
14 regular customer, and with Mr. Burton's job title  
15 being executive host, he probably knows the regular  
16 patrons, I'm assuming.

17 CHAIRMAN MATHEWSON: Wouldn't he also have  
18 known, or should have known, who overrides the  
19 system?

20 MR. STARK: Yes, I would think so. Yes.  
21 Yeah.

22 COMMISSIONER MERRITT: May I throw  
23 something in?

24 CHAIRMAN MATHEWSON: Sure. What is it?

25 COMMISSIONER MERRITT: If you go to the

1 narrative by Trooper Matheny, in his interview of  
2 Mr. Burton, he asked him if he'd ever taken cash from  
3 a player, and his response was, It's been a long  
4 time, so I'd say this ain't the first time he's --

5 CHAIRMAN MATHEWSON: This ain't the first  
6 rodeo.

7 COMMISSIONER MERRITT: -- that he put his  
8 dog in, then. Okay. Okay.

9 COMMISSIONER JONES: All right.

10 CHAIRMAN MATHEWSON: Well, all I'm saying  
11 is: I don't have any problem with supporting your  
12 position on this, Steve, because the guy, obviously,  
13 violated the rules --

14 MR. STARK: Right. Right.

15 CHAIRMAN MATHEWSON: -- but, you know,  
16 I -- it seems like we should have two people here,  
17 rather than one, maybe, okay?

18 MR. STARK: Right. Right. Right.

19 CHAIRMAN MATHEWSON: Right? Okay. All  
20 right. Any other questions of Steve on this one?

21 (No response.)

22 CHAIRMAN MATHEWSON: Chair would accept a  
23 motion on H: 11-062.

24 COMMISSIONER JONES: Move for the  
25 acceptance of Resolution No. 11-062.

1 COMMISSIONER MERRITT: Second.

2 CHAIRMAN MATHEWSON: Call roll, Angie,  
3 please.

4 MS. FRANKS: Commissioner Merritt.

5 COMMISSIONER MERRITT: Approved.

6 MS. FRANKS: Commissioner Jones.

7 COMMISSIONER JONES: Approved.

8 MS. FRANKS: Chairman Mathewson.

9 CHAIRMAN MATHEWSON: Approved.

10 MS. FRANKS: By your vote you've adopted  
11 Resolution No. 11-062.

12 MR. STARK: Our next item is Letter I,  
13 Elizabeth Bowden. Ms. Bowden holds a Level II  
14 occupational license, and she works as a lead slot  
15 technician at the Lumiere Place Casino in St. Louis.

16 Part of her job duties are to insure  
17 adherence to internal control procedures as they  
18 apply to machine removal, installation, maintenance,  
19 and key control.

20 On March 2, 2011, Lumiere Place was  
21 placing some of its electronic gaming devices out of  
22 service. Now, when you place a particular gaming  
23 device out of service, in order to get it back into  
24 service, there's a process called a Phase II  
25 testing. Ms. Bowden served as a supervisor to

1 another employee, Mr. Foy, and on March 3, the day  
2 after the gaming device was placed out of service,  
3 Mr. Foy performed some maintenance service upon  
4 Gaming Device No. 407, and Mr. Foy ended up leaving  
5 that machine operational without actually conducting,  
6 or allowing to be conducted, the Phase II testing.  
7 That was at 7:37 a.m. that morning.

8 At 10:00 o'clock a.m. that same morning,  
9 Ms. Bowden entered that same machine in order to  
10 clean it, and she failed to notice that the  
11 particular machine was operational without first  
12 having been Phase II tested.

13 Later on that afternoon, Mr. Foy went  
14 back to that same machine and realized that it had  
15 not been Phase II tested, that it had been  
16 operational and that the public had been gambling  
17 with it in the amount of \$220.

18 With Ms. Bowden being a supervisor and  
19 knowing that she was required to make sure these  
20 machines are operational, according to appropriate  
21 testing, my finding was that she would be held  
22 responsible. She had access to that machine. She  
23 saw that the machine was not Phase II tested.

24 Her concern was that Mr. Foy was the one  
25 that should have not placed it in operation, that if

1 he didn't make that mistake, her particular  
2 interaction would not have occurred but, again, she  
3 has her own independent obligation as the licensee to  
4 insure that the laws are complied with, and the  
5 disciplinary action of one calendar day is entirely  
6 appropriate, and that would be my recommendation,  
7 that that one-day suspension be imposed upon  
8 Ms. Bowden.

9 CHAIRMAN MATHEWSON: Is Ms. Bowden here  
10 today or anyone representing Ms. Bowden?

11 (No response.)

12 CHAIRMAN MATHEWSON: I see none.  
13 Chair would accept a motion to adopt  
14 11-063.

15 COMMISSIONER MERRITT: I would move for  
16 the approval of Resolution No. 11-063.

17 COMMISSIONER JONES: Second.

18 CHAIRMAN MATHEWSON: Call roll, Angie,  
19 please.

20 MS. FRANKS: Commissioner Merritt.

21 COMMISSIONER MERRITT: Approved.

22 MS. FRANKS: Commissioner Jones.

23 COMMISSIONER JONES: Approved.

24 MS. FRANKS: Chairman Mathewson.

25 CHAIRMAN MATHEWSON: Approved.

1                   MS. FRANKS: By your vote you've adopted  
2 Resolution No. 11-063.

3                   MR. STARK: Our next item is Letter J,  
4 Deloris Bledsoe. Ms. Bledsoe, on February 3, 2011,  
5 made an application with the Commission in order to  
6 obtain a Level II occupational license. The  
7 application process for an occupational license  
8 includes a written application. One question which  
9 asked about your past criminal history, including:  
10 Have you ever been arrested, detained, charged with  
11 any type of criminal offense?

12                   Ms. Bledsoe gave a written response of,  
13 yes, that she had a past criminal conviction of a  
14 traffic ticket for failure to obey a stop sign. Then  
15 the application goes on to say, Do you have anything  
16 else to disclose? She answered "no."

17                   Other interviews occur with a gaming  
18 agent to determine the veracity of the application  
19 process. Ms. Bledsoe had another opportunity to  
20 answer whether or not there was other criminal  
21 history in her background. Again, she stated "no."

22                   The Commission conducted its  
23 investigation and found that Ms. Bledsoe had failed  
24 to disclose two items. She was arrested in August of  
25 2005 for retail theft, and she was arrested in March

1 of 2009 for felony possession of a controlled  
2 substance.

3 At the hearing Ms. Bledsoe said that she  
4 was told that the drug charge was expunged. She  
5 said, My lawyer told me that I did not have to  
6 disclose that charge on anything because it was being  
7 thrown out. With regard to the retail theft,  
8 Ms. Bledsoe admitted that she just totally forgot  
9 about that one.

10 The application process is pretty clear  
11 that you've got to disclose everything. The  
12 Commission has discretion to refuse to license anyone  
13 who fails to disclose information called for in the  
14 application process. Ms. Bledsoe did not present  
15 clear and convincing evidence that she should be  
16 granted a license.

17 Based on her criminal history, it would  
18 be appropriate for the Commission to say that she is  
19 not suitable for licensing at this time, and the  
20 denial of her application for license is appropriate  
21 and would be my recommendation.

22 CHAIRMAN MATHEWSON: Thanks, Steve.

23 Is Ms. Bledsoe or someone representing  
24 her here today?

25 MS. BLEDSOE: (Indicated.)

1                   CHAIRMAN MATHEWSON: Okay. Do you want to  
2                   come forward, ma'am, please? Are you Ms. Deloris  
3                   Bledsoe?

4                   MS. BLEDSOE: Yes.

5                   CHAIRMAN MATHEWSON: Okay. You want to  
6                   just stay right there or do you want to come up  
7                   here? Either one, whichever one you prefer, lady.

8                   First of all, state your name so that she  
9                   can get it into the record.

10                  MS. BLEDSOE: Deloris Bledsoe.

11                  CHAIRMAN MATHEWSON: Did you get it?

12                  THE COURT REPORTER: (Nodded.)

13                  CHAIRMAN MATHEWSON: Proceed.

14                  MS. BLEDSOE: I'm here stating that I was  
15                  told that -- I was not -- I did not have to list  
16                  that charge of controlled substance on my  
17                  application. I am stating that I admit for not  
18                  disclosing it and for admitting that I did not  
19                  disclose my theft charge, which I was 16 at the age,  
20                  and I did forget about that charge, so I'm standing  
21                  here saying that I apologize for not recognizing that  
22                  the charges I was listing was not accurate, and I'm  
23                  just asking for a second chance on my gaming license.

24                  CHAIRMAN MATHEWSON: First of all, I  
25                  compliment you for caring enough to come here today,

1           okay? Thank you for that. I want you to feel  
2           comfortable about being here, but the law -- and we  
3           have these similar situations almost every meeting --  
4           we meet once a month -- you know, where someone had a  
5           previous problem, as you're stating it, and some  
6           lawyer tells them, Well, that's being expunged.

7                         The law is very clear though. If you --  
8           if you falsify an application when you're seeking a  
9           license, and the Gaming Commission, the legislature  
10          made that very, very clear, then you can't -- there  
11          isn't anything we can do, you know. It's -- it's  
12          required by the law that we represent as  
13          commissioners here -- you know, take these kind of  
14          actions to disqualify you.

15                        And as much as I sympathize with what  
16          you're trying to do with your life and appreciate  
17          what you're trying to do with your life in support of  
18          yourself and your babies, I don't know of anything we  
19          can do, because the law is so clear that we just  
20          can't accept an application when you've lied on it,  
21          you know. So anyone -- Darryl?

22                        COMMISSIONER JONES: The statutes, they  
23          also identify denial if there's a felony charge, and  
24          I guess from just reading this, there was a felony,  
25          and I think somewhere in the process they're asking

1           you -- if I'm not mistaken, they ask if you have a  
2           SSI or if it's been expunged. I think they ask you  
3           several times throughout that process, the  
4           application process, if any of these things have  
5           occurred. And, again, what the Chairman's saying,  
6           if -- you know, having falsified an application, it's  
7           kind of like our hands are tied on this.

8                       CHAIRMAN MATHEWSON: Any other comments to  
9           Ms. Bledsoe?

10                      COMMISSIONER MERRITT: I don't.

11                      CHAIRMAN MATHEWSON: Ed, do you have  
12           anything to add?

13                      MR. GREWACH: I have nothing to add.

14                      CHAIRMAN MATHEWSON: Again, lady, we're  
15           sorry. I understand that you're trying to do the  
16           right thing, and I complement you. Please -- please  
17           don't give up on trying to do the right thing for you  
18           and your family, okay, but there isn't anything we  
19           can do about it.

20                      I mean, you know, we've labored over  
21           these cases like this many, many times, and it always  
22           comes up the same way: There isn't anything we can  
23           do. You know, thank you for caring enough about the  
24           position to come down here today. Please be safe  
25           going home.

1 MS. BLEDSOE: Thank you.

2 CHAIRMAN MATHEWSON: Thank you very much.

3 Chair would accept a motion.

4 COMMISSIONER MERRITT: I make a motion to  
5 approve Resolution No. 11-064.

6 COMMISSIONER JONES: Second.

7 CHAIRMAN MATHEWSON: Call roll, Angie,  
8 please.

9 MS. FRANKS: Commissioner Merritt.

10 COMMISSIONER MERRITT: Approved.

11 MS. FRANKS: Commissioner Jones.

12 COMMISSIONER JONES: Approved.

13 MS. FRANKS: Chairman Mathewson.

14 CHAIRMAN MATHEWSON: Approved.

15 MS. FRANKS: By your vote you've adopted  
16 Resolution No. 11-064.

17 MR. STARK: Thank you very much. I think  
18 that's the end of my presentation.

19 CHAIRMAN MATHEWSON: Well, I'd say that's  
20 about enough from you. You've had a full run today.  
21 Thank you.

22 Why don't we take about a five-minute  
23 break here because the coffee needs to settle, okay?  
24 Thank you.

25 (A recess was taken.)



1 PIN, the patron did redeem \$800 worth of food comps  
2 and \$400 in cash from a kiosk before the change could  
3 be made. It was reported, then, up through the  
4 hierarchy there at Ameristar, St. Charles, on May the  
5 9th of 2011, Mr. Silver, director of compliance, was  
6 notified of that, and he did not place a call to the  
7 Missouri Gaming Commission until May the 11th, so the  
8 charge here is one of failing to report that, the EGD  
9 malfunction in a timely manner, and the staff is  
10 recommending a one-day suspension.

11 CHAIRMAN MATHEWSON: Okay. Any questions  
12 of Ed?

13 (No response.)

14 CHAIRMAN MATHEWSON: Anyone here  
15 representing -- or Mr. Silver here?

16 MR. GREWACH: Actually, Mr. Chairman, at  
17 this stage in the proceeding, there wouldn't be any  
18 rebuttal.

19 CHAIRMAN MATHEWSON: Oh. We don't have  
20 any -- okay. We've already had the hearing.

21 Everybody's shaking their head. If I need  
22 you, I'll tell you.

23 COMMISSIONER MERRITT: I think you need to  
24 tell him, because I think you need it.

25 CHAIRMAN MATHEWSON: Don't put that in the

1 record, please, because he does things like that.

2 Thank you, Jack.

3 Okay. Chair would accept a motion on  
4 DC-11-224.

5 COMMISSIONER JONES: Move for acceptance  
6 of DC-11-224.

7 COMMISSIONER MERRITT: Second.

8 THE WITNESS: Call roll, please.

9 MS. FRANKS: Commissioner Merritt.

10 COMMISSIONER MERRITT: Approved.

11 MS. FRANKS: Commissioner Jones.

12 COMMISSIONER JONES: Approved.

13 MS. FRANKS: Chairman Mathewson.

14 CHAIRMAN MATHEWSON: Approved.

15 MS. FRANKS: By your vote you've adopted  
16 DC-11-224.

17 MR. GREWACH: Under Tab L is a preliminary  
18 order of discipline directed at River City. This  
19 began with a patron complaint. On February 23, 2011,  
20 a patron saw a billboard that indicated "Play 500 on  
21 the house." They went to the casino and were unable  
22 to get a written copy of those rules of that game.

23 As we investigated it, we did get the  
24 rules and found out the rules specifically provided  
25 that if you lost \$500, up to \$500 of your losses

1 would be reimbursed by future promotional coupons.  
2 After we contacted River City, they did, on May the  
3 1st, change their -- I'm sorry -- March 1, did change  
4 their sign to add a line, "Losses up to \$500  
5 reimbursed via future rewards."

6 This charge, then, is under 45-5.181 for  
7 false or misleading advertising. Although the  
8 property did correct the advertising, it was present  
9 and misleading from February 23 till March the 1st,  
10 and that is the violation, and the staff is  
11 recommending a fine of \$30,000.

12 CHAIRMAN MATHEWSON: Any questions of Ed?

13 COMMISSIONER MERRITT: Is this fine  
14 consistent with like violations in the past?

15 MR. GREWACH: We believe it is. Again,  
16 you know, they come in different varieties, but the  
17 DRB does -- is provided with all the other fines for  
18 promotional issues that have been levied before and  
19 take those into consideration when we look at that.  
20 We also take into consideration the fact that they  
21 did correct it once our contact with them took place.

22 COMMISSIONER MERRITT: Have they been  
23 guilty of doing this in the past? Have they had  
24 prior violations of the same thing?

25 MR. GREWACH: They've had prior

1 promotional violations. They had one on May the 11th  
2 of this year -- date of incident was actually March  
3 the 4th -- involving a giveaway program with  
4 televisions; and October of 2010, it was a similar  
5 promotion, Play \$100 on the house.

6 Now, their sister property, Lumiere, has  
7 also had a number of violations as well, but for this  
8 particular property, those are the two that I have in  
9 my notes.

10 CHAIRMAN MATHEWSON: Roger or Ed, one of  
11 you, we've had these promotional things where they  
12 have gone astray -- for lack of a better word -- in  
13 what they meant for them to say and what the people  
14 thought they said. We've had those before.

15 Is this particular promotion the first  
16 time we've had a penalty on it? Do we remember?  
17 Seems like we've --

18 COMMISSIONER JONES: I remember now.  
19 Didn't we just have one where they had the -- you  
20 gambled at one boat and then you had to go --

21 CHAIRMAN MATHEWSON: Oh, there we go.

22 COMMISSIONER JONES: -- you had to go to  
23 the other one, or something like that?

24 CHAIRMAN MATHEWSON: Yeah.

25 COMMISSIONER JONES: That was just

1 recently, wasn't it, a couple months ago?

2 CHAIRMAN MATHEWSON: Yeah, a couple months  
3 ago.

4 MR. STOTTLEMYRE: Probably two to three  
5 meetings ago.

6 COMMISSIONER JONES: Right. Right, when  
7 they had -- right, they had the mix-up on something.  
8 It was double promotional --

9 DIRECTOR STOTTLEMYRE: That's correct.

10 CHAIRMAN MATHEWSON: It was Pinnacle. It  
11 was the same --

12 MR. STOTTLEMYRE: I'm not sure that wasn't  
13 River City or Lumiere. I thought it was Lumiere.

14 MR. GREWACH: It was both properties  
15 involved, and that was -- the mix-up on that one was  
16 that they were -- you're supposed to be playing the  
17 machine at the time that they call your name, and you  
18 have five minutes to respond. Well, they were  
19 calling -- with their software mess-up, they are  
20 calling somebody's name at Lumiere, and the patron  
21 was actually at River City and vice versa, and that  
22 was the nature of that.

23 CHAIRMAN MATHEWSON: I remember. Yeah.

24 Okay. Okay. Any other questions or  
25 comments?

1 (No response.)

2 CHAIRMAN MATHEWSON: Chair would accept  
3 the motion on 11-234, please.

4 COMMISSIONER MERRITT: I would move for  
5 approval of DC-11-234.

6 COMMISSIONER JONES: Second.

7 CHAIRMAN MATHEWSON: Call roll, Angie,  
8 please.

9 MS. FRANKS: Commissioner Merritt.

10 COMMISSIONER MERRITT: Approved.

11 MS. FRANKS: Commissioner Jones.

12 COMMISSIONER JONES: Approved.

13 MS. FRANKS: Chairman Mathewson.

14 CHAIRMAN MATHEWSON: Approved.

15 MS. FRANKS: By your vote you've adopted  
16 DC-11-234.

17 MR. GREWACH: Under Tab M is another  
18 preliminary order of discipline. This one is  
19 directed to Lumiere. It is a another marketing  
20 situation under 5.181. It also began with a patron  
21 complaint.

22 A mailing was sent out. The patron  
23 received the mailing and reported to the casino to  
24 play in this tournament, which was to take place on  
25 May 3, 17, and 31. She came the first of those

1 dates, on May the 3rd. When she arrived, she was  
2 told she could not play because she was 41 years of  
3 age.

4 The property told her that the tournament  
5 was only open to persons 50 years of age or older.  
6 The mailing she received did not have any age  
7 restrictions on it. The property, when we talked to  
8 them, took the position that there was a disclaimer  
9 saying, See My Choice Center for official rules, and  
10 their second statement was that it said, "Prime Time  
11 Tournament" and that most persons would know "prime  
12 time" meant over 50.

13 We still felt it was misleading in that  
14 the mailing itself did not specify the age group for  
15 the participants, and the staff is recommending a  
16 \$25,000 fine.

17 COMMISSIONER MERRITT: I thought prime  
18 time was over 60, didn't you, Jim?

19 COMMISSIONER JONES: Why are you looking  
20 at me? I think 70 would be prime.

21 Just out of curiosity, when we have a  
22 patron bring a problem to your office, from whatever  
23 casino that happens to be, and we take action against  
24 the casino for promotional ideas or promotional  
25 problems that may result, do we ever notify the

1 patron that we've taken that action?

2 MR. STOTTLEMYRE: We do.

3 CHAIRMAN MATHEWSON: Okay, we do.

4 DIRECTOR STOTTLEMYRE: We try to let the  
5 people know.

6 CHAIRMAN MATHEWSON: So in this case, if  
7 we approve this, this lady who brought this here, the  
8 question about the -- her information didn't indicate  
9 what the age was on it, then we will notify her?

10 DIRECTOR STOTTLEMYRE: I don't know if  
11 we -- I mean, we notify them that we are  
12 investigating and we'll take whatever action is  
13 necessary. I don't know that we get back to them  
14 after we've had a ruling by the Commission on what  
15 the fine was or anything like that.

16 CHAIRMAN MATHEWSON: I guess, Roger,  
17 Commissioners, I have a feeling both ways here. I  
18 would think that, you know, somehow, if this person  
19 felt violated because of the information they  
20 received and they never knew whether or not any  
21 action was taken, that they may feel that no action  
22 was taken, so I can see that side of the equation.

23 I can also see that if a patron did  
24 bring, you know, questionable actions to our office  
25 and then, you know, we do notify them, and then the

1 casino might say, Well, watch that woman 'cause she's  
2 a problem, you know. See what I'm saying?

3 I mean, I don't know which way is the  
4 right way to go with it. That's why I bring up the  
5 question, you know. Do we or don't we notify her  
6 what action was finally taken? I don't know it's a  
7 big deal one way or the other, but I --

8 MR. STOTTLEMYRE: Most of the complaints  
9 come to LeAnn, if you want to speak to that.

10 MS. McCarthy: The written complaints,  
11 they're always responded to by a letter. A lot of  
12 the patron calls that come in to the Commission, we  
13 will call them and tell them that it did result in a  
14 fine or something like that. Not all, but some  
15 people who call frequently, we'll let them know what  
16 the action was.

17 CHAIRMAN MATHEWSON: Okay. Are we okay  
18 with that, or does anybody have any thoughts on  
19 that?

20 COMMISSIONER JONES: I just have another  
21 question. Hypothetically, what would happen if the  
22 casino chose to honor that person, knowing that they  
23 made a mistake and then went back to correct it?  
24 Would they still be in violation?

25 MR. STOTTLEMYRE: Well, you would have had

1 the original violation; however, we would take into  
2 consideration if something's been corrected and they  
3 went ahead and they covered their mistake, so to  
4 speak, if that's what you're asking.

5 COMMISSIONER JONES: Yeah.

6 CHAIRMAN MATHEWSON: I guess, further,  
7 that in a promotion like this, the fact that that  
8 person did bring that to our attention in our office,  
9 was that the only one that we know of that did,  
10 brought that to our attention?

11 I mean, seems to me like, if you're doing  
12 a promotion -- I don't care what your business is.  
13 If you're doing a promotion, you only get one person  
14 that catches you in a mistake on it, well, that  
15 wasn't much of a promotion. Probably ought to not do  
16 that anymore, you know.

17 MR. STOTTLEMYRE: And that varies.  
18 Sometimes we get several calls, and sometimes we  
19 don't get that, you know, just maybe one person  
20 that's called, and it might be in the initial phases  
21 of the promotion, and we'll, you know, get it taken  
22 care of rather quickly.

23 I think a good example of what Chairman  
24 Jones asked [sic], we take into consideration if  
25 they've corrected the problem. A good example would

1 be the discipline we talked about just a little while  
2 ago where the Lumiere and River City, in the  
3 giveaways, they did go ahead, and even though there  
4 was mistakes and had people at one casino getting  
5 called at another casino, they did end up giving  
6 those individuals the prizes they had won, so that  
7 was -- you know, they called up and took care of it,  
8 although they still did receive a fine.

9 COMMISSIONER JONES: Okay.

10 CHAIRMAN MATHEWSON: Okay. Good  
11 discussion.

12 Okay. Chair would accept a motion on  
13 DC-11-276, please.

14 COMMISSIONER JONES: Move for the  
15 acceptance of DC-11-276.

16 COMMISSIONER MERRITT: Second.

17 CHAIRMAN MATHEWSON: Call roll, Angie,  
18 please.

19 MS. FRANKS: Commissioner Merritt.

20 COMMISSIONER MERRITT: Approved.

21 MS. FRANKS: Commissioner Jones.

22 COMMISSIONER JONES: Approved.

23 MS. FRANKS: Chairman Mathewson.

24 CHAIRMAN MATHEWSON: Approved.

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

1 DC-11-276.

2 MR. GREWACH: Thank you.

3 CHAIRMAN MATHEWSON: Thank you.

4 Mr. Director.

5 MR. STOTTLEMYRE: Mr. Chairman, the next  
6 item on the agenda is consideration of relicensure of  
7 certain suppliers, and Lieutenant Rex Scism will  
8 present.

9 CHAIRMAN MATHEWSON: Morning, Rex.

10 MR. SCISM: Morning, Mr. Chairman and  
11 Commissioners.

12 COMMISSIONER JONES: Morning.

13 MR. SCISM: Missouri State Highway Patrol  
14 investigators conducted the relicensing investigation  
15 of three supplier companies currently licensed in  
16 Missouri.

17 The investigations consisted of  
18 jurisdictional inquiries, feedback from affected  
19 gaming company clients, a review of disciplinary  
20 actions, litigation, and business credit profiles, as  
21 well as key persons associated with each company.

22 The results of these investigations were  
23 provided to the staff for their review, and you  
24 possess the summary reports before you which outlines  
25 the investigative findings.

1                   There's three supplier companies being  
2                   presented this morning for your consideration. The  
3                   first is BMM North America, Incorporated, Las Vegas,  
4                   Nevada.

5                   CHAIRMAN MATHEWSON: What do they do,  
6                   Rex?

7                   MR. SCISM: They're a gaming laboratory,  
8                   certify some of the electronic games and so forth,  
9                   and platforms.

10                  CHAIRMAN MATHEWSON: Any questions of Rex  
11                  on that one?

12   (No response.)

13                  CHAIRMAN MATHEWSON: We probably need to  
14                  vote those individually, don't we?

15                  MR. STOTTLEMYRE: Yes, sir.

16                  CHAIRMAN MATHEWSON: Okay. Chair would  
17                  accept a motion on 11-065, please.

18                  COMMISSIONER JONES: Move for the  
19                  acceptance of Resolution 11-065.

20                  COMMISSIONER MERRITT: Second.

21                  CHAIRMAN MATHEWSON: Call roll, please.

22                  MS. FRANKS: Commissioner Merritt.

23                  COMMISSIONER MERRITT: Approved.

24                  MS. FRANKS: Commissioner Jones.

25                  COMMISSIONER JONES: Approved.

1 MS. FRANKS: Chairman Mathewson.

2 CHAIRMAN MATHEWSON: Approved.

3 MS. FRANKS: By your vote you've adopted  
4 Resolution No. 11-065.

5 CHAIRMAN MATHEWSON: Rex.

6 MR. SCISM: And moving on, the next one is  
7 DEQ Systems Corporation of Levis, Quebec, Canada.

8 CHAIRMAN MATHEWSON: What do they do?

9 MR. SCISM: They do table game bonusing  
10 layouts and so forth for the table games for the  
11 casinos. The bonusing systems and so forth, you  
12 know, that they use for games.

13 CHAIRMAN MATHEWSON: Okay. Any questions  
14 of Rex on this?

15 (No response.)

16 CHAIRMAN MATHEWSON: Chair would accept a  
17 motion on 11-066, please.

18 COMMISSIONER MERRITT: I would move for  
19 approval of Resolution 11-066.

20 COMMISSIONER JONES: Second.

21 CHAIRMAN MATHEWSON: Call roll, Angie,  
22 please.

23 MS. FRANKS: Commissioner Merritt.

24 COMMISSIONER MERRITT: Approved.

25 MS. FRANKS: Commissioner Jones.

1 COMMISSIONER JONES: Approved.

2 MS. FRANKS: Chairman Mathewson.

3 CHAIRMAN MATHEWSON: Approved.

4 MS. FRANKS: By your vote you've adopted  
5 Resolution No. 11-066.

6 MR. SCISM: And then finally, Western  
7 Money Systems of Las Vegas, Nevada.

8 CHAIRMAN MATHEWSON: They do what?

9 MR. SCISM: The ticket-in, ticket-out  
10 kiosk currency machines and so forth.

11 CHAIRMAN MATHEWSON: Any questions of Rex?

12 (No response.)

13 CHAIRMAN MATHEWSON: Chair would accept a  
14 motion on 067, please.

15 COMMISSIONER MERRITT: I would move for  
16 approval of Resolution No. 11-067.

17 COMMISSIONER JONES: Second.

18 CHAIRMAN MATHEWSON: Call roll, Angie,  
19 please.

20 MS. FRANKS: Commissioner Merritt.

21 COMMISSIONER MERRITT: Approved.

22 MS. FRANKS: Commissioner Jones.

23 COMMISSIONER JONES: Approved.

24 MS. FRANKS: Chairman Mathewson.

25 CHAIRMAN MATHEWSON: Approved.

1 MS. FRANKS: By your vote you've adopted  
2 Resolution No. 11-067.

3 CHAIRMAN MATHEWSON: Mr. Director.

4 MR. STOTTLEMYRE: Next item on the agenda  
5 is consideration of Level I and key applicants, and  
6 Lieutenant Rex Scism will present.

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

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

17 The following individuals are being  
18 presented for your consideration. We only have two  
19 this morning. The first is Janice Durbin-Chaffin,  
20 independent director for International Game  
21 Technology, Incorporated. And the next, Gregory J.  
22 Kozics, outside director for Isle of Capri Casinos,  
23 Incorporated.

24 The results of the investigations were  
25 provided to the Gaming Commission staff and, once

1           again, you have all the related summary reports  
2           before you.

3                       CHAIRMAN MATHEWSON: Any questions of Rex  
4           on this one?

5                               (No response.)

6                       CHAIRMAN MATHEWSON: Chair would accept a  
7           motion on 11-068, please.

8                       COMMISSIONER JONES: Move for the  
9           acceptance of Resolution No. 11-068.

10                      COMMISSIONER MERRITT: Second.

11                      CHAIRMAN MATHEWSON: Call roll, Angie,  
12           please.

13                      MS. FRANKS: Commissioner Merritt.

14                      COMMISSIONER MERRITT: Approved.

15                      MS. FRANKS: Commissioner Jones.

16                      COMMISSIONER JONES: Approved.

17                      MS. FRANKS: Chairman Mathewson.

18                      CHAIRMAN MATHEWSON: Approved.

19                      MS. FRANKS: By your vote you've adopted  
20           Resolution No. 11-068.

21                      CHAIRMAN MATHEWSON: Mr. Director.

22                      MR. STOTTLEMYRE: Mr. Chairman, the next  
23           item on the agenda is consideration of rulemaking.  
24           Ms. Terri Hutchison will present.

25                      MS. HUTCHISON: Good morning, Mr. Chairman

1 and Commissioners.

2 Behind Tab R you will find five proposed  
3 rules, and behind Tab S you'll find one final order  
4 of rulemaking. Behind Tab R, the five proposed  
5 rules, a common period will be run from November 1  
6 through November 30 with a public hearing date set  
7 for December 14, 2011.

8 The first proposed rule, 11 CSR 45-1.015,  
9 Code of Ethics. This amendment clarifies Commission  
10 members and employees may not participate in gaming  
11 at a location owned or operated by a licensee or a  
12 licensee applicant. This rule will be consistent  
13 with the Missouri Gaming Commission's policies and  
14 procedures.

15 11 CSR 45-1.080: Participation in games  
16 by employees of the Commission. This amendment goes  
17 along with the prior rule, which will also clarify  
18 Commission members and employees may not participate  
19 in related games.

20 11 CSR 45-5.030: Participation in  
21 gambling games by a holder of a Class A or supplier  
22 license, and the directors, officers, key persons, or  
23 employees of such licensees. This amendment  
24 clarifies that licensees shall not gamble or be  
25 permitted to gamble in an establishment owned or

1           operated by Class A or Class B licensees and which is  
2           licensed by the Commission.

3                       11 CSR 45-5.065: Patrons unlawfully on  
4           excursion gambling boat not eligible for gambling  
5           game winnings. This amendment clarifies who is not  
6           eligible to claim gambling game payouts.

7                       11 CSR 45-12.09: Rules of liquor  
8           control. This amendment prohibits any intoxicating  
9           liquor being sold or provided to any licensee as well  
10          as a licensee purchasing, consuming, or otherwise  
11          possessing intoxicating liquor while on the premises  
12          of a riverboat gaming operation licensed by the  
13          Commission and which is owned or operated by the  
14          Class A or Class B licensee by which employ [sic].

15                      And behind Tab S is the final order of  
16          rulemaking, which is 11 CSR 45-5.194: Operator  
17          content delivery systems. This was presented at the  
18          May 2011 Commission meeting, and a public hearing was  
19          held on August 10, 2011, at which individuals and  
20          groups were provided the opportunity to express their  
21          agreement with or concerns about the proposed rules  
22          as written.

23                      No comments were made at the hearing.  
24          Written comments were received and are summarized  
25          with the staff's responses in the information you

1 have been provided. This rule will become effective  
2 January 30, 2012.

3 CHAIRMAN MATHEWSON: Okay. Any questions  
4 of Terri on this?

5 (No response.)

6 CHAIRMAN MATHEWSON: How do we need to  
7 vote on this? Do we need to take these individually?

8 DIRECTOR STOTTLEMYRE: Mr. Chairman, you  
9 can vote on all of them under Tab R.

10 CHAIRMAN MATHEWSON: Yeah, one through  
11 five --

12 MR. STOTTLEMYRE: Yes.

13 CHAIRMAN MATHEWSON: -- can be one vote?

14 MR. STOTTLEMYRE: Yes, sir.

15 CHAIRMAN MATHEWSON: Okay. Chair would  
16 accept a motion for Tab R, one through five, in one  
17 motion.

18 COMMISSIONER JONES: Move for the  
19 acceptance of Proposed Amendments 11 CSR 45-1.015;  
20 1.080; 11 CSR 45-5.030; 065; 11 CSR 45-12.090.

21 COMMISSIONER MERRITT: I'd second those.

22 CHAIRMAN MATHEWSON: Call roll, Angie,  
23 please.

24 MS. FRANKS: Commissioner Merritt.

25 COMMISSIONER MERRITT: Approved.

1 MS. FRANKS: Commissioner Jones.

2 COMMISSIONER JONES: Approved.

3 MS. FRANKS: Chairman Mathewson.

4 CHAIRMAN MATHEWSON: Approved.

5 MS. FRANKS: By your vote you've adopted  
6 the Proposed Amendments 11 CSR 45-1.015; 1.080;  
7 5.030; 5.065, and 12.090.

8 CHAIRMAN MATHEWSON: Okay. Terri, excuse  
9 me.

10 MS. HUTCHISON: Yes.

11 CHAIRMAN MATHEWSON: Okay.

12 COMMISSIONER JONES: Move for the  
13 acceptance of Final Order of Rulemaking 11 CSR  
14 45-5.194.

15 COMMISSIONER MERRITT: Second.

16 CHAIRMAN MATHEWSON: What I'm looking at,  
17 Terri, is this, I guess, Bally's comments? Do you  
18 understand what I'm looking at here?

19 MS. HUTCHISON: Yeah, they had a couple of  
20 comments.

21 CHAIRMAN MATHEWSON: Yeah. They didn't  
22 like that or what -- what am I looking at here?

23 MS. HUTCHISON: If you remember, this is  
24 the rule that I called, like, Picture and Pitcure,  
25 and I know one of the rules we only limit 30 percent

1 of the game to allow the advertisement, and they are  
2 wanting to not to have that 30 percent. They would  
3 like more, if possible, or not be a percentage.

4 CHAIRMAN MATHEWSON: But we are -- if we  
5 adopt this, we're setting it at that percentage;  
6 right?

7 MS. HUTCHISON: Correct.

8 CHAIRMAN MATHEWSON: Okay. Everybody okay  
9 with that and clear what we're doing there?

10 COMMISSIONER MERRITT: Yes.

11 CHAIRMAN MATHEWSON: Chair would accept a  
12 motion, then, on the adoption of -- I'm sorry. We  
13 did and made a second. Thank you. I didn't need  
14 help. Thank you, Jack.

15 Call roll, Angie, please.

16 MS. FRANKS: Commissioner Merritt.

17 COMMISSIONER MERRITT: Approved.

18 MS. FRANKS: Commissioner Jones.

19 COMMISSIONER JONES: Approved.

20 MS. FRANKS: Chairman Mathewson.

21 CHAIRMAN MATHEWSON: Approved.

22 MS. FRANKS: By your vote you've adopted  
23 Final Order of Rulemaking 11 CSR 45-5.194.

24 CHAIRMAN MATHEWSON: Thank you. Nice job,  
25 Terri. You really had that all down there in good

1 shape.

2 MR. STOTTLEMYRE: Mr. Chairman, next item  
3 on the agenda is denial of licensure. Mr. Ed Grewach  
4 will present.

5 MR. GREWACH: This is a resolution  
6 regarding licensure of Ainsworth Game Technology.  
7 The criteria for a licensed supplier is found in  
8 45-4.230. In that section, Section 2(A)(1,) includes  
9 consideration of any criminal record, including any  
10 federal, state, county, city violations, to include  
11 ordinance violations of any individual.

12 You'll see that in Paragraph No. 5, the  
13 CEO of the applicant, Mr. Daniel Gladstone, has been  
14 convicted of several offenses, many of which involve  
15 gambling, and we feel that does not meet the criteria  
16 for suitability for this licensee.

17 The next section would be 2(A)(2), which  
18 requires us to look at the involvement in litigation  
19 over business practices by the applicant or any  
20 individuals or entities affiliated with the  
21 applicant.

22 You'll see in paragraph one of the  
23 resolution that when this application came in, they  
24 listed 266 separate litigation cases with no  
25 supporting documentation. To try to be flexible and

1 work with them, our investigator then asked  
2 specifically for documents relating to 21 of the  
3 cases that seemed to the investigator to be  
4 significant cases, or that he would really like to  
5 find out the information on. They had failed, then,  
6 to produce adequate records for 14 of those 21 cases.

7 The next section we looked at in  
8 evaluating this application was Section G, Compliance  
9 with Applicable Statutes, Rules and Charters. You'll  
10 see there that there was a problem with the -- in  
11 paragraph 10 with Turkish customs and low-value  
12 invoices that were processed through there.

13 If I could have a second, Mr. Chairman.

14 CHAIRMAN MATHEWSON: A lawyer had to stop  
15 and take a drink. Put that in the record.

16 COMMISSIONER MERRITT: Probably not the  
17 first time that happened.

18 MR. GREWACH: I'm afraid if I'm here to  
19 defend lawyers, I'm not in very good standing to do  
20 that.

21 CHAIRMAN MATHEWSON: Yeah, you wouldn't  
22 want to do that.

23 MR. GREWACH: No.

24 CHAIRMAN MATHEWSON: Go ahead, Ed, please.

25 MR. GREWACH: The other provision,

1 Provision K, failing to disclose information called  
2 for on the application process, again, that relates  
3 back to the notes that you'll see in paragraph one in  
4 which the supporting documentation for litigation did  
5 not -- was not provided.

6 The rule itself under 2(A) asked us to  
7 consider the integrity of the applicant and any  
8 personnel having duties or responsibilities for the  
9 applicant. When we look at that, we also look at  
10 some associations that the applicant has had with  
11 other persons, and you'll see in paragraphs three,  
12 four, six, seven, and eight, allegations as to  
13 associations that the applicant has had with persons  
14 who have either had criminal records or would be  
15 considered notorious or unsavory persons.

16 The other item that you'll see in  
17 paragraph number two involves -- actually, here in  
18 Missouri at that time frame in December of 1996,  
19 another company Aristocrat, Incorporated, which  
20 Mr. Ainsworth had formerly owned, applied for  
21 licensure, and we placed a condition on Aristocrat's  
22 licensure that it have no contact with Mr. Ainsworth,  
23 that Mr. Ainsworth not be able to participate in the  
24 management of the company, and a restriction that the  
25 company would not consult with Ainsworth.

1           Aristocrat, in fact, violated those  
2 provisions and were penalized by us for violating  
3 those conditions on their license. At that same  
4 point in time -- around that same point in time,  
5 Colorado put a similar restriction on Aristocrat's  
6 license there in Colorado.

7           Now, Mr. Ainsworth challenged that in  
8 court. It went up to the Court of Appeals. There  
9 Mr. Ainsworth argued, and the Court of Appeals  
10 stated, that putting that limitation on Aristocrat's  
11 license, that you can't associate with Ainsworth, was  
12 a de facto finding of unsuitability for Ainsworth,  
13 and so we have that similar situation here.

14           He did not contest the limitations that  
15 Missouri placed on Aristocrat's license. Did  
16 challenge Colorado, and you'll see also in Paragraph  
17 No. 12 that they've been not allowed to participate  
18 in some of the Oregon Indian gaming facilities.

19           So it's the recommendation of the staff  
20 that the application of Ainsworth Game Technologies  
21 be denied.

22           CHAIRMAN MATHEWSON: Ed, let me -- I joke  
23 with you and, you know, all that, but let me  
24 compliment you guys. I mean, that's a very thorough  
25 research on this, on the -- I mean, you look at this

1 and know that this was well-done, and I appreciate  
2 not only you, but everybody that helped you with  
3 this. This is -- prove up your case pretty well to  
4 me, okay?

5 MR. GREWACH: Appreciate that. Thank you.

6 CHAIRMAN MATHEWSON: We like people  
7 applying, but I think I'd get a front man.

8 COMMISSIONER JONES: Do they think that  
9 we're not going to investigate or something? I mean,  
10 I just don't understand this. I don't understand why  
11 they applied.

12 CHAIRMAN MATHEWSON: They just keep doing  
13 this.

14 COMMISSIONER JONES: Right. I don't  
15 understand why they applied.

16 MR. GREWACH: I don't -- I can answer for  
17 them. I mean, they have a relatively small presence  
18 in Missouri. I've heard different estimates, from 20  
19 to 25 machines here.

20 This is a long, ongoing investigation,  
21 probably close to three years, and I have to echo the  
22 Chairman's remarks, that our investigators did a  
23 great job really going back to do a thorough  
24 investigation of things that happened in the past,  
25 particularly triggered by the fact that we had placed



1 draft into the resolution, the finding, that both  
2 Ainsworth Game Technologies, Leonard Ainsworth, and  
3 Daniel Gladstone were all unsuitable, so those two as  
4 individuals, so if they came back with another  
5 company, we'd already have a finding made by the  
6 Commission of unsuitability for those two so they  
7 couldn't form another corporation and just apply, but  
8 I don't know --

9 COMMISSIONER MERRITT: Can we deny  
10 accepting their application at that time rather than  
11 have to go through this whole process and document  
12 all this again?

13 MR. GREWACH: I'd have to look at that. I  
14 don't know. I think -- I think at some level there'd  
15 have to be some investigation and some findings  
16 presented.

17 COMMISSIONER JONES: Disassociate a  
18 corporation.

19 CHAIRMAN MATHEWSON: Yeah. There we go.

20 We can draw up a rule, maybe, Jack, on  
21 that. Make it so they can't do that anymore.

22 Thank you, Ed.

23 Chair would accept a motion on 11-069.

24 COMMISSIONER MERRITT: Make a motion that  
25 Resolution No. 11-069 be approved.

1 COMMISSIONER JONES: Second.

2 CHAIRMAN MATHEWSON: Call roll, Angie,  
3 please.

4 MS. FRANKS: Commissioner Merritt.

5 COMMISSIONER MERRITT: Approved.

6 MS. FRANKS: Commissioner Jones.

7 COMMISSIONER JONES: Approved.

8 MS. FRANKS: Chairman Mathewson.

9 CHAIRMAN MATHEWSON: Approved.

10 MS. FRANKS: By your vote you've adopted  
11 Resolution No. 11-069.

12 MR. GREWACH: Thank you.

13 CHAIRMAN MATHEWSON: Thank you. Thanks  
14 guys in the back. Thank you all for a good job on  
15 this.

16 Okay, Mr. Director. New business.

17 MR. STOTTLEMYRE: Yes, sir. I would like  
18 to give you an update on the St. Joe Frontier Casino.

19 CHAIRMAN MATHEWSON: Please.

20 MR. STOTTLEMYRE: We do plan a reopening  
21 there on September 29 at twelve o'clock. It will  
22 have been closed 93 days when it does open back up  
23 again. We do have the ABS inspection team up there  
24 today, and that inspection is being done, which will  
25 coincide with the fire alarm inspection and the

1 company that's there to do that.

2 The turnstiles are up and ready to be --  
3 there was some wiring that had to be done, and we do  
4 have a patrol gaming agent there making sure that  
5 that's up and operating correctly. The business and  
6 liquor license are current. The parking lot has been  
7 resealed and striped. The main bank has been  
8 audited, and assets are in place, including the  
9 chips.

10 Our West Side auditors group performed  
11 this process. I believe it was yesterday. The  
12 gaming agents, with the assistance of Blaine Preston,  
13 Kelly Florea, and Randall Nielsen from our EGD group  
14 were -- worked on verifying over 555 electronic  
15 gaming devices up there to make sure they're up and  
16 sealed and ready to go again.

17 Training was received on three new NRT  
18 kiosks that they had received, and they are  
19 operational. And then surveillance and security has  
20 been checked and are fully operational and no current  
21 issues, so we're ready to open up, and I know they're  
22 excited to get back up again, and the City of  
23 St. Joseph is excited to get them back up again. I'm  
24 very happy for them.

25 I'm announcing that that's about to occur

1 tomorrow.

2 CHAIRMAN MATHEWSON: I believe we're on  
3 the same line, Roger. You and I looked at that. I  
4 think -- I don't want to make this up, because I  
5 don't remember exactly the numbers, but in the month  
6 of August I think the total amount of gaming in the  
7 state of Missouri was off some of the time. We  
8 looked at \$4 million, something like that, three  
9 percent.

10 MR. STOTTLEMYRE: Three percent.

11 CHAIRMAN MATHEWSON: Three percent. But  
12 we also just did kind of a quick calculation. There  
13 was -- at least a percent and a half of that was  
14 because St. Joe was down and closed, and it does have  
15 an impact on the education funds, and certainly has a  
16 big impact on the community of St. Joe when any  
17 casino is down.

18 Are you complete on that?

19 MR. STOTTLEMYRE: Yes, sir.

20 CHAIRMAN MATHEWSON: I might also mention,  
21 Roger, the Commissioners, or if anybody cares, you  
22 and I and Alden and -- Ed, you weren't there, I  
23 guess -- Bill, and I guess that was it, we, at the  
24 request of the city manager from Cape Girardeau, he  
25 came up yesterday afternoon.

1                   I came in early yesterday afternoon to  
2                   meet with him, and what he was after was to write a  
3                   report to the city council on what actions they  
4                   should be setting in place prior to their opening,  
5                   you know, in the next year, and we spent, what, two  
6                   hours with him, or an hour and a half, or something  
7                   like that --

8                   MR. STOTTLEMYRE:   Yes, sir.

9                   CHAIRMAN MATHEWSON:  -- with him just  
10                  answering his questions.  And, actually, Angie had  
11                  brought this to my attention, that the annual -- our  
12                  annual report, the book that shows our annual  
13                  report -- if anybody doesn't have it, if you care  
14                  anything about casinos, you ought to look at it.  
15                  It's well-done.

16                  What that shows is -- in fact, Angie sent  
17                  me last year's, and then back ten days ago or  
18                  something, based on the fact we were having this  
19                  meeting and I had agreed to come in early for that  
20                  meeting -- and then the new one came out after we had  
21                  discussed this, so we had it and, I mean, he was  
22                  really impressed with that because he'd never seen  
23                  one, and it breaks it down.  Doesn't go into detail,  
24                  but it breaks it down for every operation, casino  
25                  operation in the state of Missouri on how much money

1 goes into the State, how much money, you know, they  
2 retain, how much money goes to the community and what  
3 the community does with that money, you know, item by  
4 item by item right down the line, and that was  
5 exactly what he was looking for 'cause he didn't know  
6 how to get that sort of information so they could  
7 start setting their policies as a community in  
8 anticipation of the opening, so that was a good  
9 meeting you know, I thought, because, you know, he  
10 asked good questions, and I think we gave him good  
11 answers.

12 He was very impressed with the fact that  
13 we had all that data ready for him so, anyway,  
14 they're moving forward, I think, in a very positive  
15 way.

16 MR. STOTTLEMYRE: Yes, sir.

17 CHAIRMAN MATHEWSON: Do you have anything  
18 else, Roger, on new business?

19 MR. STOTTLEMYRE: The next item would be  
20 old business, and we have nothing for you today.

21 CHAIRMAN MATHEWSON: Okay.

22 MR. STOTTLEMYRE: Then it would be a  
23 motion for closed.

24 CHAIRMAN MATHEWSON: So chair would accept  
25 a motion to close the meeting under 313.847.

1                   COMMISSIONER MERRITT: Make a motion that  
2                   the -- move into closed meeting under Section  
3                   313,847, Investigatory, Proprietary, and Application  
4                   Records and 610.021(14).

5                   COMMISSIONER JONES: Second.

6                   CHAIRMAN MATHEWSON: Call roll, Angie,  
7                   please.

8                   MS. FRANKS: Commissioner Merritt.

9                   COMMISSIONER MERRITT: Approved.

10                  MS. FRANKS: Commissioner Jones.

11                  COMMISSIONER JONES: Approved.

12                  MS. FRANKS: Chairman Mathewson.

13                  CHAIRMAN MATHEWSON: Approved.

14                  (The hearing concluded.)

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CERTIFICATE

I, Nancy L. Silva, RPR, a Certified Court Reporter, CCR No. 890, the officer before whom the foregoing hearing was taken, do hereby certify that the witness whose testimony appears in the foregoing hearing was duly sworn; that the testimony of said witness was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken, and further, that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

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Nancy L. Silva, RPR, CCR

**MISSOURI GAMING COMMISSION**  
**Second Open Session Minutes**  
**September 28, 2011**

The Missouri Gaming Commission (the "Commission") went into open session at approximately 12:45 p.m. on September 28, 2011, at the Missouri Gaming Commission's Jefferson City Office.

Commissioners and Staff discussed current issues at the Missouri Gaming Commission.

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

The open session ended at 12:55 p.m.