

1

2

3

BEFORE THE MISSOURI GAMING COMMISSION

4

5

Meeting

6

October 26, 2016

10:00 a.m.

7

3417 Knipp Drive

Jefferson City, Missouri

8

9

10

BEFORE:

Herbert M. Kohn, Chairman

Brian Jamison, Vice Chairman

11

Larry D. Hale, Commissioner

Thomas Neer, Commissioner

12

Richard F. Lombardo, Commissioner

13

14

15

16

17

18

19

20

21

22

Reported by:

Patricia A. Stewart, CCR 401

23

Midwest Litigation Services

Jefferson City, Missouri 65109

24

(573) 636-7551

25

	AGENDA	page
1		
2		
3	I. Call to Order	4:3
4	II. Consideration of Minutes	
5	A. September 28, 2016	7:11
6	III. Consideration of Hearing Officer Recommendation	
7	B. Tanya M. Nichols (f.k.a. Tatyana G. Nikolova)	8:10
8	1. Resolution No. 16-044	
9	IV. Consideration of Relicensure of Certain Class B Licensees	
10	C. Ameristar Casino Kansas City, LLC (Class B)	25:17
11	D. Ameristar Casino St. Charles, LLC (Class B)	11:19
12	* Presentation by Applicants	
13	* Presentation by Kansas City Port Authority	33:4
14	* Presentation by City of St. Charles	24:6
15	* Public Comment	34:10
16	* MBE/WBE Compliance Review	34:16
17	* Investigative Summary	35:24
18	* Staff Recommendation	37:11
19	1. Resolution No. 16-050 (Ameristar Casino Kansas City, LLC)	37:18
20	2. Resolution No. 16-051 (Ameristar Casino St. Charles, LLC)	38:18
21	V. Consideration of Disciplinary Actions	
22	D. Tropicana St. Louis, LLC	
23	1. DC-16-192	39:17
24	VI. Consideration of Rules and Regulations	
25	E. Proposed Amendments	52:9
	1. 11 CSR 45-5.183 - Table Game and Poker Cards - Specifications	
	2. 11 CSR 45-5.184 - Table Game Cards - Receipt, Storage, Inspections and Removal from use	
	3. 11 CSR 45-9.104 - Minimum Internal Control Standards (MICS) Chapter D	

1	AGENDA (CONT'D)	
2		Page
3	VI. Consideration of Rules and Regulations (Cont'd)	56:25
4	F. Final Orders of Rulemaking	
5	1. 11 CSR 45-8.140 - Application and Verification Procedures for Granting Credit	
6	2. 11 CSR 45-9.108 - Minimum Internal Control Standards (MICS) Chapter H	
7	3. 11 CSR 45-13.051 - Bingo Hearings	
8	4. 11 CSR 45-30.056 - Key Person Defined	
9	5. 11 CSR 45-30.175 - Organization (Operator) Record Keeping Requirements	
10	6. 11 CSR 45-30.280 - Net Receipts from Bingo and Bank Account	
11	7. 11 CSR 45-30.540 - Approval of Bingo Paraphernalia	
12	8. 11 CSR 45-30.600 - Electronic Bingo Card Monitoring Devices	
13	9. 11 CSR 45-30.610 - Wireless Technology	
14	VII. Consideration of Relicensure of Certain Suppliers	
15	G. Bally Gaming, Inc. d/b/a Bally Technologies	62:22
16	1. Resolution No. 16-052	
17	VIII. Consideration of Level I/Key Applicants	
18	H. Resolution No. 16-053	65:14
19	VIII. Motion for Closed Meeting under Sections 313.847, RSMo., Investigatory, Proprietary and Application Records and 610.021(1), RSMo, Legal Actions, (3) & (13) Personnel and (14) Records Protected from Disclosure by Law	67:21
20		
21		
22		
23		
24		
25		

1 (Start time 10:00 a.m.)

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

3 CHAIRMAN KOHN: Good morning, everybody.

4 We're happy you could attend our meeting of the  
5 October 26th session of the Missouri Gaming Commission,  
6 and I will call to order that session.

7 Angie, please call the roll.

8 MS. FRANKS: Commissioner Lombardo.

9 COMMISSIONER LOMBARDO: Present.

10 MS. FRANKS: Commissioner Neer.

11 COMMISSIONER NEER: Present.

12 MS. FRANKS: Commissioner Hale.

13 COMMISSIONER HALE: Present.

14 MS. FRANKS: Commissioner Jamison.

15 COMMISSIONER JAMISON: Present.

16 MS. FRANKS: Chairman Kohn.

17 CHAIRMAN KOHN: Present.

18 We have a quorum and we're ready to proceed  
19 with the meeting.

20 Before we get to the agenda items we have a  
21 very special presentation to make this morning, and I'll  
22 call on our Executive Director to make that  
23 presentation.

24 EXECUTIVE DIRECTOR SEIBERT: You guys look  
25 awfully serious.

1                   And I'm going to explain this once. Don't  
2 ask me again. I'm old. My arch is dropping in my right  
3 foot. The bones aren't where they're supposed to be.

4                   Enough said.

5                   COMMISSIONER JAMISON: Did you say old?

6                   EXECUTIVE DIRECTOR SEIBERT: Enough said.

7                   Most of the industry, along with the Missouri  
8 Gaming Commission people, know this gentleman, and he  
9 has announced his retirement effective January 1. His  
10 last working day is going to be I believe November 10th.  
11 But I thought this would be a great opportunity to  
12 recognize Les Hahn.

13                   Step up, please.

14                   (Applause.)

15                   EXECUTIVE DIRECTOR SEIBERT: Les has been  
16 with the Missouri Gaming Commission since 2004. He came  
17 here originally as a trainer. His jobs have expanded to  
18 the point that he's kind of a utility person here with  
19 us.

20                   He specializes in table games and cards and  
21 arranges training. And I know he's been to a lot of  
22 your sites also training people, so you're very familiar  
23 with him. You know his great work with us.

24                   He's one of those guys, you can't replace  
25 him. We really don't know what all he does. We tried

1 to get a list of the things that he does, but it was  
2 impossible to do because Les does a lot of things.

3 But I do have to say he's going to something  
4 that he actual truly loves. We're going to miss him.  
5 You might not tell by his ability to teach and instruct  
6 but he's also known to be quite a cook and that's what  
7 he's going to go do.

8 So we're very, very happy for you, Les, and I  
9 would like to present you this on behalf of the Missouri  
10 Gaming Commission.

11 It says, Les Hahn, Gaming Enforcement  
12 Manager, in special recognition of distinguished service  
13 2004 to 2016, Missouri Gaming Commission.

14 MR. HAHN: Thank you.

15 (Applause.)

16 MR. HAHN: Most of you all know I either say  
17 a lot or nothing. So I'm just going to say thank you,  
18 and it's been a pleasure working with all of you in the  
19 industry, some of you all from day one, Troy and a lot  
20 of others, and people that are just coming onboard.

21 Thank you.

22 (Applause.)

23 CHAIRMAN KOHN: On behalf of the members of  
24 the Commission, we want to add our congratulations and  
25 appreciation you for all of the fine work that you've

1 done.

2 I never want to miss an opportunity to talk  
3 about our staff because it's such an excellent one. And  
4 you see us sitting up here, but believe me, the hard  
5 work is done by the staff that is not up here.

6 So we are very fortunate to have the  
7 wonderful, dedicated staff that we do, and Les is a  
8 representative of that.

9 So, Les, congratulations and thank you and  
10 have a great next life.

11 The first item of business before the  
12 Commission this morning will be the Consideration of  
13 Minutes from the meeting of September 28.

14 Is there a motion to approve those minutes?

15 COMMISSIONER LOMBARDO: Motion to approve.

16 COMMISSIONER HALE: Second.

17 CHAIRMAN KOHN: Angie.

18 MS. FRANKS: Commissioner Lombardo.

19 COMMISSIONER LOMBARDO: Approve.

20 MS. FRANKS: Commissioner Neer.

21 COMMISSIONER NEER: Approve.

22 MS. FRANKS: Commissioner Hale.

23 COMMISSIONER HALE: Approve.

24 MS. FRANKS: Commissioner Jamison.

25 COMMISSIONER JAMISON: Approve.

1 MS. FRANKS: Chairman Kohn.

2 CHAIRMAN KOHN: Approve.

3 MS. FRANKS: By your vote you've adopted the  
4 minutes of the September 28, 2016 meeting.

5 CHAIRMAN KOHN: We have a very full agenda  
6 this morning, and we're going to try to move through it  
7 as quickly as possible.

8 The first item -- and we'll talk more about  
9 the presentation by the two casinos a little bit later.

10 But the first item of business this morning  
11 is the matter of the Nichols' matter. And we had this  
12 presentation at the last meeting and we did not take  
13 action, so we're going to take action on that matter  
14 this morning.

15 But before we do let me ask the Commissioners  
16 if they'd like to have another brief presentation by the  
17 hearing officer or whether you're ready to proceed.

18 And, Rick, do you want to --

19 COMMISSIONER LOMBARDO: Chairman Kohn, before  
20 you do that, I need to recuse myself, so I'll be leaving  
21 temporarily.

22 CHAIRMAN KOHN: Okay.

23 Would any of the other commissioners like to  
24 have a rehash of the report that we heard last week?  
25 Are we ready to proceed?

1 COMMISSIONER HALE: It's not necessary for  
2 me.

3 COMMISSIONER JAMISON: Me either.

4 COMMISSIONER NEER: No.

5 CHAIRMAN KOHN: Then we're ready to take  
6 action on this matter.

7 The staff recommendation was -- well, I'm not  
8 going to say that was because there was several.

9 Is there a motion on this matter this  
10 morning?

11 COMMISSIONER NEER: I'd like to make a motion  
12 that we approve disciplinary action with a six-month  
13 suspension.

14 CHAIRMAN KOHN: Is there a second to that  
15 motion?

16 COMMISSIONER HALE: I'll second that.

17 CHAIRMAN KOHN: Discussion on the motion?  
18 Angie.

19 MS. FRANKS: Commissioner Lombardo.

20 CHAIRMAN KOHN: He's recused.

21 MS. FRANKS: I'm sorry.

22 Commissioner Neer.

23 COMMISSIONER NEER: Approve.

24 MS. FRANKS: Commissioner Hale.

25 COMMISSIONER HALE: Approve.

1 MS. FRANKS: Commissioner Jamison.

2 COMMISSIONER JAMISON: Approve.

3 MS. FRANKS: Chairman Kohn.

4 CHAIRMAN KOHN: Approve.

5 MS. FRANKS: By your vote you've adopted  
6 Resolution No. 16-044 with a six-month suspension.

7 CHAIRMAN KOHN: Thank you very much.

8 Mr. Seibert, the next order of business.

9 EXECUTIVE DIRECTOR SEIBERT: Mr. Chairman,  
10 the next order of business is Consideration of  
11 Relicensure of Certain Class B Licensees.

12 And I will introduce Ms. Donna Negrotto,  
13 please, and ask that she introduce her staff and who  
14 makes the presentation first.

15 CHAIRMAN KOHN: Before we begin I think you  
16 received a letter on behalf of the Commission asking  
17 that you limit these presentations to 15 minutes. And  
18 Angie is going to keep time, and you don't want to mess  
19 with Angie. So 15 minutes means 15 minutes.

20 MS. NEGROTTA: Not a problem, sir.

21 Good morning, Chairman, Commissioners. My  
22 name is Donna Negrotto. I'm Executive Vice President  
23 and General Counsel of Pinnacle Entertainment.

24 As Mr. Seibert mentioned, we are here for the  
25 relicensing of both our Kansas City and our St. Charles

1 property.

2                   With me here today we have several people.  
3 I'd like to introduce them before I introduce the two  
4 GMs who will be giving the presentations.

5                   Mr. Neil Walkoff who is our Executive Vice  
6 President of Operations. Troy Stremming who is our  
7 Executive Vice President of Government Relations and  
8 Public Affairs. Of course, Mr. Keith Henson who is our  
9 Senior Vice President, and he is the General Manager of  
10 our Kansas City property.

11                   Also our Vice President and General Manager  
12 of our St. Charles property, Ward Shaw. Chris Plant,  
13 who is our General Manager and Vice President at  
14 River City. And then Mr. Jeff Danis, who is our Chief  
15 Procurement Officer, is also here.

16                   So to keep everything moving timely I'm going  
17 to go ahead and turn it over to Ward Shaw who is going  
18 to talk about our St. Charles property.

19                   MR. SHAW: All right. Good morning, Chairman  
20 and Commissioners.

21                   I would also introduce two members of our  
22 St. Charles leadership team who are joining me this  
23 morning are Vice President of Finance, Brian Jenkins,  
24 and our Director of Regulatory Compliance, Shawn  
25 Ledbetter.

1                   And I appreciate the opportunity to review  
2                   our summary package for our property and our relicensing  
3                   consideration.

4                   So you can see our property highlights here  
5                   in this overview. I think there's a couple of points of  
6                   note, that this property has been licensed as Ameristar  
7                   St. Charles since 2000 but it's actually been around for  
8                   about 23 years and really has grown from a really first-  
9                   generation riverboat to now a full-scale entertainment  
10                  resort.

11                  And our property, with all of the amenities  
12                  that you see listed here, has not only been an annual  
13                  revenue leader from a gaming standpoint in the state of  
14                  Missouri but also is the state's largest tourist  
15                  attraction.

16                  More people pass through our doors every day  
17                  than anywhere else in the Show-Me-State, and it's really  
18                  become a true regional destination in  
19                  St. Charles.

20                  This page highlights some of our investment  
21                  over the years. As you can see, over \$800 million  
22                  that's been invested in the property over time,  
23                  including a little over \$10 million just this last year  
24                  in some new amenities.

25                  The slide shows a number slightly different

1 than that because these are through the Gaming  
2 Commission's fiscal year which ended mid year. But  
3 about a little over \$10 million just this year, calendar  
4 year, invested in some new amenities.

5           And I know some of the Gaming Commission  
6 staff visited our property a little over a month ago and  
7 got to see a sneak preview of some of the things that  
8 we've done to the facility, and it's important obviously  
9 that we continue to keep that offering fresh and  
10 attractive to be attractive to our guests.

11           I'll move along to the economic impact.  
12 We've been a huge contributor to the St. Charles  
13 community, really pretty significant, with over  
14 \$77 million in tax revenues just this last year,  
15 including almost \$19 million to the home dock community.

16           And then I would also point out with our  
17 1,600 plus team members in St. Charles that had a  
18 payroll employee compensation of a little over  
19 \$49 million.

20           Minority and women-owned business spend is  
21 something that's a very big focus for us at Pinnacle  
22 Entertainment, and certainly in St. Charles, and it's  
23 been a very good story for us.

24           I know that during Pinnacle's presentation to  
25 the Commissioners for the Ameristar purchase several

1 years ago, this is something that our company committed  
2 and promised that we would improve to other Pinnacle  
3 level -- Pinnacle property level results, and certainly  
4 we feel good that that's on its way.

5 We've increased that spend a little over  
6 47 percent in the three plus years that Pinnacle has  
7 owned the facility.

8 You might notice a small dip here in 2015 on  
9 the minority business enterprise spend. That really was  
10 driven, as the slide points out, by one particular  
11 vendor that was a very large vendor for us that failed  
12 to recertify in 2015 for their minority-owned business  
13 status.

14 I think it's good to note, though, that  
15 despite that small dip in monetary spend we've actually  
16 continued to increase the number of vendors that we  
17 utilize over the years, and that number of vendors  
18 utilized by Ameristar St. Charles has increased about  
19 25 percent since the Pinnacle ownership.

20 What's not captured in this number as well  
21 that I would point out is the ability -- with our  
22 company's focus on minority and women-owned business  
23 spend, the ability to take some of those vendor partners  
24 really outside of Missouri state lines and continue to  
25 help them grow their business.

1                   I know we've got -- we're really proud to  
2 have one of those vendors in attendance with us today,  
3 Mr. Michael Orr from Digital Imaging Systems, who has  
4 been a great partner for us in St. Charles and our  
5 River City property, that with the help of our Chief  
6 Procurement Officer that Donna introduced earlier,  
7 Mr. Jeff Danis, has really helped introduce him to other  
8 Pinnacle properties around the country and really been a  
9 strong partnership there.

10                   COMMISSIONER JAMISON: I have a question on  
11 that.

12                   MR. SHAW: Sure.

13                   COMMISSIONER JAMISON: Do you still use the  
14 same cleaning service; they're just not certified? Is  
15 that the difference?

16                   MR. SHAW: No. They lost their  
17 certification, and about five months after not  
18 certifying we actually changed cleaning companies as  
19 well, and the new service that we use is not a minority  
20 or women-owned business enterprise either.

21                   COMMISSIONER LOMBARDO: Is that what is  
22 reflected in your fourth footnote down here?

23                   MR. SHAW: That's correct. That one company,  
24 the Southeast Cleaning, was about -- you know, almost  
25 two and a half million dollars in our diversity spend

1 that we lost in one year.

2 I think the really good news here, too, is if  
3 we were to put -- you know, our numbers are only audited  
4 through 2015, so that's what we show on the slide, but  
5 if we were to look at 2016 year-to-date numbers, we're  
6 already at our 2015 levels with still a full quarter to  
7 go. So it's been, you know, a story that has continued  
8 to kind of move up and to the right.

9 COMMISSIONER JAMISON: Thanks for that  
10 clarification.

11 MR. SHAW: Sure.

12 COMMISSIONER HALE: Other than the cleaning  
13 services, can you give me just a general idea of the  
14 other kinds of services you've gotten from minority  
15 business enterprises?

16 MR. SHAW: You know, it really does,  
17 Commissioner Hale, spread across the board. It's not  
18 focused in any one area.

19 We use multiple vendors for a lot of cleaning  
20 supply purchases. You know, obviously it's a huge  
21 facility, almost 3 million square feet that we have  
22 there. We have multiple vendors that we utilize for  
23 that.

24 We have several vendors that we utilize from  
25 a marketing standpoint, from a promotional and

1 advertising spend. Our hotel supplies that we use in  
2 our, you know, almost 400-room all-suite hotel.

3 It really does sort of span the spectrum.  
4 It's not really focused in any one area.

5 COMMISSIONER HALE: Okay. Thank you.

6 MR. SHAW: Sure.

7 On this next slide you can see for yourself  
8 some of the ongoing efforts that really help I think  
9 display our focus and the importance on this for us as a  
10 property and as a company.

11 I won't read them all to you, but I would  
12 highlight for you down towards the end our annual  
13 diversity fair.

14 This is an event that about five years ago  
15 Pinnacle Entertainment really helped expand  
16 significantly in the St. Louis area, and, you know, are  
17 very proud to indicate that this year, be coming up in  
18 just another couple weeks, we'll be hosting this at our  
19 Ameristar St. Charles property hosting this event.

20 And it will be the largest that we've ever  
21 had in I believe the state of Missouri, certainly in the  
22 St. Louis market. A little over 100 MBE/WBE vendors  
23 that will be participating in that.

24 And also for the first time we've invited and  
25 been able to get several other hospitality businesses

1 like us that will be in attendance and able to talk to  
2 these vendors that are really outside of even gaming  
3 entertainment.

4                   So it's been a real positive success story  
5 for us that we've been happy to carry forward.

6                   This slide just highlights some of the  
7 efforts towards underage gambling that our team takes  
8 very seriously.

9                   And again in the interest of time I won't  
10 reiterate all of these to you other than to show that  
11 all of our team members who really are associated with  
12 the gaming floor go through an initial and ongoing  
13 training in this area.

14                   Also some investment in software over the  
15 years to continue to get better at this. While we're  
16 not quite perfect, I mean, considering the fact that I  
17 mentioned earlier that we have about 10 million visitors  
18 a year to this facility, it's certainly been a story  
19 that shows good diligence to it.

20                   Also our efforts around problem gaming. All  
21 of our team members at St. Charles go through an initial  
22 responsible gaming training upon their hiring or before  
23 they hit their job in day one across the floor.

24                   And I know this is something that all of our  
25 licensees in Missouri take very seriously, and again,

1 just some highlights of things that we do not only  
2 during orientation but from a recertification retraining  
3 standpoint at various points of each team member's career  
4 path with us. Highlight some of things.

5           Here is a communication that took place  
6 during National Problem Gaming Awareness Week. And  
7 that's an event that we also try to make very engaging  
8 and educational for our team members and have activities  
9 throughout the week to really celebrate that with some  
10 different kind of pop-quiz-type contests that team  
11 members can participate in and win certain prizes for  
12 answering the questions correctly and just make sure  
13 that we're continuing to keep this top of mind and  
14 educational with our team members but in an entertaining  
15 and engaging format.

16           Along those lines I'm very proud of the  
17 ongoing communication that we focus on at Ameristar  
18 across multiple compliance topics, not just responsible  
19 gaming.

20           These are a couple of examples of some, you  
21 know, very professional and kind of engaging  
22 communications that we post around our back-of-house  
23 areas in matters similar to what I think you probably  
24 saw at our River City back-of-house tour that you went  
25 on a couple months ago that are really spread throughout

1 our back-of-the house areas that hit all of our team  
2 members regardless of whether or not they have an e-mail  
3 account.

4           And our property also implemented recently a  
5 new video preshift, where we now conduct our preshifts  
6 and property-wide communication weekly to our team  
7 members via an engaging video interactive segment and  
8 include these compliance topics with that from time to  
9 time as well.

10           This is a list of some of the benefactors of  
11 our efforts in 2015 from a charitable contribution and  
12 community involvement standpoint. It doesn't list all  
13 of the participants but most of the more significant  
14 ones that we had a direct contribution to.

15           I would also point out, you'll notice in the  
16 bottom left part of this slide a message about  
17 Lindenwood University. Really proud in 2015 of a new  
18 initiative that we undertook in St. Charles with  
19 Lindenwood University, which is really just a few blocks  
20 away from our facility in St. Charles, where we helped  
21 sponsor a program called the Ice House Entrepreneurship  
22 Program.

23           This is one that Lindenwood with our  
24 sponsorship dollars was actually able to do a television  
25 advertising on throughout the St. Louis area and really

1 focus specifically -- or prominently on a lot of the  
2 businesses and potential entrepreneurs in the Ferguson  
3 and North St. Louis County area who were trying to get  
4 their businesses up and running and who could benefit  
5 from that training, and very proud of the fact that as a  
6 result of our sponsorship over 150 potential  
7 entrepreneurs were able to take place in that program at  
8 Lindenwood at absolutely zero cost to them.

9           A nice side benefit that we arranged with the  
10 University as part of that same effort from a team  
11 member education standpoint was also setting up an  
12 Ameristar scholarship program with Lindenwood, where all  
13 of our team members, regardless of their background or  
14 educational interests, are guaranteed a certain  
15 Ameristar scholarship if they participate either part  
16 time or full time at Lindenwood University pursuing  
17 further education.

18           So it's something that's been really, as you  
19 can imagine, very well received by our team members and  
20 something that we're very proud of.

21           Additionally our team members in-house are  
22 themselves of a pretty charitable bit and note here that  
23 in 2015 our team members participated in an annual  
24 giving campaign that our company does companywide and  
25 one that we also support by matching all of our team

1 member dollars that they decide to contribute to help  
2 various organizations that we identify throughout the  
3 year and donate their own dollars.

4           Our company matches those, 25 percent of  
5 every dollar contributed. And so a combined contributed  
6 a little over \$119,000 just from the St. Charles team  
7 members to national and local charities, a list of which  
8 you can see here on your slide.

9           And just a couple of examples of some things  
10 that our team members, you know, enjoy doing and  
11 participating with our community both in-house, whether  
12 it's food drives and, you know, helping out -- build out  
13 shelters with Habitat for Humanity or as you see in the  
14 left top team members that take part in actively going  
15 out for river bank cleanup up and along the St. Charles  
16 corridor of the Missouri River.

17           Our team really has a culture of engagement  
18 in making sure the communities that we live and work in  
19 are positive ones, and we do our share to keep those up.

20           I'll briefly note here a slide that we got  
21 from the St. Charles Police Department at the  
22 Commission's request showing calls to our property over  
23 the last recent few years.

24           I think it's worth noting that the  
25 overwhelming majority of those calls are informational

1 and of a noncriminal background and certainly safety --  
2 both our team members but more importantly a safety  
3 feeling of our guests who visit our property for  
4 entertainment. It's important that we take that  
5 seriously and that it's a place that they feel  
6 comfortable spending their leisure time and leisure  
7 dollars, and I think we've been pretty successful with  
8 that over the years.

9           And then finally we'll end with a letter from  
10 our home dock community. I know Mayor Sally Faith was  
11 very kind enough to carve out time in her busy schedule  
12 to make time to come down and be present and support us  
13 in this relicensing effort.

14           But obviously it's been a great relationship  
15 with the City and we're happy to have her here in  
16 support as well.

17           CHAIRMAN KOHN: Mayor Faith, do you wish to  
18 address the Commission? That will not count as part of  
19 the 15 minutes because we're not dumb.

20           MAYOR FAITH: I'll be brief.

21           COMMISSIONER NEER: That's good because this  
22 lady can talk.

23           MAYOR FAITH: See, he knows me.

24           You know, I met your son and your grandson  
25 last week. Okay?

1                   CHAIRMAN KOHN: Do you want us to leave so  
2 you can --

3                   MAYOR FAITH: Sorry.

4                   COMMISSIONER JAMISON: Maybe it is part of  
5 their 15 minutes.

6                   MAYOR FAITH: I would just like to say that I  
7 think the key factor, and it's shown in the presentation  
8 that has been made, is that Ameristar is available.  
9 They get involved in the community.

10                   Sometimes businesses, large or small, come to  
11 St. Charles and they just think, well, I'm here. You  
12 know, just come see me. That's not how it works.

13                   The community in St. Charles and the people  
14 that live there, they want to see those businesses out,  
15 and that is what I think makes totally a big difference.

16                   And it also is a give and take. And, I mean,  
17 maybe more of them go to the Ameristar. But again, your  
18 restaurant, I haven't been there. They've just got all  
19 kinds of good stuff.

20                   And I have a saying that I say, and it is, if  
21 it's happening, it's happening in St. Charles.

22                   Thank you.

23                   COMMISSIONER JAMISON: That's what Tom says.

24                   CHAIRMAN KOHN: Thank you very much, Madam  
25 Mayor.

1 Do you want to continue?

2 MR. SHAW: With that, Commissioners, we've --  
3 that concludes our overview of the St. Charles property.  
4 I'm happy to answer any questions. If there are none,  
5 I certainly at this point would introduce and turn the  
6 mic over to Mr. Keith Henson from our Ameristar  
7 Kansas City.

8 CHAIRMAN KOHN: Let's see if there are any  
9 questions.

10 And before we even get to questions, let me  
11 tell you, I think I wrote you a note, but we very much  
12 enjoyed our tour in St. Charles. Thank you for that.

13 MR. SHAW: Very well.

14 CHAIRMAN KOHN: Any questions from the  
15 Commissioners?

16 Okay. Kansas City.

17 MR. HENSON: Mr. Chairman, Commissioners,  
18 thank you very much for allowing me to be here today.

19 You know, I'm fairly new to Missouri but I've  
20 been with Pinnacle Entertainment, this will be my  
21 20th year.

22 I was actually fortunate enough to be part of  
23 the opening team for Lumiere Place, as well as River  
24 City, so I do have experience and have been licensed in  
25 the state of Missouri in the past.

1                   So thank you very much.

2                   I would like to introduce two of my  
3 colleagues who are instrumental in Kansas City's  
4 operation, our Director of Finance, Connie Revers, and  
5 our Director of Compliance, Julie Allen.

6                   Thank you, ladies, for being here today and  
7 supporting us.

8                   Very similar to St. Charles, it's obviously  
9 the same company and we have a lot of similarities  
10 besides just the name. We also operate very close  
11 together to make sure that we're aligned.

12                   You'll see here that this is actually the  
13 property's 20th year. And we have continued to invest  
14 in the property, we've continued to invest in our team  
15 members, and what we're most excited about is our years  
16 ahead of us as we continue to redevelop and reinvest in  
17 this community.

18                   As I mentioned, 1,100 plus team members. We  
19 have over ten outlets where there is restaurants  
20 available, a movie theater, meeting space, 184 hotel  
21 capacity. So we have plenty of opportunity for  
22 tourists, as well as local visitors.

23                   Our capital investment, \$453 million, and you  
24 look at our spend this last year of over 6 million. We  
25 did an entirely new poker room, a new high-limit table

1 game room, a new high-limit slot room. We replaced all  
2 of the carpet on the casino floor, as well as tables,  
3 bases, chairs.

4 It has been a year focused on making sure  
5 that we continue to invest in making it the nicest, the  
6 cleanest and the safest casino in the area.

7 CHAIRMAN KOHN: What is high limit? How does  
8 that compare to nonhigh limit?

9 MR. HENSON: High limit is a spot for games  
10 that are \$5, \$10, up to \$100 per unit, and it just has a  
11 higher-end finishings. You know, it's customers that  
12 kind of want to feel like a big deal. They can come  
13 into this special space and play.

14 CHAIRMAN KOHN: You're talking about slots?

15 MR. HENSON: Slots, yes, high-limit slots and  
16 high-limit tables. We did both of them this year,  
17 Mr. Chairman.

18 CHAIRMAN KOHN: Economic impact is obvious by  
19 the numbers. You know, \$59 million in total taxes,  
20 including real estate, sales, gaming tax, admission  
21 fees. And then our employee compensation as well is  
22 well over 34 million this year, a significant  
23 contributor.

24 And we continue to make sure that we grow  
25 that revenue each year so those taxes continue to raise

1 as well.

2                   Very important to us is our minority and  
3 women-owned business. And the same story that applies  
4 in Ameristar St. Charles. We switched the cleaning  
5 company.

6                   And I think it's important to note that, you  
7 know, the team members that work for the service  
8 companies, you know, continue to be local. We continue  
9 to hire local no matter what companies we partner with.

10                   But this truly is a one instance, but for  
11 that our minority and women-owned business continues to  
12 improve.

13                   And we utilize vendors. It's important to  
14 us. We focus on it. We talk about it with our  
15 executive team. Our sourcing team continually looks for  
16 other opportunities to make sure that we grow this  
17 business.

18                   COMMISSIONER LOMBARDO: How are you doing  
19 through the third quarter of 2016 with the MBE?

20                   MR. HENSON: Mr. Commissioner, I don't have  
21 that number in front of me. Can I follow up with you on  
22 that number?

23                   COMMISSIONER LOMBARDO: Sure.

24                   MR. HENSON: I will do so.

25                   Generally I'll tell you I know we're doing

1 well, but I don't want to give you an incorrect number.

2 COMMISSIONER LOMBARDO: I understand.

3 MR. HENSON: Thank you.

4 Here are the efforts that we have ongoing,  
5 continue to make sure that all bids greater than a  
6 thousand for those that are available. We -- as I  
7 talked about, cultural awareness and making sure that  
8 it's a topic of discussion in every one of our  
9 purchasing decisions.

10 We also for all of the promotional items that  
11 we use, and it's many. As we incent customers to come  
12 into the casino, we make sure that we use minority and  
13 women-owned business for all of those promotional items  
14 as well.

15 Underage gambling is of paramount importance  
16 to us. We understand that this is our responsibility.  
17 All team members go through training of what we call  
18 Are You 21?

19 It's an extensive training to ensure that our  
20 team members -- all team members, not just security, but  
21 our beverage servers, our table game staff understand  
22 and realize how important it is to have second and third  
23 chances at making sure that underage gambling does not  
24 happen at our property, and you'll see from our  
25 statistics that we're very good at it and we take it

1 seriously.

2                   Problem gambling. Here is an example of some  
3 of the communication that we would have out to our team  
4 members to make sure that they understand their role in  
5 ensuring that we offer an environment that promotes and  
6 supports responsible gaming.

7                   We have an entire week of education that all  
8 of our team participates in, and our propertywide  
9 communication is throughout our heart of house, as well  
10 as through all e-mail and written communication as well.

11                   Compliance communication regularly gets sent  
12 out from Julie's office, as well as the General  
13 Manager's, making sure that our team members understand  
14 that this is a privilege to operate this facility in  
15 Missouri.

16                   Here are two of them that talk about how our  
17 team members can utilize our sister properties as well  
18 as to make sure that we understand if there are any  
19 changes in status, the team members know who to report  
20 to.

21                   CHAIRMAN KOHN: I missed what you just said.  
22 What did you say about other properties?

23                   MR. HENSON: We use this -- on the right-hand  
24 side, that cross property gambling in Missouri. It  
25 allows the team members to understand what they can and

1 can't do as it relates to gambling at our properties.

2 CHAIRMAN KOHN: Other non your properties?

3 MR. HENSON: Yes, other nonPinnacle

4 properties, that's correct.

5 CHAIRMAN KOHN: All right.

6 MR. HENSON: Charitable contributions and

7 community involvement. Over \$100,000 that our company

8 contributed to local charity in our area.

9 One of them that we're very proud of is the  
10 Don Bosco Centers. You will see from this list that  
11 it's a broad group, and so we really try to make sure  
12 that we're able to support our community as much as  
13 possible.

14 Workplace giving, over \$77,000 donated from  
15 our team members to local charity organizations:  
16 St. Jude Children's Research Hospital, Soldiers Angels,  
17 Wayside Waifs, United Way.

18 We allow for our team members to do this  
19 through payroll deductions or they can do checks,  
20 however they choose best, but it gives them the ability  
21 to make sure they feel like they're also a part of the  
22 community that they operate in and that they live in.

23 Here is a couple examples of our team out in  
24 force. We make sure that we provide them T-shirts, so  
25 that we represent Pinnacle, as well as Ameristar, and so

1 that the local community sees what a force our team  
2 members have when they're out either donating their time  
3 or their talent or their money as well.

4 Here is our development agreement with the  
5 City of Kansas City through the Kansas City Port  
6 Authority. This also shows our commitment to minority  
7 and women-owned business. We make sure that we follow  
8 this to the T, as well as our team member diversity is  
9 listed on the right-hand side through the end of 2015.

10 We also have participated in a call recently  
11 with Ms. Bonner to talk and discuss initiatives that we  
12 have, our efforts that we're putting forward, and we  
13 feel very comfortable that we're continuing to grow and  
14 make sure that our team member base is a diversified  
15 group of the community.

16 Crime statistics. We have the privilege and  
17 the ability to have state-of-the-art surveillance and  
18 security, and so we're really on the forefront of  
19 helping local authorities to catch people that shouldn't  
20 be in our facility and we don't want in our facility.

21 These crimes statistics are provided by the  
22 local Kansas City Police Department. You'll notice here  
23 that the majority of them are very minor offenses,  
24 traffic, you know, ambulance, property damage, small  
25 items, as they go over to the more serious ones.

1           But we take an active role with supporting  
2 and making sure that we're able to not allow, you know,  
3 bad people to be in our facility if we can help it.

4           And then the last is the letter from our home  
5 dock community. You will see -- I believe they were not  
6 able to make it today, but it talks about their  
7 commitment and our commitment to them and how we've  
8 participated.

9           So Commissioners, Mr. Chairman, I appreciate  
10 you allowing me here today, you know, brand new back to  
11 Missouri, and I'm excited to work with you in the  
12 future.

13           CHAIRMAN KOHN: Welcome back.

14           MR. HENSON: Thank you.

15           CHAIRMAN KOHN: Any questions?

16           COMMISSIONER HALE: I have none.

17           CHAIRMAN KOHN: Troy, do you have anything to  
18 add?

19           MR. STREMMING: I'm just here to be the eye  
20 candy.

21           MR. SHAW: Times are tough.

22           CHAIRMAN KOHN: Okay. Does that conclude  
23 your presentation?

24           MS. NEGROTTO: That concludes our  
25 presentation.

1 CHAIRMAN KOHN: Thank you very much.

2 MS. NEGROTTO: Thank you.

3 CHAIRMAN KOHN: And thanks for staying within  
4 the time limits.

5 I believe we're now ready for the MBE/WBE  
6 compliance review.

7 EXECUTIVE DIRECTOR SEIBERT: We have public  
8 comments first.

9 CHAIRMAN KOHN: I'm sorry.

10 Are there any public comments in connection  
11 with either application?

12 Okay.

13 MS. BONNER: Good morning, Mr. Chairman,  
14 Commissioners.

15 CHAIRMAN/COMMISSIONERS: Good morning.

16 MS. BONNER: In August 2016 the Missouri --

17 CHAIRMAN KOHN: You are Cheryl Bonner.

18 Right?

19 MS. BONNER: Cheryl Bonner, yes.

20 In August 2016 the Missouri Gaming Commission  
21 staff conducted 100 percent audits of the MBE/WBE  
22 records for the Class B licensees Ameristar St. Charles  
23 Casino and Ameristar Kansas City Casino.

24 The results of our audit and specific details  
25 related to those findings are contained within the

1 comprehensive summary report in your possession, and  
2 I'll be happy to answer any questions.

3 CHAIRMAN KOHN: Any questions?

4 COMMISSIONER JAMISON: No.

5 MS. BONNER: I would like to answer the  
6 question that you posed earlier about the third quarter  
7 of 2016 for Kansas City.

8 Minority spend is at about 12 percent.

9 COMMISSIONER LOMBARDO: Okay. And that  
10 compares to -- the last period before that would have  
11 been 2015 and that was what?

12 I could look it up.

13 MS. BONNER: I have it.

14 MR. STREMMING: Between 6 and 7 percent I  
15 believe.

16 MS. BONNER: 6.3.

17 COMMISSIONER LOMBARDO: So the trend is up?

18 MS. BONNER: Going up.

19 Thank you.

20 CHAIRMAN KOHN: Thank you.

21 Anything else?

22 Okay. Then we are ready for the  
23 investigative summary, Sergeant Bennett.

24 SERGEANT BENNETT: Good morning, Chairman,  
25 Commissioners.

1                   Under Tab C you will find the resolutions  
2 for the relicensure of these Class B licenses, for  
3 Ameristar Casino St. Charles, LLC and Ameristar Casino  
4 Kansas City, LLC.

5                   On May 20th, 2016 Ameristar Kansas City and  
6 Ameristar St. Charles made applications to the Missouri  
7 Gaming Commission for the renewal of their Class B  
8 riverboat licenses. These Ameristar casinos were both  
9 originally granted licensure in December 2000.

10                   Investigators from the Missouri Highway  
11 Patrol and Missouri Gaming Commission conducted  
12 investigations into the Ameristar Casino Kansas City and  
13 Ameristar Casino St. Charles to aid in determining of  
14 the companies' continued suitability for relicensure.

15                   These investigations consisted of but were  
16 not limited to jurisdictional inquiries, feedback from  
17 affected state, county and city governmental agencies,  
18 as well as financial reviews.

19                   At this time Ameristar Casino Kansas City and  
20 Ameristar Casino St. Charles are being presented for  
21 consideration and approval for the relicensure of their  
22 Class B licenses.

23                   A comprehensive review report was submitted  
24 to the Missouri Gaming Commission staff and a copy of  
25 that summary is before you. I'd be happy to entertain

1 any questions you might have.

2 CHAIRMAN KOHN: Any questions of Sergeant  
3 Bennett?

4 COMMISSIONER JAMISON: I have none.

5 COMMISSIONER HALE: No, sir.

6 COMMISSIONER LOMBARDO: No, sir.

7 COMMISSIONER NEER: No.

8 CHAIRMAN KOHN: Mr. Seibert, I believe that  
9 concludes the presentation?

10 EXECUTIVE DIRECTOR SEIBERT: Yes, it does,  
11 and staff does recommend approval.

12 CHAIRMAN KOHN: Of both?

13 EXECUTIVE DIRECTOR SEIBERT: Yes.

14 CHAIRMAN KOHN: We'll take them one at a  
15 time.

16 Is there a motion with respect to  
17 Resolution 16-050?

18 COMMISSIONER HALE: Mr. Chairman, I would  
19 move for the adoption of the staff's recommendation  
20 relative to Resolution No. 16-050.

21 COMMISSIONER JAMISON: Second.

22 CHAIRMAN KOHN: Any discussion?

23 COMMISSIONER LOMBARDO: This one is  
24 Kansas City. Right?

25 COMMISSIONER JAMISON: Correct.

1 CHAIRMAN KOHN: Yes, this is Kansas City.  
2 There is no discussion.  
3 We are ready for the roll, Angie.  
4 MS. FRANKS: Commissioner Lombardo.  
5 COMMISSIONER LOMBARDO: Approve.  
6 MS. FRANKS: Commissioner Neer.  
7 COMMISSIONER NEER: Approve.  
8 MS. FRANKS: Commissioner Hale.  
9 COMMISSIONER HALE: Approve.  
10 MS. FRANKS: Commissioner Jamison.  
11 COMMISSIONER JAMISON: Approve.  
12 MS. FRANKS: Chairman Kohn.  
13 CHAIRMAN KOHN: Approve.  
14 MS. FRANKS: By your vote you've adopted  
15 Resolution No. 16-050.  
16 CHAIRMAN KOHN: Now we're ready for  
17 St. Charles.  
18 Is there a motion with respect to  
19 Resolution No. 16-051?  
20 COMMISSIONER JAMISON: I move for adoption of  
21 16-051.  
22 COMMISSIONER HALE: Second.  
23 CHAIRMAN KOHN: Discussion on the motion?  
24 Angie.  
25 MS. FRANKS: Commissioner Lombardo.

1 COMMISSIONER LOMBARDO: Approve.

2 MS. FRANKS: Commissioner Neer.

3 COMMISSIONER NEER: Approve.

4 MS. FRANKS: Commissioner Hale.

5 COMMISSIONER HALE: Approve.

6 MS. FRANKS: Commissioner Jamison.

7 COMMISSIONER JAMISON: Approve.

8 MS. FRANKS: Chairman Kohn.

9 CHAIRMAN KOHN: Approve.

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

11 Resolution No. 16-051.

12 CHAIRMAN KOHN: Okay. Mr. Seibert.

13 EXECUTIVE DIRECTOR SEIBERT: The next order

14 of business is Consideration of Disciplinary Action.

15 Mr. Ed Grewach will present.

16 CHAIRMAN KOHN: Good morning, Ed.

17 MR. GREWACH: Good morning, Mr. Chairman,

18 Mr. Seibert, Commissioners.

19 Under Tab D we have a Preliminary Order of

20 Discipline directed to Lumiere Place Casino arising out

21 of a promotional activity that occurred in April of

22 2016.

23 There are three separate rules cited as being

24 violated. The first is Provision 5.181 concerning

25 player reward programs. That provides that the program

1 and activity must be conducted according to the rules,  
2 and it also prohibits the promotional activity being  
3 conducted in a manner that reflects negatively on the  
4 licensee.

5           The second is Section 10.030 which places the  
6 responsibility on the casino to promptly report any  
7 facts that give them reasonable grounds to believe that  
8 indicate a rule violation has occurred.

9           The third is a separate provision in  
10 Section 5.181 in Minimum Internal Control Standards  
11 I-13.02, which requires that the casino have dated,  
12 written rules which include the criteria for obtaining  
13 points and the reward structure of the promotional  
14 activity and that those rules be available to both the  
15 Missouri Gaming Commission and the patrons immediately  
16 upon request.

17           On April the 1st, 2016 the casino advertised  
18 two-times points for poker play. Their poker play at  
19 the time was giving Trop cash points at 50 cents for  
20 every hour played. During this two-times promotion it  
21 was to be increased to \$1 for every hour.

22           On April the 2nd, 2016 they checked their  
23 system and found that the increases were not being  
24 reported in their accounting system and not being  
25 credited to the patrons. They began working on this

1 problem and eventually resolved it on April the 7th,  
2 2016.

3           It affected 487 patrons in the sum of \$1,189.  
4 They did put that amount back into those patrons'  
5 accounts. They did not report this to the Missouri  
6 Gaming Commission until April the 6th, 2016.

7           Upon receiving that report we looked at their  
8 rules and found that the specific criteria for earning  
9 Trop cash during poker play was not listed in their  
10 rules.

11           We also looked as we evaluated the case at  
12 the prior promotional problems that this particular  
13 property had.

14           Tropicana purchased this property from  
15 Pinnacle in April of 2014. So we looked from that point  
16 forward until today when we were evaluating those  
17 problems, and there were six prior promotional issues  
18 that arose during that time period.

19           Now, I have to say that although they all --  
20 the one common thread they have is they all involved  
21 promotions. However, some of them were system problems.  
22 Some of them were configuration problems by casino  
23 employees. A couple were even, as a matter of fact,  
24 just physical problems.

25           In one case, for example, they had pods they

1 would actually put into a drum to be pulled out as part  
2 of the drawing. Two of the pods rolled behind the  
3 computer monitor. When they pulled them, they found  
4 they were two pods short for the people that were  
5 eligible for the drawing.

6 So there are a variety of different types of  
7 priors, although they all did relate to promotions.

8 The staff recommended a fine of \$10,000.

9 In response to that the casino indicated that  
10 they believe they did not need to report this problem  
11 because they were in the process of fixing the problem,  
12 that they had independent data that they could use to  
13 recreate the amount of points and eventually place them  
14 back on the players' accounts.

15 They also said, as I pointed out earlier,  
16 they did eventually place that money back into the  
17 patrons' accounts and that they received no patron  
18 complaint arising out of the incident.

19 The staff reviewed that and elected and voted  
20 to keep the fine.

21 First of all, we view the reporting again not  
22 as waiting until you find out what the cause of the  
23 problem is or what the eventual solution is.

24 The rule specifically says that if you're  
25 aware of facts that give you reasonable cause to believe

1 that a promotional violation might be indicated, then  
2 you have to report it.

3 It's more than a technical requirement. It's  
4 one -- at that stage when they learned on April 2nd they  
5 had this problem, our agents could have been involved in  
6 looking at that, being involved in the process of fixing  
7 it, monitoring it, maybe having some input into what  
8 notice needed to be given to patrons or what needed to  
9 be done with the promotion.

10 COMMISSIONER JAMISON: Ed, can I ask a  
11 hypothetical?

12 MR. GREWACH: Sure.

13 COMMISSIONER JAMISON: Let's say they  
14 determined on the morning of April 2nd that they had  
15 this problem and they fixed it before the end of  
16 business on that day.

17 Is it still a reporting requirement if it's  
18 an issue that they have discovered it, they fixed it  
19 and, you know, it's a short fix rather than a two- or  
20 three-day fix? Is that still in the staff's view a  
21 reporting requirement?

22 MR. GREWACH: Technically it is, because  
23 they're under a duty to self report any known violation.  
24 So if that violation occurred for two hours or four  
25 hours or six hours and it was -- you had reasonable

1 grounds to believe during that short time period a  
2 violation took place, then the rule does require that  
3 self-reporting.

4                   It would have less impact than it would on a  
5 case in a fact scenario like this where it went on for  
6 seven days. The points actually weren't added back into  
7 the players' account here until April the 7th, so you  
8 had that six-day time period where, in fact, the points  
9 weren't being applied correctly in the accounts.

10                   But to answer your question, yes, the rule  
11 would even cover -- would actually even cover that.

12                   COMMISSIONER JAMISON: And did we do a review  
13 to make sure -- I mean, the company reported that it  
14 affected 487 patrons for 1,100 and \$1,200. Did we  
15 verify that?

16                   MR. GREWACH: No, we did not.

17                   COMMISSIONER LOMBARDO: Ed, let me ask  
18 another hypothetical question.

19                   Had they reported it immediately would your  
20 recommendation be different?

21                   MR. GREWACH: Yes, I believe it would,  
22 because, you know, although you'd have that technical  
23 reporting problem, I don't think you would have had a  
24 reporting problem that had the same practical impact  
25 that this particular one did.

1 COMMISSIONER LOMBARDO: Okay.

2 CHAIRMAN KOHN: Ed, I have a question.

3 On your Point No. 11 to the memorandum dated  
4 April 6 sent to the Missouri Gaming, it said on April 1  
5 the casino adjusted the Trop cash reward rate from  
6 50 cents to a dollar but that Bally's system failed to  
7 reflect the increased rate.

8 Are they saying it wasn't our fault; it's  
9 Bally's fault?

10 MR. GREWACH: Yes, they are saying it was a  
11 system problem. They were in communication with Bally  
12 during this time period, and Bally eventually did  
13 resolve the problem.

14 However, the Promotional Rule 5.181 applies  
15 to the property itself, and the fact that the  
16 promotional problem was caused by a software problem  
17 from the vendor does not relieve the responsibility of  
18 the property itself. They're ultimately responsible to  
19 the patron and to us to conduct the promotion.

20 CHAIRMAN KOHN: We're not penalizing Bally  
21 here?

22 MR. GREWACH: We are not because we have no  
23 rule that applies to a supplier. The only promotional  
24 rules in Chapter 5 and 5.181 are directed specifically  
25 to the Class B's, to the casinos themselves.

1                   COMMISSIONER JAMISON: Well, that brings me  
2 to another question, if I may.

3                   They did report on the 6th. Correct?

4                   MR. GREWACH: That's correct, yes.

5                   COMMISSIONER JAMISON: So is there a time  
6 requirement in reporting? In other words, is it a you  
7 must report on the day that you find it out or is it  
8 that -- I'm just asking because I know that it's one  
9 thing to require a report. It's another to require a  
10 report within a certain deadline.

11                   I mean, I'm under the assumption by your  
12 statement that they did report. It was just five days  
13 later.

14                   MR. GREWACH: The term in the rule is  
15 promptly report, so there's not a -- there is some rules  
16 such as -- to take an example. A supplier becomes aware  
17 of a malfunction or anomaly and they have 48 hours to  
18 report it. So there are some rules out there that have  
19 a bright line. This is your timeframe.

20                   This rule merely says promptly report, and in  
21 our evaluation that six-day delay was not promptly  
22 reported.

23                   COMMISSIONER JAMISON: Okay.

24                   CHAIRMAN KOHN: But they knew or should have  
25 known immediately is what you're saying?

1                   MR. GREWACH: They knew on April the 2nd that  
2 the money wasn't being properly credited to the players'  
3 accounts.

4                   COMMISSIONER JAMISON: So to be fair it's a  
5 four-day delay?

6                   MR. GREWACH: Correct, since from knowledge  
7 to reporting, you're correct, four days.

8                   CHAIRMAN KOHN: I don't quite follow that  
9 because, again, this No. 11 says that on April 1 the  
10 casino adjusted the Trop cash rewards. They must have  
11 known on April 1 and made the adjustment.

12                   MR. GREWACH: Well, they made the  
13 adjustment -- they intended -- and that's possibly a  
14 wording problem with that paragraph.

15                   They intended and advertised that they would  
16 make the adjustment on April 1.

17                   COMMISSIONER JAMISON: I think what No. 11 is  
18 saying is they made the adjustment to double the credits  
19 that people were going to receive; however, it did not  
20 happen on the 1st and then they discovered it on the 2nd  
21 that it wasn't happening on the 1st and the part of the  
22 2nd that they were to --

23                   CHAIRMAN KOHN: But again, to finish that, it  
24 didn't happen on the 1st because of a glitch in the  
25 Bally system?

1                   COMMISSIONER JAMISON: Correct. That's the  
2 way that I read that.

3                   COMMISSIONER LOMBARDO: Adjustment is the  
4 problem. The word adjustment you would think means that  
5 they would correct the problem, but the adjustment was  
6 the actual promotion.

7                   COMMISSIONER JAMISON: Correct. That's the  
8 way I understand you, right --

9                   MR. GREWACH: Correct.

10                  COMMISSIONER JAMISON: -- the way it's  
11 written?

12                  MR. GREWACH: So April 1 they advertise.  
13 They put up signs saying two times Trop cash on poker  
14 play beginning April 1st.

15                  To their credit I have to say they did --  
16 they did -- and we have criticized properties in the  
17 past when they have a system error for letting it go and  
18 not double-checking it.

19                  Now, they did do that in this case. They did  
20 come in on April the 2nd and start trying to verify that  
21 the points were actually being credited, found that they  
22 weren't.

23                  They finally did resolve it on April the 7th.  
24 So on April the 7th they took their other sources of  
25 information they had on the poker players hours of rated

1 play, added the 50 cents back in. So it was actually  
2 the adjustment was made on the 7th.

3 CHAIRMAN KOHN: So we're saying that the  
4 penalty is because they didn't report it on April 1?

5 COMMISSIONER JAMISON: No. April 2.

6 CHAIRMAN KOHN: Or April 2.

7 MR. GREWACH: That's the reporting problem.

8 The other problem is they -- you know, they  
9 didn't -- they ran it, you know -- for that time period  
10 it wasn't crediting correctly according to the rules or  
11 what they had advertised and intended.

12 And you do have the broad language in 5.181,  
13 that if you conduct a promotion in a manner that  
14 reflects negatively on the licensee. And whenever you  
15 correct something you always have this situation where  
16 patrons -- it's a very common patron complaint that we  
17 get on promotions.

18 Hey, I played for this many hours. I don't  
19 think I got my proper amount of Trop cash or proper  
20 amount of points or proper amount of drawings or  
21 whatever the case may be.

22 So we consider that whenever there's a  
23 promotion and it just reflects negatively. So you can  
24 tell a patron, yes, it was a mistake but, yes, we fixed  
25 it, but we still consider that a violation because it,

1 in fact, did reflect negatively on the licensee.

2 CHAIRMAN KOHN: So what would the notice have  
3 said on April 1 or 2?

4 MR. GREWACH: Actually the same thing the  
5 April 6 notice said. We're having a problem. You know,  
6 we have advertised this increase in poker hourly play  
7 for the Trop cash but the system isn't properly  
8 reporting it.

9 So as Commissioner Jamison said, it would  
10 have been the same notice, just four days earlier.

11 CHAIRMAN KOHN: Any other questions?

12 Ed, did you finish? I'm sorry.

13 MR. GREWACH: No. I have one more thing, you  
14 know, on the rules, and was the other problem with the  
15 rules that I mentioned on the third prong of this.

16 The rules have to state the formula for  
17 earning the Trop cash and they didn't. They just said  
18 the poker play was to be -- Trop cash was to be earned  
19 by hours played, but it should have had that 50 cents or  
20 for this week a dollar.

21 So that when a dispute like this comes up, we  
22 can go straight to the rules, look at them and determine  
23 that, in fact, it was not awarded properly. So that was  
24 the third prong of the violation.

25 COMMISSIONER LOMBARDO: And the six prior

1 violations are for the current owner?

2 MR. GREWACH: Are for the current owner,  
3 correct.

4 COMMISSIONER LOMBARDO: We're not considering  
5 anything relating to the previous owner?

6 MR. GREWACH: We are not, no.

7 CHAIRMAN KOHN: Other questions, comments?  
8 Is there motion with respect to Resolution  
9 DC-16-192?

10 COMMISSIONER JAMISON: Well, I'll move for  
11 adoption of DC-16-192 with an adjustment to the fine of  
12 \$5,000.

13 COMMISSIONER LOMBARDO: Second.

14 CHAIRMAN KOHN: Any discussion on that  
15 motion?

16 Angie.

17 MS. FRANKS: Commissioner Lombardo.

18 COMMISSIONER LOMBARDO: Approve.

19 MS. FRANKS: Commissioner Neer.

20 COMMISSIONER NEER: Approve.

21 MS. FRANKS: Commissioner Hale.

22 COMMISSIONER HALE: Approve.

23 MS. FRANKS: Commissioner Jamison.

24 COMMISSIONER JAMISON: Approve.

25 MS. FRANKS: Chairman Kohn.

1                   CHAIRMAN KOHN: Approve.

2                   MS. FRANKS: By your vote you've adopted  
3 DC-16-192 with a fine of \$5,000.

4                   CHAIRMAN KOHN: Mr. Seibert.

5                   EXECUTIVE DIRECTOR SEIBERT: The next order  
6 of business is Consideration of Rules and Regulations,  
7 and Mr. Ed Grewach.

8                   MR. GREWACH: Thank you, Director Seibert.

9                   Under Tab E are proposed amendments, and  
10 these three proposed amendments deal with the  
11 utilization of casinos of reshuffled cards.

12                   It's a result of a discussion that's been  
13 going on some time period with the casino industry, and  
14 they have expressed an interest to use reshuffled  
15 cards.

16                   The existing rules did not allow that, so the  
17 amendment that you see in 5.183 does allow reshuffled  
18 cards and sets out certain criteria they have to meet.

19                   In 5.184 it amends again the prior rule and  
20 permits reshuffled cards. It does keep the requirement  
21 that cards be inspected before they're placed into play  
22 for any defects on the backs of the cards.

23                   That had been a discussion that had gone on  
24 with industry as to whether or not we would still  
25 require that.

1           We are still going to require that under this  
2 proposed amendment. The exception that we have carved  
3 out is for single-use decks. There are certain games  
4 where the deck is only used once.

5           And the rationale for that exception is that  
6 if there is a mark on the card and you're using the  
7 cards game after game, then someone could see that, hey,  
8 this card is the ace of spades and know that from the  
9 mark or defect on the back when it's played.

10           For a single-use deck that advantage doesn't  
11 exist for the patron, because even if there is a defect  
12 on the back, the game is over before they know what card  
13 it is. So that was one concession that you'll see on  
14 the proposed amendment.

15           The changes then in Minimum Internal Control  
16 Standards Chapter D also relates to the use of  
17 preshuffled decks.

18           Now, if you approve this proposed amendment,  
19 there will be a public hearing on January the 10th,  
20 2017. It will come back to the Commission on  
21 February 22nd, 2017 for Final Orders and would have an  
22 effective date on June 30th, 2017.

23           Now, as always, pursuant to the statute on  
24 these rules, if we do get written comment or public  
25 comment during this comment period, both those comments

1 and the staff's response to those comments would be  
2 presented to you at the February meeting and the Final  
3 Order of Rulemaking for your final decision on the  
4 matter.

5 COMMISSIONER JAMISON: Mr. Chair.

6 CHAIRMAN KOHN: Yes.

7 COMMISSIONER JAMISON: What's the rationale  
8 for the request or the desire for reshuffled decks?

9 MR. GREWACH: Not to let Les Hahn off before  
10 he retires, I'll probably call on him, our Gaming  
11 Enforcement Manager, to explain that, if I can,  
12 Mr. Chairman, with your permission.

13 MR. HAHN: Honestly the bottom line is money.  
14 It takes more time to -- and the players are sitting  
15 there waiting for that dealer to inspect the whole  
16 deck -- well, twelve decks of cards. You're using six,  
17 plus six in the shuffler. It takes a while to do that.

18 And that's time that the players are  
19 basically just sitting there waiting for the next game.  
20 They may not wait. They may leave if it's 3:00 in the  
21 morning.

22 COMMISSIONER JAMISON: But isn't part of the  
23 process when you introduce a deck, I mean, you're  
24 supposed to inspect the back? Don't they spread them  
25 out to see that there is thirteen cards of each suit?

1 MR. HAHN: They do.

2 Part of this is not just waiving that  
3 requirement on the single decks to not inspect the  
4 backs, but there is also a stipulation in the change  
5 that allows for the use of a shuffle machine that has  
6 optical card recognition. So it can literally read the  
7 faces of the cards, verify that there are four sets of  
8 thirteen, for a total of fifty-two.

9 COMMISSIONER JAMISON: So there's a double  
10 check in the optical -- on the shuffle --

11 MR. HAHN: A double check on the  
12 preinspection at the factory, yes.

13 COMMISSIONER JAMISON: Okay. So the factory  
14 has checked it. Now at the casino it's being checked  
15 again optically?

16 MR. HAHN: That's correct.

17 And we do certify and test the software that  
18 operates that system.

19 COMMISSIONER JAMISON: Okay.

20 CHAIRMAN KOHN: Any other questions?

21 COMMISSIONER JAMISON: You can't leave.

22 MR. HAHN: It's all in reports in paper  
23 summary.

24 MR. GREWACH: I have his home phone number.

25 CHAIRMAN KOHN: All right. Ed, anything else

1 on that?

2 MR. GREWACH: No. That's all I have.

3 CHAIRMAN KOHN: So we're considering  
4 11 CSR 45-5.183, 5.184 and 9.105.

5 Is there a motion to approve those amendments  
6 under Tab E?

7 COMMISSIONER NEER: Motion to approve.

8 COMMISSIONER HALE: Second.

9 CHAIRMAN KOHN: Discussion on the motion?  
10 Angie.

11 MS. FRANKS: Commissioner Lombardo.

12 COMMISSIONER LOMBARDO: Approve.

13 MS. FRANKS: Commissioner Neer.

14 COMMISSIONER NEER: Approve.

15 MS. FRANKS: Commissioner Hale.

16 COMMISSIONER HALE: Approve.

17 MS. FRANKS: Commissioner Jamison.

18 COMMISSIONER JAMISON: Approve.

19 MS. FRANKS: Chairman Kohn.

20 CHAIRMAN KOHN: Approve.

21 MS. FRANKS: By your vote you've adopted  
22 Proposed Amendments 11 CSR 45-5.183, 5.184 and 9.104.

23 CHAIRMAN KOHN: Ed, I think you're still up  
24 on the Final Order of Rulemaking.

25 MR. GREWACH: Yes. There are Final Orders of

1 Rulemaking.

2 I'd like to address first the first two items  
3 because they deal primarily with casino credit and in  
4 large part were drafted in response to Senate  
5 Bill 833 which passed and became law during the last  
6 legislative session.

7 Now, that bill changed the language for the  
8 qualification for credit for casino patrons.

9 The old standard was that the casinos had to  
10 use the usual standard of credit worthiness to determine  
11 that the patron was credit worthy for an amount of at  
12 least \$10,000.

13 The new statutory language establishes credit  
14 worthiness tied to a balance in the applicant's daily  
15 deposit account, checking and savings account.

16 It has specific rules. If it's over 10,000,  
17 they have to have amounts in their accounts of at least  
18 that amount, and if it's under 10, they have to have  
19 amounts in their account of that -- twice that amount.

20 So the original rules we wrote in response to  
21 the original casino credit legislation had to be changed  
22 with this adoption of 833.

23 Also, when you look on Item 2, Minimum  
24 Internal Control Standard Chapter H, there are some  
25 other changes that were in the works in that one that

1 are also included in this proposed rule.

2           They address such things as segregation of  
3 duties for issues that we notified in the course of our  
4 regulatory activity, clarification of redemption kiosk  
5 reconciliations and also addressing some variances that  
6 had been issued on these types of matters, prior cases  
7 by the Commission.

8           Now, in the Final Order of Rulemaking you'll  
9 see that if there are no comments and no changes in  
10 response to the comments to the rule, the actual  
11 proposed rule by statute is not restated in the Final  
12 Order of Rulemaking you see.

13           The only rule of those two that we received  
14 comments on was in Chapter H. There were three  
15 comments, two by Mike Winter from the Missouri Gaming  
16 Association, one by Jamie Doss of Isle of Capri  
17 Boonville.

18           Those comments and staff's response to those  
19 are set forth in the Final Order of Rulemaking that you  
20 see in front of you.

21           In response to two of the comments, we did  
22 make the changes as requested. In response to the issue  
23 of frontline cashiers making paid in/paid out property  
24 on guest disputes, we declined to make that change  
25 because we still saw that as one of the segregation of

1 duty issues that we had identified in drafting the rule  
2 changes in the first place.

3 CHAIRMAN KOHN: What was the change you  
4 agreed to make?

5 MR. GREWACH: If I could call on Leshia  
6 Kempker, our Compliance Audit Manager, to address those  
7 two.

8 CHAIRMAN KOHN: Okay.

9 MS. KEMPKER: Leshia Kempker, Compliance  
10 Audit Manager.

11 I believe we made a change to 702, page 702.  
12 It was Jamie Doss's comment regarding the kiosk  
13 reconciliation.

14 We added an exception for BVs to be removed  
15 from the kiosk, so that does not trigger the 24-hour  
16 requirement.

17 We also changed 804 based on one of the  
18 public comments. We added an exception for currency  
19 exchange between frontline cashier windows. So they can  
20 exchange the currency between frontline windows and  
21 still be documented.

22 CHAIRMAN KOHN: Okay. Thank you.

23 Go ahead, Ed.

24 MR. GREWACH: I then want to move on to  
25 Items 3 through 9.

1           Now, 3 through 9 deal with rules relating to  
2 bingo. These again are rules -- in both these cases and  
3 in the case of the two I just covered, the Commission  
4 had approved the proposed amendments on July 27th, 2016.

5           There had been a -- for the ones we addressed  
6 concerning the casino credit, there had been a public  
7 hearing on October the 4th, 2016. And the effective  
8 date, if I didn't say that before, for the rules on  
9 casino credit would be effective on February 28, 2017.

10           Now, for the bingo rules, again, these  
11 preliminary proposed rules were approved by the  
12 Commission on June 29th, 2016. There was a public  
13 hearing on September 13th, 2016. If approved again,  
14 they will have an effective date of February 28th, 2017.

15           Now, on these bingo rules, once again there  
16 were only comments printed if we received them, and for  
17 the others the rule is not restated in the Final Order.

18           The rule that we did see a comment on was  
19 30.056 which dealt with key persons.

20           The applicable statute, 313.052, gave  
21 authority to the Commission to define key persons for a  
22 manufacturer, and we had not to date done that, so the  
23 rule was drafted to set forth specific guidelines for  
24 those key persons, who they would be and what their  
25 standards of suitability would be.

1           The comment that we received from the  
2 National Association of Fundraising Ticket Manufacturers  
3 indicated that they felt the phrase involvement in an  
4 entity would tend to discredit charitable bingo as a  
5 criteria for suitability of a keyperson was arbitrary  
6 and unreasonable.

7           Staff's position is that we want to keep that  
8 language in because that language is consistent with the  
9 language in Statute 313.052 that deals with the grounds  
10 for disciplinary action against the licensee, and so we  
11 wanted to remain consistent with that statutory  
12 language.

13           CHAIRMAN KOHN: Any questions of Ed?

14           Okay. Let's see if I can do this all as one.

15           Is there a motion to adopt 11 CSR 45-8.140,  
16 9.108, 13.051, 30.056, 30.175, 30.280, 30.540, 30.600  
17 and 30.610?

18           COMMISSIONER JAMISON: So moved.

19           CHAIRMAN KOHN: Is there a second?

20           COMMISSIONER LOMBARDO: Second.

21           CHAIRMAN KOHN: Discussion on the motion?

22           Any additional questions of Ed?

23           Angie.

24           MS. FRANKS: Commissioner Lombardo.

25           COMMISSIONER LOMBARDO: Approve.

1 MS. FRANKS: Commissioner Neer.

2 (No response.)

3 MS. FRANKS: Commissioner Hale.

4 COMMISSIONER HALE: Approve.

5 MS. FRANKS: Commissioner Jamison.

6 COMMISSIONER JAMISON: Approve.

7 MS. FRANKS: Chairman Kohn.

8 CHAIRMAN KOHN: Approve.

9 MS. FRANKS: By your vote you've adopted  
10 Final Orders of Rulemaking 11 CSR 45-8.140, 9.108,  
11 13.051, 30.056, 30.175, 30.280, 30.540, 30.600 and  
12 30.610.

13 MR. GREWACH: Thank you.

14 CHAIRMAN KOHN: Mr. Seibert, I think we're  
15 ready for Relicensure of Certain Suppliers. Sergeant  
16 Sammy Watson is presenting.

17 EXECUTIVE DIRECTOR SEIBERT: Seaton.

18 CHAIRMAN KOHN: Seaton. I'm sorry.

19 SERGEANT SEATON: Mr. Chairman,  
20 Commissioners, good morning.

21 CHAIRMAN/COMMISSIONERS: Good morning.

22 SERGEANT SEATON: Behind Tab G you will  
23 notice Bally Gaming, Incorporated is being presented for  
24 relicensure.

25 Bally engages in the design, manufacture,

1 operation and distribution of gaming devices, systems  
2 and technology solutions worldwide. Its products line  
3 includes reel-spinning slot machines, video gaming  
4 machines, wide-area progressive systems, Class II,  
5 lottery and central determination games and platforms.

6           The company also designs, integrates and  
7 sells computerized monitoring systems that provide  
8 casinos with networked accounting and security services,  
9 as well as an array of casino management, slot  
10 accounting, bonusing, cashless and table management  
11 solutions.

12           Missouri State Highway Patrol investigators  
13 and Missouri Gaming Commission financial investigators  
14 conducted an investigation of Bally to assist the  
15 Commission in determining the company's suitability to  
16 continue operating as a licensed gaming supplier company  
17 in Missouri.

18           This investigation consisted of multiple  
19 jurisdictional inquiries, feedback from affected gaming  
20 company clients, a review of disciplinary actions and  
21 current litigation, a financial analysis, as well as a  
22 review of the key persons associated with the company.

23           The results of this investigation were  
24 provided to the Gaming Commission staff for their review  
25 and specific details related to those findings are

1 contained in the comprehensive summary report before  
2 you.

3 I'll be happy to entertain any questions you  
4 may have at this time.

5 CHAIRMAN KOHN: Any questions of Sergeant  
6 Seaton?

7 COMMISSIONER LOMBARDO: No.

8 COMMISSIONER HALE: No.

9 COMMISSIONER JAMISON: No.

10 CHAIRMAN KOHN: Okay. Is there a motion to  
11 approve Resolution No. 16-052?

12 COMMISSIONER LOMBARDO: Motion to approve.

13 CHAIRMAN KOHN: A second?

14 COMMISSIONER HALE: Second.

15 CHAIRMAN KOHN: Discussion on the motion?  
16 Angie.

17 MS. FRANKS: Commissioner Lombardo.

18 COMMISSIONER LOMBARDO: Approve.

19 MS. FRANKS: Commissioner Neer.

20 (No response.)

21 MS. FRANKS: Commissioner Hale.

22 COMMISSIONER HALE: Approve.

23 MS. FRANKS: Commissioner Jamison.

24 COMMISSIONER JAMISON: Approve.

25 MS. FRANKS: Chairman Kohn.

1                   CHAIRMAN KOHN: Approve.

2                   MS. FRANKS: By your vote you've adopted  
3 Resolution No. 16-052.

4                   CHAIRMAN KOHN: Thank you, Master Sergeant.  
5 That was a very succinct presentation and we appreciate  
6 it.

7                   Mr. Seibert.

8                   EXECUTIVE DIRECTOR SEIBERT: The next order  
9 of business is Consideration of Level I and key  
10 applicants. Trooper John Masters will present.

11                   TROOPER MASTERS: Good morning, Mr. Chairman,  
12 and Commissioners.

13                   CHAIRMAN/COMMISSIONERS: Good morning, sir.

14                   TROOPER MASTERS: Missouri State Highway  
15 Patrol investigators, along with MGC financial  
16 investigators, conducted comprehensive background  
17 investigations on multiple key and Level I applicants,  
18 as well as a key business entity.

19                   The key and Level I investigations included,  
20 but were not limited to, criminal, financial and general  
21 character inquiries which were made in the jurisdiction  
22 where the applicants lived and worked.

23                   The key business entity investigation  
24 consisted of jurisdictional inquiries, an evaluation of  
25 litigation and business credit profiles, a financial

1 analysis and a review of the key persons associated with  
2 the company.

3           The following applicants are being presented  
4 for your consideration: Terry Bower, MIS Manager for  
5 Mark Twain Casino; James Cacioppo, Director, Affinity  
6 Gaming, Incorporated; Michael Prescott, Secretary for  
7 IGT; Michael Quartieri, Executive Vice President, CFO  
8 and Secretary for Scientific Games Corporation;  
9 MacAndrews & Forbes, Inc., Key Business Entity of  
10 Scientific Games Corporation.

11           The results of these investigations were  
12 provided to the MGC staff for their review and you have  
13 all of the related summary reports before you.

14           Thank you.

15           CHAIRMAN KOHN: Any questions?

16           COMMISSIONER JAMISON: No, sir.

17           COMMISSIONER HALE: No.

18           COMMISSIONER LOMBARDO: No.

19           COMMISSIONER NEER: No.

20           CHAIRMAN KOHN: Okay. Is there a motion to  
21 approve Resolution 16-053?

22           COMMISSIONER JAMISON: So moved.

23           COMMISSIONER NEER: Second.

24           CHAIRMAN KOHN: Discussion on the motion.

25           Angie.

1 MS. FRANKS: Commissioner Lombardo.

2 COMMISSIONER LOMBARDO: Approve.

3 MS. FRANKS: Commissioner Neer.

4 COMMISSIONER NEER: Approve.

5 MS. FRANKS: Commissioner Hale.

6 COMMISSIONER HALE: Approve.

7 MS. FRANKS: Commissioner Jamison.

8 COMMISSIONER JAMISON: Approve.

9 MS. FRANKS: Chairman Kohn.

10 CHAIRMAN KOHN: Approve.

11 MS. FRANKS: By your vote you have adopted

12 Resolution No. 16-053.

13 CHAIRMAN KOHN: Thank you, Trooper Masters.

14 We appreciate that.

15 Mr. Seibert, I believe that's it, isn't it?

16 EXECUTIVE DIRECTOR SEIBERT: That does

17 conclude our business.

18 CHAIRMAN KOHN: Okay. So our open-session

19 items have been concluded. Do we have a motion by

20 Commissioner Jamison to go into closed session?

21 COMMISSIONER JAMISON: I move into closed

22 meeting under Sections 313.847, Revised Missouri

23 Statutes, investigatory, proprietary and application

24 records, and 610.021, Subsection 1, Revised Missouri

25 Statutes, legal actions, Subsection 3 and Subsection 13,

1 personnel, and Subsection 14, records protected from  
2 disclosure by law.

3 CHAIRMAN KOHN: Would anyone like  
4 Commissioner Jamison to repeat that?

5 COMMISSIONER JAMISON: We would like a  
6 second.

7 COMMISSIONER LOMBARDO: I'll second it.

8 CHAIRMAN KOHN: Angie.

9 MS. FRANKS: Commissioner Lombardo.

10 COMMISSIONER LOMBARDO: Approve.

11 MS. FRANKS: Commissioner Neer.

12 COMMISSIONER NEER: Approve.

13 MS. FRANKS: Commissioner Hale.

14 COMMISSIONER HALE: Approve.

15 MS. FRANKS: Commissioner Jamison.

16 COMMISSIONER JAMISON: Approve.

17 MS. FRANKS: Chairman Kohn.

18 CHAIRMAN KOHN: Approve.

19 So again, thank you all for coming. It's  
20 been a very productive meeting.

21 We will now adjourn into closed session and  
22 come back out for an open session at the conclusion of  
23 the closed session.

24 Thank you. The open session is adjourned.

25 WHEREIN, the open session of the meeting

1 concluded.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

## CERTIFICATE OF REPORTER

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

---

Patricia A. Stewart

CCR 401

**MISSOURI GAMING COMMISSION**  
**Second Open Session Minutes**  
**October 26, 2016**

The Missouri Gaming Commission (the “Commission”) went back into open session at approximately 12 p.m. on October 26, 2016, at the Missouri Gaming Commission’s Jefferson City office.

**Commissioner Jamison moved to adjourn the open session. Commissioner Lombardo seconded the motion. After a roll call vote was taken, Lombardo – yes, Neer – yes, Hale – yes, Jamison – yes, and Kohn – yes, the motion was unanimously approved.**

The meeting ended at 12:01 p.m.