

MISSOURI GAMING COMMISSION
Open Session Minutes
September 30, 2009

The Missouri Gaming Commission (the "Commission") went into open session at approximately 9:10 a.m. on September 30, 2009, at the St. Charles City Hall, Council Chambers, 200 North Second Street, St. Charles, Missouri.

Commissioner Jones moved to go into closed session under Sections 313.847 and 610.021(1) and (14), RSMo. Commissioner Bradley seconded the motion. After a roll call vote was taken, the motion passed unanimously.

COVER SHEET INFORMATION

Meeting Before the: Missouri Gaming Commission

In Re: Commission Resolutions/Approvals

Date Taken: September 30, 2009

1 PUBLIC HEARING BEFORE THE MISSOURI GAMING COMMISSION

2

3 IN RE: Commission Resolutions/Approvals

4

5 BE IT REMEMBERED that the above-entitled matter
6 came on for a public meeting at the St. Charles City
7 Hall Building, Council Chambers, 200 North Second
8 Street, Fourth Floor, in the County of St. Charles,
9 State of Missouri, on the 30th day of September, A.D.,
10 2009, commencing at the hour of 10:30 in the morning
11 of that day, said meeting having been called by the
12 Missouri Gaming Commission pursuant to the issuance
13 of due notice to all parties in interest, and the
14 following is a transcript of the record made of all
15 proceedings held during the course of said meeting.

16

17

18 APPEARANCES:

19 Mr. James L. Mathewson, Chairman

20 Mr. Noel J. Shull, Commissioner

21 Mr. Darryl T. Jones, Commissioner

22 Mr. Larry W. Plunkett, Sr., Commissioner

23 Ms. Suzanne Bocell Bradley, Commissioner

24 Mr. Gene McNary, Executive Director

25 Ms. Angie Franks

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I N D E X

Page:

Deletion of Item XII on Agenda:	
Mr. Gene McNary	6
Consideration of Hearing Officer Recommendation:	
Mr. Stephen Stark	7
Consideration of Hearing Officer Recommendation:	
Mr. Don Wolff	19
Consideration of Disciplinary Actions:	
Mr. Roger Stottlemyre	26
Consideration of Re-licensure of Certain Suppliers:	
Lieutenant Rex Scism	60
Consideration of Licensure of Certain Supplier:	
Sergeant Gary Davidson	63
Consideration of Licensure of Certain Level I/	
Key Applicants:	
Lieutenant Rex Scism	66
Consideration of Settlement Agreements:	
Chris Hinckley	68
Consideration of Rulemaking:	
Terri Hutchison	71

1 CHAIRMAN MATHEWSON: Okay. I believe
2 we're ready to go. Thank you. Again, I'd like to
3 welcome everyone here today. Let me just take a moment
4 to make a comment about yesterday, okay, because I
5 think that -- well, let's hold on that.

6 Let's open the meeting, Angie, and then I'll
7 make a comment about what we did yesterday.

8 Chair would accept a motion to open the meeting,
9 please.

10 COMMISSIONER SHULL: I move.

11 COMMISSIONER BRADLEY: I second.

12 CHAIRMAN MATHEWSON: Thank you. Call the
13 roll, please.

14 MS. FRANKS: Chairman Mathewson?

15 CHAIRMAN MATHEWSON: Aye.

16 MS. FRANKS: Commissioner Shull?

17 COMMISSIONER SHULL: Present.

18 MS. FRANKS: Commissioner Jones?

19 COMMISSIONER JONES: Present.

20 MS. FRANKS: Commissioner Plunkett?

21 COMMISSIONER PLUNKETT: Present.

22 MS. FRANKS: Commissioner Bradley?

23 COMMISSIONER BRADLEY: Present.

24 CHAIRMAN MATHEWSON: Okay. Quorum being
25 present -- all present, I might add -- the Chair would

1 accept a motion in consideration of the minutes from
2 the August 26th meeting.

3 COMMISSIONER BRADLEY: Move for
4 acceptance.

5 COMMISSIONER JONES: Second.

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

8 MS. FRANKS: Chairman Mathewson?

9 CHAIRMAN MATHEWSON: Approved.

10 MS. FRANKS: Commissioner Shull?

11 COMMISSIONER SHULL: Approved.

12 MS. FRANKS: Commissioner Jones?

13 COMMISSIONER JONES: Approved.

14 MS. FRANKS: Commissioner Plunkett?

15 COMMISSIONER PLUNKETT: Approved.

16 MS. FRANKS: Commissioner Bradley?

17 COMMISSIONER BRADLEY: Approved.

18 MS. FRANKS: By your vote, you've adopted
19 the minutes of the August 26, 2009, meeting.

20 CHAIRMAN MATHEWSON: Director, may I make
21 a comment before I come to you, sir?

22 MR. MCNARY: Please.

23 CHAIRMAN MATHEWSON: I just want to make
24 -- and I see most of them here. I think they're
25 probably all here. We had the opportunity yesterday,

1 all the commissioners and the staff, to tour all of the
2 operations in the St. Louis area, including the new
3 property in South County, and I just want to thank all
4 of you all. Thank you very much.

5 I mean, it was a wonderful day. You all were
6 most gracious with your time and to take us around and
7 show us not only the casino areas, but your other
8 operations and all your amenities. And as a member,
9 that's the first time I've been on the operations here
10 and I was thoroughly impressed. Thank you all very,
11 very much for your time and to do that for us.

12 Okay. Mr. Director, sir.

13 MR. MCNARY: Mr. Chairman, members of the
14 Commission, before we get into hearing officer
15 recommendations, staff has put on the agenda Item XII,
16 Consideration of the Future of President Riverboat
17 Casino. I understand there really is no action to be
18 taken, and with that, unless there's an objection, we
19 would delete that from the agenda. That may let some
20 of the people here go, depending on whether they want
21 to just stay for a meeting or not; but there may be
22 some people here that came for that item, and we
23 recommend that it be deleted.

24 CHAIRMAN MATHEWSON: Okay. Any objection
25 to the deletion from the members the Commission?

1 Okay. Thank you.

2 MR. MCNARY: Item V concerns hearing
3 officer recommendations. Hearing officer Steve Stark
4 has the first one.

5 Steve.

6 MR. STARK: Good morning, Commissioners.

7 CHAIRMAN/COMMISSIONERS: Good morning.

8 MR. STARK: This case deals with an
9 allegation of serving intoxicating liquor to any person
10 intoxicated or appearing to be in the state of
11 intoxication. The location of the case is Lumière
12 Place Casino.

13 The facts, as found in our evidentiary hearing,
14 do indicate that a patron named Kera Carter was served
15 alcohol on April 16, 2008, having consumed nine
16 alcoholic drinks in the span of time of 2 hours and
17 27 minutes. However, our hearing record consists of
18 hundreds of pages raising several issues that would
19 need our attention before we actually get to some type
20 of conclusion as to whether or not a violation occurred
21 warranting some type of discipline.

22 The first issue that was raised is: Who is the
23 appropriate party that should be subject to discipline
24 on the facts before us? Well, the caption of the case
25 that was put together by the Commission identifies

1 Lumière Place Casino. Lumière Place Casino is actually
2 a fictitious name, not a separate, distinct legal
3 entity. It's not a corporation. It's not a limited
4 liability company, just a name for doing business. So
5 technically, it's not an entity that would hold a
6 license for authority to operate a gaming boat.

7 So who is the licensee that would have been
8 responsible for serving Ms. Carter the alcoholic
9 drinks? Well, the hearing record identifies two
10 entities: Pinnacle Entertainment Incorporated and
11 Casino One Corporation.

12 Now, adding to the confusion is the fact that
13 on May 30, 2008, the Commission made a change in its
14 licensing regulation creating two types of licensure:
15 the Class A for the parent organization or controlling
16 entity and then a second class called Class B for the
17 actual authority to operate the excursion gaming boat.
18 But prior to changing that regulation, before May 30,
19 2008, which is the time for our case that we have
20 before us today, where the facts occurred on April 16,
21 2008, only one type of license existed, the Class A
22 license of being the authority to operate the gaming
23 boat.

24 So prior to May 30, 2008, it was Pinnacle
25 Entertainment Incorporated that held the Class A

1 license in order to be the operator of Lumière Place
2 Casino. So in spite of the fact that the caption
3 of the case identifies Lumière Place Casino, the
4 allegations within the preliminary order for
5 disciplinary action does identify Pinnacle as the
6 company that would be subject to discipline.

7 Unfortunately, it also states that Pinnacle has a
8 Class B license, but really, that's not relative to
9 the fact of April 2008; in that, a Class B license
10 didn't occur until after May 30, 2008. So dealing
11 with the date of our facts and the licensing status
12 on the date that our facts occurred, Pinnacle
13 Entertainment Incorporated would be the correct party
14 that should be before this Commission on this matter.

15 Now, another issue I have relating to party
16 identification: The liquor license, as issued by
17 the Commission, is in the name of Lumière Place. If
18 you look at Exhibit No. 12, it does not identify any
19 legal entity other than Lumière Place, which, again,
20 is a fictitious name. So going back to April 16, 2008,
21 Pinnacle Entertainment would have been the responsible
22 party for Lumière Place and should be responsible also
23 for its licensed liquor activities.

24 The preliminary order for discipline does
25 seem to indicate that this action is against both

1 the Class A licensee and the excursion liquor license,
2 two separate licenses; but it concludes at paragraph 19
3 that the discipline is to be against the Class A
4 licensee, which, again, is Pinnacle Entertainment. So
5 to kind of clear up the idea of identification of the
6 party, my conclusion is that the discipline, if we
7 decide that that's appropriate, would be against the
8 legal corporation that had the Class A license in
9 April of 2008, being the Pinnacle Entertainment
10 Incorporated.

11 The next issue: Did a violation actually occur?
12 Well, the law is that a licensee cannot serve alcohol
13 to any person intoxicated or appearing to be in the
14 state of intoxication. The Gaming Commission's agent
15 testified as an expert at the hearing regarding the
16 determination of intoxication. In this case the
17 results of a medical exam about Ms. Carter's blood
18 alcohol content was not available.

19 We have no medical proof as to her state of
20 intoxication. So the gaming agent testified that
21 there is a test called the blood alcohol concentration
22 calculator that law enforcement officials use to
23 determine at least an estimate of a person's blood
24 alcohol content. That test gives consideration to
25 several factors including the person's gender, weight,

1 amount of alcohol consumed, and the duration of time in
2 which the alcohol was consumed. Those factors that
3 relate to this patron, Ms. Carter, that the gaming
4 agent used includes being a female; body weight,
5 130 pounds; amount of alcohol, 9 servings, which with
6 each serving constituting a 12-ounce beer; in the
7 time span of 2 hours. The result of that test that the
8 gaming agent performed on this calculator was that
9 Ms. Carter had a blood alcohol content of 0.292.

10 Now, some information that may impact his
11 calculation was that Ms. Carter was not drinking beer
12 but rather hard liquor -- principally vodka -- and
13 some of those drinks were double shots. Also, the
14 timespan of her consumption was more than 2 hours. It
15 was 2 hours and 27 minutes. So my findings are a
16 little bit different than the Gaming Commission's use
17 of information to do this calculation. But
18 nevertheless, the calculation came out to 0.292 as a
19 blood alcohol content.

20 Now, what is the state of intoxication?
21 Looking at some of the statutes, a baseline for
22 comparison would be that the law says, while driving a
23 motor vehicle, if there is 0.08 alcohol content, then
24 that's prima facie evidence that the person was
25 intoxicated at the time the specimen was taken.

1 Another standard is operating a water vessel in which
2 excessive blood alcohol content would be 0.10 blood
3 alcohol content. So my conclusion was that serving
4 9 drinks within a timespan of 2 hours and 27 minutes
5 to a female patron should have triggered some concerns
6 to the bartenders about compliance with this
7 prohibition in serving an intoxicated person.

8 An additional event that would raise concern
9 is that Ms. Carter was with two companions. One
10 companion was actually asked to leave because of his
11 intoxication, but the bartenders continued to serve
12 Ms. Carter, serving her three drinks after her
13 companion was asked to leave. So the end result is
14 that, when Ms. Carter herself had to be removed from
15 the bar, she was escorted to the outside to obtain a
16 taxi, but she became very, very sick, to the point of
17 needing an ambulance. So my conclusion is that
18 Ms. Carter was intoxicated while she was in the bar
19 still being served drinks, and therefore, a violation
20 occurred.

21 Now, as part of the defense being presented
22 at the hearing was that the bartenders did not find
23 indications of Ms. Carter being intoxicated until
24 suddenly she needed this medical care outside while
25 waiting for the taxi. But my conclusion is that, if

1 a person is considered impaired with 0.08 alcohol
2 content for driving a motor vehicle or 0.10 operating
3 a boat, then the employees should have been reasonably
4 concerned about her reaching the level of impairment
5 based on the amount of drinks that she had.

6 Again, Ms. Carter may very well be a person
7 that can tolerate alcohol better than the average
8 person. She may be able to function without signs of
9 intoxication, but just the mere amount of drinks, some
10 of them being double shots, in such a short time frame,
11 again, the reasonable person should conclude that the
12 consequence would be the state of intoxication. So
13 based on these facts, it is, indeed, appropriate that
14 discipline be asserted against Pinnacle.

15 The next issue is: What is the appropriate
16 penalty? Well, the Commission does have real broad
17 discretion into determining what the appropriate
18 discipline might be. The law doesn't necessarily tell
19 you what the minimum amount of discipline might be;
20 however, it does indicate what the maximum might be.
21 The statute says that the maximum amount can be up to
22 three times the highest daily amount of gross receipts
23 derived from wagering on the gambling games conducted
24 during the previous 12 months.

25 Now, unfortunately at the hearing itself there

1 was no evidence presented as to the gross receipts of
2 Pinnacle. In the posthearing written legal memorandums
3 offered by the parties, there was a footnote offered
4 that Pinnacle had on March 19, 2008, gross receipts
5 of \$5,241,624. I struggled a little bit with whether
6 or not this should be considered admissible evidence;
7 in that, it was not presented at the hearing subject to
8 cross-examination and contrary evidence, possibly.

9 Pinnacle did not pose any objections in their
10 posthearing legal memorandums. So I looked at the
11 administrative procedures law, and actually, the
12 Gaming Commission has pretty broad authority into
13 accepting evidence, especially evidence of its own
14 records. So I came to the conclusion that it was
15 appropriate for me to accept that number of over
16 \$5 million as an appropriate number to consider, when
17 the statute tells us to look at the gross receipts of
18 the licensee in determining a penalty. So, of course,
19 3 times 5 million is 15 million, so it looks like the
20 maximum penalty that could have been presented would
21 have been that \$15 million figure.

22 What actually happened in this case is that
23 on October 30, 2008, the Commission, through its
24 preliminary order, suggested a \$50,000-proposed
25 penalty. That amount, obviously, is within the legal

1 limits placed upon the discretion granted to the
2 Commission. One concern that was raised, though, is
3 that the original proposal by staff was \$20,000.

4 The Commission -- the five commissioners had
5 their meeting in September of 2008 to discuss this
6 particular proposed discipline, and through the
7 presentation of that case, there was some incorrect
8 information provided. That incorrect information
9 included that the number of alcoholic drinks served
10 to Ms. Carter was stated as 10. I found it to be only
11 nine. The time frame that Ms. Carter consumed her
12 alcoholic drinks was stated as 1 and 1/2 hours. I
13 found it to be 2 hours and 27 minutes.

14 And then there was a statement that it appeared
15 that the Pinnacle employees may have been trying to
16 rush Ms. Carter to the taxi to avoid disclosing any
17 type of problems to the Commission. That I found to
18 be an incorrect conclusion; in that, the gaming agent
19 was actually present, observed all the facts, observed
20 what the employees did, and that gaming agent testified
21 under oath that there was no efforts at all on the part
22 of the employees of the licensee to try to hide facts.
23 Everything was out in the open. No hiding of anything
24 by the licensee.

25 So the question is: Did this incorrect

1 information serve as a trigger to raise the proposed
2 fine of 20,000 to 50,000? And that is something that
3 is probably difficult for me to say, not being present
4 at that hearing. The transcript just identifies one
5 of the commissioners indicating a desire to raise the
6 penalty. It's not clear whether other facts played a
7 part in the vote. Obviously, there's five of you, and
8 the idea of what's a fair penalty may be different for
9 each of you; but with the five of you, hopefully, it
10 balances out. And the \$50,000 amount, again, is within
11 the legal limits and would be appropriate in this
12 particular case.

13 The other issue, though, is that previous
14 penalties asserted against other licensees were of an
15 amount less for more severe violations. Now, there
16 was no evidence in the hearing record as to the gross
17 receipts of those other licensees. It seems that the
18 legislature is telling us that there should be some
19 type of comparison of gross receipts to the amount of
20 penalty. So more business would generate a higher
21 penalty, if you're comparing two licensees.

22 So to say that the -- so I guess the record
23 just doesn't reflect the amount of gross receipts for
24 these other licensees that received penalties for
25 something similar, and actually, it wasn't necessarily

1 similar. Let me kind of tell you that the other
2 licensees had problems with serving patrons that were
3 obviously more intoxicated than Ms. Carter. There
4 were some repeat violations and then allowing the
5 intoxicated patron on the gaming floor. Ms. Carter
6 was only on the gaming floor for her first drink.
7 After having consumed the first drink, she went to the
8 bar and had all of her drinks thereafter in the bar.

9 So the bottom line is that there were some
10 penalties served against other licensees for more
11 severe violations with lesser penalties. Again, the
12 discretion given to the Commission allows the similar
13 assertion of penalties; and again, the maximum would
14 be based on gross receipts, which the evidence is now
15 before you, to indicate whether or not the comparison
16 is appropriate.

17 My conclusion and recommendation would be
18 that the \$50,000 penalty is appropriate within the
19 discretion of the Commission and the facts which
20 support such amount of penalty.

21 CHAIRMAN MATHEWSON: Any questions of
22 the Commission on his report?

23 COMMISSIONER SHULL: Did the casino
24 security officer notify the boat officers, or did he
25 hear this -- did he learn about it on his own effort

1 through the radio chatter?

2 MR. STARK: Yes, Mike will tell you that
3 he had a live radio and was able to hear what was going
4 on at the same time everybody else was, so he was there
5 and immediately available.

6 COMMISSIONER SHULL: But they did not
7 call him directly. He just heard the radio chatter?

8 MR. STARK: That's my understanding. He
9 was there with the security people on site pretty
10 quickly, so, again, I don't think they had a need to
11 tell him because he was already there.

12 CHAIRMAN MATHEWSON: Any other questions
13 of the officer?

14 Thank you, sir.

15 The Chair would accept a motion to accept the
16 recommendation of the hearing officer.

17 COMMISSIONER JONES: Willing to accept
18 Resolution No. 09-070.

19 COMMISSIONER SHULL: Second.

20 CHAIRMAN MATHEWSON: Any discussion?

21 Call the roll, please.

22 MS. FRANKS: Chairman Mathewson?

23 CHAIRMAN MATHEWSON: Aye.

24 MS. FRANKS: Commissioner Shull?

25 COMMISSIONER SHULL: Approve.

1 MS. FRANKS: Commissioner Jones?

2 COMMISSIONER JONES: Approve.

3 MS. FRANKS: Commissioner Plunkett?

4 COMMISSIONER PLUNKETT: Approve.

5 MS. FRANKS: Commissioner Bradley?

6 COMMISSIONER BRADLEY: Approve.

7 MS. FRANKS: By your vote, you adopt

8 Resolution No. 09-070.

9 MR. MCNARY: Mr. Chairman, the next three
10 items on the agenda will be handled by Hearing Officer
11 Don Wolff.

12 MR. WOLFF: Good morning, Chairman, and
13 members of the Commission. My three cases are much
14 less complicated than the one you just heard, so
15 they'll go much quicker. The first of which is
16 Ramico Adams. Mr. Adams received notice that his
17 license was being revoked for failure to disclose
18 arrests. Those arrests were assault, first degree,
19 and armed criminal action on two separate occasions
20 and two separate jurisdictions and separated by two
21 years.

22 Mr. Adams, on receiving his notice, indicated
23 that all of those matters were dropped; and there
24 was no prosecution; and that, further, his lawyer
25 instructed him that without a disposition he had no

1 duty to disclose. Upon receiving that information, I
2 had asked Mr. Hinckley to notify Mr. Adams to have his
3 lawyer that gave him that advice present at the
4 hearing. Neither Mr. Adams nor any witness appeared
5 at the hearing. And as you know, failure to appear
6 at the hearing upon receiving notice is an admission
7 of all the allegations in the notice; therefore, I
8 recommend to you that his license be revoked, which
9 was the Commission's recommendation, based on failure
10 to disclose those arrests.

11 CHAIRMAN MATHEWSON: Any questions for
12 Mr. Wolff by the Commission?

13 Thank you. Is Mr. Adams present?

14 The Chair would accept a motion for the
15 recommendation on Ramico Adams.

16 COMMISSIONER SHULL: I move to accept
17 Resolution No. 09-078.

18 COMMISSIONER BRADLEY: Second.

19 CHAIRMAN MATHEWSON: Call roll, please.

20 MS. FRANKS: Chairman Mathewson?

21 CHAIRMAN MATHEWSON: Approve.

22 MS. FRANKS: Commissioner Shull?

23 COMMISSIONER SHULL: Approve.

24 MS. FRANKS: Commissioner Jones?

25 COMMISSIONER JONES: Approve.

1 MS. FRANKS: Commissioner Plunkett?

2 COMMISSIONER PLUNKETT: Approve.

3 MS. FRANKS: Commissioner Bradley?

4 COMMISSIONER BRADLEY: Approve.

5 MS. FRANKS: By your vote, you've
6 adopted Resolution No. 09-078.

7 MR. WOLFF: The next case is
8 Richard Savage. There's a little bit more of a
9 technical issue here. And as most of you know,
10 after 47 years of practicing law, technicalities are
11 sometimes all I have to deal with, so forgive me if I
12 deal with a few technicalities in this position as
13 hearing officer.

14 In this case Savage was informed that his
15 application was being denied because he pled guilty
16 to/convicted of a misdemeanor charge of stealing and
17 destruction of property. Upon that plea of guilty, he
18 did receive a suspended imposition of sentence; so
19 therefore, of course, there was no conviction.

20 So we're dealing with the failure to disclose a
21 plea of guilty to the charge of stealing in a municipal
22 court, which was charged in the notice as a failure to
23 disclose his plea of guilty to a misdemeanor. It
24 wasn't a misdemeanor; it was a municipal ordinance
25 violation. And that is a bit of a technicality, but I,

1 upon reviewing the law, found, of course, that there
2 is authorization to deny on the basis of failure to
3 disclose a plea to a municipal offense just as there
4 is in a misdemeanor court. So based upon the
5 applicant's admission that he failed to disclose the
6 plea of guilty, even though it was a misdemeanor --
7 and also, we had in this case a failure to disclose the
8 arrest, although that allegation was not raised in the
9 denial, and I suggest these future cases be separate
10 and apart from pleas -- in totality of this case, I
11 believe the Commission's recommendation of denial based
12 on failure to disclose the arrest -- or rather the
13 plea of guilty to a misdemeanor of stealing -- to a
14 municipal ordinance violation of stealing in a
15 municipal court be upheld; and therefore, I recommend
16 to you denial on that basis.

17 CHAIRMAN MATHEWSON: Any questions of
18 Mr. Wolff?

19 Is Mr. Savage here?

20 The Chair would accept a motion on the
21 recommendation.

22 COMMISSIONER PLUNKETT: Motion to
23 approve Resolution 09-079.

24 COMMISSIONER JONES: Second.

25 CHAIRMAN MATHEWSON: Any questions,

1 comments?

2 Call roll, please.

3 MS. FRANKS: Chairman Mathewson?

4 CHAIRMAN MATHEWSON: Approve.

5 MS. FRANKS: Commissioner Shull?

6 COMMISSIONER SHULL: Approve.

7 MS. FRANKS: Commissioner Jones?

8 COMMISSIONER JONES: Approve.

9 MS. FRANKS: Commissioner Plunkett?

10 COMMISSIONER PLUNKETT: Approve.

11 MS. FRANKS: Commissioner Bradley?

12 COMMISSIONER BRADLEY: Approve.

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

14 adopted Resolution No. 09-079.

15 CHAIRMAN MATHEWSON: Mr. Wolff.

16 MR. WOLFF: The final case, members of

17 the Commission, is Tamara Rucker. Tamara Rucker was

18 denied and that her license was being revoked because

19 she failed to disclose arrest, last conviction.

20 Ms. Rucker was arrested for theft over \$500 and

21 fraudulent use of a credit card by the O'Fallon Police

22 Department.

23 Upon receiving notice of this denial,

24 Ms. Rucker informed us, first of all, that the charges

25 were dropped; that they were charges raised by her

1 father in using his credit card; and that furthermore,
2 she could not appear at the hearing because of
3 military service. She subsequently informed us that
4 the military was permitting her to attend; and that
5 she would, in fact, attend the hearing. Ms. Rucker
6 failed to appear.

7 While there might have been some consideration
8 of her information about the credit card being her
9 father's and being a family matter, I felt that none
10 of that could be considered given the fact that she
11 failed to appear. We waited over two hours for her to
12 appear, and no one appeared on her behalf or notified
13 us of any reason for failure to appear. Based upon
14 that, I find that there is sufficient evidence to
15 support the recommendation that her license be revoked
16 for failure to disclose the arrest of the charges of
17 theft over \$500 and fraudulent use of the credit card;
18 and therefore, I support the Commission's
19 recommendation that she be denied her license on that
20 basis.

21 CHAIRMAN MATHEWSON: Any questions?
22 The Chair would accept a motion on the recommendation.

23 Oh, I'm sorry. Is Tamara Rucker present? She
24 didn't show up for this one either. Thank you.

25 The Chair would accept a recommendation.

1 COMMISSIONER BRADLEY: Motion to approve
2 Commission Resolution 09-080.

3 COMMISSIONER JONES: Second.

4 CHAIRMAN MATHEWSON: Call the roll,
5 please.

6 MS. FRANKS: Chairman Mathewson?

7 CHAIRMAN MATHEWSON: Approve.

8 MS. FRANKS: Commissioner Shull?

9 COMMISSIONER SHULL: Approve.

10 MS. FRANKS: Commissioner Jones?

11 COMMISSIONER JONES: Approve.

12 MS. FRANKS: Commissioner Plunkett?

13 COMMISSIONER PLUNKETT: Approve.

14 MS. FRANKS: Commissioner Bradley?

15 COMMISSIONER BRADLEY: Approve.

16 MS. FRANKS: By your vote, you've adopted
17 Resolution No. 09-080.

18 CHAIRMAN MATHEWSON: Thank you,
19 Mr. Wolff.

20 MR. MCNARY: Mr. Chairman, the Item VI
21 on the agenda concerns disciplinary actions, and
22 Enforcement Chief Roger Stottlemire will handle those.

23 MR. STOTTLEMYRE: Chairman,
24 Commissioners, good morning.

25 CHAIRMAN MATHEWSON: Colonel, proceed.

1 MR. STOTTLEMYRE: To start off, I'd
2 direct your attention to Tab F of your book, please.
3 We'll discuss Disciplinary Complaint No. 09-273
4 concerning supplier licensee Aristocrat Technologies.
5 The violation alleged falls under the Code of State
6 Regulations 45-5.237 which states that all critical
7 program storage media shall be approved for use in the
8 state prior to shipment.

9 The facts according to the alleged violations
10 are as follows: On January 20, 2009, a Commission EGD
11 specialist discovered that the licensee Aristocrat
12 Technologies had shipped five compact flash cards with
13 unapproved software to Lumière Place for use in their
14 casino electronic gaming devices. An investigation
15 revealed that the Commission's testing laboratory,
16 GLI, had not approved the subject software for use in
17 Missouri. As a result of these factual allegations,
18 the staff recommends that the Commission impose a
19 \$5,000 fine.

20 CHAIRMAN MATHEWSON: Any questions of
21 Colonel Stottlemyre?

22 COMMISSIONER SHULL: Were the flash cards
23 installed by the casino?

24 MR. STOTTLEMYRE: They were; yes,
25 sir.

1 COMMISSIONER SHULL: So they were in the
2 machines?

3 MR. STOTTLEMYRE: I better check on
4 that to be sure.

5 Todd?

6 MR. NELSON: Good morning. The flash
7 cards never made it into the gaming devices. They
8 remained -- basically, before they go into the gaming
9 devices, a specialist is required to check those flash
10 cards to make sure that they are approved for use in
11 the state of Missouri. They're not supposed to ship
12 them in. It's a bad practice to be shipping unapproved software.

13 COMMISSIONER SHULL: So they were not
14 installed?

15 MR. NELSON: No, sir.

16 COMMISSIONER BRADLEY: Is that the
17 machine that I saw yesterday where you put the --

18 MR. NELSON: Yes.

19 COMMISSIONER BRADLEY: -- what we call,
20 a memory stick --

21 MR. NELSON: Yes. It was something
22 similar to that.

23 COMMISSIONER BRADLEY: Right.

24 MR. NELSON: You saw it. Basically,
25 what they'll do is they'll put E-cards or flash cards

1 in a device like that and check them.

2 COMMISSIONER BRADLEY: And that's
3 checked out before you put it into the machine?

4 MR. NELSON: Correct.

5 CHAIRMAN MATHEWSON: Any other questions?

6 MR. MCNARY: For the record, that's
7 Todd Nelson, who's an electronic gaming device
8 specialist.

9 MR. NELSON: Thank you.

10 CHAIRMAN MATHEWSON: Thank you.

11 Any other questions of Roger? The Chair would
12 accept a motion on the recommendation.

13 COMMISSIONER SHULL: Move for approval
14 of 09-273.

15 COMMISSIONER JONES: Second.

16 CHAIRMAN MATHEWSON: Any further
17 discussion?

18 Call the roll, please.

19 MS. FRANKS: Chairman Mathewson?

20 CHAIRMAN MATHEWSON: Approve.

21 MS. FRANKS: Commissioner Shull?

22 COMMISSIONER SHULL: Approve.

23 MS. FRANKS: Commissioner Jones?

24 COMMISSIONER JONES: Approve.

25 MS. FRANKS: Commissioner Plunkett?

1 COMMISSIONER PLUNKETT: Approve.

2 MS. FRANKS: Commissioner Bradley?

3 COMMISSIONER BRADLEY: Approve.

4 MS. FRANKS: By your vote, you've
5 adopted DC-09-273.

6 CHAIRMAN MATHEWSON: Colonel.

7 MR. STOTTLEMYRE: Okay. I now
8 direct your attention to Tab G, Disciplinary Complaint
9 No. 09-274 concerning Class B licensee Ameristar Casino
10 Kansas City, Inc. The violations alleged fall under
11 Section 313.817 of the revised statutes that prohibits
12 persons under the age of 21 from being admitted to the
13 gaming floor and from wagering.

14 The facts supporting the alleged violations
15 are as follows: On April 19, 2009, Corporal Howard of
16 the patrol gaming division was contacted by casino
17 security and informed that an underage patron had been
18 discovered on the gaming floor. An investigation
19 revealed earlier in the evening the underage patron
20 entered the casino after presenting his driver's
21 license to a casino security officer. The security
22 officer failed to notice the words "Under 21 Until
23 08-08-2010" which was written just under the patron's
24 date of birth.

25 The patron did not gamble or drink while on the

1 gaming floor. He was discovered by another security
2 officer after he exited the casino and attempted to
3 re-enter. The underage patron was 19 years old at the
4 time of the incident. As a result of these factual
5 allegations, the staff recommends that the Commission
6 impose a \$10,000 fine.

7 CHAIRMAN MATHEWSON: Any questions of
8 the Colonel?

9 COMMISSIONER SHULL: Has Ameristar of
10 Kansas City had any other underage violations?

11 MR. STOTTLEMYRE: Yes, sir, they had.

12 COMMISSIONER SHULL: Do you know what
13 they are?

14 MR. MCNARY: Commissioner Shull, can you
15 pull your mic a little closer.

16 COMMISSIONER SHULL: Sure.

17 MR. STOTTLEMYRE: This was the fifth
18 charge of underage -- total -- of underage at Ameristar
19 Casino of Kansas City that we have had since February
20 of '09.

21 COMMISSIONER SHULL: Did I understand you
22 to say the --

23 MR. STOTTLEMYRE: Fifth incident.

24 COMMISSIONER SHULL: -- fifth --

25 MR. STOTTLEMYRE: Yes, sir.

1 COMMISSIONER SHULL: -- since February
2 of '09?

3 MR. STOTTLEMYRE: Yes, sir.

4 COMMISSIONER SHULL: I don't see those
5 on my reports that I have here.

6 MR. STOTTLEMYRE: I have an updated
7 report that I'll give, if you'd like, sir. That just
8 addresses those issues.

9 CHAIRMAN MATHEWSON: The ones we have
10 are dated September 17th '09. What's the one you have?

11 MR. STOTTLEMYRE: I do not have a
12 date on this one. It was just given to me prior to
13 traveling over here, though. If all you had was fines,
14 they would not be -- they're not included in the total
15 number of violations that we have that occurred. I do
16 have that the total number of violations that have
17 occurred equal five, and I'll give you the paper that
18 has all of the violations that we've had of each
19 casino.

20 COMMISSIONER SHULL: And what was the
21 disposition of the other four?

22 MR. STOTTLEMYRE: We have -- there
23 are different dispositions. We have -- there was some
24 -- one where the security officer identified a
25 patron under the age of 21 that had been allowed to

1 get on the floor, and they did remove this individual.
2 They escorted him off of the floor and reported the
3 fact. What had happened is, after he had already let
4 him on, he realized that, I read that wrong, and went
5 in and got him and brought him back out. That was why
6 we -- the only thing we did there was tell them -- or
7 write them a letter to state that they, you know, need
8 to be careful in watching the underage patrons getting
9 on.

10 Another one --

11 COMMISSIONER SHULL: What was the date
12 of that?

13 MR. STOTTLEMYRE: That is February
14 the -- we actually heard it in February of '09. It
15 actually occurred on 11/15 of '08.

16 COMMISSIONER SHULL: Okay.

17 MR. STOTTLEMYRE: The next one that
18 we had occurred on February 21st of '09. It went
19 before the DRB in April of '09, and this was an
20 underage patron was allowed on the gaming floor. The
21 patron was stopped by one security officer, who
22 informed him he could not enter the casino floor, that
23 you had to be 21. The patron entered the casino floor
24 then at another location, where the security guard was
25 talking to somebody else and did not get him stopped in

1 time. The first security officer found the -- saw that
2 he had gotten on and removed that individual.

3 There was no fine to the casino. There was a
4 letter to the GM on 4/7 of '09, and there was two
5 security officers that were each suspended for one
6 day.

7 The next occurrence is on March 14th of '09.
8 That went before the discipline review board in May.
9 You had that the security officer allowed an underage
10 patron to board the casino floor by using a false ID.
11 The officer inspected the license but was distracted by
12 another patron, and the security officer handed the
13 license back without comparing the photograph to the
14 patron. And that individual -- the officer ended up
15 receiving two days on that incident.

16 CHAIRMAN MATHEWSON: Excuse me. Go
17 ahead, please.

18 MR. STOTTLEMYRE: The other one is
19 on March 21st of '09. That went before the discipline
20 review board in April. The security officer allowed
21 an underage patron to board the casino floor after
22 checking his identification. The patron was on the
23 casino floor for approximately 20 minutes. He just
24 failed to read the date on the license and compare it
25 to the age and was -- this officer was also suspended

1 for one day.

2 COMMISSIONER SHULL: Did the patron
3 gamble?

4 MR. STOTTLEMYRE: The patron did not
5 consume alcohol or wager any gambling devices on the
6 floor. And then the current one that we're looking at
7 right now.

8 CHAIRMAN MATHEWSON: Any other questions?

9 COMMISSIONER BRADLEY: Are there any
10 other pending since the fifth one?

11 MR. STOTTLEMYRE: I don't have that
12 information in front of me.

13 COMMISSIONER BRADLEY: Is there anything
14 after that?

15 MR. STOTTLEMYRE: I have nothing
16 further from Ameristar at this point in time. That
17 doesn't mean that there's not something in the system,
18 though, that we'll be looking at in the future.

19 COMMISSIONER BRADLEY: Have they taken
20 steps to change procedures? I see there's been
21 suspensions but anything else?

22 MR. STOTTLEMYRE: Yes, ma'am. We
23 have -- in fact, we've met with all the general
24 managers, the director and I, and others -- and we've
25 discussed this very issue. They all talked about the

1 implementation of several means of trying to make sure
2 that these underage patrons do not get on the floor.

3 They are -- you know, they're all, of course,
4 supposed to be checking IDs if they look under the age
5 of 30. That's what they're all wanting their people to
6 do. It seems to me like the biggest problem that we've
7 had so far is the people filling the position of
8 security officers at the entrance are not doing their
9 job the way they should be doing it. That seems to
10 be the biggest problem that we've had so far. They're
11 just not paying attention to what they're supposed to
12 be doing, or they're being distracted and not catching
13 somebody going through, when they should be. That's
14 our biggest problem that appears to me.

15 And they're going to -- and we've talked to
16 them, and, you know, it continues to be on the casino's
17 back, so to speak. It's their responsibility to make
18 sure that this doesn't happen. If there continues to
19 be problems, they're going to have to figure out better
20 ways to do it. Whether that means more people where
21 you have people coming in, I'm not sure, but that is
22 their responsibility to make sure that it is cleared
23 up.

24 COMMISSIONER SHULL: I agree that the law
25 in Missouri is very clear that a patron must be at

1 least 21 years old to enter the casino gaming floor;
2 and to my knowledge, the law has not changed. I
3 believe that that's something that we should look
4 at very carefully. And it is, as you say, the
5 responsibility of the operating casino to insure that
6 patrons under the age of 21 do not enter, and however
7 they do that is up to them.

8 COMMISSIONER JONES: Colonel, it seems
9 like -- I guess you don't have information on what has
10 occurred from, I guess, May 1st to current?

11 MR. STOTTLEMYRE: The one we -- no,
12 sir, I don't.

13 COMMISSIONER JONES: Right.

14 MR. STOTTLEMYRE: They're still in
15 the system, yes.

16 COMMISSIONER JONES: Right, right.
17 So there may be some other occurrences of the same
18 situation, possibly. I mean, since the beginning of
19 the year we've had five incidents in the first four
20 months. That's quite a few. And if they haven't
21 gotten it yet, I have an issue with that, if they
22 haven't understood that, you know, in the first five
23 months. Even though after Prop A, most of the
24 operators knew that there was going to be issues since
25 there was no card, identification card being used.

1 MR. STOTTLEMYRE: Yes, sir, I
2 understand.

3 COMMISSIONER JONES: I'm having an issue,
4 and I'd like to just make a motion that we increase the
5 fine. I don't think the \$10,000 fine is sufficient
6 enough to get the attention of Ameristar - Kansas City.

7 CHAIRMAN MATHEWSON: Is that a motion?

8 COMMISSIONER JONES: I haven't put a
9 number on it yet.

10 CHAIRMAN MATHEWSON: Okay, okay. And
11 I'll come back to it, Commissioner. I'm not trying to
12 get away from it.

13 Now, the one thing I think we all noted
14 yesterday -- which, again, it was a good day because
15 I learned a lot -- but one of the things that I learned
16 was that every casino that we visited has a different
17 system on how to check IDs. Now, you know, we've --
18 it's now darn close to October 1, you know, of this
19 calendar year. As has been mentioned here -- and I'm
20 saying this for the benefit of our guests, really --

21 MR. STOTTLEMYRE: Sure.

22 CHAIRMAN MATHEWSON: -- but it seems to
23 me like you and staff have been trying to work toward
24 a common goal here where we stop this. Now, you know,
25 I've mentioned before, since I had the honor of being

1 appointed to this position, that, you know, in my
2 previous life I ran a steakhouse and a lounge; and son
3 of a gun, they'd get by me once in a while, you know,
4 on age.

5 But it seems like that we need to move forward
6 on a uniform system of checking on IDs. I mean, we
7 have come so far, I think, with everything that we're
8 doing. I'm very impressed with everyone's operations,
9 but we got a problem, you know. And we don't seem to
10 be -- we don't seem -- we seem to be addressing it, but
11 we're addressing it in six different directions, you
12 know; and I don't think that's going to work out, you
13 know, from what it appears.

14 So personally, I mean, it really bothers me
15 that we, you know, have to hang these fines on them
16 particularly, you know, in large amounts; but at the
17 same time, they have to get the message that we can't
18 have this. The law is very clear, you know, and
19 everyone knows what the law is, or those kids wouldn't
20 be changing their IDs. You know, I mean, they'd just
21 walk up there with 17-year-old driver's licenses if
22 they don't know what the law was, you know.

23 And it seems to me like, and I would really hope
24 on behalf of the Commission and the director -- that's
25 what I was talking to him about -- that we take some

1 action with them and put them under a time frame. I
2 mean, we need to get a handle on this, because I'm just
3 not comfortable sitting up here on every meeting we
4 have, which is once a month, fining folks big amounts
5 of money. You know, I mean, doggone it, I don't want
6 to do that. And when we start doing that over and over
7 and over again, I know that our thought is that maybe
8 that will fix it. Well, it hasn't. Okay?

9 So I'm going to encourage all of our guests
10 here today that operate the casinos to -- let's come
11 together. You said you tried. You brought folks
12 together and with the director. And, you know, I think
13 everyone is trying, but it isn't working, you know,
14 totally. I mean, it may be working 99 percent of the
15 time, but that 1 percent is not acceptable to this
16 Commission.

17 MR. MCNARY: Mr. Chairman, we did meet
18 with the GMs, and they are, I'm convinced, concerned
19 and are determined to bring it under control. And I
20 think, and as you said, we saw a lot of different
21 practices yesterday. It could be -- and I would work
22 with Mike Winter, who would be the point man to take
23 advantage of best practices, to come up with some kind
24 of a system.

25 You know, this is not as difficult as your

1 steakhouse and lounge, nor is it as difficult as a
2 ballpark where a lot of young people are. You can
3 separate out the people that have white hair, you know,
4 and that --

5 CHAIRMAN MATHEWSON: Yes, it's been a
6 while since you and I have been asked for an ID.

7 MR. MCNARY: That's right, that's right.

8 CHAIRMAN MATHEWSON: Thank you.

9 MR. MCNARY: Too long.

10 CHAIRMAN MATHEWSON: You can believe it.

11 MR. MCNARY: But in any case, I think if
12 there can be a uniform policy and practice developed,
13 Mike, if you can work with me on that, we'll try to
14 make some progress.

15 COMMISSIONER JONES: Mr. Chairman and
16 Mr. Executive Director of the Commission, I just want to
17 go on record. I do concur with you on most of what you
18 said, and I do believe in my heart that I felt that it
19 hasn't worked because of the fines. When you're only
20 fining someone \$5,000 for occurrences, that's like a
21 -- that's not even a rounding error, in my opinion.
22 So it's something that's always been overlooked, and
23 I don't think they've placed enough emphasis on trying
24 to correct that problem.

25 Now, like I said, that is my opinion. And the

1 reason I'm having a problem with this fine is maybe we
2 need to get their attention. Maybe if we do have a
3 significant fine for these occurrences, maybe that will
4 offer them or suggest that they need to change their
5 behavior. Maybe come together, find out what their
6 competitors are doing as far as correcting that problem
7 of underage entrance of the gaming floor. And, again,
8 that is my opinion.

9 CHAIRMAN MATHEWSON: Thank you, sir.

10 Mr. Director, let's kind of put this in a time
11 frame. I mean, you know, I mean, is the October
12 meeting too quick to have a report back on what
13 we're going to do about this?

14 MR. MCNARY: No, sir. We'll be back
15 with a report for the October meeting.

16 CHAIRMAN MATHEWSON: I see Mike Winter
17 shaking his head up and down, and I don't know whether
18 he's just got a twitch or -- but, anyway.

19 Okay. Is that acceptable?

20 MR. MCNARY: Yes, sir; yes, sir.

21 CHAIRMAN MATHEWSON: Okay, okay. We'll
22 have a report back in October.

23 Do you have a motion, sir?

24 COMMISSIONER JONES: The report will
25 have -- speak of actions that will take -- that are

1 going -- that will be in place that are going to be
2 implemented --

3 CHAIRMAN MATHEWSON: Yes, sir.

4 COMMISSIONER JONES: -- to correct the
5 problem?

6 CHAIRMAN MATHEWSON: Yes, sir. And I
7 think at that point then, you know, as much as I don't
8 like the level of these fines we're saying, you know,
9 if we don't get this thing under control, then we're
10 going to have to start doing it. I mean, that's what
11 I'm saying. Okay?

12 And I'm giving them another 30 -- or another
13 month until our October meeting to come up with a
14 report on what they've done to solve this problem,
15 and then we'll see whether or not it does or not. I'm
16 trying to be fair, you know, with getting an answer,
17 you know, rather than just penalizing.

18 And I know it's been going on even before
19 I came on the Commission, Commissioner. I mean,
20 I understand that. So I'm asking you, sir, do you
21 have a motion, or would you like to vote on the
22 recommendation?

23 COMMISSIONER JONES: The recommendation
24 of?

25 CHAIRMAN MATHEWSON: The \$5,000 fine.

1 COMMISSIONER JONES: No, it's \$10,000.

2 CHAIRMAN MATHEWSON: 10,000. Excuse me.

3 COMMISSIONER JONES: A \$10,000 fine for
4 this occurrence.

5 CHAIRMAN MATHEWSON: Five here, five
6 there.

7 COMMISSIONER BRADLEY: Are you suggesting
8 that we wait, wait to rule on --

9 CHAIRMAN MATHEWSON: What I'm suggesting
10 is, and it's just more of a comment, that, you know,
11 we'd like to put them on notice as a Commission that
12 we want to see a report back at our October meeting.

13 And we're telling the staff, Commissioner, the
14 same thing. Let's put a plan together so we don't have
15 everybody out here going a different direction on this
16 thing, and then we're going to watch it carefully to
17 see if it's going to work. If it isn't going to work,
18 then we're going to start fining them.

19 MR. STOTTLEMYRE: I would also add
20 that a lot of these cases that we've looked at and the
21 ones that I've explained to you that we had with
22 Ameristar prior to, in looking at those, a lot of times
23 we're looking at whether we have a systemic problem or
24 whether it's a human error problem, just failure to do
25 what you've been taught and what they expect out of the

1 employee. We try to look -- we have tried to look at
2 that in these, too, and that's why some of these --
3 that's why there hasn't been the fines on some and why
4 we counted up what we did. I just wanted to explain
5 what we had done.

6 CHAIRMAN MATHEWSON: The Chair would
7 accept a motion to adopt a position of the
8 recommendation for the \$10,000 fine. Do I hear one?

9 COMMISSIONER SHULL: Mr. Chairman, I feel
10 quite uncomfortable with just -- we've just heard of
11 five other -- or four other incidents. And if I
12 thought that there were only four other people that
13 were under the age of 21 that have gotten on the boat,
14 you know, in between this time frame that we are
15 talking about, I would certainly make the motion. But
16 as Mr. Jones stated, I'm just concerned that we're
17 still almost a year into the passage of the change in
18 the law, when the identification wasn't absolutely
19 required up-front to get your card to be permitted to
20 enter the gaming floor, and that's my concern.

21 CHAIRMAN MATHEWSON: Yes, sir. And I
22 understand that. And I certainly, you know, don't want
23 to impose on anyone on this Commission. I was trying
24 to reach a median here, you know.

25 I tell you what, to get it off of dead center,

1 I'll move it and we'll save it towards a substitute
2 motion. I move that we adopt the recommendation of the
3 \$10,000 fine. Now, is there a substitute motion, or is
4 there a second?

5 COMMISSIONER JONES: Mr. Chairman, I'd
6 like to move that we have a substitute motion and
7 increase the fine to \$25,000.

8 CHAIRMAN MATHEWSON: Is there a second
9 for the substitute motion?

10 COMMISSIONER SHULL: I'll second it.

11 CHAIRMAN MATHEWSON: We have a motion --
12 a substitute motion, excuse me, and a second.

13 Call the roll, please.

14 MS. FRANKS: Chairman Mathewson?

15 CHAIRMAN MATHEWSON: No.

16 MS. FRANKS: Commissioner Shull?

17 COMMISSIONER SHULL: Approve.

18 MS. FRANKS: Commissioner Jones?

19 COMMISSIONER JONES: Approve.

20 MS. FRANKS: Commissioner Plunkett?

21 COMMISSIONER PLUNKETT: Approve.

22 MS. FRANKS: Commissioner Bradley?

23 COMMISSIONER BRADLEY: Approve.

24 MS. FRANKS: By your vote, you've amended
25 the fine to 25,000.

1 CHAIRMAN MATHEWSON: Done.

2 Colonel, proceed.

3 We need to now vote on --

4 MS. FRANKS: Approve the discipline as

5 amended.

6 CHAIRMAN MATHEWSON: Yes, yes.

7 COMMISSIONER SHULL: I approve the

8 amended 09-274 discipline.

9 COMMISSIONER JONES: Second.

10 CHAIRMAN MATHEWSON: Call roll, please.

11 MS. FRANKS: Chairman Mathewson?

12 CHAIRMAN MATHEWSON: Aye.

13 MS. FRANKS: Commissioner Shull?

14 COMMISSIONER SHULL: Approve.

15 MS. FRANKS: Commissioner Jones?

16 COMMISSIONER JONES: Approve.

17 MS. FRANKS: Commissioner Plunkett?

18 COMMISSIONER PLUNKETT: Approve.

19 MS. FRANKS: Commissioner Bradley?

20 COMMISSIONER BRADLEY: Approve.

21 MS. FRANKS: By your vote, you've

22 adopted DC-09-274 as amended.

23 CHAIRMAN MATHEWSON: Okay. Now, Roger,

24 before you go on to your next one, let me say I hope,

25 in regards to the report at the next meeting and what

1 we have said previously, that we have a report on what
2 action is going to be taken, okay, to at least give us
3 a clear direction.

4 COMMISSIONER BRADLEY: Absolutely,
5 absolutely.

6 CHAIRMAN MATHEWSON: Okay.

7 COMMISSIONER JONES: Okay.

8 COMMISSIONER BRADLEY: If we need a
9 motion to do that, then --

10 CHAIRMAN MATHEWSON: I think it's just a
11 recommendation so everyone here understands that we're
12 trying to move forward on this problem. Okay?

13 MR. STOTTLEMYRE: And that will be
14 done.

15 CHAIRMAN MATHEWSON: Thank you, sir,
16 very much. Now proceed, Colonel, please.

17 MR. STOTTLEMYRE: Now I'll direct
18 your attention to Tab H, please. We'll look at
19 Disciplinary Complaint No. 09-275 concerning Class B
20 licensee Casino One Corporation doing business as
21 Lumière Place Casino.

22 The violations alleged fall under
23 Section 313.817 of the revised statutes which prohibits
24 persons under the age of 21 from being admitted to the
25 gaming floor and from wagering; also, Code of State

1 Regulations 45-5.053 which states that wagers shall
2 only be made by persons 21 years old or older; and
3 Code of State Regulations 45-12.090 which states that
4 a licensee shall not serve intoxicating liquor to
5 persons under the age of 21.

6 The facts supporting the alleged violations
7 are as follows: Count I, on May 20, 2009, at
8 7:35 p.m. Trooper Hourihan of the patrol gaming
9 division was contacted by casino security and informed
10 that an underage patron had been discovered on the
11 gaming floor. An investigation revealed that earlier
12 in the evening the underage patron entered into the
13 casino after presenting his driver's license to a
14 casino security officer. The security officer failed
15 to notice the words "Under 21 until 7-11 of 2010"
16 written in red on the license.

17 While on the casino floor, the patron bought in
18 and played roulette at two separate tables and at an
19 electronic gaming device. The dealers at the roulette
20 tables and other casino staff did not ask the patron
21 for his identification. The patron was discovered by
22 a cage cashier when he attempted to get a cash advance.
23 The underage patron was 19 years old at the time of the
24 incident.

25 And Count II is May 21 of 2009. At 12:25 a.m.

1 Trooper Benzie of the patrol gaming division was
2 contacted by casino security and informed that an
3 underage patron had been discovered on the casino
4 floor. An investigation revealed that two hours
5 earlier the underage patron entered the casino gaming
6 floor after the security officer failed to ask for his
7 identification.

8 While on the casino floor, the patron bought in
9 and played craps and blackjack. The dealers at both of
10 these table games and other casino staff did not ask
11 the patron for his identification. On three separate
12 occasions while the patron was on the gaming floor, he
13 was served alcoholic beverages and was not asked for
14 his identification.

15 The patron was discovered by a cage cashier
16 when he attempted to get a cash advance. The underage
17 patron was 20 years old at the time of the incident.
18 As a result of these factual allegations, the staff
19 recommends that the Commission impose a \$25,000 fine.

20 CHAIRMAN MATHEWSON: Any questions of
21 the colonel?

22 COMMISSIONER SHULL: Both of the
23 individuals did gamble?

24 MR. STOTTLEMYRE: Yes, sir.

25 COMMISSIONER SHULL: And one was served

1 alcohol?

2 MR. STOTTLEMYRE: Yes, sir.

3 CHAIRMAN MATHEWSON: Okay. Any other
4 questions?

5 COMMISSIONER SHULL: That's all I have.

6 CHAIRMAN MATHEWSON: The Chair would
7 accept a motion on the penalty of \$25,000.

8 COMMISSIONER SHULL: I would like to move
9 to amend the motion on 09-275 to a fine of \$60,000.

10 COMMISSIONER JONES: Second.

11 CHAIRMAN MATHEWSON: We have a motion
12 and a second. Is there any further discussion on
13 increasing the penalty from \$25,000 to \$60,000?

14 Seeing no further discussion, call the roll,
15 please.

16 MS. FRANKS: Chairman Mathewson?

17 CHAIRMAN MATHEWSON: No.

18 MS. FRANKS: Commissioner Shull?

19 COMMISSIONER SHULL: Approve.

20 MS. FRANKS: Commissioner Jones?

21 COMMISSIONER JONES: Approve.

22 MS. FRANKS: Commissioner Plunkett?

23 COMMISSIONER PLUNKETT: Approve.

24 MS. FRANKS: Commissioner Bradley?

25 COMMISSIONER BRADLEY: Approve.

1 MS. FRANKS: By your vote, you've amended
2 the fine of DC-09-275 to 60,000.

3 COMMISSIONER SHULL: I would move as
4 amended 09-275.

5 COMMISSIONER JONES: Second.

6 CHAIRMAN MATHEWSON: Call the roll,
7 please.

8 MS. FRANKS: Chairman Mathewson?

9 CHAIRMAN MATHEWSON: Aye.

10 MS. FRANKS: Commissioner Shull?

11 COMMISSIONER SHULL: Approve.

12 MS. FRANKS: Commissioner Jones?

13 COMMISSIONER JONES: Approve.

14 MS. FRANKS: Commissioner Plunkett?

15 COMMISSIONER PLUNKETT: Approve.

16 MS. FRANKS: Commissioner Bradley?

17 COMMISSIONER BRADLEY: Approve.

18 MS. FRANKS: By your vote, you've
19 adopted DC-09-275 as amended.

20 CHAIRMAN MATHEWSON: Please.

21 MR. STOTTLEMYRE: Okay. I'd direct
22 your attention to Tab I. We'll look at Disciplinary
23 Complaint No. 09-276 concerning Class B licensee
24 Harrah's Maryland Heights. The violations alleged fall
25 under Section 313.812 of the revised statutes which

1 states that a licensee may be disciplined for failing
2 to comply with an order of the Commission; and Code of
3 State Regulations 45-5.185 which requires persons
4 performing poker card inspections to complete a work
5 order form detailing the -- work order form detailing
6 the procedures performed along with their signatures;
7 and also, the Minimum Internal Control Standards,
8 Chapter G, Section 14.01 which requires each member of
9 the count team to sign the final count report attesting
10 to its accuracy.

11 The facts supporting the alleged violations
12 are as follows: In audit report 08-30 concluded in
13 December of 2008, Gaming Commission auditors found that
14 in finding B-13, a work order form detailing the
15 procedures performed on tables from which cards were
16 removed was not completed during inspection of the
17 poker cards; and that in finding D-1 the daily soft
18 count report was not signed by each member of the count
19 team attesting to its accuracy. In both cases the
20 casino responded that corrective measures would be taken
21 and/or enacted.

22 During a follow-up audit in February of 2009,
23 Gaming Commission auditors discovered that under
24 finding B-13 the poker card inspection report was in
25 use, but the casino did not include the procedures

1 performed during the inspection and the list of tables
2 from which the cards were removed, and that under
3 finding D-1 the daily soft count report was not signed
4 by all members. As a result of these factual
5 allegations, the staff recommends that the Commission
6 impose a \$5,000 fine.

7 CHAIRMAN MATHEWSON: Any questions of the
8 colonel?

9 COMMISSIONER PLUNKETT: Roger, how many
10 people are on the count team?

11 MR. STOTTLEMYRE: We have two people
12 that received the discipline reports on those. I'm
13 not sure.

14 How many were on the team, do you know,
15 Cheryl?

16 MS. ALONZO: Typically -- I don't know
17 on this particular case.

18 MR. STOTTLEMYRE: I didn't either.

19 MS. ALONZO: -- typically, there might
20 be six people on the count team on average at a time
21 for a report.

22 CHAIRMAN MATHEWSON: Cheryl, for sake of
23 the record, identify yourself so that --

24 MS. ALONZO: Cheryl Alonzo, A-l-o-n-z-o,
25 director of compliance audit.

1 CHAIRMAN MATHEWSON: Thank you.

2 MR. STOTTLEMYRE: So what I'm hearing
3 on this is it can vary from team to team. We did have
4 two individuals that were written up because of this
5 violation.

6 COMMISSIONER PLUNKETT: But after they
7 had been notified and informed, it happened again?

8 MR. STOTTLEMYRE: That's correct.

9 CHAIRMAN MATHEWSON: Anything further?

10 MR. STOTTLEMYRE: They had made some
11 corrections, but they hadn't completely made them, and
12 they weren't signed on the forms that --

13 COMMISSIONER PLUNKETT: But multiple
14 people failed to do something repeatedly.

15 MR. STOTTLEMYRE: Yes, sir.

16 CHAIRMAN MATHEWSON: Any other questions?
17 The Chair would accept a motion.

18 COMMISSIONER BRADLEY: Motion to approve
19 09-276.

20 COMMISSIONER SHULL: Second.

21 CHAIRMAN MATHEWSON: Call roll, please.

22 MS. FRANKS: Chairman Mathewson?

23 CHAIRMAN MATHEWSON: Aye -- approve.

24 MS. FRANKS: Commissioner Shull?

25 COMMISSIONER SHULL: Approve.

1 MS. FRANKS: Commissioner Jones?

2 COMMISSIONER JONES: Approve.

3 MS. FRANKS: Commissioner Plunkett?

4 COMMISSIONER PLUNKETT: Approve.

5 MS. FRANKS: Commissioner Bradley?

6 COMMISSIONER BRADLEY: Approve.

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

8 DC-09-276.

9 CHAIRMAN MATHEWSON: Roger, please.

10 MR. STOTTLEMYRE: I'd direct your

11 attention to Tab J, Disciplinary Complaint No. 09-277

12 concerning Class B licensee HGI-St. Jo, Incorporated.

13 The violations alleged fall under Section 313.812 of

14 the revised statutes which states that a licensee may

15 be disciplined for failing to comply with an order of

16 the Commission; and also, Minimum Internal Control

17 Standards, Chapter G, Section 13.09 which states that

18 count team members may not remove their hands from or

19 return them to a position on or above the count table

20 unless the backs and palms of their hands are first

21 held out and exposed, clearing their hands to other

22 members of the count team and the surveillance cameras.

23 The facts supporting the alleged violations are

24 as follows: Missouri Gaming Commission Audit Report

25 08-01 found that count team members were not clearing

1 their hands during the count process. During follow-up
2 observations on July 10, 2008; August 27, 2008; and
3 September 10, 19, and 29 of 2008, the auditors
4 discovered that several of the licensee's count room
5 employees still were not clearing their hands. This
6 resulted in a \$5,000 fine issued by the Commission at
7 the May 2009 meeting.

8 MGC auditors conducted another follow-up audit
9 observation on April 4, 10, 11, and 13, 2009, and they
10 observed that several employees were still not clearing
11 their hands during the count process. As a result of
12 these factual allegations, the staff recommends that
13 the Commission impose a \$10,000 fine. I might add the
14 individuals were also -- we had three-day suspensions
15 of three individuals in this case.

16 CHAIRMAN MATHEWSON: Any questions of
17 the colonel? The Chair would accept a motion on the
18 recommendation.

19 COMMISSIONER JONES: Move for the
20 acceptance of DC-09-277.

21 COMMISSIONER SHULL: Second.

22 CHAIRMAN MATHEWSON: Any further
23 discussions?

24 Call the roll, please.

25 MS. FRANKS: Chairman Mathewson?

1 CHAIRMAN MATHEWSON: Approve.

2 MS. FRANKS: Commissioner Shull?

3 COMMISSIONER SHULL: Approve.

4 MS. FRANKS: Commissioner Jones?

5 COMMISSIONER JONES: Approve.

6 MS. FRANKS: Commissioner Plunkett?

7 COMMISSIONER PLUNKETT: Approve.

8 MS. FRANKS: Commissioner Bradley?

9 COMMISSIONER BRADLEY: Approve.

10 MS. FRANKS: By your vote, you've adopted
11 DC-09-277.

12 CHAIRMAN MATHEWSON: Roger.

13 MR. STOTTLEMYRE: May I direct your
14 attention to Tab K, Disciplinary Complaint No. 09-278
15 concerning Class B licensee Missouri Gaming Company
16 doing business as Argosy Riverside Casino. The
17 violations alleged fall under Code of State Regulations
18 45-17.010 which states that any wager placed by a
19 person on the list of disassociated persons is an
20 unauthorized transaction; and also, Casino Internal
21 Control Standards, Section Q, paragraph 6 which states
22 that prior to paying out a taxable jackpot, the casino
23 shall require the patron to present a valid,
24 government-issued identification and then perform a
25 check on the person's name to insure that they are not

1 a disassociated person.

2 The facts supporting the alleged violations
3 are as follows: On March 14, 2009, Sergeant Harrison
4 of the patrol gaming division was contacted by casino
5 personnel after their accounting department had noted payment
6 and informed that a DAP may have been paid an \$1,800
7 jackpot. Sergeant Harrison's investigation revealed
8 that on March 13, 2009, the subject patron, a
9 self-excluded DAP as of May 1 of 2004, entered the
10 casino and won an \$1,800 jackpot on an electronic
11 gaming device.

12 Before paying the patron, a casino banker
13 checked to see whether or not the patron was a DAP by
14 entering the patron's name in the DAP database. The
15 banker incorrectly entered the patron's social security
16 number, so the database did not show the patron as a
17 DAP. Thus, the patron was paid the jackpot.

18 Further investigation revealed that a search
19 using the patron's name, date of birth, or correct
20 social security number would have revealed that the
21 patron was a DAP. The banker here and other bankers
22 informed Sergeant Harrison that they commonly search
23 the database by social security number only and not by
24 name, as required in the licensee's internal control
25 standards. As a result of these factual allegations,

1 the staff recommends that the Commission impose a
2 \$10,000 fine.

3 CHAIRMAN MATHEWSON: Any questions of
4 the colonel?

5 COMMISSIONER JONES: Colonel, have they
6 since refined those procedures to concur with the
7 statute?

8 MR. STOTTLEMYRE: Their procedures
9 were in place. The individual did not abide by what
10 their procedures were, but they are reinforcing what
11 their procedures are, yes, sir.

12 CHAIRMAN MATHEWSON: Any other questions?
13 The Chair would accept a motion on the recommendation.

14 COMMISSIONER BRADLEY: Motion to approve
15 Disciplinary Complaint 09-278.

16 COMMISSIONER SHULL: Second.

17 CHAIRMAN MATHEWSON: Any further
18 discussion?

19 Call the roll, please.

20 MS. FRANKS: Chairman Mathewson?

21 CHAIRMAN MATHEWSON: Approve.

22 MS. FRANKS: Commissioner Shull?

23 COMMISSIONER SHULL: Approve.

24 MS. FRANKS: Commissioner Jones?

25 COMMISSIONER JONES: Approve.

1 MS. FRANKS: Commissioner Plunkett?
2 COMMISSIONER PLUNKETT: Approve.
3 MS. FRANKS: Commissioner Bradley?
4 COMMISSIONER BRADLEY: Approve.
5 MS. FRANKS: By your vote, you've adopted
6 DC-09-278.
7 MR. STOTTLEMYRE: Thank you.
8 CHAIRMAN MATHEWSON: Thank you, sir.
9 Mr. Director.
10 MR. MCNARY: Mr. Chairman, Item VII
11 concerns re-licensure of certain suppliers, and
12 Lieutenant Rex Scism will address the Commission.
13 CHAIRMAN MATHEWSON: Good morning, sir.
14 LT. SCISM: Good morning, Mr. Chairman,
15 Commissioners. I'll direct your attention to both
16 Tabs L and M. Missouri State Highway Patrol
17 investigators conducted the re-licensing investigation
18 of two supplier companies currently licensed in
19 Missouri. These investigations consisted of
20 jurisdictional inquiries, feedback from affected
21 gaming company clients, a review of disciplinary
22 actions, litigation and business credit profiles, as
23 well as a review of key persons associated with each
24 company.
25 The results of these investigations were

1 provided to the MGC Staff for their review, and the
2 following supplier companies are being presented for
3 your consideration. The first one under Tab L is
4 Bally Gaming, Incorporated, of Las Vegas, Nevada.

5 MR. MCNARY: The staff recommends
6 re-licensure.

7 CHAIRMAN MATHEWSON: Any questions about
8 that?

9 COMMISSIONER SHULL: Move for approval of
10 09-071.

11 COMMISSIONER JONES: Second.

12 CHAIRMAN MATHEWSON: Call roll, please.

13 MS. FRANKS: Chairman Mathewson?

14 CHAIRMAN MATHEWSON: Approve.

15 MS. FRANKS: Commissioner Shull?

16 COMMISSIONER SHULL: Approve.

17 MS. FRANKS: Commissioner Jones?

18 COMMISSIONER JONES: Approve.

19 MS. FRANKS: Commissioner Plunkett?

20 COMMISSIONER PLUNKETT: Approve.

21 MS. FRANKS: Commissioner Bradley?

22 COMMISSIONER BRADLEY: Approve.

23 MS. FRANKS: By your vote, you adopt

24 Resolution No. 09-071.

25 CHAIRMAN MATHEWSON: Thank you,

1 Lieutenant.

2 LT. SCISM: And the second one up for
3 re-licensure is Hydeman Company, the Hydeman Company
4 of Kansas City, Kansas.

5 MR. MCNARY: The staff recommends
6 re-licensure.

7 CHAIRMAN MATHEWSON: Any questions? The
8 Chair would accept a motion.

9 COMMISSIONER JONES: Move to approve
10 Resolution No. 09-072.

11 COMMISSIONER BRADLEY: Second.

12 CHAIRMAN MATHEWSON: Call the roll,
13 please.

14 MS. FRANKS: Chairman Mathewson?

15 CHAIRMAN MATHEWSON: Approve.

16 MS. FRANKS: Commissioner Shull?

17 COMMISSIONER SHULL: Approve.

18 MS. FRANKS: Commissioner Jones?

19 COMMISSIONER JONES: Approve.

20 MS. FRANKS: Commissioner Plunkett?

21 COMMISSIONER PLUNKETT: Approve.

22 MS. FRANKS: Commissioner Bradley?

23 COMMISSIONER BRADLEY: Approve.

24 MS. FRANKS: By your vote, you've
25 adopted Resolution No. 09-072.

1 LT. SCISM: Thank you.

2 CHAIRMAN MATHEWSON: Thank you,
3 Lieutenant.

4 MR. MCNARY: Agenda Item VIII concerns
5 licensure of the DEQ Systems Corporation, and you have
6 a letter from the, what, CEO, I think it is --

7 COMMISSIONER JONES: Legal counsel.

8 MR. MCNARY: -- legal counsel before you.
9 Sergeant Gary Davidson will make the presentation.

10 CHAIRMAN MATHEWSON: Good morning.

11 SGT. DAVIDSON: Good morning, Chairman,
12 Commissioners. You will notice under Tab VIII that
13 there are two resolutions: One for the company DEQ
14 Systems Corp., hereafter referred to as DEQ, and the
15 second resolution for eight of the nine key persons
16 associated with DEQ.

17 On June 13, 2008, DEQ made application to the
18 Missouri Gaming Commission for a supplier's license.
19 The company also submitted applications for the
20 following eight key persons: Earl Gerard Hall,
21 president, chief executive officer, and director;
22 Francois Proulx, chief operating officer and chief
23 financial officer; Genevieve Marie Nicole Cossette,
24 corporate secretary and vice president of legal
25 affairs; David Joseph Jacques, chief technology

1 officer; Joseph Michael Telesmanic, Jr., chairman
2 of the board of directors; Jean-Claude Vachon,
3 outside director; Herve Francois Eschasseriau,
4 outside director - president of governance committee;
5 and Alexandre Philippe Lattes, outside director -
6 president of audit committee.

7 The ninth and remaining key person
8 applicant for DEQ, which is Outside Director
9 Michael Alexander Hackman, will be submitted on a
10 later date.

11 Missouri State Highway Patrol investigators,
12 along with Gaming Commission financial investigators,
13 conducted background investigations on DEQ and its
14 associated key persons. The investigation included but
15 was not limited to criminal, civil, financial, and
16 general character inquiries of the key persons through
17 international, federal, state, and local government
18 entities as well as a comprehensive financial analysis
19 of the company. An investigative summary has been
20 submitted to the Missouri Gaming Commission Staff, and
21 a copy of that comprehensive summary has been provided
22 for your review. Thank you.

23 MR. MCNARY: Mr. Chairman, the staff
24 recommends licensure of DEQ Systems Corporation. There
25 are two resolutions here: One dealing with the

1 corporation; the other with the key people. That
2 probably can be voted on together. We recommend
3 approval.

4 CHAIRMAN MATHEWSON: Any questions of
5 the sergeant or the director?

6 COMMISSIONER SHULL: I just have a
7 comment that I'd want to make. There are 14 footnotes
8 that I counted on the balance sheet, and none of those
9 were included in the presentation, so it makes it kind
10 of difficult to really understand the balance sheet for
11 me. But in the future we might go ahead and include
12 the footnotes section of the audit.

13 SGT. DAVIDSON: So noted.

14 CHAIRMAN MATHEWSON: Good recommendation.

15 Any other comments? Do the commissioners have
16 any problem with voting on both resolutions and have
17 one vote?

18 Okay. The Chair would accept a motion to do
19 that very thing then.

20 COMMISSIONER PLUNKETT: I'd make a motion
21 to approve Resolution No. 09-073 and -074.

22 COMMISSIONER JONES: Second.

23 CHAIRMAN MATHEWSON: Call the roll,
24 please.

25 MS. FRANKS: Chairman Mathewson?

1 CHAIRMAN MATHEWSON: Approve.

2 MS. FRANKS: Commissioner Shull?

3 COMMISSIONER SHULL: Approve.

4 MS. FRANKS: Commissioner Jones?

5 COMMISSIONER JONES: Approve.

6 MS. FRANKS: Commissioner Plunkett?

7 COMMISSIONER PLUNKETT: Approve.

8 MS. FRANKS: Commissioner Bradley?

9 COMMISSIONER BRADLEY: Approve.

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

11 adopted Resolution Nos. 09-073 and 09-074.

12 MR. MCNARY: Mr. Chairman, Item IX --

13 we should have reversed these two. Now we've got

14 Lieutenant Rex Scism coming back. This concerns

15 Level 1/key applicants, the licensure of the following.

16 CHAIRMAN MATHEWSON: He doesn't mind.

17 LT. SCISM: I've got the easy names this

18 time.

19 CHAIRMAN MATHEWSON: That's pretty good.

20 LT. SCISM: It works out.

21 CHAIRMAN MATHEWSON: Proceed with your

22 information.

23 LT. SCISM: Missouri State Highway

24 Patrol investigators, along with gaming commission

25 financial investigators, conducted background

1 investigations on multiple key person and Level 1
2 applicants. The investigations included but were not
3 limited to criminal, financial, and general character
4 inquiries which were made in the jurisdictions where
5 the applicants lived, worked, and frequented.

6 The following individuals are being presented
7 for your consideration: Julie A. Allen, director of
8 regulatory compliance for Ameristar Casino - Kansas
9 City; Kevin L. Verner, director, Bally Technologies -
10 Las Vegas, Nevada; Patrick W. Cavanaugh, VP, CFO, and
11 treasurer of International Game Technology - Reno,
12 Nevada; Anthony Ciorciani, VP of operations,
13 International Game Technology - Reno, Nevada;
14 Thomas J. Matthews, chairman of the board for
15 International Game Technology of Reno, Nevada;
16 Barron B. Fuller, vice president and general manager
17 of Isle of Capri - Boonville; and finally,
18 Debra A. Mayne, security director of Isle of Capri -
19 Boonville.

20 The results of all investigations were provided
21 to the Gaming Commission Staff for their review, and
22 you have summary reports before you for all the
23 applicants being considered.

24 MR. MCNARY: Mr. Chairman, staff
25 recommends licensure of these applicants.

1 CHAIRMAN MATHEWSON: Thank you.

2 Any questions of the lieutenant on any of these

3 licenses?

4 COMMISSIONER SHULL: Move for approval

5 of Resolution No. 09-075.

6 COMMISSIONER BRADLEY: Second.

7 CHAIRMAN MATHEWSON: Any further

8 discussion or questions?

9 Call roll, please.

10 MS. FRANKS: Chairman Mathewson?

11 CHAIRMAN MATHEWSON: Approve.

12 MS. FRANKS: Commissioner Shull?

13 COMMISSIONER SHULL: Approve.

14 MS. FRANKS: Commissioner Jones?

15 COMMISSIONER JONES: Approve.

16 MS. FRANKS: Commissioner Plunkett?

17 COMMISSIONER PLUNKETT: Approve.

18 MS. FRANKS: Commissioner Bradley?

19 COMMISSIONER BRADLEY: Approve.

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

21 Resolution No. 09-075.

22 MR. MCNARY: Item X on the agenda,

23 Mr. Chairman, concerns settlement agreements.

24 General counsel Chris Hinckley.

25 MR. HINCKLEY: Good morning,

1 Mr. Chairman, Commissioners.

2 CHAIRMAN MATHEWSON: Good morning, Chris.

3 MR. HINCKLEY: I direct your attention
4 to Tab P, Commission Resolution No. 09-076 regarding
5 settlement agreement with Casino One Corporation,
6 Lumière Place Casino. In underlying Disciplinary
7 Action 09-091, the licensee was fined \$20,000 for two
8 counts of promotional violations. Soon after the
9 Commission issued its order with this fine, the
10 licensee contacted the Commission and took
11 responsibility for their actions or inactions and
12 agreed to settle the matter with the Commission for
13 a payment of \$18,000. Staff asks the Commission to
14 approve this settlement agreement and adopt the
15 Resolution 09-076.

16 CHAIRMAN MATHEWSON: Any questions of
17 Chris on this resolution? The Chair would accept a
18 motion for the recommendation.

19 MS. BRADLEY: Motion to approve
20 Resolution No. 09-076.

21 COMMISSIONER SHULL: Second.

22 CHAIRMAN MATHEWSON: Any further
23 discussion?

24 Call the roll, please.

25 MS. FRANKS: Chairman Mathewson?

1 CHAIRMAN MATHEWSON: Approve.

2 MS. FRANKS: Commissioner Shull?

3 COMMISSIONER SHULL: Approve.

4 MS. FRANKS: Commissioner Jones?

5 COMMISSIONER JONES: Approve.

6 MS. FRANKS: Commissioner Plunkett?

7 COMMISSIONER PLUNKETT: Approve.

8 MS. FRANKS: Commissioner Bradley?

9 COMMISSIONER BRADLEY: Approve.

10 MS. FRANKS: By your vote, you've adopted
11 Resolution No. 09-076.

12 MR. HINCKLEY: I now direct your
13 attention to Tab Q, Commission Resolution 09-077
14 regarding settlement agreement with Casino One
15 Corporation for the Lumière Place Casino and underlying
16 Disciplinary Action 09-210, where the licensee was
17 fined \$7,500 for improper handling of cards in the
18 poker room. Soon after the Commission issued its
19 order, the licensee contacted the Commission and took
20 responsibility for their actions or inactions and
21 agreed to settle this matter for a payment of \$6,750.
22 As a result, staff asks the Commission to approve this
23 settlement agreement and adopt Resolution No. 09-077.

24 CHAIRMAN MATHEWSON: Any questions of
25 Chris?

1 MR. MCNARY: Staff recommends approval.
2 CHAIRMAN MATHEWSON: Okay. Thank you.
3 COMMISSIONER SHULL: Move approval of
4 09-077.
5 COMMISSIONER BRADLEY: Second.
6 CHAIRMAN MATHEWSON: Further discussion?
7 Call roll, please.
8 MS. FRANKS: Chairman Mathewson?
9 CHAIRMAN MATHEWSON: Approve.
10 MS. FRANKS: Commissioner Shull?
11 COMMISSIONER SHULL: Approve.
12 MS. FRANKS: Commissioner Jones?
13 COMMISSIONER JONES: Approve.
14 MS. FRANKS: Commissioner Plunkett?
15 COMMISSIONER PLUNKETT: Approve.
16 MS. FRANKS: Commissioner Bradley?
17 COMMISSIONER BRADLEY: Approve.
18 MS. FRANKS: By your vote, you've adopted
19 Resolution No. 079-077.
20 CHAIRMAN MATHEWSON: Thanks, Chris.
21 MR. MCNARY: Item XI on the agenda,
22 Mr. Chairman, concerns rules, a final order with
23 regard to chip specs, and gaming enforcement manager
24 Terri Hutchison will present that.
25 MS. HUTCHISON: Mr. Chairman,

1 Commissioners, this relates to final order amending
2 11CSR45-5.100 relating to chip specifications. This
3 amendment is housekeeping in nature authorizing a
4 \$2, beige in color gaming chip, as requested by the
5 casino licensees. No comments were received either in
6 writing or at the public hearing. I'd be happy to
7 entertain any questions that you may have.

8 CHAIRMAN MATHEWSON: See, I've forgotten.
9 What color are they?

10 MS. HUTCHISON: Beige.

11 CHAIRMAN MATHEWSON: Beige. And why did
12 we arrive at beige?

13 MS. HUTCHISON: One of the reasons is,
14 actually, it's distinguishable between the other gaming
15 chips. And if you look at the other chips, almost
16 every other color has been picked.

17 CHAIRMAN MATHEWSON: Okay. I'm teasing
18 her a little bit with this, so understand that.

19 Good presentation.

20 Any questions?

21 MR. MCNARY: We recommend approval.

22 CHAIRMAN MATHEWSON: Well, I would think
23 you would.

24 Any further discussion? I'd accept a motion
25 to approve.

1 COMMISSIONER SHULL: I'd move for
2 approval of 11CSR45-5.100 regarding chip
3 specifications.

4 MS. BRADLEY: Second.

5 CHAIRMAN MATHEWSON: Call the roll,
6 please.

7 MS. FRANKS: Chairman Mathewson?

8 CHAIRMAN MATHEWSON: Approve.

9 MS. FRANKS: Commissioner Shull?

10 COMMISSIONER SHULL: Approve.

11 MS. FRANKS: Commissioner Jones?

12 COMMISSIONER JONES: Approve.

13 MS. FRANKS: Commissioner Plunkett?

14 COMMISSIONER PLUNKETT: Approve.

15 MS. FRANKS: Commissioner Bradley?

16 COMMISSIONER BRADLEY: Approve.

17 MS. FRANKS: By your vote, you've adopted
18 11CSR45-5.100.

19 MR. MCNARY: Mr. Chairman, unless there's
20 new or old business, we don't believe that it's
21 necessary to close the meeting. And you would be
22 ready to adjourn?

23 CHAIRMAN MATHEWSON: We don't need a
24 closed session. Okay. Thank you.

25 Commission Shull.

1 COMMISSIONER SHULL: I just have a
2 question about why there no longer are any pending
3 disciplinary actions that are presented on the form
4 that we're receiving, and I would ask that we have
5 those be put back on.

6 MR. MCNARY: Yes, sir.

7 COMMISSIONER SHULL: And the second is
8 that I have not received a copy of the Commission's
9 concentration report for several months for the
10 investors that hold over 10 percent or the ones that
11 have been approved by the staff, and I was wondering
12 if we might have that next month.

13 MR. MCNARY: You'll have it. Because of
14 reorganization, that probably has fallen between the
15 cracks. We'll get it to you.

16 COMMISSIONER SHULL: Next month?

17 MR. MCNARY: Yes, sir.

18 COMMISSIONER SHULL: Thank you.

19 MR. MCNARY: Or sooner.

20 CHAIRMAN MATHEWSON: I understand.
21 Correct me if I am wrong, Mr. Director, but it is
22 done, isn't it?

23 MR. MCNARY: We haven't compiled it.

24 CHAIRMAN MATHEWSON: Oh, you haven't.
25 Okay. I'm sorry. I misunderstood.

1 Okay. Are you okay with that?

2 COMMISSIONER SHULL: Yes, sir.

3 CHAIRMAN MATHEWSON: Anything else? Any

4 commissioners have any questions of the director or

5 anybody else?

6 Okay. Chair would accept a motion to close

7 this meeting.

8 COMMISSIONER PLUNKETT: I make a motion.

9 COMMISSIONER JONES: Second.

10 MS. FRANKS: We're adjourning the

11 meeting, correct?

12 CHAIRMAN MATHEWSON: Yes.

13 MS. FRANKS: Chairman Mathewson?

14 CHAIRMAN MATHEWSON: Approve.

15 MS. FRANKS: Commissioner Shull?

16 COMMISSIONER SHULL: Approve.

17 MS. FRANKS: Commissioner Jones?

18 COMMISSIONER JONES: Approve.

19 MS. FRANKS: Commissioner Plunkett?

20 COMMISSIONER PLUNKETT: Approve.

21 MS. FRANKS: Commissioner Bradley?

22 COMMISSIONER BRADLEY: Approve.

23 (Thereupon, the meeting was concluded.)

24

25

1 STATE OF MISSOURI)

2 COUNTY OF ST. LOUIS)

3

4 I, Lauren M. Goodman, a Certified Court
5 Reporter within and for the State of Missouri, do
6 certify that I was present at the St. Charles City
7 Hall Building, Council Chambers, 200 North Second
8 Street, Fourth Floor, in the County of St. Charles,
9 State of Missouri, on the 30th day of September, A.D.,
10 2009; that thereafter, a Missouri Gaming Commission
11 meeting was held, commencing at 10:30 in the morning
12 of that day, that all proceedings which then transpired
13 were contemporaneously reduced to typewriting by me,
14 and later transcribed into typewriting, and that the
15 foregoing 76 pages are a true and accurate transcript
16 of the record of proceedings made by me at that time.

17 IN WITNESS WHEREOF, I have hereunto set my
18 hand this 5th day of October, A.D., 2009.

19

20

LAUREN M. GOODMAN, RPR, CCR 1037

21

Certified Court Reporter within
and for the State of Missouri

22

23

24

25

MISSOURI GAMING COMMISSION
Second Open Session Minutes
September 30, 2009

The Missouri Gaming Commission (the "Commission") went into open session at approximately 12:45 p.m. on September 30, 2009, at the St. Charles City Hall, Council Chambers, 200 North Second Street, St. Charles, Missouri.

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

The meeting adjourned at 12:47 p.m.