

**MINUTES**  
**KANSAS LOTTERY COMMISSION**  
**Wednesday, June 17, 2009**  
**9:00 a.m.**  
**128 North Kansas Avenue**  
**Topeka, Kansas 66603-3638**

**Call to Order**

The regular monthly meeting of the Kansas Lottery Commission was called to order on Wednesday, June 17, 2009, at approximately 9:10 a.m. by Chairperson Harold Nye. The meeting was open to the public at Lottery headquarters, 128 North Kansas Avenue, Topeka, Kansas. The meeting was held with the commissioners attending in person. Security Director Gary Herman determined compliance with the *Open Meetings Law*. Minutes were recorded by Executive Secretary Mary Metzler.

**Attendance**

<b>Commissioners Present</b>	<b>Commissioners Absent</b>
Harold Nye, <i>Chairperson</i> - Hays	
Jeanine McKenna - Reading	
Joni Franklin - Wichita	
Robert Wunsch - Kingman	

**Attendees**

**Participating**

**Staff:** Ed Van Petten, Executive Director  
Keith Kocher, Director of Gaming Facilities  
Stephen Durrell, Assistant Attorney General  
Gary Herman, Director of Security  
Sally Lunsford, Director of Communications  
Mary Metzler, Executive Secretary

**Visitors:** A list of signed-in visitors is attached and incorporated by reference to the official minutes. Some unidentified individuals listened to the meeting via conference call.

### Approval of Minutes

Minutes of the regular meeting conducted on May 13, 2009, were submitted to the Commission in their online agenda packets. There were no additions or corrections to the minutes as presented. **Commissioner Franklin moved to approve the minutes as presented; Commissioner McKenna seconded;** motion approved unanimously.

### New Business:

(1) **RULES . . . . . Assistant Attorney General Stephen Durrell**

Mr. Durrell presented a written summary of the rules prior to the meeting, a copy of which is filed with the official minutes, and he presented the rules to the Commission for approval as follows:

#### New Instant Game Rules

<i>Specific Instant Game Rules</i>	<i>Article 4</i>
K.A.R. 111-4-2849	“Snowflake Bingo” - Game No. 191
K.A.R. 111-4-2850	“Holiday Crossword” - Game No. 192
K.A.R. 111-4-2851	“Huntin’ Season” - Game No. 197
K.A.R. 111-4-2852	“Cash Happy” - Game No. 198
K.A.R. 111-4-2853	“Triple Tripler” - Game No. 199
K.A.R. 111-4-2854	“Keep the Change” - Game No. 200
K.A.R. 111-4-2855	“Bonus Crossword” - Game No. 201

#### New Pull Tab Game Rules

<i>Specific Instant Game Rules</i>	<i>Article 4</i>
K.A.R. 111-9-157	“Fire & Dice” - Game No. 189
K.A.R. 111-9-158	“Payday” - Game No. 190

#### Motion

**Hearing no questions or comments from the Commission regarding the rules presented by Mr. Durrell, Chairman Nye called for a motion to approve the rules. Commissioner Franklin so moved. Commissioner Wunsch seconded; motion approved unanimously.**

**(2) EXPANDED GAMING . . . . . Director of Gaming Facilities Keith Kocher**

Southwest Gaming Zone. Mr. Kocher informed the Commission that the Boot Hill casino is progressing well. He said that the central system was being implemented

**(3) DIRECTOR'S REPORT . . . . . Executive Director Ed Van Petten**

Sales. Mr. Van Petten informed the Commission that sales were down by approximately 2.7 percent compared to one year ago. Commissioner Franklin asked how Kansas compared to other states. Mr. Van Petten said that while Minnesota was up, the states of Missouri, Iowa, and Nebraska were down by 6 to 10 percent.

Push Play. Executive Director Van Petten reported that the push play game was being sold in limited locations.

Veterans Games. Mr. Van Petten reported that the transfers for Veterans games were twice as much as a year ago.

**Announcements**

The next regular Commission meeting will be held on Wednesday, July 15, 2009, at 11:15 a.m. via conference call. The need for a special meeting next week to consider casino contracts would be determined later.

**Executive Session**

Having no further regular business, **Commissioner McKenna moved that in order to protect attorney client privilege, the commission recess into executive session for the purpose of discussing legal issues surrounding the pending applications to become lottery gaming facility managers. The parties to be included in this executive session are the commissioners, our attorneys, the Executive Director, the Director of Gaming Facilities, and our outside counsel. We will reconvene the open meeting at 10:00 a.m. via teleconference at the same telephone number and utilizing the same PIN number used for the call. Commissioner Franklin seconded; motion approved unanimously.**

*The regular meeting resumed at approximately 10:07 a.m.*

## **Other New Business - Expanded Gaming**

### *Opening Remarks*

Gaming Facility Director Keith Kocher took the floor for the purpose of making opening remarks prior to the presentations by the casino applicants. Mr. Kocher reminded the attendees that the Review Board will make the final decision to determine the successful applicants. He said that the final deadline to approve the contracts was June 30, 2009, but that an extension could be requested. Mr. Kocher said that this meeting would continue next week at a time and date to be determined.

Mr. Kocher said that applicants would be limited to 15 minute presentations and were required to include information pertaining to investment in infrastructure, number of gaming machines and table games, size and location of facility as well as other information that was provided to guests on an "Overview" sheet and which was made available to the public. Mr. Kocher informed the guests that the Overviews would be posted on the Lottery's website as soon as possible following the meeting.

The meeting then proceeded with presentations by the applicants. All handouts are filed and incorporated as part of these original minutes.

The presentations were made as follows:

### **Northeast Gaming Zone:**

Penn Hollywood Kansas, Inc., *presented by Steve Snyder*  
Kansas Entertainment, LLC, *presented by Joe Weinberg*

### **South Central Gaming Zone:**

Lakes Kansas Development, LLC, *presented by Damon Schramm*  
South Central Gaming Partners, LLC, *presented by Peter Simon*  
Chisholm Creek Casino Resort, LLC, *presented by Gary Armentrout*

### *Closing Remarks*

At the conclusion of the presentations, Gaming Facilities Director Keith Kocher announced that a special commission meeting would be held on Thursday, June 25, 2009, at 10:00 a.m., via teleconference with the commission, to consider the contracts.

## **Adjournment**

**Commissioner McKenna moved to adjourn the meeting. Commissioner Franklin seconded; meeting adjourned at approximately 2:57 p.m.**