

MINUTES

SPECIAL MEETING KANSAS LOTTERY COMMISSION Tuesday, August 25, 2009 11:15 a.m.

Call to Order

A special meeting of the Kansas Lottery Commission was called to order on Tuesday, August 25, 2009, at approximately 11:25 a.m. by Chairperson Harold Nye. **The purpose of the special meeting was to consider entering into contracts with the casino applicants in the South Central Gaming Zone.** No other business was scheduled to be conducted. The meeting was conducted at Lottery headquarters in Topeka, Kansas, and was open to the public. The Commission participated via teleconference. Security Director Gary Herman determined compliance with the *Open Meetings Law*. Minutes were recorded by Mary Metzler, Executive Secretary.

Attendance

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

Participating

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

Visitors: A list of signed-in visitors is attached to the official minutes.

Special Business:

EXPANDED GAMING Director of Gaming Facilities Keith Kocher

Gaming Facilities Director Keith Kocher informed the Commission that the South Central Gaming Zone originally started with three applicants, all of which presented overviews to the Commission on June 17, 2009. He said that prior to the special commission meeting on June 17, 2009, Chisholm Creek had joined forces with South Central Gaming Partners, and now Chisholm Creek has further joined forces with Lakes Kansas, LLC. Mr. Kocher reported that the group was being headed by the Gary Armentrout, who is President of the Foxwoods Development. Mr. Kocher reported that the applicant was in compliance with all statutory requirements for financial ability and gaming experience as evidenced in the analysis by the Lottery's consultant Richard Schuetz. Mr. Kocher stated that the financial responsibility of Chisholm Creek Casino Resort, LLC rests upon Lakes Entertainment, Inc. (17%), Clairvest Group, Inc. (33%), and four partnerships that comprise the fund of Och-Ziff (50%).

Gary Armentrout, President of the Foxwoods, then took the floor. Mr. Armentrout said that Mr. Kocher had presented an accurate overview to the Commission. He said that it was important to note that the main reason for the consolidation of the applications was have the ability to build the casino entirely with cash.

In addition to the analysis by Mr. Schuetz, the Commission was presented with an "Overview" as well as a copy of the contract negotiated with the applicant to become a lottery gaming facility manager. Mr. Kocher stated that the applicant and contract were compliant with all statutory requirements.

Motion

Commissioner Franklin moved to approve the contract with Chishom Creek Casino Resort, LLC and give Executive Director Ed Van Petten the authority to sign the document on behalf of the Kansas Lottery. Commissioner Wunsch seconded. The Commission voted unanimously to approve the motion.

Additional Comments:

Mr. Van Petten reported that construction of the Boot Hill casino was progressing and planned to open in December 2009.

Mr. Kocher said that he would post the contracts on the Lottery's website in the near future.

Adjournment:

Having no other business, **Commissioner McKenna moved to adjourn the meeting. Commissioner Franklin seconded; meeting adjourned at approximately 11:42 a.m.**