

UNAPPROVED

**SOUTH DAKOTA COMMISSION ON GAMING
QUARTERLY BUSINESS MEETING
DEADWOOD CITY HALL, DEADWOOD, SOUTH DAKOTA**

MINUTES

March 19, 2014

At 9:00 a.m. the meeting was called to order. Commissioner Ralph Kemnitz, Commissioner Karen Crew, Commissioner Harry Christianson, Commissioner Dennis Duncan, and Commissioner Tim Holland were present. Staff members present for the meeting were Mike Shaw, Commission Attorney; Larry Eliason, Executive Secretary; Craig Sparrow, Director of Operations and Enforcement.

The meeting was called to order by Commissioner Kemnitz.

Larry Eliason, Executive Secretary, introduced the new Enforcement Agent, Sam Otto, and congratulated Angela Wilkerson on graduating from the Law Enforcement Academy, and Susan Christian on 12 years of service with the Gaming Commission.

The court reporter for the hearing portion of the meeting was Carolyn Harkins. The following case was scheduled to be heard:

ADMINISTRATIVE HEARING

In Re: One Seized Slot Machine

One Seized Slot Machine

The owner of Halley's 1880 Store was not present for the hearing. The purpose of the hearing is to determine if the IGT Red White and Blue slot machine serial number 765081 which was seized from Halley's 1880 Store in Keystone, South Dakota, on January 31, 2014 is contraband and may be destroyed pursuant to SDCL 42-7B-39. Commissioner Christianson made a motion that the slot machine is contraband and is to be destroyed in the manner approved by the Commission staff. Commissioner Duncan seconded the motion which carried unanimously.

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GENERAL MEETING

Commissioner Kemnitz called the general meeting to order at 9:10 am.

Approval of Agenda

An addition to the agenda was made for information purposes only by Larry Eliason, Executive Secretary.

The commission has arranged two speakers to conduct training on March 26, 2016 in order to resolve issues surrounding allegations of illegal or unfair poker play in some casinos. Mr. Eliason stated that so far only one of the four casinos that offer poker had informed the commission staff that it planned to send representatives to the training. The Commissioners stated that they were disappointed that there was not a greater participation signed up for the commission funded training and it seemed that the casino properties' intentions were to ignore this situation.

No conflicts of interest were noted on the agenda.

November 20, 2013 Quarterly Meeting

Commissioner Duncan made a motion to adopt the drafted minutes from the November 20, 2013 meeting. Commissioner Holland seconded the motion which carried unanimously.

January 7, 2014 Special Meeting

Commissioner Christianson made a motion to adopt the drafted minutes from the January 7, 2014 meeting. Commissioner Crew seconded the motion which carried unanimously.

February 18, 2014 Special Meeting

Commissioner Duncan made a motion to adopt the drafted minutes from the February 18, 2014 meeting. Commissioner Holland seconded the motion which carried unanimously.

Report on 2014 Legislative Session

Larry Eliason, Executive Secretary, reported that House Bill No. 1084 had passed and that House Joint Resolution No. 1001 passed and will now be on the ballot for the November election.

Racing Contracts

Laboratory Services

Commissioner Christianson made a motion to accept the contract with the Center for Tox Services as the official lab for the 2014 horse racing season. Commissioner Crew seconded the motion which carried unanimously.

Veterinarian Services

Commissioner Christianson made a motion to accept the contract with Cooper Animal Clinic as the official veterinarian for the 2014 horse racing season contingent upon an itemized listing of the total amount presented in the contract. Commissioner Duncan seconded the motion which carried unanimously.

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Racing Commission Officials and Race Track Officials

Commission Racing Officials

Commissioner Christianson made a motion to approve the Commission Racing Officials for the 2014 horse racing season as listed on page 26 of the meeting packet. Commissioner Duncan seconded the motion which carried unanimously.

Verendrye Benevolent Association Racing Officials

Commissioner Christianson made a motion to approve the Verendrye Benevolent Association Racing Officials for the 2014 horse racing season as listed on page 27 of the meeting packet. Commissioner Crew seconded the motion which carried unanimously.

Northeast Area Horse Racing, Inc. Racing Officials

Commissioner Christianson made a motion to approve the Northeast Area Horse Racing, Inc. Racing Officials for the 2014 horse racing season as listed on page 28 of the meeting packet. Commissioner Duncan seconded the motion which carried unanimously.

Deadwood Licensing Matters

Director of Operations/Enforcement Sparrow recommended approval of the following:

Key License

- ✓ Jeannie Bennett
- ✓ Shareen Covell
- ✓ Donica Schumacher
- ✓ Wayne Ruffner
- ✓ Joshua Thurmes

Key License Renewal

- ✓ Anthony Milos

Business License Approval

Approve Paul Thorstenson as an owner on WWW, LLC (0002-PO) Property Owners license which owns the buildings that Gold Country Inn and Deadwood Station operate in.

Ratification of Licensing Actions by the Executive Secretary per 42-7B-11 (16)

- ✓ Approve the transfer of Retail License belonging to Vincent Cassisa (0441-RT) from the Restaurant building to casino building #7 at the Deadwood Gulch Resort.
- ✓ Approval of the 6 Key License renewals listed below:
 - 1) Joel Edgar
 - 2) Jerry Eulo, Sr.
 - 3) Thomas Frank
 - 4) Bradley Hemmah
 - 5) Ryan Klima
 - 6) Deb Klima
- ✓ Approve the request to move the retail license belonging to Donna Kellar (0373-RT) to an unassigned location, the retail license renewal of Mike Trucano (0583-RT) and the assignment of that license to the Iron Horse Inn at 27 Deadwood Street.

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Commissioner Christianson made a motion to approve the Key License approvals, Key License renewal, Business License approvals as staff recommended, and Ratification of Licensing actions by the Executive Secretary. Commissioner Crew seconded the motion which carried unanimously.

Next Commission Meeting

The next quarterly commission meeting will be June 11, 2014 at 9 a.m. in Pierre, South Dakota, and the location to be determined at a later date.

The quarterly meeting for November has been changed to Thursday, November 20, 2014.

Promotional Play Court Case

Executive Secretary Eliason and Commission Counsel Mike Shaw briefed the commissioners on the recent decision by Judge Barnett in the court case involving promotional play. The Court found in favor of the Department of Revenue and the Commission on all major issues.

EXECUTIVE SESSION

A 9:42 a.m. went into Executive Session pursuant to SDCL 1-25-2 (3).

The Executive Session was concluded at 9:54 a.m. with no formal action taken.

No further business to be discussed.

Commissioner Christianson made a motion to adjourn the meeting. Commissioner Holland seconded the motion which carried unanimously.

Meeting was adjourned at 9:55 a.m.

Respectfully submitted,
Kathy Fredericksen

Ralph A. Kemnitz, Chairman

Larry B. Eliason, Executive Secretary