

**IOWA RACING AND GAMING COMMISSION  
MINUTES  
MARCH 6, 2018**

The Iowa Racing and Gaming Commission (IRGC) met on Tuesday, March 6, 2018, at Prairie Meadows Racetrack and Casino (PMR&C), Altoona, Iowa. Commission members present were Richard Arnold, Chair; Kris Kramer, Vice Chair; and members Carl Heinrich, Jeff Lamberti and Dolores Mertz.

**APPROVE AGENDA:** Chair Arnold called the meeting to order at 8:30 AM and requested a motion to approve the agenda. Commissioner Mertz moved to approve the agenda as presented. Commissioner Kramer seconded the motion, which carried unanimously.

**APPROVE MINUTES:** Chair Arnold moved to the approval of the minutes from the January 4, 2018 meeting. Commissioner Mertz moved to approve the minutes as submitted. Commissioner Heinrich seconded the motion, which carried unanimously.

**ANNOUNCEMENTS:** Chair Arnold called on Brian Ohorilko, Administrator of IRGC, for announcements. Mr. Ohorilko advised the next meeting would be held on April 12<sup>th</sup> at Ameristar; submissions for that meeting are due in the Commission office by March 29, 2018. There will be no meeting in May; and the Commission will meet at Hard Rock Hotel & Casino in Sioux City on June 14, 2018. Mr. Ohorilko stated the meeting dates for Fiscal Year 2019 would be announced at the April meeting.

**NATIONAL PROBLEM GAMBLING AWARENESS MONTH:** Chair Arnold called on Eric Preuss, Program Manager for the Iowa Gambling Treatment and Prevention Program (IGTP). Mr. Preuss noted 2018 marks the 14<sup>th</sup> annual Problem Gambling Awareness Month, and that calls to gambling helplines increase by an average of 30% in March proving the campaign has an impact not only in Iowa but nationwide. He advised gambling addiction is a serious public health issue demanding a comprehensive solution involving not only federal programs but also efforts on the part of states, counties, cities, communities, families, civic groups, the gambling industry, the nonprofit sector, and professions such as medicine, law, finance and other organizations. Problem gambling is a brain disease which modifies/affects how the brain works, similar to the effects of alcohol or other drugs on the brain. Sixty-five percent of those who seek help show a significant improvement; but less than 1 in 100 who could benefit from treatment actually seek and receive help. Signs of problem gambling include a preoccupation with gambling, unexplained absences for long periods of time, lying to loved ones about gambling behavior, going without basic needs in order to gamble and borrowing money to gamble. Individuals at a higher risk for developing a gambling problem include seniors, adolescents, college students, athletes, veterans, and those being treated for mental health and substance abuse disorders; however, anyone can develop a gambling problem. Mr. Preuss noted that approximately 13% of adult Iowans are classified as “at risk” for developing a gambling disorder, and 1.2% meet the full criteria for a gambling disorder. Referring to the Iowa Youth Survey 2016: Problem Gambling Report completed by the Iowa Consortium for Substance Abuse Research and Evaluation, he advised youth attitudes and behaviors related to gambling have remained

unchanged between 2012 and 2016 for the most part: 25% of all students reported gambling at least once in their lifetime; the percentage of students who won or lost over \$25 per day was about the same for counties with and without a casino, and youth who reported gambling reported a higher incidence of feelings of worthlessness, depression or thoughts of suicide.

Mr. Preuss noted the IGTP was established in 1986 to provide treatment for problem gamblers, concerned persons and family. The Iowa Department of Public Health (IDPH) contracts with 11 local agencies to provide problem gambling prevention, treatment and recovery support services in 11 service regions that encompass all 99 Iowa counties. Problem gambling treatment services include outpatient counseling, which includes access to Recovery Support Services and financial counseling for those experiencing problems related to their gambling, as well as for concerned persons or family members. Approximately 9,000 Iowans have been served by the IGTP over the last 10 years. The providers have seen an increase in sports betting, video and internet gambling over the last couple of years. Mr. Preuss stated that treatment is effective; 92% reported fewer signs and symptoms of problem gambling at discharge, and among those entering the program that had gambled in the past 30 days, the mean number of days gambled decreased from 8 at the time of admission to less than one day at discharge. Health promotion campaigns such as Problem Gambling Awareness Month and Responsible Gaming Education Week, held in March and August each year respectively, encourage Iowans to evaluate their gambling behavior and seek help if they have a problem.

Mr. Preuss advised that on October 23, 2017, the IDPH launched the new Your Life Iowa website, which is the new home for 1800BETSOFF.org and serves as the integrated information and resource hub not only for problem gambling, but also substance abuse, suicide prevention and information resources. This new system can be accessed via the website, online chat, the helpline or text. Individuals making contact can be transferred to a provider at the time of their call if they desire, thus increasing the likelihood the caller will take the next step to accessing help.

The IGTP is funded by a state allocation as part of the general fund each year to IDPH. In SFY 2016, Iowa ranked 4<sup>th</sup> in the US in per capita spending at just under 90 cents per Iowan; the national average is 23 cents. Of the 40 states that fund gambling treatment, the per capita average is 37 cents. Mr. Preuss noted that during these times of tight state and federal budgets, Iowa remains in the top 10 of per capita funded programs in the US. He noted problem gambling services are generally under-funded when compared to the funds available for substance use disorder prevention and treatment (\$73.0 million versus \$24.4 billion respectively).

Chair Arnold called for any questions for Mr. Preuss. Commissioner Mertz asked if the IGTP saw a big increase in the number of individuals enrolled in the program when the riverboats changed to land-based casinos. Mr. Preuss answered in the negative, stating that over the past 10 years there has been about a 50% decrease in the number of Iowans seeking services from the IGTP.

**IOWA GAMING ASSOCIATION:** Chair Arnold called on Wes Ehrecke, President of the Iowa Gaming Association (IGA). He stated he has a solid relationship with Mr. Preuss; and meet at least quarterly. The casinos collaborate with their respective treatment providers, and this week the providers will be setting up tables at the facilities to interact with patrons and provide staff training.

Mr. Ehrecke distributed copies of the 2016-2017 Building Iowa's Communities through Philanthropy annual report, a joint report between the Iowa Council on Foundations and the IGA. He advised approximately \$130,000 of gaming tax revenue is distributed to the community foundation in every non-casino county. Each foundation has their own board of directors to determine how the funds will be distributed; 25% is required to remain in a permanent endowment and the remainder has to be distributed in grants. Starting on page 52, the qualifying sponsoring organizations for the state-licensed facilities are shown with a breakdown of their grants. Mr. Ehrecke stated over the last year approximately \$9 million was distributed by the counties without casinos and another \$53 million was distributed by the qualified sponsoring organizations. He noted some of those funds make their way to organizations in neighboring counties.

**CASINO QUEEN HOLDING COMPANY, INC. d/b/a CASINO QUEEN MARQUETTE:** Jeff Watson, President of Casino Queen Holding Company, Inc., presented a request to refinance their current credit facility pursuant to IAC 491-5.4(8)4(2).

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the refinancing as submitted by Casino Queen Holding Company, Inc. d/b/a Casino Queen Marquette. Commissioner Heinrich seconded the motion, which carried unanimously.

**ISLE CASINO HOTEL WATERLOO:** Todd Connelly, General Manager, presented their request to remodel the non-gaming areas of the facility pursuant to IAC 491-5.4(15). He had a brief power point presentation showing the planned renovations. He stated the wall between the Lone Wolf Restaurant and the Simply Yummy Bakery/gift shop will be removed to expand the restaurant area, which will be re-branded to Brew Brothers. Mr. Connelly stated the Lone Wolf menu would be available at one of the other restaurants on property during the remodel. The bakery/gift shop will be moved to a different location. If approval is received, Mr. Connelly stated they would begin the process of obtaining bids and hopefully come before the Commission in April with those contracts. He stated the projected cost for the Brew Brothers portion is \$850,000, which does not include moving the bakery/gift shop. He estimated another \$50,000 to move the bakery/gift shop. It is estimated it will take 10-12 weeks to complete the Brew House remodel. If approval is received, the project will start when all of the contracts are approved. He estimated the relocation of the bakery/gift shop should cost less than \$100,000 and take approximately 6 weeks; however, no start date has been established at this time. Mr. Connelly stated they would continue to sell Iowa merchandise at the hotel front desk and sundry shop during the construction.

Chair Arnold stated he was glad to hear they would be selling Iowa merchandise during the construction as Commission members had heard concerns that they would not be doing so.

Hearing no further comments or questions, Chair Arnold requested a motion. Commissioner Heinrich moved to approve the remodel request as submitted by Isle Casino Hotel Waterloo. Commissioner Lamberti seconded the motion, which carried unanimously.

### **EXCURSION GAMBLING BOAT AND GAMBLING STRUCTURE LICENSE RENEWALS**

IOWA WEST RACING ASSOCIATION/AMERISTAR CASINO COUNCIL BLUFFS, LLC (IWRA/Ameristar): Pete Tulipana, Executive Director of IWRA, noted the leadership transition at Ameristar has gone seamlessly. He indicated there had been no change in their relationship and feels it will continue in a positive manner. He advised the Iowa West Foundation (IWF) built a facility called Iowa West Fieldhouse, which houses either 10 volleyball courts or 8 basketball courts, and is available to the community so children in southwest Iowa would have access to court time. The fieldhouse was also built to foster economic development. During its first year, more than 250,000 people went through the doors of the facility between local teams, and state, regional and national competitions. More than 4,000 hours of free court time has been made available to local teams serving low-income children, and club teams receive a reduced rate. Tournaments have resulted in more than 1,500 hotel stays in the short time the facility has been open. They are trying to find a way to track restaurant spend. Mr. Tulipana advised they have partnered with the Work Force Development agency to reach out to young adults who have not thought about college or post-secondary education as an alternative. They have created a program called Pottawattamie Promise aimed at Pell-eligible students who are not high performers in high school. Those students have been targeted to help them get a certificate in some kind of trade or a two-year degree. He stated statistics show that future jobs are all about some type of post-secondary education. There are currently in excess of 200 young adults in the program, which provides a full ride to Iowa Western Community College. There are additional services available to the students starting with their sophomore year in high school that continue until they receive their two-year degree. IWF believes this program will have a significant impact on the work force in Council Bluffs and throughout southwest Iowa. They are currently working with five school districts and will be adding one more. Mr. Tulipana requested approval of Ameristar's license, and introduced Matt Block, Vice President of Government Relations for Ameristar.

Mr. Block advised Ameristar appreciates what IWRA does for southwest Iowa and Pottawattamie County. He concurred with Mr. Tulipana's statement regarding the relationship between the two organizations. He advised Ameristar renewed their agreement with IWRA last year ahead of this year's expiration date for three more years. Mr. Block stated 2017 was a good year: they completed an improvement project that added 80 games through expansion of the casino floor and had record market share for the third consecutive year. They are looking forward to 2018 and hosting the Commission meeting in April.

Hearing no comments or questions concerning the license renewal, Chair Arnold requested a motion. Commissioner Lamberti moved to renew the license to conduct gambling games to Iowa West Racing Association, renew the license to operate Ameristar Casino Council Bluffs, LLC as an excursion boat that will not cruise and approve the facility's revised security plan included in the application. Commissioner Kramer seconded the motion, which carried unanimously.

Mr. Block presented a contract with Jager Lawn Services LLC for a mowing agreement.

Hearing no comments or questions concerning the contract, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the contract as submitted. Commissioner Heinrich seconded the motion, which carried unanimously.

IOWA WEST RACING ASSOCIATION/HARVEYS IOWA MANAGEMENT COMPANY LLC (IWRA/Harrah's): Mr. Tulipana stated IWRA has an advisory committee that meets with the Harrah's management team on a regular basis to discuss gaming and IWRA's work, which provides a means of maintaining their strong working relationship. He stated Omaha and Council Bluffs have been looking at ways to improve the riverfront in both communities; IWF and the city of Council Bluffs are leading the discussions for the Iowa side. One of the things IWF has already done is invest in the Tom Hanafan River's Edge Park. Over the last year, they have been working on the dry-side development that sits behind the park. The land ties into Harrah's property when traveling south. The long-term vision for the riverfront is to create a place people want to come and have access to everything in the area. Currently, townhomes and apartments are being built by a local developer; and a new office building that will be the new home of IWF. There is space for two more office buildings and two more luxury condo towers. Mr. Tulipana believes the project is moving forward because IWF has partnered with the city to create a place that makes this kind of development attractive. He indicated it would be a tremendous place to live, work and play, and is a walkable distance to Harrah's. Mr. Tulipana requested approval of Harveys Iowa Management Company's license renewal.

Bo Guidry, General Manager, stated Harrah's has a great working relationship with IWRA/IWF, and are very excited about the future. He requested approval of their license renewal.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to renew the license to conduct gambling games to Iowa West Racing Association and renew the license to operate Harveys Iowa Management Company, LLC as a gambling structure and approve the facility's revised security plan included in the application. Commissioner Heinrich seconded the motion, which carried unanimously.

Mr. Guidry presented the following contracts for Commission approval:

- Richardson Sales and Service – Reupholstering Company
- Global Payment Gaming Services, Inc. – Financial Services Provider (OSV)

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to approve the contracts as submitted. Commissioner Mertz seconded the motion, which carried unanimously.

WASHINGTON COUNTY RIVERBOAT FOUNDATION, INC./RIVERSIDE CASINO & GOLF RESORT, LLC (WCRF/RCGR): Dan Franz, General Manager, thanked the Commission for entrusting them with the license to serve the patrons in the eastern Iowa corridor and across the state with a true destination casino resort. He advised representatives from WCRF attempted to make the meeting, but turned back due to road conditions. Mr. Franz stated the facility has a great relationship with WCRF, and value all they do throughout the counties of Washington, Johnson, Linn, Muscatine and other surrounding counties. The projects funded provide a great benefit to the region. With regard to the renovation project, Mr. Franz advised the casino ceilings have been completed; they are currently working on the buffet and show lounge and hope to have them completed by the end of March. They will then start on the feature bar, the Top Golf high limit poker elite area and the diner. When those projects are completed, they will start on the casino floor to update the carpet, slot stools, etc. and some of the non-gaming corridors. Mr. Franz stated they hope to have the renovations completed by the end of the third quarter. He requested approval of their license renewal.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to renew the license to conduct gambling games to Washington County Riverboat Foundation, Inc., renew the license to operate Riverside Casino & Golf Resort, LLC as a gambling structure and approve the facility's revised security plan included in the application. Commissioner Kramer seconded the motion, which carried unanimously.

Mr. Franz presented the following contracts for Commission approval:

- 7G Distributing Co. – Beverage Purchases
- Atmosphere Commercial Interiors – Resort Renovation Project – Stage 1 Buffet (OSV)
- Atmosphere Commercial Interiors – Resort Renovation Project – Stage 2 Other (OSV)
- Bakemark USA LLC – Bakery Supplies and Goods (OSV)
- Cambrian Granite & Stone – Resort Renovation Project – Quartz and Marble
- Cardmember Services through Peoples Bank – Credit Card Purchases
- Carousel Motors – Vehicle Purchases
- CDW – Microsoft Server and Client Access User Licenses (OSV)
- Corridor Paint & Drywall, Inc. – Resort Renovation Project – Painting & Wall Coverings
- Edward Don & Company – Disposables, Smallwares Purchases
- E-Gads!, LLC – Resort Renovation Project – Signage (OSV)
- Fleck Sales – Beverage Purchases
- Harger's Acoustics, Inc. – Resort Renovation Project – Acoustic Panels & Ceilings
- Iowa Alcoholic Beverages Division – Alcoholic Beverages Purchases
- J & A Printing – Mail Processing and Printing Services, including Postage
- King Food Service – Food Purchases
- Loffredo Fresh Produce Co., Inc. – Food and Produce Purchases

- MedOne Healthcare Systems – Prescription Drug Benefit Plan
- Myers-Cox Company – Purchase of Cigarettes, Sundries, Candy and Chips
- Neesvig’s Inc. – Specialty Food Purchases (OSV)
- Prairie Farms Dairy – Dairy and Food Purchases
- SupplyWorks – Environmental Services Supplies
- Sysco Food Services of Iowa – Food Purchases
- University of IA Hospitals and Clinics – Health Plan Costs Medical
- U.S. Foods – Food Purchases

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the contracts as submitted. Commissioner Mertz seconded the motion, which carried unanimously.

BLACK HAWK COUNTY GAMING ASSOCIATION/IOC BLACK HAWK COUNTY, INC. D/B/A ISLE CASINO HOTEL WATERLOO (BHC GA/IOC WATERLOO): Mr. Connelly stated they have a great relationship with BHC GA; and the impact on the downtown Waterloo area is tremendous. He introduced Beth Knipp, Executive Director of BHC GA.

Ms. Knipp stated the two organizations have a great relationship; and advised IOC Waterloo is an asset to the community. In the last 12 months, in excess of \$5 million has been awarded to 52 projects located in 18 different municipalities in Black Hawk and the surrounding counties. Funding commitments range from supporting a new public safety building to a streetscape enhancement in a DOT project that runs through Waterloo and Cedar Falls. Ms. Knipp advised BHC GA has also made a \$475,000 commitment to the new Boys and Girls Club Teen Center. Additionally, they provided \$250,000 for the first all-inclusive playground for children with challenging difficult abilities. She stated BHC GA has invested in quality of life projects that benefit the entire Cedar Valley, whether it’s engaging in physical fitness activities, exploring the natural wonders of the outdoors, parks and trails; public places and spaces has been their strategic funding goal. Additionally, they provide funding for various public safety organizations, human services, and the arts. Over 10 ½ years, BHC GA has awarded \$42 million to 463 projects in the following counties: Black Hawk, Bremer, Buchanan, Butler, Tama, Chickasaw, and Grundy. Ms. Knipp advised their grants represent approximately one-third of any project; their \$42 million investment has leveraged another \$84 million in partnering investments. She noted their investment in downtown Waterloo has encouraged another \$150 million in investments, none of which involved BHC GA funding. Ms. Knipp stated the Sportsplex, which was funded by BHC GA, has been in operation for 4 years and has 5,000 members. The facility has hosted numerous tournaments for soccer. Ms. Knipp requested renewal of the licenses.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to renew the license to conduct gambling games to Black Hawk County Gaming Association and renew the license to operate IOC Black Hawk County, Inc. d/b/a Isle Casino Hotel Waterloo as a gambling structure. Commissioner Heinrich seconded the motion, which carried unanimously.

Mr. Connelly presented the following contracts for Commission approval:

- Sysco Foodservices of Iowa, Inc. – Food Vendor
- United Beverage – Beer Vendor
- Concept 3, LLC – Player Gifts Vendor (OSV)

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to approve the contracts as submitted by IOC Waterloo. Commissioner Heinrich seconded the motion, which carried unanimously.

WORTH COUNTY DEVELOPMENT AUTHORITY/DIAMOND JO WORTH, LLC D/B/A DIAMOND JO WORTH (WCDA/DJW): Ken Abrams, President of WCDA, introduced Scott Smith, General Manager of DJW. Mr. Abrams advised WCDA uses their funds to support education along with their other grants. Last year, 100 Worth County seniors qualified for \$7,463 in scholarships. He requested renewal of their license.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to renew the license to conduct gambling games to Worth County Development Authority, renew the license to operate Diamond Jo Worth, LLC d/b/a Diamond Jo Worth as a gambling structure, and approve the facility's revised security plan included in the application. Commissioner Kramer seconded the motion, which carried unanimously.

MISSOURI RIVER HISTORICAL DEVELOPMENT, INC./SCE PARTNERS, LLC D/B/A HARD ROCK HOTEL & CASINO SIOUX CITY (MRHD/Hard Rock): Dakin Schultz, President, advised that since August 2014, MRHD has received over \$11,500,000 in funds to distribute as grants; they have distributed over \$1 million in scholarships with over half being given in the last two years. He stated they have a positive working relationship with Hard Rock staff. Mr. Schultz noted there was a 70% vacancy rate in the downtown area prior to the arrival of Hard Rock, but today store fronts are quickly filling. He requested renewal of their license application.

Mike Adams, Interim General Manager, concurred with Mr. Schultz's comments regarding the relationship between the two organizations. He stated they provide a monthly update to the MRHD Board during their meetings, and are included when grant distributions are made. Mr. Adams requested approval of their gaming license.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to renew the license to conduct gambling games to Missouri River Historical Development, Inc., renew the license to operate SCE Partners, LLC d/b/a Hard Rock Hotel & Casino Sioux City as a gambling structure, and approve the facility's revised security plan included in the application. Commissioner Heinrich seconded the motion, which carried unanimously.

Mr. Adams submitted a contract with American Society of Composers, Authors and Publishers (ASCAP) for music licensing for Commission approval.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to approve the contract as submitted by Hard Rock. Commissioner Heinrich seconded the motion, which carried unanimously.

SCOTT COUNTY REGIONAL AUTHORITY/ISLE OF CAPRI BETTENDORF, L.C. (SCRA/IOC Bettendorf): John Nagle, President of SCRA, stated they have a good relationship with IOC Bettendorf. He advised the area is undergoing a significant transformation with a new \$1.5 billion bridge across the border to Illinois; and the downtown area will be changing dramatically over the next several years with IOC Bettendorf at the heart of the construction. Mr. Nagel stated SCRA has distributed over 120 grants totaling approximately \$3.2 million. Education grants have been given to the following school districts: North Scott, Bettendorf, Pleasant Valley, and Davenport. They also provided funding for an all-inclusive playground. Mr. Nagle advised there is a new organization, 180, which teaches life skills to individuals that have been incarcerated or dealt with other types of addictions to enable them to become contributing members to the community. He requested renewal of SCRA's license, and introduced Nancy Ballenger, General Manager of IOC Bettendorf.

Ms. Ballenger concurred with Mr. Nagle's comments regarding the relationship between the organizations. She advised 2017 was their first full year as a land-based facility and everything is continuing to go well. She requested renewal of their license.

Chair Arnold expressed concern about IOC Bettendorf's request to reduce the security force. He questioned if there would be sufficient security staff should two issues occur at the same time. Ms. Ballenger stated the previous plans were based on the riverboat model where they were required to be first responders; with the land-based facility, they have direct response to the fire department and no longer serve as first responders. She advised they also instituted a proxy card system at the facility. A majority of back-of-house areas are accessed via the proxy card; there is also a designated dispatch area that all employees go by. Ms. Ballenger stated they feel that adds another layer of security for the facility. She noted the law enforcement facility is just over 8 minutes from their facility, which should provide a quick response time. She stated she hears the Commission's concerns, but feels the changes to the facility make it a more convenient facility. She noted passenger counts appear to have increased significantly, but feels the number is somewhat inflated due to the proximity of the amenities to the casino floor.

Hearing no further comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to renew the license to conduct gambling games to Scott County Regional Authority, renew the license to operate Isle of Capri Bettendorf, L.C. as a gambling structure, and approve the facility's revised security plan included in the application. Commissioner Heinrich seconded the motion, which carried unanimously.

Ms. Ballenger presented a contract with Concept 3, LLC for marketing promotional prizes for Commission approval.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the contract as submitted. Commissioner Mertz seconded the motion, which carried unanimously.

REGIONAL DEVELOPMENT AUTHORITY/RHYTHM CITY CASINO, LLC (RDA/RCC): Mo Hyder, General Manager, introduced Marie Ziegler and Matt Mendenhall, Vice Chair and President of RDA respectively. Mr. Hyder advised RCC has an excellent working relationship with RDA. He noted RCC celebrated their one year anniversary at the land-based facility, which has been well-received by the community. Mr. Hyder stated the new location provides convenience for locals and traveling guests to enjoy first class gaming and entertainment.

Mr. Mendenhall thanked RCC for their support which allows them to maximize their grant impact within the community. He noted RCC makes direct donations to the community outside of what they give to RDA; and that RDA is a great partner and corporate citizen to the Quad Cities. Mr. Mendenhall advised RDA created a new web site to better highlight the grant distributions; has transitioned to an online grant application system, and is working on a new grant program to focus on a long-term systems change in the community. During 2017, RDA granted \$2.5 million to 100 organizations; he noted they consistently receive about three times more requests than they can fund. They are continuing to distribute a \$500,000 grant to the community college for a downtown urban campus, which supports both education and economic development. Capital grants were given to the Figge Art Museum and Quad City Botanical Center as well as many smaller capital grants.

Mr. Hyder requested approval of their license.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to renew the license to conduct gambling games to Regional Development Authority, renew the license to operate Rhythm City Casino, LLC as a gambling structure and approve the facility's revised security plan included in the application. Commissioner Heinrich seconded the motion, which carried unanimously.

DUBUQUE RACING ASSOCIATION, LTD/DIAMOND JO, LLC D/B/A DIAMOND JO CASINO (DRA/DJ): Wendy Runde, General Manager of DJ, introduced Jesús Avilés, President and CEO of DRA and Q Casino. Ms. Runde advised the relationship between the organizations is unique and most likely the only one of its kind in the nation; they operate as friends, partners and primary competitors; and feels they do so very well.

Mr. Avilés concurred that the relationship between the organizations is unique; the parties work together to enhance the City of Dubuque. In the last 10 years, DJ has contributed close to \$30 million to DRA; DRA distributes approximately \$9 million annually in grants and sponsorships. Mr. Avilés noted Ms. Runde sits on the many boards of local institutions. Mr. Avilés requested approval of the license application.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to renew the license to conduct gambling games to Dubuque Racing Association, Ltd.

and renew the license to operate Diamond Jo, LLC d/b/a Diamond Jo Casino as a gambling structure. Commissioner Heinrich seconded the motion, which carried unanimously.

Chair Arnold moved to the request to approve the Amended and Restated Operating Agreement between DRA and Diamond Jo, LLC. Ms. Runde advised the current agreement will expire in December this year. The Amended and Restated Agreement extends the partnership through December 2030. She requested approval of the new agreement.

Commissioner Lamberti moved to approve the Amended and Restated Operating Agreement as submitted. Commissioner Heinrich seconded the motion, which carried unanimously.

DUBUQUE RACING ASSOCIATION, LTD.: Brian Rakestraw, General Manager of Q Casino, concurred with Mr. Avilés' comments regarding the relationship with the DJ. Mr. Rakestraw requested approval of DRA's license renewal application.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to renew the license to conduct gambling games to Dubuque Racing Association, Ltd., and renew the license to operate Dubuque Racing Association, Ltd. as a gambling structure. Commissioner Mertz seconded the motion, which carried unanimously.

Mr. Rakestraw presented a contract with Carver & Associates for FF&E for the Hilton Room Renovations for approval.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to approve the contract as submitted. Commissioner Mertz seconded the motion, which carried unanimously.

LYON COUNTY RIVERBOAT FOUNDATION, INC./GRAND FALLS CASINO, LLC (LCRF/GFC): Sharon Haselhoff, General Manager, introduced Jerry Kizer, President of LCRF. She requested approval of the license application. Ms. Haselhoff advised gaming revenue was up 1.9% over 2016. She stated 2018 would be an exciting year with the continued renovations of the hotel rooms, and additional renovations to areas of the facility due to a frozen pipe at the end of 2017 – meeting space and spa on the terrace level, and hotel hallway carpets. Ms. Haselhoff noted they have a great relationship with LCRF.

Mr. Kizer stated they have a great working relationship with GFC. In October 2017, LCRF distributed \$1,235,000 to fund projects in the surrounding communities; they awarded a \$1 million long-term grant to the Merrill Pioneer Hospital in Rock Rapids. They also awarded \$135,000 to the City of Alvord to purchase fire trucks and EMS vehicles. He stated 50% of the funds received are distributed through grants and scholarships; the remaining 50% is given to the Lyon County schools. Since 2011, each of the three school districts has received \$1,025,000. Lyon County and the eight communities have received anywhere from \$330,000 to \$465,000. Mr. Kizer stated LCRF has continued the mini-grant distributions of \$2,000 started in 2015. Since its inception in 2011, LCRF has distributed \$13.9 million. He requested renewal of their license.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to renew the license to conduct gambling games to Lyon County Riverboat Foundation, Inc., renew the license to operate Grand Falls Casino, LLC as a gambling structure, and approve the facility's revised security plan included in the application. Commissioner Mertz seconded the motion, which carried unanimously.

Ms. Haselhoff presented the following contracts for Commission approval:

- Crew, Inc. – Water Damage Renovation Project – Project Manager (OSV)
- Sands Drywall Inc. – Water Damage Renovation Project – Subcontractor (OSV)

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the contracts as submitted. Commissioner Heinrich seconded the motion, which carried unanimously.

CLARKE COUNTY DEVELOPMENT CORPORATION/HGI-LAKESIDE, LLC (CCDC/LAKESIDE): Jim Kimball, President of CCDC, stated they are pleased to come before the Commission today with the new owner of the Lakeside property, and they feel they will be able to make things happen in the community. He introduced Bill Trickey, Executive Director of CCDC.

Mr. Trickey stated Lakeside's presence in the community has been a game changer. He noted when he moved to the community in 2006, starting wages were approximately \$8 per hour; today they are \$15 per hour. He noted CCDC has worked hard to develop working relationships with the City Council, Board of Supervisors, and school and hospital boards, which has enabled them to work on some quality of life issues due to the funds received from Lakeside. They made a \$500,000 commitment to renovations at the Clarke County Hospital; they have also provided funds for various public safety needs in Osceola and surrounding communities. Mr. Trickey stated they are working with Workforce Development to put together some advisory boards to help young residents better understand the career opportunities available in the community. They are also working with the schools to make technology available to all of the students. He noted the Commission requested they work on a rotation method for the grant approval team. A grant committee was established with staggered terms; and the first rollover occurred in February. Mr. Trickey stated CCDC enjoys working with the new ownership group; they are working hard to make improvements at the facility. He requested approval of their license; and introduced Dave Monroe, General Manager of Lakeside.

Mr. Monroe agreed with the comments made by Messrs. Kimball and Trickey regarding the relationship between the parties. He requested approval of the license renewal application.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to renew the license to conduct gambling games to Clarke County Development Corporation, renew the license to operate HGI-Lakeside, LLC as a moored barge and approve the facility's revised security plan included in the application.

Mr. Monroe presented a contract with EcoLogix for the purchase and installation of LED lights throughout the facility for approval.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to approve the contract as submitted. Commissioner Heinrich seconded the motion, which carried unanimously.

SOUTHEAST IOWA REGIONAL RIVERBOAT COMMISSION/CATFISH BEND CASINO II, LLC (SIRRC/CBC): Rob Higgins, General Manager of CBC, stated they have a great relationship with SIRRC, and requested approval of their license renewal application. He introduced Steve Staebell, President of SIRRC.

Ms. Staebell stated the relationship between the organizations continues to thrive to the benefit of communities in Lee and Des Moines Counties. Revenues received by SIRRC from CBC are equally divided to the Keokuk Convention and Tourism Bureau, Fort Madison's SIRRC and Grow Greater Burlington. This year the organizations received approximately \$1.3 million. Mr. Staebell advised the Keokuk Convention and Tourism Bureau uses their funds to enhance their tourism efforts for the area. They also used \$115,000 to replace the playground equipment and surface in Rand Park. SIRRC granted \$50,000 to the Port Trails project, which has the goal of enhancing the living experience in the area and keeping people active. Phases 1 and 2 have been completed; the final stage is in the planning stage. Grow Greater Burlington has targeted most of their revenue to the purchase and development of a 35-acre industrial parcel that has been shuttered for more than a decade. The re-development requires multiple environmental tests and thousands of dollars in clean-up so that it can be developed into a mini industrial park. When it is completed, the area will serve as an additional site for economic growth for the Burlington/West Burlington area. Mr. Staebell stated CBC is a first class, quality operation and community citizen. He stated CBC continually reaches out to local businesses to include them in many of their promotions. Mr. Staebell stated SIRRC heartily endorses the license renewal and requested the Commission's approval.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to renew the license to conduct gambling games to Southeast Iowa Regional Riverboat Commission, renew the license to operate Catfish Bend Casinos II, LLC as a gambling structure and approve the facility's revised security plan included in the application. Commissioner Heinrich seconded the motion, which carried unanimously.

CLINTON COUNTY DEVELOPMENT ASSOCIATION/WILD ROSE CLINTON, L.L.C. (CCDA/WRC): Steve Nauman, General Manager, stated CCDA is truly a community association. He advised 2017 was a tough year as they lost 3 members on the board, but now have 3 new members from all walks of life in the community. He introduced Les Shields, Vice President of CCDA.

Mr. Shields stated CCDA will begin 27 years of entertainment in Clinton County, and looks forward to new and exciting opportunities this year. Noting they are one of the smaller qualified sponsoring organizations, Mr. Shields advised they are proud to fund over \$1 million last year in

projects to non-profits and communities. Grants included the continuation of multi-year support for the development of new jobs and opportunities in the Rail and Air Park, over \$400,000 in improvements to recreational facilities, and \$400,000 to projects conducted by non-profit organizations in Clinton County. One of the most exciting grants has provided support for technology enhancements for all of the elementary schools and the reading programs; significant gains have been seen in test scores. Additionally, CCDA made a \$500,000 multi-year commitment for a new linear accelerator for Mercy Hospital in Clinton. The hospital has also conducted a public capital campaign seeking \$2 million in public and corporation donations. Mr. Shields stated CCDA is committed to continuing with these projects and more with the approval of the casino licenses for CCDA and WRC.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Mertz moved to renew the license to conduct gambling games to Clinton County Development Association, renew the license to operate Wild Rose Clinton, L.L.C. as a gambling structure, and approve the facility's revised security plan included in the application. Commissioner Heinrich seconded the motion, which carried unanimously.

PALO ALTO COUNTY GAMING DEVELOPMENT CORPORATION/WILD ROSE EMMETSBURG, L.L.C. (PACGDC/WRE): Steve Cody, General Manager, introduced Janice Helmke, Treasurer of PACGDC. Ms. Helmke advised PACGDC held their grant award ceremony the previous week at WRE and distributed 41 organizational grants, 9 city grants and 6 school grants totaling \$1,312,253. Grants will help with a splash pad and the Five Island Trail Project; several fire and police departments, libraries and many other organizations also received funds. PACGDC board members follow-up the grant distributions with a tour in the fall to see the results of the grants. Ms. Helmke requested the approval of the license renewal application.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Mertz moved to renew the license to conduct gambling games to Palo Alto County Gaming Development Corporation and renew the license to operate Wild Rose Emmetsburg, L.L.C. as a gambling structure. Commissioner Kramer seconded the motion, which carried unanimously.

GROW GREENE COUNTY GAMING CORPORATION/WILD ROSE JEFFERSON, L.L.C. (GGCGC/WRJ): Travis Dvorak, General Manager, stated that as part of the community, WRJ feels they are more than just someone that gives 5% to GGCGC; they have invested beyond the monetary part that GGCGC will talk about. During the less than 3 years of operation, WRJ has given or committed more than \$125,000 in additional funds to the local schools, hospital, law enforcement, and many other organizations. Management and staff members serve on numerous boards and committees. WRJ also partners with many local businesses. In 2017, WRJ added a new food venue, Jtown Café. In 2018, WRJ will be working to support the community as they prepare to host RAGBRAI as an overnight stop. Mr. Dvorak requested the approval of their license renewal. Mr. Dvorak introduced Rick Morain from GGCGC; and advised that the two organizations have an excellent working relationship.

Mr. Morain stated the agreement between GGCGC and WRJ has been a blessing for Greene County. He advised GGCGC will be distributing about \$1.4 million to area non-profits,

municipalities, school districts, and the Greene County Community Foundation when they have their spring award ceremony on April 3<sup>rd</sup>. Mr. Morain pointed out that the agreement calls for 20% to go to the Community Foundation, which is made up of the 6 counties contiguous to Greene County. Those funds boost the funding ability of the individual community foundations by approximately 50%. He noted April 3 is also the date of a special \$21.5 million bond election called by the Greene County Community School District. The funds would go toward a new high school, regional academy and remodeling of the current high school into a middle school – all of which would cost approximately \$35 million. The \$14 million gap between the bond issue and the project cost will be covered via partnerships with a number of different organizations. Mr. Morain stated the Greene County Board of Supervisors has agreed to provide \$5 million in TIF revenue from wind turbines in the county, the school district will use future special revenues totaling about \$4.5 million, and GGCGC is going to provide \$4.5 million over the next 20 years or sooner if possible. Mr. Morain stated that commitment fits the mission of GGCGC, which is to serve as a catalyst to leverage and coordinate resources while providing opportunities for leadership and vision. He stated GGCGC is delighted to be able to assist the school district ramp up the educational opportunities for the students. Mr. Morain requested approval of their license renewal.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Mertz moved to renew the license to conduct gambling games to Grow Greene County Gaming Corporation, renew the license to operate Wild Rose Jefferson, L.L.C. as a gambling structure, and approve the facility's revised security plan included in the application. Commissioner Kramer seconded the motion, which carried unanimously.

UPPER MISSISSIPPI GAMING CORPORATION/CASINO QUEEN MARQUETTE, INC. (UMGC/CQM): Don Ostert, General Manager, stated it was an exciting year with the transition to Casino Queen. He noted many of the employees have been there since Day 1 and celebrated their 23<sup>rd</sup> anniversary in December. Mr. Ostert stated the Marquette property has a great working relationship with UMG, and introduced Sindee Gohde, Executive Director.

Ms. Gohde stated change is a good thing, and UMG is patiently awaiting the arrival of a wager tax increase next year. They will no longer be bound by the 50 cents per passenger, but will begin receiving a 3.25% of the annual gross revenue. They are now able to envision the impact the new contract will have on Clayton County and the surrounding area. Ms. Gohde stated that while the Casino Queen sits in Marquette, it is essential to the growth of the county. Since 1995, UMG has contributed around \$5.5 million in grant money. The casino is the largest employer in the area; and provides fine dining and entertainment. She requested approval of the license renewal, and looks forward to experiencing first-hand what the additional funds will mean for the county and surrounding area as UMG is able to fund more projects.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to renew the license to conduct gambling games to Upper Mississippi Gaming Corporation, renew the license to operate Casino Queen Marquette, Inc. as an excursion boat that will not cruise and approve the facility's revised security plan included in the application. Commissioner Heinrich seconded the motion, which carried unanimously.

Mr. Ostert presented a contract with USA Security, Inc. for the purchase of hardware, software and training on the digital recording system for surveillance and ongoing maintenance for Commission approval.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Kramer moved to approve the contract as submitted. Commissioner Heinrich seconded the motion, which carried unanimously.

**CONTRACT APPROVALS (OSV-OUT OF STATE VENDOR; RP-RELATED PARTY)**

**HORSESHOE CASINO:** Janae Sternberg, Director of Finance, presented the following contracts for Commission approval:

- RL Craft – Roofing Contractor
- Premier Midwest Beverage (Bluffs Beverage) – Beverage Provider
- Omaha Steaks d/b/a OS Sales – Meat Supplier
- Richardson Sales and Service – Reupholstering Company
- Global Payments Gaming Services, Inc. – Financial Services Provider (OSV)
- Gitchi Gaming, Inc. – Chair Provider (OSV)

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Heinrich moved to approve the contracts as submitted. Commissioner Lamberti seconded the motion, which carried unanimously.

**IOWA GREYHOUND ASSOCIATION:** Brian Carpenter, General Manager/Director of Racing, presented the following contracts for Commission approval:

- Sportview Television Corp. – TV Control Center; Monitor System; Cameras and Technical Support for Live and Simulcast Racing (OSV)
- Equibase Company LLC – Horse Program Royalties (OSV)
- United Healthcare – Renewal of Health Insurance for Full-time Employees

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Mertz moved to approve the contracts as submitted. Commissioner Kramer seconded the motion, which carried unanimously.

**PRAIRIE MEADOWS RACETRACK & CASINO, INC. D/B/A PRAIRIE MEADOWS RACETRACK & CASINO:** Ann Atkins, Senior Vice President, and Clint Pursley, Vice President of Security, were present to address the request for approval of the revised security plan.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the revised security plan as submitted. Commissioner Heinrich seconded the motion, which carried unanimously.

Ms. Atkins presented the following contracts for Commission approval:

- Anderson Erickson Dairy – Dairy Products
- Atlantic Bottling Company – Soft Drink Supply Agreement
- Baker Group/Baker Mechanical – HVAC Contractor
- Bankers Trust Company – Line of Credit
- Bankers Trust Company – Banking Services and Credit Cards
- Consolidated Electrical Distributors, Inc. – Electrical Equipment, Parts, Supplies and Service
- Control Installation of Iowa – Surveillance Equipment
- Doctors Now – Company Doctor – Medical Review Officer
- Metro Waste Authority – Waste Disposal
- Moberg Gallery – Art and Art Consulting Services
- Networks, Inc. – Computer Equipment
- OMG Midwest – Dirt, Sand and Paving Materials for Maintenance
- Poindexter Flooring – Tile and Carpet Flooring
- Potthoff Foods – Food Products
- Rangemasters/Get Some Guns, LLC – Equipment
- Shye West (Imagine This) – Promotional Items (OSV)
- Sink Paper and Packaging – Food and Beverage Paper Supplies
- Standard Textile Company – Hotel Linen Supplies (OSV)
- Stroh Corporation – HVAC Contractor
- Waldinger Corporation – Mechanical and Electrical Contractor

Hearing no comments or questions concerning the contracts, Chair Arnold requested a motion. Commissioner Kramer moved to approve the contracts as submitted. Commissioner Mertz seconded the motion, which carried unanimously.

**PUBLIC COMMENT/ADMINISTRATIVE BUSINESS:** As there was no Public Comment, Chair Arnold called on Mr. Ohorilko for Administrative Business. Mr. Ohorilko advised the year-end economic impact reports for calendar year 2017 had been received. These reports demonstrate the economic impact of the gaming industry in Iowa; he noted these numbers are not audited by Commission staff but feels they are representative of the payments made to the communities. Mr. Ohorilko stated the reports are broken down into payroll and related expenses; equipment, supplies and services; statutorily required payments; and charitable contributions. He advised the impact in 2017 was slightly over \$1.2 billion; funds spent with Iowa vendors made up 90.26%. He noted that if payments for items not available in Iowa, such as slot machines, were removed, Iowa spend would be 95.81%. Mr. Ohorilko stated every facility, when factoring out specialized and necessary sources, made 90% of their purchases with Iowa vendors. He acknowledged the following facilities for spending 90% or higher with Iowa vendors for all purchases : Diamond Jo, Diamond Jo Worth, Horseshoe Casino, IOC Bettendorf, IOC Waterloo, Prairie Meadows, Q Casino, Rhythm City, Riverside and Wild Rose Clinton.

Chair Arnold called on Mr. Ehrecke, who distributed a handout providing a visual of the economic impact of gaming in Iowa, and advised it was Gaming Day at the Capitol. This information will be distributed to the legislative leaders and key committee chairs. One page of the handout shows how the gaming revenue paid to the State is utilized to fund various projects.

Mr. Ohorilko provided an update on the task force pertaining to the best practices related to 99D.7(23) and 99F.4(22) relating to self-exclusion. He advised Commission staff sent out surveys to the industry and has reviewed the responses received; they have also reviewed the IGA's Best Practices and Responsible Gaming Checklist and compared that to some of the controls in place currently. Additionally, Commission staff has reviewed some of the history for past Commission Stipulations over the last few years involving self-excluded patrons, and have received feedback and observations from casino staff that are on the floor. He advised there was a meeting with Commission staff and industry representatives to determine what practices are and are not working. Mr. Ohorilko stated there are some best practices that many of the facilities are doing; however, there are some areas the Commission staff feels could be improved. They are starting to put together a summary of the findings and will be submitting a document with potential solutions or items to be shared with all of the licensees in an effort to make everyone better in this area. Mr. Ohorilko stated the goal is to have the document completed by the June Commission meeting.

Mr. Ohorilko announced the purse amounts for the upcoming live racing season at PMR&C. The amount is 11% of the adjusted gross receipts and is used to supplement the purses. The amounts for 2018 are as follows: thoroughbreds - \$2,968,089.57; quarter horses - \$595,570.60; and harness - \$348,694.73.

Mr. Ohorilko noted the April meeting is normally when the Commission announces they are accepting applications for the Horse Promotion Fund; which is established in 99D and is generated through dollars received from breakage at PMR&C. He advised PMR&C had a negative breakage this year due to negative show pools. Mr. Ohorilko stated due to the negative breakage, there is no Horse Promotion Fund for calendar year 2018.

**HEARINGS:**

**WILD ROSE CLINTON, L.L.C.:** Mr. Ohorilko advised Commission staff and Wild Rose Clinton (WRC) have entered into a Stipulated Agreement for a violation of Iowa Code §99F.4(22) (Self-Exclusion). On February 19, 2017 an individual completed the paperwork to participate in the program at WRC. On or about September 14<sup>th</sup>, WRC received a complaint from a patron who had declined to receive promotional mailings but had received one. Upon investigation, WRC determined the individual received the promotional mailing outside the 90-day grace period allowed. During the investigation, WRC discovered another patron had also received some promotional mailings outside of the allowed time frame. WRC has agreed to review their policies and procedures and update them so they regularly audit their guest account system with the state-wide self-exclusion list; and will provide that plan to Commission staff by April 2, 2018. Mr. Ohorilko stated WRC has agreed to pay an administrative penalty in an amount between \$5,000 and \$20,000. He noted this is the second offense within the last 365

days but the first offense occurred prior to the changes made to the resolution at the July meeting.

Mr. Nauman advised WRC takes this program very seriously, and have made some changes and instituted some safeguards. He stated the marketing coordinator failed to pull a new list, which allowed the promotional mailings to disqualified individuals. Now, the marketing coordinator cannot send out e-mails until it is proven that a new self-exclusion list has been pulled; and the marketing manager is required to sign off. The uploading of the new list is checked by two individuals weekly – one uploads the new list and the other verifies it. E-mail addresses for disqualified individuals are removed from the system; and the IT Department runs a program every week to verify there are no e-mail addresses in those accounts.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the Stipulated Agreement with an administrative penalty of \$5,000.00. Commissioner Heinrich seconded the motion, which carried unanimously.

WILD ROSE JEFFERSON, L.L.C.: Mr. Ohorilko advised Commission staff and Wild Rose Jefferson (WRJ) had entered into a Stipulated Agreement for a violation of Iowa Code §99F.4(22) (Self-Exclusion). Mr. Ohorilko stated on June 23, 2014, an individual completed the paperwork to participate in the program at Lakeside Casino. On October 6, 2016, the individual was issued a Player's Club Card at WRJ; the individual received promotional mailings from October 6, 2016 through November 6, 2017. He noted the facility did identify the individual as being on the list when they attempted to obtain a duplicate Player's Club Card and reported the issue to Commission staff at that time. Commission staff and WRJ performed additional audits and found other discrepancies between the player tracking system and the state-wide database, which have been resolved. Mr. Ohorilko stated WRJ has agreed to adopt new procedures to compare the player tracking system with the IGA database on a more routine basis; and present those new procedures to local staff. He stated WRJ acknowledges the facts constitute a violation of Iowa Code §99F.4(22) (Self-Exclusion) and have agreed to pay an administrative penalty in an amount between \$5,000 and \$20,000. This is the first offense for WRJ in the past 365 days.

Mr. Dvorak accepted responsibility and apologized for the violation, noting they take responsible gaming seriously. He advised they have completed an audit and reviewed their procedures. They have emphasized to all employees the importance of thoroughly reviewing IDs. All current and new employees are required to take the IPAC training, a state-sponsored program focusing on reading IDs. Mr. Dvorak stated new audit procedures have been implemented, and communicated to the local gaming representative. They will be conducting a monthly audit of the state-wide exclusion list to their internal control system; this will be done by a team manager and the marketing manager. Additionally, WRJ's security manager is a retired Greene County Sheriff; he has completed the necessary training to become an ID trainer. He will provide this training to current employees and all new hires. This will also be included in their annual re-training process. Mr. Dvorak stated WRJ is taking proactive action to prevent further violations.

Hearing no comments or questions, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the Stipulated Agreement with an administrative penalty of \$5,000.00. Commissioner Kramer seconded the motion, which carried unanimously.

ROBERT BENDA – APPEAL OF ADMINISTRATIVE LAW JUDGE DECISION: Mr. Ohorilko stated the appellant informed staff he did not wish to appear today in order to provide oral argument, but did want the appeal submitted for review based on the written documents made available for the record.

Commissioner Lamberti moved to go into Executive Session pursuant to Iowa Code Section 21.5(1)f for the purpose of discussing the decision to be rendered in a contested case conducted according to the provisions of Chapter 17A. Assistant Attorney General William Hill will be acting as conflict counsel and assist the Commission with questions during Executive Session and may assist the Commission in writing the decision. The motion carried unanimously on a roll call vote.

Upon returning to open session, Commissioner Lamberti moved to affirm the Decision of the Administrative Law Judge dated January 5, 2018 and directed staff to write the decision and notify the parties. Commissioner Heinrich seconded the motion, which carried unanimously.

ADJOURN: Hearing no further business to come before the Commission, Chair Arnold requested a motion to adjourn. Commissioner Lamberti so moved. Commissioner Heinrich seconded the motion, which carried unanimously.

MINUTES TAKEN BY:

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JULIE D. HERRICK