

SOUTH DAKOTA COMMISSION ON GAMING

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South Dakota Commission on Gaming Administrative Hearings and Quarterly Business Meeting Deadwood City Hall, Deadwood, South Dakota

MINUTES

September 16, 2020

At 9:00 a.m. the meeting was called to order. Commissioner Karen Wagner, Commissioner Karl Fischer and Commissioner Bob Goetz were present. Commissioner Dennis McFarland and Commissioner Mike Wordeman participated via Zoom. Staff members present for the meeting were Douglas Abraham, Commission Attorney; Susan Christian, Executive Secretary; Craig Sparrow, Deputy Executive Secretary; and Larry Eliason, Special Assistant; Phil Schlieff, IT Specialist; and Mark Heltzel, Enforcement Agent.

The meeting was called to order by Commissioner Wagner at 9:00 a.m.

Commissioner Wagner welcomed the new Commissioner Bob Goetz.

Conflicts of Interest Disclosure

On a roll call no conflicts of interest were disclosed.

Commissioner Fischer	Nay
Commissioner Wordeman	Nay
Commissioner McFarland	Nay
Commissioner Goetz	Nay
Commissioner Wagner	Nay

All voting will be done by a roll call. A roll call was taken, and a quorum was present.

Commissioner Wagner designated Douglas Abraham as the hearing officer.

The court reporter for the hearings was Veronica Fish. The following cases were scheduled to be heard:

Administrative Hearings

- David Meddings appeal of action taken by Commission
- Charles Johnson appeal of action taken by Commission

David Meddings

Per the request of Mr. Meddings, the hearing will be rescheduled for the December 16, 2020 meeting.

Charles Johnson

The purpose of the hearing is that Mr. Johnson is seeking to be removed from the Exclusion List. Mr. Johnson was present for the hearing. The decision on this matter was deferred to Executive Session.

General Meeting

Commissioner Wagner called the general meeting to order at 9:27 a.m.

Adoption of Quarterly Business Meeting Agenda

The following changes were made to the agenda:

- Removal of pages 69-77 of the meeting packet. At the request of Saloon Gaming this will be taken care of at a later date and time.
- Replaced pages 78-80 in the meeting packet with new pages provided by the Executive Secretary. Doug Runge was incorrectly identified as a State Steward. Mr. Runge is the Verendrye Benevolent Association’s Steward.

Commissioner Fischer made a motion to adopt the agenda. Commissioner Wordeman seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

June 16, 2020 Telephonic Meeting

Commissioner McFarland made a motion to adopt the minutes as drafted for the June 16, 2020 telephonic meeting. Commissioner Goetz seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

Old Business

There was no old business to be discussed at the meeting.

Executive Secretary Report

Susan Christian, Executive Secretary, stated that over the last six (6) months the pandemic has caused a lot of things to change. At the G2E conference in October 2019, the new technology regarding cashless wagering and electronic table games was the topic and with the pandemic is being tested and talked about more. Casinos nationwide in most jurisdictions are showing an increase in revenue but fewer patrons. Deadwood casinos have had good revenues. The live horse racing meet will take place on October 3rd and 4th in Ft. Pierre and the licensing office will be open starting September 30th. The NIAGRA conference has asked her to serve on the Organizational board. The ARCI has re-appointed her to the Pari-Mutuel Audit Committee and the Quarter Horse Racing Committee, Larry Eliason has been re-appointed to the Chairman of Educational and Training Committee, Mike Shaw has been appointed to the Legal Counsel Committee, and Dr. Roger Cooper has been appointed to serve on the Veterinarian Committee. There is a bill being circulated in Washington, D.C. that if passed greyhound racing will be illegal and this will affect the pari-mutuel simulcast in South Dakota so will be following this bill. This was for information purposes only so no action was taken.

Comments Department of Revenue Secretary Jim Terwilliger

Secretary of Revenue, Jim Terwilliger, presented Janell Berg with a letter for her 37 years of service, thanked Greg Strommen for his service to the Commission, and welcomed the new Commissioner Bob Goetz. Mr. Terwilliger gave a brief update on the Department of Revenue stating some staff are still working remotely, are still seeing growth in sales tax revenues, and are prepping for the Legislative session.

Informal request of Frank Gould regarding cashless wagering

Representing Frank Gould, owner of Mineral Palace, were Kurt Hall and Diana Prado. They discussed cashless wagering as were wanting to be able to use a debit card or credit card at a Kiosk to transfer funds to a players account and then download funds to a machine. Commissioner Wagner informed them that they would need to petition to the Executive Secretary for a rule change. This was for information purposes only so no action was taken.

Stipulation of Assurance and Voluntary Compliance

Rocky Ladson

A monetary penalty of \$25.00 and a surrender of his gaming license for seven (7) days was imposed for a complaint that was filed on June 9, 2020 alleging that the Defendant engaged in conduct constituting grounds for disciplinary action by cashing out tickets for abandoned monies on slot machines, redeeming the ticket and keeping the monies for his personal benefit. Licensee agreed to the penalty and surrendered his license.

Commissioner Fischer made a motion to accept the Stipulation of Assurance and Voluntary Compliance and imposed penalty. Commissioner Goetz seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

Live Racing Matters

**State Race Officials
Track Race Officials**

Commissioner Goetz made a motion to approve the State and Track Race Officials as listed on pages 78-82 in the meeting packet. Commissioner McFarland seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

Racing Contracts

**Veterinary Services Cooper Animal Clinic
Lab Testing Center for Tox Services
Enforcement Services Stanley County Sheriff**

Commissioner Wordeman made a motion to approve the Racing contracts as listed on pages 83-95 of the meeting packet. Commissioner Fischer seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

Deadwood Licensing Matters

Key License Approvals

Deputy Executive Secretary Sparrow recommended approval of the following:

- ✓ Tyler Nold
- ✓ Kenneth Elliot
- ✓ Todd Corkins
- ✓ Bruce Stairs
- ✓ Tallea Gallegos
- ✓ Susan Kightlinger
- ✓ Ashley Schubauer

Commissioner McFarland made a motion to approve the Key License approvals as staff recommended. Commissioner Goetz seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

Key License Denial

Deputy Executive Secretary Sparrow recommended denial of the following:

- ✓ Heather Herrman

Commissioner Fischer made a motion to approve the Key License denial as staff recommended. Commissioner Goetz seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

Business License Approval

Deputy Executive Secretary Sparrow recommended approval of the following:

- ✓ Approval of Novomatic AG as an owner of manufacture license **(11561-MA)** with the following individuals as Owners or Directors:
 - Johann Graf **11562-OW**
 - Johannes Gratzl **11563-DR**
 - Ryszard Presch **11564-DR**
 - Birgit Wimmer **11565-DR**

Business License Renewal

- ✓ Pat and Anne Roberts **0117-RT**

Commissioner Fischer made a motion to approve the Business license approval and renewal as staff recommended. Commissioner Goetz seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

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

- ✓ Approved the Key license renewal for:
 - Karen Barthel

Commissioner Wordeman made a motion to approve the ratification of licensing action by the Executive Secretary. Commissioner Fischer seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

Date of Next Meeting

The next quarterly meeting will be held on December 16, 2020.

Public Comment

There was no participation for the comment period of the meeting.

Executive Session

Commissioner Fischer made a motion to go into Executive Session. Commissioner Goetz seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

At 10:25 a.m. the Commissioners went into Executive Session pursuant to SDCL 1-25-2 (1) (3) and (4), and 42-7B-8.1 (4).

The Executive Session was concluded at 10:32 a.m. with the following action taken.

Decisions on Administrative Hearings

Decision Charles Johnson Appeal

Commissioner McFarland made a motion to deny the petition for appeal of Charles Johnson. Commissioner Fischer seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

With no further business to be discussed Commissioner Wordeman made a motion to adjourn the meeting. Commissioner Goetz seconded the motion.

On a roll call vote motion was carried unanimously.


Commissioner Fischer	Aye
Commissioner Wordeman	Aye
Commissioner McFarland	Aye
Commissioner Goetz	Aye
Commissioner Wagner	Aye

The meeting was adjourned at 10:35 a.m.

Respectfully Submitted,

Kathy Fredericksen


Karen Wagner, Madam Chairman


Susan Christian, Executive Secretary