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CHEROKEE NATION GAMING COMMISSION

MEETING DATE / LOCATION:

6 December 2019
Hard Rock Hotel & Casino
Deer Conference Center

COMMISSIONERS PRESENT:

John Sparks, Chairman
Steven Barrick, Commissioner
Jennifer Goins, Commissioner
Linda O'Leary, Commissioner
Shawna Baker, Commissioner

COMMISSION STAFF:

Janice Walters Purcell, Executive Director
Tammy Dry, Executive Assistant
Debra Wilson, Administrative Officer
Shannon Vahdatipour, Interim Audit Manager
Tiffany Cochran, Compliance Manager
Kelly Myers, Licensing Manager
Bess Warren, Special Projects Officer
Sydney Kimble, Gaming Auditor

CHEROKEE NATION ENTERTAINMENT: Gary Weddell, Gaming Operations

Jennifer Watkins, Compliance
Angelia Jobe, IT
David Ledford, IT
Reba Chambers, Compliance
Joshua Anderson, Surveillance
Bear Christiansen, Compliance
Kyle Culver, Marketing
Jennifer Provence, Marketing
Dena Geib, Legal
Jessica Graham, Legal
Donald Childers, Surveillance & Loss Prevention
Dustin Dye, Audit
Marinda Wacoche, Human Resources
Bill Caraway, Security
Ben Blosch, Accounting
Joe Washum, Safety & Environment
Jonathon Henson, Security
Tim Mannon, Gaming

VISITORS:

John Young, Office of the Attorney General
Chrissi Nimmo, Office of the Attorney General
Todd Hembree, Office of the Attorney General

CHEROKEE NATION GAMING COMMISSION MEETING MINUTES

6 December 2019
Hard Rock Hotel & Casino
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I. CALL TO ORDER:

Chairman Sparks called the meeting to order at approximately 9:52 a.m.

II. ROLL CALL:

Present: Chairman Sparks
Vice Chairman Barrick
Commissioner Goins
Commissioner O'Leary
Commissioner Baker

Absent: None

A quorum was established.

III. APPROVAL OF AGENDA:

Commissioner Barrick motioned to approve the agenda; seconded by Commissioner Goins. Motion carried.

IV. APPROVAL OF MINUTES:

Commissioner Goins motioned to approve the 8 November 2019 meeting minutes; seconded by Commissioner Baker. Motion passed.

V. INTRODUCTION OF GUESTS:

Chairman Sparks recognized the newest appointed Commissioner, Shawna Baker. Introductions were then made by attendees from the Cherokee Nation Gaming Commission (CNGC), Cherokee Nation Entertainment (CNE), Cherokee Nation Businesses (CNB), Cherokee Nation (CN), and guests.

VI. CNE REPORTS:

A. FINANCIAL REPORT

Commissioner Goins motioned to enter into executive session at 9:57 a.m. The motion was seconded by Commissioner O'Leary. Motion carried.

B. FACILITIES REPORT

Commissioner O'Leary motioned to exit the executive session at 10:54 a.m. The motion was seconded by Commissioner Goins. Motion carried.

- a. Chairman Sparks requested that the commissioners return to the Facilities Reports to give final approval to the Player's Club Overflow policies that were conditionally approved. Commissioner O'Leary motioned to approve the Player's Club Overflow policies; seconded by Commissioner Baker. Motion carried.
- b. Commissioner Baker made a motion to approve the adoption and implementation of the Viz Explorer software; Commissioner O'Leary seconded the motion. Motion carried.

VII. OLD BUSINESS:

A. CNGC TRIBAL INTERNAL CONTROL STANDARDS-PROPOSED REVISIONS – J. WALTERS PURCELL

Chairman Sparks reminded the Commission that item A was previously tabled until the first regular meeting after 1 January 2020. However, there was confusion as to whether the item was active and needed approval to be tabled again. After discussion, it was determined that no action was needed and item A would be tabled until January 2020.

B. CNGC TRIBAL INTERNAL CONTROL STANDARDS-PROPOSED REVISIONS DIRECTORS APPROVAL AFFIRMATION – J. WALTERS PURCELL

Executive Director Purcell requested to table item B until the first regular meeting after 1 January 2020. The details of item B had been previously e-mailed by Executive Director Purcell to the commissioners on 25 November. Chairman Sparks requested to move into executive session to receive advice from legal counsel regarding item B.

Commissioner Goins motioned to enter into executive session at 11:04 a.m. The motion was seconded by Commissioner Baker. Motion carried.

Commissioner O'Leary motioned to exit the executive session at 11:20 a.m. and take a short break. The motion was seconded by Commissioner Barrick. Motion carried.

Upon return from the break, Kelly Myers presented the following and requested approval.

VIII. NEW BUSINESS

A. PERMITS & LICENSES – K. MYERS

1. Employees

- Ninety-seven (97) individual(s) for temporary permits
- Sixty-seven (67) individual(s) for suitability determination
- Ninety-eight (98) Orders

All included Commissioner Baker.

Commissioner O'Leary motioned to approve; seconded by Commissioner Goins. Motion carried. Commissioner Baker abstained.

- One hundred and ninety-nine (199) License Renewals

Renewals included CNGC staff members, Walter Davis and Jessica Weeks.

Kelly Myers reported that license renewals for January 2020 will be presented at the Commission meeting held on 3 January 2020. They will not be presented again at the meeting held on 31 January.

Commissioner O'Leary motioned to approve; seconded by Commissioner Baker. Motion carried.

2. Vendor & Vendor Representatives

- Zero new company orders for 6 December 2019
- Twenty-four (24) individual orders for 6 December 2019
- Four (4) company renewals for 3 January 2020
- Thirty-two (32) individual renewals 3 January 2020

Commissioner Barrick motioned to approve as submitted; seconded by Commissioner O'Leary. Motion carried.

B. LICENSE CLASSIFICATIONS – K. MYERS

Kelly Myers presented four (4) license classifications and requested approval.

Commissioner Goins motioned to approve; seconded by Commissioner O'Leary. Motion carried.

C. GAME & SYSTEM APPROVALS – T. COCHRAN

Tiffany Cochran presented the following:

1. a. Electronic Game Themes

- Ainsworth 18
- IGT 2
- Everi 24
- AGS 18
- VGT 6

New Main Program

- VGT 1

New Game Client

- VGT 1

New Gaming Component(s)

- AGS 1
- Everi 2

Director Approved Items

- Aristocrat 2

Commissioner Goins motioned to approve as listed; seconded by Commissioner Barrick. Motion carried.

b. Emergency Electronic Game Themes

- Bali 40
- IGT 7

New Main Program

- IGT 1

New Class II Gaming System

- Bali 1

Tiffany Cochran reported that the Emergency EGM Theme memo was for approval of emergency Class II gaming server(s). CNE requested a waiver from the lab testing process in order to expedite game installation. The testing will still be performed at a later date and CNE assumes all risk associated with the delay of lab testing.

Commissioner Baker motioned to approve as listed; seconded by Commissioner O'Leary. Motion carried.

c. Electronic Game Themes – Affirmation of Executive Director’s Approval

New Class II Gaming System

➤ IGT 1

New Main Program

➤ IGT 1

Commissioner Goins motioned to approve as listed; seconded by Commissioner O’Leary. Motion carried.

2. Table & Card Games

a. Hard Rock Dice

Tiffany Cochran reported that CNE submitted a new Hard Rock Dice proof for review and approval. The dice meets all previous requirements but will be purple in color rather than red.

Commissioner Baker motioned to approve; seconded by Commissioner O’Leary. Motion carried.

b. West Siloam Springs Felts

Tiffany Cochran reported that CNE submitted a request for approval for three (3) new Table Game Felts. The felts included are one (1) six (6) spot Blackjack high limit, one (1) Ultimate Texas Hold’em high limit, and one (1) Ultimate Texas Hold’em. These felts are to add to CNE’s library of approved table games felts. They will be distributed by the CNGC Class A licensed gaming vendor “Avalon Gaming” and will be utilized at the West Siloam Springs facility.

Commissioner Goins motioned to approve; seconded by Commissioner Barrick. Motion carried.

c. Bravo System Upgrade – Affirmation of Executive Director’s Approval

Tiffany Cochran reported that CNE submitted a request for the Bravo Poker System upgrade. Executive Director’s approval was given on 22 November 2019 in order for CNE to initiate the upgrade by 2 December 2019. The main feature for the upgrade was due to the Microsoft Windows 10 system no longer being compatible with the previous Bravo Poker software.

Commissioner O’Leary motioned to approve; seconded by Commissioner Baker. Motion carried.

d. Poker Games – Affirmation of Director’s Approval

Tiffany Cochran reported that CNE previously requested approval for six (6) Poker Games including Badugi, Baduci, Badaci, Chinese Poker, Open Face Chinese Poker, and Pineapple

Open Face Chinese Poker. Each game was given Director's approval in January of 2018 but there was no affirmation of approval.

Commissioner Baker motioned to approve; seconded by Commissioner O'Leary. Motion carried.

D. PROMOTIONS & CALENDAR OF EVENTS – T. COCHRAN

Tiffany Cochran presented the report and requested approval.

Commissioner Goins motioned to approve as distributed; seconded by Commissioner O'Leary. Motion carried.

Roland/Sallisaw Addendum

Tiffany Cochran presented the report and requested approval.

Commissioner O'Leary motioned to approve as distributed; seconded by Commissioner Goins. Motion carried.

E. TOURNAMENTS – T. COCHRAN

Tiffany Cochran made the presentation and requested approval for two (2) new tournaments at the Hard Rock facility, four (4) new tournaments for the West Siloam Springs facility, and four (4) revisions to tournaments at West Siloam Springs.

Commissioner Baker motioned to approve as listed; seconded by Commissioner Goins. Motion carried.

Roland Addendum

Tiffany Cochran presented the report and requested approval.

Commissioner Goins motioned to approve as distributed; seconded by Commissioner O'Leary. Motion carried.

F. IN-HOUSE PROGRESSIVE TRANSFERS – T. COCHRAN

Tiffany Cochran presented and recommended approval for the transfer of retired in-house progressive (IHP) funds to promotional funds for the direct benefit of e-games patrons.

Commissioner O'Leary motioned to approve; seconded by Commissioner Baker. Motion carried.

G. CNGC AUDIT CYCLE UPDATE – S. VAHDATIPOUR

Shannon Vahdatipour reported that five (5) 2019 audits are still outstanding but significant progress has been made since the previous Commission meeting. Two (2) audits for 2020 are currently underway and are on track to be completed by their projected end dates.

The implementation tracking for quarter one (1) of fiscal year 2020 has been completed and reports will be included in the next Commission meeting packets.

Shannon Vahdatipour also reported that BKD auditors will be on-site to conduct the yearly external audit on 9 December 2019.

Shannon Vahdatipour gave thanks to Gary Weddell's team at CNE for providing table games training for the CNGC Audit Department during the previous week. Executive Director Purcell also reported that a few of the audit staff members had recently been able to attend a live-streamed NIGC training for Title 31 policies.

No action needed.

H. NOTICE OF POLICY DEACTIVATION - T. COCHRAN

Tiffany Cochran reported that CNE submitted notification of deactivation for seven (7) Purchasing Policies on 24 October 2019. Those policies have since been deactivated.

No action needed.

I. CNE FACILITIES LICENSES – J. WALTERS PURCELL

Executive Director Purcell reported that the facility licenses are due by the end of 2019. Memorandums regarding licensing details were also provided to each commissioner via email.

Debra Wilson stated that she had a comment regarding the facility licenses. Executive Director Purcell requested that the commissioners enter into executive session in order to discuss the legal advice included in the memorandum. Debra Wilson reported that the comment needing made was in regards to the issuing of the facility license.

Commissioner Goins motioned to enter into executive session at 11:57 a.m. The motion was seconded by Commissioner Baker. Motion carried.

The Commission motioned to exit the executive session at 12:56 p.m. and return to the regular session. Motion carried.

Executive Director Purcell requested approval of the 2020 Facilities Licensing for the Catoosa Smoke Shop, Fort Gibson, Grove, Catoosa Hard Rock Hotel & Casino, Ramona, Roland, Roland Travel Plaza, Sallisaw, South Coffeyville, Tahlequah, and West Siloam Springs.

Commissioner Baker motioned to approve; seconded by Commissioner O'Leary. Motion carried.

J. INVESTIGATIONS, LICENSE ACTIONS & HEARINGS – J. WALTERS PURCELL

Executive Director Purcell requested approval of the proposed licensing recommendations from Kelly Myers.

Commissioner Baker motioned to approve; seconded by Commissioner Goins. Motion carried.

IX. EXECUTIVE DIRECTOR'S REPORT

Executive Director Purcell reminded commissioners that the 2020 Gaming Commission meeting dates and locations had not been adopted yet. An email with the 2020 dates available for the Chota Center at the Tahlequah Casino had been sent out to commissioners. The Chota Center would not be available on 28 February, 19 June, and 4 December. Executive Director Purcell stated that a recommendation had been made to meet at the CNB location in Tahlequah. However, the meeting space was limited in size.

Chrissi Nimmo suggested checking the meeting rooms at the Cherokee Nation Complex. In addition, Chrissi reminded the commissioners that the Gaming Commission meeting dates could be changed as long as the agenda is released ten (10) days in advance and notices and hearings are released thirty (30) days in advance.

Chairman Sparks suggested leaving the tentative Commission meeting locations as is until an alternative meeting location is identified and proposed adopting the 2020 Gaming Commission meeting schedule.

Commissioner Baker motioned to approve; seconded by Commissioner Goins. Motion carried.

A. EXECUTIVE DIRECTOR DELEGATION OF AUTHORITY – J. WALTERS PURCELL

Executive Director Purcell requested to be granted delegation of authority.

Commissioner Goins motioned to approve; seconded by Commissioner O'Leary. Motion carried.

Executive Director Purcell requested that the commission enter into executive session and asked that Todd Hembree deliver his report under executive session.

Commissioner Barrick motioned to enter into executive session at 1:10 p.m. The motion was seconded by Commissioner O'Leary. Motion carried.

X. OPEN SESSION:

No action taken.

XI. ADJOURNMENT:

The Commission motioned to exit the executive session and adjourn at 1:32 p.m. Motion carried.

Approval of Minutes:



John H. Sparks

CHAIRMAN SPARKS

January 3, 2020

DATE