

# Kansas tribe sues Harrah's over casino proposal

Topeka, Kansas (AP) – The same week Harrah's Entertainment Inc. is being considered for a contract to manage a Kansas-owned casino in Sumner County, it has been sued by an Indian tribe whose casino it managed for a decade.

The Prairie Band Potawatomi Nation filed the lawsuit against Harrah's, alleging the company violated a noncompete agreement with the tribe by seeking the contract for a proposed facility near Mulvane.

Harrah's doesn't comment on pending litigation, spokeswoman Jacqueline Peterson said Tuesday.

The Lottery Gaming Facility Review Board is expected to decide Friday who gets the contract: Harrah's, Penn National Gaming Inc., or Marvel Gaming – the last two with proposals near Wellington. It also will decide about Cherokee County, where Penn is the only bidder.

On Sept. 18 and 19, the board plans to decide which of four bidders gets a single Wyandotte County contract and to pick among two companies bidding for Ford County.

Board Chairman Matt All said the lawsuit, filed Monday in Shawnee County District Court, doesn't eliminate Harrah's from consideration.

„As far as I'm concerned it's not one of the questions before us. They didn't file the lawsuit with us," All said. „I intend to only address the question of which is the best contract, and any other legal issues outside of that will be addressed in an appropriate forum.“

A hearing is scheduled Aug. 29 before District Judge David

Bruns on the tribe's request for a temporary court order blocking Harrah's from pursuing a Kansas casino.

Russ Brien, an attorney for the tribe, said in a statement that Harrah's „active involvement in a proposed casino in Sumner County, Kansas is a clear violation of the noncompete agreement.“

„This whole issue came up when Harrah's decided to get into gaming in Kansas,“ said tribal Chairman Steve Ortiz. „Prior to filing the petition, the nation attempted to resolve the issues between the parties by negotiations but was not successful.“

Under last year's expanded gambling law, companies awarded the 15-year contracts must build and manage the four casinos and the Kansas Lottery will own the games. The Prairie Band facility is one of four tribal casinos in northeastern Kansas.

The Potawatomi Nation contracted with Harrah's to operate the casino on its reservation at Mayetta, north of Topeka from January 1997 until July 2007, when the tribe took over its management.

The lawsuit said the agreement began Jan. 13, 2008, and stated that for one year after that, Harrah's wouldn't develop, promote or encourage the expansion of gambling in Kansas other than what's conducted by the tribe. For two years it wouldn't own, operate or manage a casino.

In a July 9 letter to the tribe, Harrah's said it would own a 40 percent share in a venture with a group of Kansas investors operating as Sumner Gaming Joint Venture, the lawsuit said. It also said the tribe made numerous requests for Harrah's to stop its pursuit of a management contract.

Sumner Gaming submitted its application on Nov. 13, 2007, to the Kansas Lottery Commission to operate Harrah's Kansas and in March, Harrah's opened an office in downtown Mulvane, the

lawsuit said. On May 24, Sumner Gaming and the Lottery agreed on the contract that's before the casino review board.

The lawsuit also claims the tribe would suffer „irreparable injury“ if Harrah's opens in Sumner County. That's because much of the tribe's customer base comes from the Wichita area.