



PENNSYLVANIA GAMING CONTROL BOARD

Meeting of the Board

February 24, 2011

Minutes

A meeting of the Pennsylvania Gaming Control Board was held at the North Office Building, Hearing Room 1, Harrisburg. The meeting began at approximately 9:30 a.m.

Members in attendance were:

Gregory C. Fajt, Chairman
Raymond S. Angeli
Jeffrey W. Coy
Kenneth T. McCabe
Gary A. Sojka
Kenneth Trujillo

Ex-Officio members in attendance were:

Christopher Craig, Designee, State Treasurer's Office
Robert Coyne, Designee, Department of Revenue
George Greig, Acting Secretary of Agriculture

Individuals who appeared officially before the Board:

Kevin O'Toole – Executive Director Report
R. Douglas Sherman – Petitions
Steve Cook – Withdrawals, Report and Recommendations & Emergency Suspensions
Allison Cassel – Update on Loan Repayment
Susan Yocum – Regulations
Susan Hensel – Licensing Matters
Sean Hannon – Licensing Matters
Cyrus Pitre – Enforcement Actions
E. Barry Creany – Enforcement Actions
Cassandra Fenstermaker – Enforcement Actions

A quorum of the Board being present, Chairman Fajt called the meeting to order.

OATH OF OFFICE

Mr. Anthony C. Moscato was publicly sworn in to become our newest member and Kenneth McCabe's replacement on the Board. The Board formally welcomed Tony to the Board. Chairman Fajt stated for the record that Tony officially qualified and came on board with the PGCB effective February 14, 2010.

A PUBLIC HEARING WAS HELD AS FOLLOWS:

- Sands Bethworks Gaming – Petition Requesting Approval of the Reconfiguration of the Gaming Floor Plan (OP-11)

ANNOUNCEMENTS

Chairman Fajt announced that the Board held Executive Sessions on February 23rd and again just prior to this meeting. The purpose of the 2/23 Executive Session was to discuss personnel matters, pending litigation, and to conduct quasi-judicial deliberations relating to matters being considered by the Board, including each of the matters coming before the Board today. The Executive Session which just ended was held to conduct quasi-judicial deliberations relative to the Sands Bethworks hearing held earlier today.

EXECUTIVE DIRECTORS REPORT

Mr. O'Toole publicly expressed staff's and the Board's sympathies and condolences to the family of Glenn Scott Peyton, a colleague, a co-worker and a friend, who died last week.

Mr. O'Toole stated that Glenn was a 1974 graduate of Shippensburg University. Soon after graduating, Glenn chose a career of service to his country as a Special Agent for the Federal Bureau of Investigation. He dedicated 30 years of service to protecting and upholding the laws of our county.

He stated that the PGCB were very fortunate when Glenn brought his talents and law enforcement expertise to the Pennsylvania Gaming Control Board in 2006. He most recently served the Board as its Director of the Office of Professional Responsibility. Glenn did not seek the limelight, but his most endearing trait as a loyal employee of the Board was to go out of his way to mentor and counsel the younger members of the staff.

Mr. O'Toole closed with stating our thoughts and prayers are with his wife Paula and his four children, Justin, Brandon, Amber and Jennifer.

PGCB Resolution 2011-3-CPG – Problem Gambling Awareness Week

Motion Made: Board Member Angeli

Seconded: Board Member Sojka

Resolved, the Board hereby approved the following Resolution:

WHEREAS, the legislative intent of the Pennsylvania Racehorse Development and Gaming Act ("Gaming Act") recognizes, in part, that the public interest of the citizens of this Commonwealth and social effect of gaming shall be taken into consideration in any decision or order made pursuant to the Gaming Act; and

WHEREAS, the Pennsylvania Gaming Control Board ("PGCB") recognized the social effect of gaming when it created the Office of Compulsive and Problem Gambling to: conduct research; develop public outreach efforts; work with the Pennsylvania slot machine licensees to develop and implement problem gambling programs at licensed facilities; administer the PGCB's Self-Exclusion Program; and promote problem gambling education programs in this Commonwealth; and

WHEREAS, the Gaming Act established a special fund to be known as the Compulsive and Problem Gambling Treatment Fund, and required that all money in the fund should be expended for programs for public awareness, prevention, research, assistance and treatment of gambling addictions; and

WHEREAS, problem gambling is a public health issue affecting Pennsylvanians of all ages, races, gender and ethnic backgrounds in all communities; and

WHEREAS, problem gambling is treatable, and treatment is effective in minimizing the harm to individuals, families and society as a whole; and

WHEREAS, numerous individuals, professionals, agencies, and organizations in Pennsylvania have dedicated their efforts to the education of the public about problem gambling and the availability and effectiveness of treatment; and

WHEREAS, promoting awareness of problem gambling is an opportunity to educate the public and policy makers about the social and financial issues related to problem gambling; and

THEREFORE, the Pennsylvania Gaming Control Board hereby recognizes March 6-12, 2011 as PROBLEM GAMBLING AWARENESS WEEK. We encourage all citizens to learn more about the signs of problem gambling and to help spread the message about the availability of treatment.

Upon motion duly made and seconded, the foregoing Resolution was adopted on February 24, 2011.

Board Decision: Passed by unanimous vote

OFFICE OF CHIEF COUNSEL

Allison Cassel provided a presentation on Update Loan Repayment.

PGCB MOTION NO. 2011-66 REG – Temporary Regulation # 125-143

Motion Made: Board Member Trujillo
Seconded: Board Member McCall

Resolved, the Board hereby adopts Temporary Regulation #125-143 and establishes a comment period of 30 days; and directs that the Regulation be posted on the Board's website.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-67 OCC – Ratification of Legal Contracts

Motion Made: Board Member Angeli
Seconded: Board Member Moscato

Resolved, the Board hereby ratified the contract for legal services with Schnader, Harrison, Segal and Lewis.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-68 OCC – Ratification of Settlement Agreement

Motion Made: Board Member Angeli
Seconded: Board Member Moscato

Resolved, the Board hereby ratified the Settlement Agreement between the Board and State Treasurer Robert McCord.

Board Decision: 5-Yes, Commissioner Trujillo - No

PGCB MOTION NO. 2011-69 OCC – Petition / Sands Bethworks Gaming

Motion Made: Board Member Angeli
Seconded: Board Member McCall

Resolved, the Board hereby granted Sand's Bethworks Gaming's Petition for Reconfiguration of the Gaming Floor.

Docket Number: 1845-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-70 OCC – Petition / Sands Bethworks Gaming - Confidentiality

Motion Made: Board Member Angeli
Seconded: Board Member Moscato

Resolved, the Board hereby granted Sand's Bethwork Gaming's motion to Protect Confidential Information of all exhibits to its January 21, 2011 Petition requesting approval of the Reconfiguration of the Gaming Floor under OP-11 are deemed confidential.

Docket Number: 1845-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-71 OCC – Petition / Crown Limited & WTA Joint Application

Motion Made: Board Member McCall
Seconded: Board Member Moscato

Resolved, the Board hereby granted the Joint Application of Crown Limited and Washington Trotting Association, with conditions. A fee of \$2.5 million was accessed for a Change of Control Fee.

Docket Number: 1738-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-72 OCC – Report and Recommendation / James W. Ellingsworth

Motion Made: Board Member Moscato
Seconded: Board Member Trujillo

Resolved, the Board hereby adopted the Report and Recommendation of the OHA and denied the Gaming Employee Permit Application of James W. Ellingsworth.

Docket Number; 1763-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-73 OCC – Report and Recommendation / Scott Liang

Motion Made: Board Member Trujillo
Seconded: Board Member Angeli

Resolved, the Board hereby adopted the Report and Recommendation of the OHA and Sands Bethworks Gaming, LLC's Petition for Withdrawal of the Application of Scott Liang is approved, however Scott Liang's Application is withdrawn with prejudice.

Docket Number: 1708-2010
Board Decision: Passed by unanimous vote

BUREAU OF LICENSING

An updated presentation was provided on Reduced Licensing Fee for Manufacturers and Suppliers. Susan Hensel and Sean Hannon provided comments received from Table Games Manufacturers.

PGCB MOTION NO. 2011-74 LIC – Western Money Systems Renewal

Motion Made: Board Member Angeli
Seconded: Board Member McCall

Resolved, the Board approved the renewal of Western Money Systems' Slot Machine Manufacturer License.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-75 LIC – Modern Gaming Pennsylvania, LLC Renewal

Motion Made: Board Member McCall
Seconded: Board Member Moscato

Resolved, the Board approved the renewal of Modern Gaming Pennsylvania, LLC's Slot Machine Supplier License.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-76 LIC –Key Employee License

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board approved the issuance of 28 Principal; 4 Key Employee; and 1 Qualifier Licenses as follows:

Chester Downs and Marina, LLC

Principal Initial Licensure

- Diane Elizabeth Wilfong, Vice President, Controller and Chief Accounting Officer of Harrah's Entertainment, Inc. – Docket #41777-1

Key Employee Initial Licensure

- Travis G. Lamb, Vice President of Finance for Chester Downs and Marina, LLC – Docket #53605-1

Mountainview Thoroughbred Racing Association

Key Employee Initial Licensure

- Charles Berdinis, Manager of Cage and Credit – Docket #47348-1

Washington Trotting Association, Inc.

Key Employee Initial Licensure

- Elliott A. Frazier, Slot Shift Lead Floor Person – Docket #17884-3

Key Employee Renewal

- Sherry Faye Salisbury, Human Resources Representative – Docket #20031-3

Commercial Flooring Systems of Pennsylvania, Inc.

Initial Qualification

- Sean Patrick McCoyd, Chief Financial Officer – Docket #40280-1

Crown Limited

Principals Initial Licensure

- Crown Group Finance Limited, Docket #30513-1
- Crown Entertainment Group Holdings Pty Ltd, Docket #24391-1
- Crown CCR Group Holdings One Pty Ltd, Docket #24390-1
- Crown CCR Group Holdings Two Pty Ltd, Docket #30514-1
- Crown CCR Holdings General Partnership, Docket #30512-1
- Crown CCR Holdings, LLC, Docket #25258-1
- Crown CCR Group Investments One, LLC, Docket #25253-1
- Crown CCR Group Investments Two, LLC, Docket #25259-1
- Custodians Settlement (No.8), Docket #28385-1
- Consolidated Custodians International Limited, Docket #24327-1
- Consolidated Press International Holdings Limited, Docket #24389-1
- Cairnton Holdings Limited, Docket #24393-1
- Northkom Pty Limited, Docket #24394-1
- Cairnton Pty Limited, Docket #24395-1
- Consolidated Press Holdings Limited, Docket #24352-1
- Consolidated Press Financial Services PTY Limited, Docket #24351-1
- Consolidated Press International Limited, Docket #27284-1
- Bareage Pty Limited, Docket #24392-1
- Michael James Neilson – General Counsel of Crown – Docket #24972-1
- Ashok Peter Jacob – CEO of Consolidated Press Holdings Limited and Director of Crown Limited – Docket #24973-1
- Rowena Danziger – Director of Crown Limited – Docket #24964-1
- Michael Roy Johnston – Finance Director for Consolidated Press Holdings Limited and Director of Crown Limited – Docket #24968-1
- James Douglas Packer – Director, Crown Limited, Executive Chairman Consolidated Press Holding, Limited – Docket #24953-1
- Richard Wallace Turner – Director, Crown Limited – Docket #24954-1
- Rowen B. Craigie – CEO of Crown Limited – Docket #24942-1
- John Henry Alexander – Director of Crown Limited – Docket #24941-1
- Gretel Packer – Beneficiary of Custodians Settlement (No.8) Trust – Docket #27087-1

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-77 LIC – Temporary Key Employee Credentials

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved, the Board hereby approved the issuance of 4 Temporary Key Employee Credentials as follows: Travis G. Lamb; Jeffrey John Walker; Kara M. Fox-LaRose and Robert A. Perry. [1st-SOJKA][2nd-TRUJILLO]

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-78 LIC – Issuance of Gaming and Non-Gaming Permits and Registrations

Motion Made: Board Member Trujillo
Seconded: Board Member Angeli

Resolved, the Board hereby approved the issuance of 217 (115 initial; 95 temporary G2; 7 full G2) Gaming Employee Permits and 73 Non-Gaming Employee Registrations.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-79 LIC – Withdrawals

Motion Made: Board Member Angeli
Seconded: Board Member McCall

Resolved, the Board hereby approved the withdrawal of 11 Key Employee Withdrawals, 38 Gaming Employee Permits and 20 Non-Gaming Employee Registrations.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-80 LIC – Gaming Service Provider Certification

Motion Made: Board Member McCall
Seconded: Board Member Moscato

Resolved, the Board hereby approved the following Gaming Service Provider Certification:

- Allen Brothers, Inc.
- Beletz Brothers Glass Company, Inc.
- Global Sign & Design, Inc.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-81 LIC – Gaming Service Provider Registration

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby approved the following Gaming Service Provider Registration:

- The Berlin Steel Construction Company
- Bodyworks Etc. Ltd, DBA: The Spa at Mount Airy Resort
- Compass Sign Company, LLC
- Dubin Paper Company, DBA: Hygeia Paper Company
- E. B. O' Reilly Servicing Corp
- Fanto Group, LLC

- Karetas Foods, Inc.
- King Ventures, LLC
- Micro Gaming Technologies, Inc.
- National Cred-A-Chek, Inc.
- Newmarket International, Inc.
- NWN Corporation
- Power Engineering Corporation, DBA: Power Engineering Service Corporation

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-82 LIC – Prohibited Gaming Service Provider List

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved, the Board hereby approved the addition of Solutions 4SURE, Inc. to the Prohibited Gaming Service Provider List.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-83 LIC – Gaming Service Provider Application Denials

Motion Made: Board Member Trujillo
Seconded: Board Member Angeli

Resolved, the Board hereby approved the Gaming Service Provider Application denials, as follows

- Legacy Information Systems
- Union Roofing Contractors, Inc

Board Decision: Passed by unanimous vote

OFFICE OF ENFORCEMENT COUNSEL

PGCB MOTION NO. 2011-84 OEC – Revocation

Motion Made: Board Member McCall
Seconded: Board Member Moscato

Resolved, the Board hereby revoked the Gaming Employee Permit of Patrick Bibza.

Docket Number: 1765-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-85 OEC – Revocation

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby revoked the Gaming Employee Permit of Anthony Voto.

Docket Number: 1754-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-86 OEC – Revocation

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved, the Board hereby revoked the Gaming Employee Permit of Jessica Wasson.

Docket Number: 1766-2010
Board Decision: Passed by unanimous vote

ADJOURNMENT

On a motion by Commissioner Trujillo and seconded by Commissioner Angeli, the meeting was adjourned.