

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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PUBLIC MEETING

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BEFORE: William H. Ryan, Jr., CHAIRMAN
Gregory C. Fajt, Anmarie Kaiser, Keith R.
McCall, John J. McNally, III, Anthony
Moscato, David W. Woods
Mathew Meals, Representing George Greig,
Secretary of Agriculture
Christopher Craig, Representing Robert M.
McCord, State Treasurer
Robert Coyne, Representing Daniel P.
Meuser, Secretary of Revenue

HEARING: Wednesday, August 21, 2013 10:03 a.m.

LOCATION: PGCB Office of Hearings and Appeals
Strawberry Square Complex
Second Floor
Harrisburg, PA

WITNESSES: Claire Yantis, David Rhen, Susan Hensel,
Bill Hayles

Reporter: Cynthia Piro Simpson

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CLOSING REMARKS

By Chairman Ryan

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CHAIRMAN:

Good morning, everyone. I'm Bill Ryan, Chairman of the Pennsylvania Gaming Control Board. Before we begin, I'd like to ask everyone to please turn off cell phones, PDAs and other electronic devices. Thank you.

With us today is Mathew Meals representing the Secretary of Agriculture, George Greig. Christopher Craig representing State Treasurer Robert McCord. And Bob Coyne representing the Secretary for the Department of Revenue, Daniel Meuser.

Thank you all for coming, gentlemen. I'll call the meeting to order. And the first thing we'll do is Pledge of Allegiance. I'd ask everyone to stand.

PLEDGE OF ALLEGIANCE RECITED

CHAIRMAN:

Thank you, ladies and gentlemen. Our first order of business this morning, one none of us ever enjoys, we have to recognize one of our members of the Board, Jim Ginty, and many of you --- most of you know Jim well, is finally leaving the Board after

1 six very successful years. Jim's service on the Board
2 spanned a critically important period for the Board
3 and the Agency, and among the many other
4 accomplishments he participated in the implementation
5 of table games at the casinos in Pennsylvania. And,
6 of course, he also was involved in the awarding of the
7 Category 3 Casinos here in Pennsylvania.

8 His time here has been a time where
9 there have been a lot of things going on on the Board.
10 He was part of it all, and I can say, I'm sure for
11 everybody in the state, the casino gaming has been
12 very successful.

13 MR. GINTY:

14 Thank you.

15 CHAIRMAN:

16 And Jim can be proud of the major role
17 he played in that success. And through it all, Jim
18 has always kept, as his main focus, and it was
19 something I saw clearly when I came on the Board two
20 years ago, the obligation that the Board has to treat
21 everyone who comes before us fairly and with respect.

22 We will miss his intellect. We will
23 miss his experience and business in the law. And we
24 will miss his integrity. With that, I would open the
25 floor to my colleagues for any comments they may have.

1 MR. MCCALL:

2 Mr. Chairman, I certainly want to take
3 this opportunity to thank Jim for his outstanding
4 years of service. He had six years of service on the
5 Board. I've known Jim for almost 30 years, it's just
6 not through my association with the Pennsylvania
7 Gaming Control Board. So I could really speak to the
8 man's character and integrity. And his --- handicap
9 through here.

10 But, you know, when Gary Sojka was
11 leaving I said that Jim was the conscience of this
12 Board, and I'm going to say that again today. As much
13 as Gary was the heart and sole, Jim certainly was the
14 conscience. And what I loved about him in the
15 boardroom, he always gave people the benefit of the
16 doubt, and was always willing to give a person a
17 second chance when, I think, oftentimes, you know, we
18 were all pouncing. And he would say, wait a minute, I
19 think we need to take another look at this and look at
20 it a different way. And that really, you know, speaks
21 to Jim's character.

22 He is a man beyond reproach. I have
23 certainly enjoyed working with him. And, like the
24 Chairman said, you know, he has brought a wealth of
25 experience to this Board. His business acumen is

1 second to none. His opinions were always held in high
2 regard by all of the Board members. And he certainly
3 was an invaluable asset to this Board. He will be
4 sorely missed.

5 He represented the people of this
6 Commonwealth well, and he represented the Gaming
7 interest, well as --- just as well. So it's with
8 regret that I say, you know, farewell to Jim, but I
9 hope we will keep the lines of communication open.
10 And the next time we're in Philadelphia, we'll
11 certainly let you know we are there and hopefully you
12 will be able to join us in Philadelphia.

13 So it's, you know, god speed that I wish
14 to you. I hope your handicap goes down to single
15 digits, and you get to spend more time with your wife
16 and family. And that's really a great thing. But
17 thank you for your service, Jim, and I wish you god
18 speed in your retirement.

19 MR. FAJT:

20 Thank you, Mr. Chairman. Just to follow
21 up on what Keith said. I, too, have known Jim for a
22 number of years, predating our time on the Gaming
23 Control Board. And he is one of the nicest, sincere,
24 honest people that I know. He has a great Irish wit
25 that is always present. He is --- he's just a lot of

1 fun to be around. And we've been around each other a
2 long time and have got to spend some quality time with
3 each other.

4 But he also brought to the Board a
5 wealth of personnel experience. Jim's background at
6 AT&T was in the political area, so he brought that to
7 the Board. He knew who everybody was in the
8 legislature, and he knew the history of Gaming and the
9 history of the legislature that very few people know.
10 But he also had a strong background on personnel
11 matters. And when --- and he served on the Personnel
12 Committee.

13 But to Keith's point, the thing about
14 Jim is, we would joke or we would get cases that would
15 come before the Board, and we'd read them at home and
16 preparing for the Board. And I would literally, write
17 next to the individual, this is a Ginty special.
18 Meaning that, you know, it was a case where, you know,
19 probably six out of seven of us were going to go one
20 way, but Jim would fight the good fight and go the
21 other way.

22 He was clearly, you know, the liberal
23 wing of the Board, and I loved him for that. And I
24 will also miss him. Jim, you're a great friend, great
25 colleague and I wish you nothing but the best, my

1 friend.

2 MR. MOSCATO:

3 Thank you, Mr. Chairman. I know that
4 we're limited with time and I really didn't have a lot
5 of comments to make.

6 CHAIRMAN:

7 That's all right. Everybody sit back,
8 then.

9 MR. MOSCATO:

10 When I was first appointed to the Board
11 I received a phone call from Jim. And I don't know if
12 he had any trouble getting a hold of me, I probably
13 had to wait until the party line was open in Cameron
14 County. But he welcomed me to the Board, and I
15 thought that was a very classy thing for him to do.
16 And it proved what a gentleman he was.

17 And then I got to meet him. And I
18 realized what a gentleman he truly is. And he was an
19 easy man to become a friend with. And I'm happy to
20 have made his acquaintance. I wished I had 30 years
21 of knowing you. And I --- we may yet, I don't know.
22 But they'll have 60 by then and I'll still only have
23 30.

24 But as I got to know Jim, I marveled at
25 his eclectic collection of hobbies that he does. And

1 I just found out yesterday he actually used to sail
2 boats and crew boats. And he golfs, and he skis. And
3 I hope I introduced him to a new hobby, when we out
4 shooting sporting clays, and he did better than I did
5 the first time around. And he introduced me to a new
6 hobby, Grey Goose on the rocks.

7 CHAIRMAN:

8 We're on TV, Tony.

9 MR. MOSCATO:

10 Oh, then I'm sorry about that. Then I
11 should --- an unnamed vodka on the rocks. But I'm
12 honestly going to miss you, Jim. I wish that our
13 terms were unlimited so we can all stay together. But
14 in closing, I would just like to offer an old timer's
15 blessing. That, may you live as long as you want and
16 never want as long as you live. Thank you.

17 MRS. KAISER:

18 Jim, it's been an honor and a pleasure
19 to serve with you. When I first came on the Board you
20 gave me a very warm welcome. You're kind, you're
21 charming, you have an enthusiasm for life that's
22 catching. You have positive outlook, and you treat
23 everybody that you meet with the utmost respect. I
24 wish you well, and I hope you stay in touch.

25 MR. MCNALLY:

1 Well, Jim and I have only known each
2 other six months, but I feel like I've known him for
3 years. He's just that type of guy. I'm over here on
4 the left side of the table that we call the Irish
5 wing, or the left wing. It's the first time I've ever
6 been referred to as left wing.

7 You know, when you come on the Board you
8 kind of get a feel for people. And, you know, Jim and
9 I looked at things through a different set of eyes.
10 My mind was never, perhaps, to the left of his, and
11 he's never to the right of mine. But I always knew
12 that our hearts were in the same place, and our livers
13 were probably in the same place a couple times, too.

14 But I'm a better person for getting to
15 know Jim. I will forever take into consideration when
16 making a decision, what would Jim Ginty do. So I
17 thank you, Jim. You are a gentleman. And I look
18 forward to future visits with you in the City of
19 Philadelphia.

20 MR. GINTY:

21 Do I get a chance to respond?

22 CHAIRMAN:

23 You have to respond now, Jim.

24 MR. GINTY:

25 All I want to know is, --- I'd like to

1 take a few minute and kind of put my six years in
2 perspective. And that's to really put the Board in
3 some kind of respect. Because I don't think that it's
4 generally appreciated, you know, what this Board has
5 accomplished.

6 And if you stop to think, in less than
7 ten years, this Board has overseen an introduction of
8 a new \$3 billion dollar industry in Pennsylvania. An
9 industry in Pennsylvania second only to Nevada in
10 total gaming revenues that comes in. An industry that
11 contributes more than a billion dollars in taxes to
12 the state. An industry that contributes tens, perhaps
13 hundreds of millions of dollars to local communities,
14 to local taxes, charitable giving, through local
15 purchasing.

16 It's an industry that really saved
17 another industry that, likewise, is very important to
18 Pennsylvania. And that is the horse industry, the
19 racing industry. And finally, you know, it's an
20 industry that, in nine years, has brought over 16,000
21 jobs, direct jobs, to Pennsylvania in a time of
22 economic difficulties. And they're good jobs that pay
23 decent wages, and provide good benefits. And all
24 that, the Board has overseen in nine years, and I'm
25 proud to have been a part of it.

1 I think I have to, also, acknowledge it
2 hasn't always been an easy road. That I remember when
3 I first joined the board, I was sworn in in the middle
4 of a very boisterous demonstration, anti-gaming
5 demonstration. The demonstrators were kind enough to
6 pause while I was sworn in. As soon as I took the
7 bench they resumed their demonstration. We had to
8 recess so that the police could clear the hearing
9 room.

10 You know, during that period, you know,
11 the Board has been subject to two grand jury
12 investigations. And I have to note, you know, without
13 consequence to any member of the staff, or to the
14 Board, we were subject to numerous very contentious
15 hearings and overviews by the legislature. We
16 experienced press that, in my view, was less than
17 objective in its perspective in assessing the
18 introduction of gaming into the state, and in
19 assessing the Board.

20 You know, we've come a long way. I
21 think there's been a maturing of both of the public
22 and legislative statutes of gaming, and of this Board.
23 In a large part, it's been due to strong leadership,
24 which continues today, that the Board has enjoyed.
25 And, you know, to my colleagues and staff that, during

1 this period, just hunkered down and did our jobs and
2 accomplished what, under the legislation, we were
3 supposed to do.

4 You know, it has just been an honor to
5 serve with all of my colleagues. I have the utmost
6 respect for them. And I am particularly --- that
7 David Woods will be taking my place. It, sort of,
8 continues the high quality of appointments that we
9 have been fortunate to have on the Board. And lastly,
10 the staff.

11 This is clearly one of the finest staffs
12 that I have had the pleasure and honor of working with
13 in my 50 year career. They are smart. They are very
14 professional. They are conscientious. And they're
15 dedicated. And the Board has been blessed with them,
16 and the Commonwealth has been blessed with them.

17 I'm just glad and --- that I've had the
18 opportunity in the last six years to work with all of
19 you. And I want to take this opportunity to thank you
20 for your hard work and for the guidance that you have
21 provided to me. Not that I always took that guidance.
22 But, no, I very much am very proud to have served with
23 all of you, and with my colleagues as well. It's been
24 great, I will miss you. It's just been a great ride.
25 So thank you very much.

1 CHAIRMAN:

2 Thank you, Jim. Okay. We have our
3 resolution in this matter, which I will read.
4 Whereas, James B. Ginty was appointed by Governor
5 Edward G. Rendell in September 2007 as a member of the
6 Pennsylvania Gaming Control Board. And whereas
7 Commissioner Ginty was sworn in at the Board's meeting
8 on September 12th, 2007, and was reappointed to a
9 second term July 2010.

10 And whereas, Commissioner Ginty
11 participated in overseeing the opening of casinos
12 throughout the Commonwealth, resulting in employment
13 of tens of thousands of Pennsylvania residents with
14 living wage jobs and benefits, as well as the spurring
15 of economic development in and around the casinos, and
16 significant amounts of tax relief to Pennsylvanians.

17 Whereas, following the unprecedented
18 expansion of legalized gaming in Pennsylvania with the
19 passage of Act One of 2010, Commissioner Ginty
20 participated and assisted in overseeing the
21 implementation of table games at slot machine
22 facilities across the state, as they began offering
23 table games including Blackjack, Poker, Roulette and
24 Craps to patrons.

25 And whereas, Commission Ginty has

1 provided valuable input in the Category 3 licensing
2 process to grant an opening of the Category 3 resort
3 casino licenses at the Valley Forge Casino Resort and
4 Nemacolin Woodlands Resort. And whereas, Commissioner
5 Ginty has steadfastly voiced his concerns in support
6 for the little guy, supported persons with
7 disadvantaged backgrounds and worked in assuring due
8 process for all persons involved in the participation
9 of the gaming industry.

10 And whereas, Commissioner Ginty has
11 undertaken all of these matters with a New England
12 dialect, foreign to many on the Board and the public
13 at large, and has done so with undeniable conviction
14 to fulfill the intent of all provisions of the Gaming
15 Act, and promote equal opportunity for all
16 Pennsylvanians to participate in the gaming industry.

17 Be it resolved that the Pennsylvania
18 Gaming Control Board proudly recognizes Commissioner
19 Ginty's exemplary record of service and leadership,
20 and wishes him the very best in all of his future
21 endeavors. Upon a motion duly made and seconded
22 foregoing resolution will be adopted. Do I have a
23 motion?

24 MR. MCCALL:

25 So moved.

1 CHAIRMAN:

2 Second?

3 MR. MCNALLY:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 ALL SAY AYE

8 CHAIRMAN:

9 It has been adopted. Commissioner,
10 thank you.

11 MR. GINTY:

12 David, I don't know if I'm getting a new
13 practice here, but I've been staring at your name for
14 the last half hour.

15 CHAIRMAN:

16 Okay. Our next task, which will be the
17 swearing in of our newest Board member, Dave Woods.
18 David, could you come forward? David is present with
19 his daughter, Lisa, who will hold the bible. And the
20 Honorable Carol Aichele, the Secretary of State for
21 the Commonwealth of Pennsylvania will do the honors.

22 SECRETARY AICHELE:

23 It's an extraordinary privilege for me
24 here --- to be here today to administer the Oath of
25 Office to a long time friend, Dave Woods. Dave, put

1 your right hand on the bible --- no, left hand on the
2 bible, right hand --- raise your right hand. I, David
3 W. Woods ---

4 MR. WOODS:

5 I, David W. Woods ---

6 SECRETARY AICHELE:

7 --- do solemnly swear ---

8 MR. WOODS:

9 --- do solemnly swear ---

10 SECRETARY AICHELE:

11 --- that I will support, obey and defend

12 ---

13 MR. WOODS:

14 --- I will support, obey and defend ---

15 SECRETARY AICHELE:

16 --- the Constitution of the United

17 States ---

18 MR. WOODS:

19 --- the Constitution of the United

20 States ---

21 SECRETARY AICHELE:

22 --- the Constitution of the Commonwealth

23 of Pennsylvania ---

24 MR. WOODS:

25 --- the Constitution of the Commonwealth

1 of Pennsylvania ---

2 SECRETARY AICHELE:

3 --- and I will discharge the duties of
4 my office ---

5 MR. WOODS:

6 --- and I will discharge the duties of
7 my office ---

8 SECRETARY AICHELE:

9 --- with fidelity ---

10 MR. WOODS:

11 --- with fidelity ---

12 SECRETARY AICHELE:

13 --- so help me god.

14 MR. WOODS:

15 --- so help me god.

16 MR. GINTY:

17 Okay, Dave. Go work.

18 MR. WOODS:

19 I do want to thank just a group of
20 people for ---.

21 CHAIRMAN:

22 Whatever you want. You're a member of
23 this Board.

24 CHAIRMAN:

25 I do thank the Governor for the

1 appointment, and I submit to him that I'll work hard
2 to protect the interest of the Commonwealth and this
3 vibrant industry. I also want to thank my daughter,
4 Lisa, who has got to go to work now, for representing
5 the family. My wife is in Vermont, and my other three
6 daughters are in various parts of the country. But
7 Lisa represented the family today.

8 And I want to thank my Senate family,
9 both republicans and democrats who attended today, for
10 being here and taking time. It's been a great 26
11 years with many of them. Maybe a little bit of
12 shorter time with others, but I really enjoyed working
13 with them. And I look forward to working with each of
14 you, and I want to wish Jim, who I've known for 20
15 years, well as he moves on to other things. And I've
16 enjoyed working with him, and I hope to follow in his
17 footsteps and served with distinction on the Board.
18 Thank you.

19 SHORT BREAK TAKEN

20 CHAIRMAN:

21 We'll begin the public meeting. By way
22 of announcements, the Board held an executive session
23 yesterday. The purpose of which was to discuss
24 personnel matters, pending litigation and to conduct
25 quasi-judicial deliberations relating to matters being

1 considered by the Board today.

2 Additionally, we just reconvened for a
3 second executive session where we discussed the
4 matters heard earlier today. I would also like to
5 announce that the Board will be holding a hearing on
6 Tuesday, September 24th to gather evidence from the
7 officials in the City of Philadelphia regarding the
8 six applicants for the remaining Category 2 Casino
9 License in Philadelphia. The hearing will occur in
10 the City of Philadelphia beginning at 11:00 a.m. The
11 location is Room 108 of the Pennsylvania Convention
12 Center.

13 Next we will have consideration of a
14 motion to approve the minutes and transcripts of the
15 June 22nd --- excuse me, June 26th and July 17th Board
16 Meetings. May I have such a motion?

17 MRS. KAISER:

18 Mr. Chairman, I move that the Board
19 approve the minutes and transcripts of the June 26th
20 and July 17th, 2013 meetings.

21 MR. MCCALL:

22 Second.

23 CHAIRMAN:

24 All in favor?

25 COMMISSIONER WOODS ABSTAINS. ALL OTHER MEMBERS SAY AYE

1 CHAIRMAN:

2 Opposed? The motion carries.

3 MR. WOODS:

4 Mr. Chairman, I'm going to abstain just
5 because I wasn't a party to those meetings.

6 CHAIRMAN:

7 Okay. And we will note that abstention
8 by Mr. Woods. Next would be Claire Yantis, our
9 Director of Human Resources. Claire?

10 MRS. YANTIS:

11 Good afternoon, Chairman, members of the
12 Board. The Office of Human Resources has one motion
13 for your consideration today. Mr. Brian Nese has been
14 selected for the position of Casino Compliance
15 Representative at the Rivers Casino. And has
16 completed the PGCB interview process, background
17 investigation and drug screening.

18 As such, he is recommended for hire by
19 Director of Casino Compliance, Gerry Stoll. Unless
20 you have any questions, I ask that the Board consider
21 a motion to hire Mr. Nese as indicated.

22 CHAIRMAN:

23 May I have a motion?

24 MR. FAJT:

25 Mr. Chairman, I move that the Board

1 approve the applicant as proposed on the condition of
2 necessary background investigations and drug testing
3 are complete.

4 CHAIRMAN:

5 Second?

6 MR. MOSCATO:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 ALL SAY AYE

11 CHAIRMAN:

12 Opposed? The motion carries. Thank
13 you, Clair. David Rhen will now present his financial
14 report. David?

15 MR. RHEN:

16 Thank you. I'm here today to present a
17 Final Report of Board Expenses for fiscal year
18 2012/13, which wrapped up June 30th. For the year,
19 expenses totaled \$33,863,000. This is a 1.3 percent
20 increase above fiscal year 11/12 expenses of \$33.4
21 million dollars. Personnel costs for the year totaled
22 \$28.3 million, up two percent from the prior year.
23 While operating and fixed asset expenses combined
24 total \$5.6 million dollars, down \$100,000, or just
25 under two percent for the year.

1 As percentages of overall expenses,
2 salaries and benefits accounted for 84 percent of
3 overall expenses, and operating expenses accounted for
4 16 percent of the year's expenses. The three largest
5 categories of operating expenses accounting for 78
6 percent of all operating expenses were rentals and
7 leases at \$1.8 million dollars, or 34 percent of
8 operating expenses. Services at \$1.3 million, or 25
9 percent of operating expenses. And the services
10 include license applicant fingerprints, the Category 2
11 Applicant traffic studies and Commonwealth and/or
12 agency billing, among other expense items.

13 And finally, the third largest operating
14 expense for the year was other operating expenses
15 including investigative database services at \$1
16 million dollars, or 19 percent of operating expenses.
17 Throughout the fiscal year, the Board continued to
18 take steps to reduce or limit expenditure growth. In
19 personnel we ended the year with a net reduction of
20 four filled positions, despite adding six new
21 positions at the recently opened Lady Luck Casino in
22 Nemacolin.

23 On the operating side, we moved to a new
24 office space in Pittsburgh, which will result in
25 annual savings of approximately \$107,000 for parking

1 and office space. We continue to reduce use of IT
2 contractors, saving approximately \$50,000. And
3 reduced cell phones and consolidated cell phone plans,
4 resulting in savings of about \$30,000 annually.

5 While we may still see additional
6 expenses trickle in as the final invoices are received
7 and processed, this essentially closes the books on
8 the overwhelming bulk of expenditures for the year.
9 We've begun the new year July 1st and have an
10 appropriation of \$36.9 million dollars. That
11 concludes my remarks.

12 CHAIRMAN:

13 Any questions?

14 MR. FAJT:

15 One comment, Mr. Chairman, if I might.
16 Dave, thank you, and I have to tell you that I had two
17 or three questions written down and when I got to the
18 bottom and saw your fiscal year comparison notes, you
19 answered all of my questions. So I don't have to ask
20 them today. Thank you for a good report.

21 MR. RHEN:

22 Thank you.

23 CHAIRMAN:

24 Thank you, David. Doug Sherman, Office
25 of Chief Counsel.

1 ATTORNEY SHERMAN:

2 Chairman and members of the Board, our
3 first agenda items relate to a proposed regulation and
4 a statement of policy, which Assistant Chief Counsel,
5 Susan Yocum, is here to present.

6 ATTORNEY YOCUM:

7 Good afternoon, Chairman, members of the
8 Board.

9 CHAIRMAN:

10 Good afternoon.

11 ATTORNEY YOCUM:

12 Susan Yocum. That's Y-O-C-U-M, as in
13 Mary. The first rule making for you consideration
14 today is Proposed Rule Making 125 of 175, which was
15 provided to you in advance of this meeting. This is a
16 comprehensive amendment package amending 13 of the 15
17 chapters contained in subpart B relating to licensing
18 and the licensing process. There are three specific
19 revisions that I'd like to address with the Board
20 today. They relate to institutional investors,
21 Non-Gaming Registrations and the requirements of slot
22 machine licensees.

23 The first institutional investors ---
24 our current regulations cap institutional investor
25 ownership at ten percent of our slot machine

1 licensees. Over the course of the last year, the
2 Board has actually granted two waivers to
3 institutional investors to go above that ten percent
4 threshold.

5 In reviewing this comprehensive --- in
6 doing the comprehensive amendment package, we looked
7 at other gaming jurisdictions and this rule making
8 will allow institutional investors to go up to 20
9 percent, provided that they supply information to our
10 Bureau of Investigations and Enforcement (BIE) prior
11 to acquiring that interest.

12 The Non-Gaming Registrations, currently
13 our regulations do not expire Non-Gaming
14 Registrations, so they continue in perpetuity. This
15 rule making will actually place a four year renewal on
16 Non-Gaming Registrations. This is first done to
17 ensure that there's a subsequent criminal background
18 done. There's fingerprinting involved. This will
19 also clear out all of our existing --- we have
20 approximately 5,600 registrations for people that have
21 not been working in the gaming industry for two years
22 or more. So that will clear out all of the old
23 registrations.

24 Lastly, requirements for Slot Machine
25 Licensees, the provisions contained in this rule

1 making will require approval of the occurrence of
2 additional debt at \$25 million dollars for privately
3 held entities, and for \$50 million dollars of
4 additional debt for publicly traded Slot Machine
5 Licensees. This will also require approval for
6 changes in plans of development.

7 I'd be happy to answer any questions you
8 may have regarding this rule making.

9 CHAIRMAN:

10 Questions from the Board? Ex-Officio
11 members? May I have a motion?

12 MR. MCNALLY:

13 Mr. Chairman, I move that the Board
14 adopt Proposed Regulation 125-175, as described by the
15 OEC. And that the Proposed Regulation 125-175 be
16 posted to the Board's website.

17 CHAIRMAN:

18 Second?

19 MR. WOODS:

20 Second.

21 CHAIRMAN:

22 All in favor?

23 ALL SAY AYE

24 CHAIRMAN:

25 Opposed? The motion carries.

1 ATTORNEY YOCUM:

2 The next is a Statement of Policy. It's
3 125-176. This Statement of Policy will be sent out to
4 all of our manufacturers and will mandate that
5 beginning November 1st, our Bureau of Gaming
6 Laboratory Operations will no longer accept slot
7 machine software for testing and subsequent approval
8 if that software contains any payout table that does
9 not comply with our --- the Act and the Gaming Board's
10 regulations.

11 So, specifically, all payout tables that
12 are submitted have to be payout at a theoretical
13 payout percentage of 85 percent or greater. I'd be
14 happy to answer any questions you have regarding this
15 Statement of Policy.

16 CHAIRMAN:

17 Questions/comments from the Board?
18 Ex-Officio members? May I have a motion?

19 MR. FAJT:

20 Mr. Chairman, I move that the Board
21 adopt Proposed Regulation 125-175, as described by the
22 Office of Chief Counsel (OCC), and that the Proposed
23 Regulation 125-175 be posted on the Board's website.

24 CHAIRMAN:

25 Second?

1 MR. WOODS:

2 Second.

3 CHAIRMAN:

4 All in favor?

5 ALL SAY AYE

6 CHAIRMAN:

7 Opposed? The motion carries.

8 ATTORNEY YOCUM:

9 Thank you.

10 CHAIRMAN:

11 Thank you, Susan. Next is Allison

12 Cassel.

13 ATTORNEY CASSEL:

14 Good afternoon. It's Cassel.

15 C-A-S-S-E-L. I have two Local Law Enforcement Grant
16 Applications for you today. The first is the Delaware
17 County District Attorney's Office. It's requesting
18 \$200,000. And the second is the Freedom Borough
19 Police Department, which is requesting \$21,500.

20 Both Applications have been reviewed and
21 have been found to be in compliance with Grant
22 Guidelines, and are recommended for approval.

23 CHAIRMAN:

24 Any questions/comments from the Board?

25 Ex-Officio members? May I have a motion?

1 MR. WOODS:

2 Mr. Chairman, I move that the Board
3 approve the Local Enforcement Grants, as presented by
4 the Office of Chief Counsel (OCC).

5 CHAIRMAN:

6 Second?

7 MRS. KAISER:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 ALL SAY AYE

12 CHAIRMAN:

13 Opposed? The motion carries.

14 ATTORNEY CASSEL:

15 Thank you.

16 CHAIRMAN:

17 Thank you, Allison.

18 ATTORNEY SHERMAN:

19 Today the Board has one Petition on the
20 agenda, and that's Mountainview Thoroughbred Racing
21 Association's Petition for Final Approval of the
22 Corporate Restructuring. This matter was heard by the
23 Board earlier today during the public hearing. And
24 additionally, the Board has, in advance of the
25 meeting, been provided with all of the pleadings of

1 record, as well as materials provided during an
2 earlier hearing this year. The record and the matter
3 is now closed and is ready for the Board's
4 consideration.

5 CHAIRMAN:

6 Any questions or comments from the
7 Board? Ex-Officio members? May I have a motion?

8 MRS. KAISER:

9 Mr. Chairman, I move that the Board
10 grant Mountainview Thoroughbred Racing Association's
11 Petition as described by the Office of Chief Counsel
12 (OCC), and subject to the 20 conditions requested by
13 the Office of Enforcement Counsel (OEC). I further
14 move that the motions requesting confidentiality of
15 certain documents filed in this matter be granted.
16 And that Mountainview be assessed \$19,912.50 in costs
17 associated with this matter.

18 MR. MCCALL:

19 Second.

20 CHAIRMAN:

21 All in favor?

22 ALL SAY AYE

23 CHAIRMAN:

24 Opposed? The motion carries.

25 ATTORNEY SHERMAN:

1 Okay. Next presenting withdrawals and
2 Reports and Recommendations is Deputy Chief Counsel,
3 Steve Cook.

4 ATTORNEY COOK:

5 Good afternoon.

6 CHAIRMAN:

7 Good afternoon.

8 ATTORNEY COOK:

9 The Board has received seven unopposed
10 Petitions to withdraw the applications or surrender
11 the credentials of individuals or businesses. The
12 persons and entities subject to these petitions are as
13 follows, Christine Aguilera --- I'd note for the
14 record it's not the Christina Aguilera. Michael
15 Chambrello, College Mansion, LLC, Shared Solutions and
16 Services, Inc., Heidi Hamers, Roger Hawkins, N&L
17 Transportation, Inc.

18 The Office of Enforcement (OEC) has no
19 objections to these withdrawals or surrenders.
20 However, it does request that the N&L Transportation
21 Gaming Service Provider Application be withdrawn with
22 prejudice as the company did business with Mount Airy
23 Casino without fully completing the licensing process.

24 All of the other withdrawals would be without
25 prejudice. And this matter is ripe for the Board's

1 consideration.

2 CHAIRMAN:

3 Any questions or comments from the
4 Board? Ex-Officio members? May I have a motion?

5 MR. MCCALL:

6 Mr. Chairman, I move that the Board
7 issue Orders to approve the withdrawals and
8 surrenders, as described by the Office of Chief
9 Counsel (OCC).

10 MR. MCNALLY:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 ALL SAY AYE

15 CHAIRMAN:

16 Opposed? The motion carries.

17 ATTORNEY COOK:

18 Today the Board has four Reports and
19 Recommendations received from the Office of Hearings
20 and Appeals (OHA). These Reports and Recommendations,
21 along with the evidentiary record for each hearing,
22 have been provided to the persons in each matter in
23 advance --- or to the Board in advance of the meeting.
24 Additionally, each of these persons have been notified
25 that the matter's going to be taken up today. And

1 they have the right to come before the Board and
2 briefly make a presentation to the Board. If any of
3 these persons are present, I'd ask them to come
4 forward when their matter is called.

5 The first Report from the Office of
6 Hearings and Appeals (OHA) pertains to Debbie Ann
7 Pivarnik. Mrs. Pivarnik was issued a Gaming Employee
8 Permit to work as a slot attendant at the Mount Airy
9 Number One, LLC, Casino. Mount Airy terminated Mrs.
10 Pivarnik in late 2010 for violating a Mt. Airy's code
11 of conduct. Specifically, Mrs. Pivarnik had
12 approached other employees offering to sell low priced
13 electronics in time for the holidays. She also ---
14 after making that offer, she collected over \$8,000
15 from fellow employees. However, the items were never
16 delivered, nor was the money ever returned to the
17 employees.

18 As a result of this conduct, Mrs.
19 Pivarnik was charged with one count of theft by
20 deception-false impression, and four counts of
21 misdemeanor theft. The Office of Enforcement Counsel
22 (OEC) filed a complaint to revoke Mrs. Pivarnik's
23 Gaming Permit on July 20th, 2011. And subsequent to
24 that enforcement action, the Board issued an order
25 revoking of her permit.

1 Subsequently, Mrs. Pivarnik filed a
2 request with the Office of Hearings and Appeals (OHA)
3 to reinstate her permit, that request has been treated
4 not as a Petition to Reinstate. Since it was already
5 revoked, we couldn't reinstate the permit. But
6 rather, simply as a Petition for Approval to reapply
7 for a new permit. The Office of Enforcement Counsel
8 (OEC) answered that request rejecting the same --- or
9 opposing the same.

10 A hearing in this matter was held on
11 October 17, 2012, at which time Mrs. Pivarnik provided
12 proof that, relative to her conduct, she had been
13 placed in and completed the ARD program with Monroe
14 County Criminal Courts. Mrs. Pivarnik also testified
15 that the man --- a man she had known professionally
16 for almost 15 years had told her he can get wholesale
17 priced electronics and, in fact, this was the
18 individual who stole the money, and she was duped as
19 much as everyone else. That particular individual was
20 also --- he was actually convicted in the Monroe
21 County Court of Common Pleas and sentenced to pay
22 restitution. Character witnesses also testified Mrs.
23 Pivarnik --- or for Mrs. Pivarnik at the --- before
24 the Office of Hearings and Appeals (OHA).

25 The Hearing Officer, on November 21st,

1 2012, issued a Report and Recommendation, recommending
2 that Mrs. Pivarnik's request be denied at that time,
3 but that she be allowed to petition the Board for
4 reapplication of her Gaming Permit after July 20th,
5 2013, which would've been two years from the date of
6 the revocation. Essentially, our regulations wouldn't
7 allow somebody that would be revoked to reapply until
8 two years had passed. So we've been kind of putting
9 this in the back burner until the time lapsed. It has
10 now passed two years, so the matter is ripe for
11 consideration.

12 CHAIRMAN:

13 Any questions or comments from the
14 Board? Ex-Officio members? May I have a motion?

15 MR. MCNALLY:

16 Mr. Chairman, I move that the Board
17 adopt the report of recommendation in part, and reject
18 it in part. Specifically, I move that the Board allow
19 Mrs. Pivarnik to reapply for a Gaming Employee Permit
20 since more than two years have passed since her
21 default judgment revocation. I further move that all
22 confidential information about Mrs. Pivarnik be
23 redacted from the Office of Hearings and Appeals
24 (OHA)'s file.

25 CHAIRMAN:

1 Second?

2 MR. MOSCATO:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 ALL SAY AYE

7 CHAIRMAN:

8 Opposed? The motion carries.

9 ATTORNEY COOK:

10 The next Report and Recommendation
11 before the Board today pertains to Anthony Waters. On
12 March 1st, 2013 Mr. Waters submitted his Non-Gaming
13 Employee Registration Application to work as an EVS
14 Attendant at the SugarHouse Casino. Mr. Waters
15 disclosed on his application that he had been arrested
16 in 2005 for drug related charges, which were disposed
17 of pursuant to an ARD. He also disclosed in 2007 he
18 was arrested on two assault related --- for two
19 assault related charges, but those were subsequently
20 withdrawn.

21 During BIE's background investigation,
22 however, it was discovered that Mr. Waters had
23 additional criminal charges, including a felony
24 conviction in 2011 for drug trafficking charges, which
25 he failed to disclose. As a result of Mr. Waters'

1 undisclosed criminal history on May 15th, 2013, the
2 Office of Enforcement Counsel (OEC) issued a Notice of
3 Recommendation of Denial. Mr. Waters requested a
4 hearing. He, however, did not appear at that hearing,
5 and it was held in his absence.

6 As evidence of Mr. Waters' criminal
7 history was put into the record by the Office of
8 Enforcement Counsel (OEC), the undisclosed criminal
9 history, and it was not refuted. The Report and
10 Recommendation subsequently issued recommends that his
11 application be denied. The matter is before the
12 Board.

13 Questions or comments from the Board?
14 Ex-Officio members? Do I have a motion?

15 MR. FAJT:

16 Mr. Chairman, I move that the Board
17 adopt the Report and Recommendation of the Office of
18 Hearings and Appeals (OHA) regarding the Non-Gaming
19 Employee Registration of Anthony D. Waters, as
20 described by the Office of Enforcement (OEC).

21 CHAIRMAN:

22 Second?

23 MR. MOSCATO:

24 Second.

25 CHAIRMAN:

1 All I favor?

2 ALL SAY AYE

3 CHAIRMAN:

4 Opposed? The motion carries.

5 ATTORNEY COOK:

6 Steven Watson's Report and
7 Recommendation is the next matter before the Board.
8 Mr. Watson holds a Gaming Permit to work as a table
9 games dealer at the Meadows Casino. On April 18th,
10 2013 Mr. Waters --- or Watson, I'm sorry, and his
11 counsel notified the Board's Bureau of Casino
12 Compliance that on April 16th, 2013 he was charged
13 with aggravated assault, which was a felony charge,
14 recklessly endangering another, possession of a
15 controlled substance and careless driving.

16 Thereafter, on April 22nd, 2013 the
17 Office of Enforcement Counsel (OEC) requested
18 emergency suspension of Mr. Watson's Gaming Permit
19 issued based upon the felony charge. The Board's
20 executive director signed the emergency Order that
21 same day, suspending Mr. Waters' Gaming Permit. This
22 matter was referred to the Office of Hearings and
23 Appeals (OHA) and a hearing was held on May 16th,
24 2013. The Office of Enforcement Counsel (OEC) both
25 appeared at the hearing. And Mr. Watson. Both

1 individual --- both Office of Enforcement (OEC) and
2 Mr. Watson appeared at the hearing.

3 The evidence presented at the hearing
4 indicated that the charges in question were the result
5 of a road rage incident in which Mr. Watson was
6 alleged to have assaulted an individual and the
7 individual's car with a golf club. It was alleged
8 that a substance which appeared to be crack cocaine
9 was found in Mr. Watson's car, as well. It was
10 disclosed at that hearing that Mr. Watson's felony
11 aggravated assault charge had been withdrawn, and the
12 additional charges were to be dismissed upon his
13 completion of an anger management course and a drug
14 evaluation.

15 Subsequently, the Hearing Officer issued
16 a Report and Recommendation recommending that since
17 Mr. Watson's felony charge had been withdrawn, the
18 emergency suspension should be resolved. Mr. Watson's
19 matter was brought before the Board on June 26th,
20 2013. At that time no action was taken on the Report
21 and Recommendation, and the Board rather issued a Rule
22 to Show Cause upon Mr. Watson, indicating he should
23 appear before the Office of Hearings and Appeals (OHA)
24 to show cause why the Board should continue to allow
25 him to have a license or find him suitable to maintain

1 his license, regardless of whether the felony charge
2 had been dismissed.

3 Specifically, the Board felt
4 uncomfortable with the alleged facts and wanted more
5 information and to create a record. The hearing was
6 held before the Office of Hearings and Appeals (OHA)
7 on July 15th, 2013. Mr. Watson appeared and offered
8 testimony and evidence regarding his incident. The
9 un-contradicted evidence submitted at that hearing
10 indicated that Mr. Watson was provoked by three
11 individuals in an earlier incident, which resulted in
12 his actions.

13 Mr. Watson also testified that he struck
14 the other vehicle with a golf club, and did not hit
15 any persons with the golf club. He paid \$1,600 in
16 restitution for damages to the other vehicle and
17 attended the anger management classes directed by the
18 District Justice, as well as underwent a drug and
19 alcohol evaluation, which indicated he had no
20 substance abuse issues. He also testified that he did
21 not have any drugs in his possession at the time and
22 all the criminal charges had now been withdrawn.

23 Based upon the evidence presented, the
24 Hearing Officer recommended that the suspension be
25 lifted. And that is the Report and Recommendation

1 before the Board today.

2 CHAIRMAN:

3 Any questions or comments from the
4 Board? Ex-Officio members? Can I have a motion?

5 MR. MOSCATO:

6 Mr. Chairman, I move that, based upon
7 the record before the Board, that the Board adopt the
8 Report and Recommendation of the Office of Hearings
9 and Appeals (OHA) regarding the Gaming Employee Permit
10 of Steven Watson, as described by the Office of Chief
11 Counsel (OCC).

12 CHAIRMAN:

13 Second?

14 MR. WOODS:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed? The motion's carried.

21 ATTORNEY COOK:

22 Zeming Huang is the final Report and
23 Recommendation to be heard by the Board today. On
24 February 17th, 2012 the Office of Enforcement Counsel
25 (OEC) filed a complaint to place Mr. Huang on the

1 Board's Exclusion List for his participation in a
2 scheme to cheat during the game of Blackjack at the
3 SugarHouse Casino. On May 23rd, 2012 the Board issued
4 an Order placing Mr. Huang on the Exclusion List after
5 his failure to reply to Office of Enforcement (OEC)'s
6 complaint.

7 Mr. Huang is now requesting that the
8 Board allow him to be removed from the Exclusion List.
9 The Office of Enforcement Counsel (OEC) filed an
10 answer to that request objecting to it. Mr. Huang
11 requested a hearing. A hearing was scheduled. He was
12 given proper notice, however, he didn't attend that
13 hearing, which occurred on June 20th, 2013. Since no
14 evidence was put on the record to support Mr. Huang's
15 request, the Report and Recommendation subsequently
16 issued and before the Board today recommends that he
17 remain on the Board's Exclusion List.

18 CHAIRMAN:

19 Any questions, comments from the Board?
20 Ex-Officio members? Can I have a motion?

21 MR. WOODS:

22 Mr. Chairman, I move that the Board
23 adopt the Report and Recommendation of the Office of
24 Hearings and Appeals (OHA) regarding removal of Zeming
25 Huang from the Pennsylvania Gaming Control Board

1 Exclusion List, as described by the Office of Chief
2 Counsel (OCC).

3 CHAIRMAN:

4 Second?

5 MRS. KAISER:

6 Second.

7 CHAIRMAN:

8 All in favor?

9 ALL SAY AYE

10 CHAIRMAN:

11 Opposed? The motion carries.

12 ATTORNEY SHERMAN:

13 Mr. Chairman, I think we have to circle
14 around to one I know that I might've been missed
15 earlier. We had a proposed regulation 125-175. We
16 also had presented the proposed policy statement
17 125-176. I believe Commissioner Fajt made the motions
18 for 175. We do not have a motion to approve the
19 statement of policy 176, and I would ask the Board to
20 motion to that effect.

21 CHAIRMAN:

22 Okay.

23 MR. FAJT:

24 Mr. Chairman, I move that the Board
25 adopt proposed regulation 125-176, as described by the

1 Office of Chief Counsel (OCC). And proposed
2 regulation 125-176 proposal of the Board rest.

3 ATTORNEY SHERMAN:

4 Proposed statement of policy.

5 MR. FAJT:

6 Proposed statement of policy 125-176.

7 And I propose statement of policy 125-176 be posted on
8 the Board's website.

9 CHAIRMAN:

10 So we have it now; right?

11 ATTORNEY SHERMAN:

12 Uh-huh (yes).

13 CHAIRMAN:

14 Okay. Second?

15 MR. WOODS:

16 Second.

17 CHAIRMAN:

18 All in favor?

19 ALL SAY AYE

20 CHAIRMAN:

21 Opposed? Motion will be carried.

22 ATTORNEY SHERMAN:

23 And that concludes all matters of the
24 Office of Chief Counsel (OCC).

25 CHAIRMAN:

1 Thank you. Next, Susan Hensel our
2 Director of Licensing.

3 ATTORNEY HENSEL:

4 Thank you, Chairman Ryan and members of
5 the Board. Before the Board today will be motions
6 regarding one Slot Machine Operator Renewal License,
7 as well as 1,094 Principal Key Gaming and Non-Gaming
8 Employees, and Gaming Service Provider qualifiers. In
9 addition, there will be a consideration of 21 Gaming
10 Service Provider applicants.

11 The first matter for consideration is
12 the renewal of Downs Racing, LP, Category 1 License.
13 Public input and renewal hearings in this matter have
14 been held, and the Bureau of Licensing has provided
15 you with a background investigation and suitability
16 report.

17 As a result, the license renewal is
18 ready for your consideration. No issues regarding
19 Downs Racing, LP, have been identified by the Bureau
20 of Licensing that would preclude the renewal of the
21 Category 1 License. I've provided you with a draft
22 Order for this entity and ask that the Board consider
23 the Order to renew the Category 1 License for Downs
24 Racing, LP.

25 CHAIRMAN:

1 Any comments from Enforcement Counsel?

2 ATTORNEY PITRE:

3 Enforcement Counsel has no objection.

4 CHAIRMAN:

5 Thank you. Questions or comments from
6 the Board? Ex-Officio members? May I have a motion?

7 MRS. KAISER:

8 Chairman, I move that the Board ---
9 approval of Downs Racing, LP, Category 1 License, as
10 described by the Bureau of Licensing.

11 MR. MCCALL:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 ALL SAY AYE

16 CHAIRMAN:

17 Opposed? The motion carries.

18 ATTORNEY HENSEL:

19 Also for your consideration is the
20 approval of Key Employee Licenses. Prior to this
21 meeting, the Bureau of Licensing provided you a
22 proposed Order for 12 Key Employee Licenses for slot
23 operator and manufacturer licensees. I ask that the
24 Board consider the Order approving these licenses.

25 CHAIRMAN:

1 Any comments from Enforcement Counsel?

2 ATTORNEY PITRE:

3 Enforcement Counsel has no objection.

4 CHAIRMAN:

5 Questions or comments from the Board?

6 Ex-Officio members? May I have motion?

7 MR. MCCALL:

8 Mr. Chairman, I move that the Board
9 approve the issuance of Key Employee Licenses as
10 described by the Bureau of Licensing.

11 MR. MCNALLY:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 ALL SAY AYE

16 CHAIRMAN:

17 Opposed? The motion carries.

18 ATTORNEY HENSEL:

19 Next are Temporary Principal and Key
20 Employee Licenses. Prior to this meeting the Bureau
21 of Licensing provided you with an Order regarding the
22 issuance of Temporary Licenses for six Principals and
23 28 Key Employees. I ask that the Board consider the
24 Order approving these licenses.

25 CHAIRMAN:

1 Any comments from Enforcement Counsel?

2 ATTORNEY PITRE:

3 Enforcement Counsel has no objection.

4 CHAIRMAN:

5 Any questions or comments from the
6 Board? Ex-Officio members? May I have a motion?

7 MR. MCNALLY:

8 Mr. Chairman, I move that the Board
9 approve the issuance of Temporary and Key Employee
10 Credentials, as described by the Bureau of Licensing.

11 CHAIRMAN:

12 Second?

13 MR. MOSCATO:

14 Second.

15 CHAIRMAN:

16 All in favor?

17 ALL SAY AYE

18 CHAIRMAN:

19 Opposed? The motion carries.

20 ATTORNEY HENSEL:

21 In addition, are Gaming Permits and
22 Non-Gaming Registrations. Prior to this meeting the
23 Bureau of Licensing provided you with a list of 752
24 individuals, to whom the Bureau has granted temporary
25 or full occupation permits, and 226 individuals to

1 whom the Bureau has granted registrations under the
2 authority delegated to the Bureau of Licensing. I ask
3 that the Board consider a motion approving the Order.

4 CHAIRMAN:

5 Any comments from Enforcement Counsel?

6 ATTORNEY PITRE:

7 Enforcement Counsel has no objection.

8 CHAIRMAN:

9 Any questions or comments from the
10 Board? Ex-Officio members? May I have a motion?

11 MR. MOSCATO:

12 Yes, sir. I move that the Board approve
13 the issuance of Gaming Employee Permits and Non-Gaming
14 Employee Registrations, as described by the Bureau of
15 Licensing.

16 MR. FAJT:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 ALL SAY AYE

21 CHAIRMAN:

22 Opposed? The motion carries.

23 ATTORNEY HENSEL:

24 We also have recommendations of denial
25 for one Gaming and one Non-Gaming Employee

1 applications. The Bureau of Licensing has provided
2 you with Orders addressing these applicants, who the
3 Office of Enforcement Counsel (OEC) has recommended
4 for denial. The applicants failed to request hearings
5 within the specified time period. I ask that the Board
6 consider the Order to deny the Gaming and Non-Gaming
7 Employee applications.

8 CHAIRMAN:

9 Any comments from Enforcement Counsel?

10 ATTORNEY PITRE:

11 The Enforcement Counsel will request
12 denial in each instance.

13 CHAIRMAN:

14 Any questions or comments from the
15 Board? Ex-Officio members? May I have a motion?

16 MR. FAJT:

17 Mr. Chairman, I move that the Board
18 approval the denial of the applications, as described
19 by the Bureau of Licensing.

20 MR. WOODS:

21 Second.

22 CHAIRMAN:

23 All in favor?

24 ALL SAY AYE

25 CHAIRMAN:

1 Opposed? The motion carries.

2 ATTORNEY HENSEL:

3 Also for your consideration are
4 withdrawal requests for Key Employee Gaming and
5 Non-Gaming Employees. In each case a permit or
6 registration is no longer required. For today's
7 meeting I have provided the Board with a list of one
8 Key Employee, 60 Gaming and seven Non-Gaming Employee
9 withdrawals for approval. I ask that the Board
10 consider the Order approving the list of withdrawals.

11 CHAIRMAN:

12 Any comments from Enforcement Counsel?

13 ATTORNEY PITRE

14 Enforcement Counsel has no objection.

15 CHAIRMAN:

16 Questions or comments from the Board?

17 Ex-Officio members? May I have a motion?

18 MR. WOODS:

19 Mr. Chairman, I move that the Board
20 approve the withdrawals, as described by the Bureau of
21 Licensing.

22 CHAIRMAN:

23 Second?

24 MRS. KAISER:

25 Second.

1 CHAIRMAN:

2 All in favor?

3 ALL SAY AYE

4 CHAIRMAN:

5 Opposed? The motion carries.

6 ATTORNEY HENSEL:

7 In addition we have an Order to certify
8 the following Gaming Service Providers, DeNofa, Inc.,
9 Global Promotional Sourcing, which is doing business
10 as Proforma GPS and Roma Concrete, Inc. I ask that
11 the Board consider the Order approving these Gaming
12 Service Providers for certification.

13 CHAIRMAN:

14 Comments from Enforcement Counsel?

15 ATTORNEY PITRE:

16 Enforcement Counsel has no objection.

17 CHAIRMAN:

18 Any questions or comments from the
19 Board? Ex-Officio members? May I have a motion?

20 MRS. KAISER:

21 Mr. Chairman, I move that the Board
22 issue an Order to approve the application for Gaming
23 Service Providers Ce(BOL).

24 MR. MCCALL:

25 Second.

1 CHAIRMAN:

2 All in favor?

3 ALL SAY AYE

4 CHAIRMAN:

5 Opposed? The motion carries.

6 ATTORNEY HENSEL:

7 Finally, we have an Order regarding
8 Gaming Service Provider Registrations. The Bureau of
9 Licensing provided you with an Order and attached list
10 of 18 Registered Gaming Service Provider Applicants.
11 I ask that the Board consider the Order, registering
12 these Gaming Service Providers.

13 CHAIRMAN:

14 Any comment from Enforcement Counsel?

15 ATTORNEY PITRE:

16 Enforcement Counsel has no objection.

17 CHAIRMAN:

18 Questions or comments from the Board?

19 Ex-Officio members? May I have a motion?

20 MR. MCCALL:

21 Mr. Chairman, I move that the Board
22 issue an order to approve the Applications for Gaming
23 Service Provider Registration, as described by the
24 Bureau of Licensing.

25 MR. MCNALLY:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 ALL SAY AYE

5 CHAIRMAN:

6 Opposed? The motion carries.

7 ATTORNEY HENSEL:

8 That concludes the matters of the Bureau
9 of Licensing.

10 CHAIRMAN:

11 Thank you, Susan.

12 CHAIRMAN:

13 Next, our Office of Enforcement Counsel
14 (OEC). Cyrus?

15 ATTORNEY PITRE:

16 We have 11 matters for the Board's
17 consideration today. Four of those are Consent
18 Agreements, three revocations and Four Involuntary
19 Exclusions. The first matter involves a Consent
20 Agreement between the Office of Enforcement Counsel
21 (OEC) and Chester Downs and Marina, LLC.

22 Mr. Downey and Ms. Hughes are present on
23 behalf of Chester Downs, LLC. And Cassandra
24 Fenstermaker will present the matter for the Board's
25 consideration.

1 CHAIRMAN:

2 Mr. Downey, if you have a witness who
3 will give testimony who is not an attorney, the person
4 should be ---.

5 ATTORNEY DOWNEY:

6 We do not. Ms. Hughes is a member of
7 the Bar.

8 CHAIRMAN:

9 Okay. Fine. Thank you.

10 ATTORNEY FENSTERMAKER:

11 Good afternoon, Chairman Ryan, members
12 of the Board. I'm Cassandra Fenstermaker.

13 F-E-N-S-T-E-R-M-A-K-E-R. Assistant Enforcement
14 Counsel.

15 We have today for the Board's
16 Consideration two Consent Agreements between the
17 Office of Enforcement Counsel (OEC) and Chester Downs
18 and Marina, LLC, doing business as Harrah's
19 Philadelphia Casino and Racetrack. The first Consent
20 Agreement that we have for the Board's consideration
21 relates to a hot bot --- a hot box, which was
22 discovered in the warehouse. And for anyone
23 unfamiliar in the audience with what a hot box is, it
24 is a slot cash storage box which contains cash and/or
25 vouchers.

1 On March 27th, 2013 a slot technician
2 discovered a hot box in a slot machine located in the
3 warehouse. A review of the incident indicates that
4 the machine had been placed in the warehouse on or
5 about May 21st, 2012 as part of Operational Plan 17.
6 The slot machine should have been included in the drop
7 of other machines associated with Operational Plan 17,
8 which was conducted on May 21st, 2012. However, the
9 slot machine was not included in the list of machines
10 used by the drop team in conducting their drop, and
11 was therefore missed.

12 As a result of the incident, Harrah's
13 and Office of Enforcement Counsel (OEC) entered into a
14 Consent Agreement, wherein Harrah's has agreed to pay
15 a fine of \$10,000 and administrative fees in the
16 amount of \$2,500. As part of the Consent Agreement,
17 Harrah's has also implemented procedures which require
18 the slot attendant personnel verify that all slot cash
19 storage boxes are removed from slot machines before
20 they are removed from the gaming floor.

21 And as Cyrus mentioned, Lynn Hughes and
22 Bill Downey are here today on behalf of Harrah's, and
23 will be happy to answer any questions that you may
24 have.

25 CHAIRMAN:

1 Counsel?

2 ATTORNEY DOWNEY:

3 Thank you, Mr. Chairman. For the
4 record, Bill Downey. D-O-W-N-E-Y. With Fox
5 Rothschild on behalf of Chester Downs and Marina, LLC,
6 doing business as Harrah's Philadelphia. With me
7 across the table is Lynn Hughes, Vice President and
8 Chief Legal Officer for the Licensee. We concur in
9 the statement of facts as read by BIE, Office of
10 Enforcement Counsel (OEC) and will answer any
11 questions you have on the subject.

12 CHAIRMAN:

13 Questions or comments from the Board?
14 Ex-Officio members? May I have a motion?

15 MR. MCNALLY:

16 Mr. Chairman, I move that the Board
17 issue an Order to adopt the Consent Agreement between
18 the Office of Enforcement Counsel (OEC) and Chester
19 Downs and Marina, LLC, as described by the Office of
20 Enforcement Counsel (OEC).

21 CHAIRMAN:

22 Second.

23 MR. MOSCATO:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 ALL SAY AYE

3 CHAIRMAN:

4 Opposed? The motion carries.

5 ATTORNEY FENSTERMAKER:

6 The second Consent Agreement that we
7 have for the Board's consideration regards Harrah's
8 failure to protect assets resulting in lost table
9 games revenues for the Commonwealth.

10 In the latter half of 2012 two dealers
11 were caught colluding with patrons at Harrah's
12 Philadelphia. In the first incident, which occurred
13 in September 2012, a surveillance review indicated
14 that over the course of a week a table games dealer,
15 Venee Berry, paid individuals more than they were
16 supposed to receive for a winning bet, or paid even
17 when they lost a wager, and were paid without placing
18 a wager.

19 In the second incident, table games
20 dealer, Soskovannarath Yin, placed bets from a rack,
21 paid patrons for losing wagers and paid patrons more
22 than they should have received for winning wagers.
23 The amounts stolen from these two dealers is estimated
24 to be about \$30,000.

25 The Office of Enforcement Counsel (OEC)

1 entered into a Consent Agreement with Harrah's for
2 recovering the tax revenue lost as a result of the
3 thefts, which was estimated at approximately \$3,700.
4 Harrah's has agreed to pay a fine in the amount of
5 \$4,000, and administrative fees in the amount of
6 \$2,500. Additionally, as part of the Consent
7 Agreement, Harrah's agrees to implement additional
8 training related to theft and collusion. Again, we
9 would be happy to answer any questions you may have.

10 CHAIRMAN:

11 Mr. Downey?

12 ATTORNEY DOWNEY:

13 Again, Bill Downey for Chester Downs and
14 Marina, LLC. We concur with the recitation of facts
15 and are prepared to answer any questions that you may
16 have.

17 CHAIRMAN:

18 Questions or comments from the Board?
19 Ex-Officio members? May I have a motion?

20 MR. MOSCATO:

21 Yes, sir. I move that the Board issue
22 an Order to adopt the Consent Agreement between the
23 Office of Enforcement Counsel (OEC) and Chester Downs
24 and Marina, LLC, as described by the Office of
25 Enforcement Counsel (OEC).

1 MR. FAJT:

2 Second.

3 CHAIRMAN:

4 All in favor?

5 ALL SAY AYE

6 CHAIRMAN:

7 Opposed? The motion carries.

8 ATTORNEY DOWNEY:

9 Thank you.

10 ATTORNEY PITRE:

11 The next item on the Board's Agenda is a
12 Consent Agreement between the Office of Enforcement
13 Counsel (OEC) and Mountainview Thoroughbred Racing
14 Association. Assistant Enforcement Counsel, Jeffrey
15 Hoeflich, will present the matter on behalf of Office
16 of Enforcement Counsel (OEC). Yes, sir? Oh, I was
17 going to say, who else is here. Welcome, Mr. Hayles.

18 MR. HAYLES:

19 Thank you, sir.

20 ATTORNEY PITRE:

21 Who's here on behalf of Penn National
22 Gaming. Mr. Hayles, obviously, is a new GM at Penn
23 National.

24 CHAIRMAN:

25 Who wants to go first?

1 ATTORNEY HOEFLICH:

2 Office of Enforcement (OEC) will. Good
3 afternoon, Chairman Ryan, members of the Board.
4 Again, Jeff Hoeflich. H-O-E-F-L-I-C-H. We have
5 today for the Board's consideration a Consent
6 Agreement between the Office of Enforcement Counsel
7 (OEC) and Mountainview Thoroughbred Racing
8 Association, doing business as Hollywood Casino at
9 Penn National Racecourse.

10 On May 9th, 2013 a minor entered
11 Hollywood Casino with her parents through the garage
12 entrance. Her parents had engaged a security officer
13 at the podium while their daughter stood next to them.
14 At no point during the interaction did the security
15 officer engage the minor to request identification.
16 The minor was on the gaming floor for over 105
17 minutes, and engaged on slot play on 11 different slot
18 machines for over an hour.

19 Eventually a slot service supervisor
20 approached the minor and requested identification.
21 The minor was escorted to the trackside entrance of
22 Hollywood Casino, where she was met by Pennsylvania
23 State Police. She was subsequently charged with
24 defiant trespass and evicted from the property. The
25 security guard in the situation resigned prior to

1 Hollywood Casino taking action.

2 The parties have agreed that within five
3 days of the Board's Order, Hollywood Casino should pay
4 a civil penalty in the amount of \$15,000 and \$2,500
5 for costs incurred by the Office of Enforcement
6 Counsel (OEC), Bureau of Investigations and
7 Enforcement (BIE) and other related staff in
8 connection with this matter. Thank you.

9 CHAIRMAN:

10 Who's going to speak for ---?

11 MR. HAYLES:

12 I will do that. Bill Hayles.

13 H-A-Y-L-E-S. The new general manager at Hollywood
14 Casino.

15 CHAIRMAN:

16 Mr. Hayles, you're not an attorney, I
17 would assume; right?

18 MR. HAYLES:

19 That's correct.

20 CHAIRMAN:

21 We should have you sworn, then.

22 -----
23 BILL HAYLES, HAVING FIRST BEEN DULY SWORN, TESTIFIED
24 AS FOLLOWS:
25 -----

1 CHAIRMAN:

2 Okay. Mr. Hayles, go ahead.

3 MR. HAYLES:

4 Thank you. Well, you know, we concur
5 with this assessment. I'm here to introduce myself,
6 and also to offer up my commitment that we will do
7 everything in our power to make sure that we're
8 compliant with this very important matter in the
9 future.

10 CHAIRMAN:

11 Any questions/comments from the Board?

12 MR. FAJT:

13 Yes. Thanks, Mr. Chairman. Jeff, I
14 think I'm allowed to ask this question. If I'm not,
15 I'm sure that you or Cyrus will tell me I shouldn't
16 ask it. But are you looking at the possible Consent
17 Agreement or other penalties against the parents in
18 this case?

19 ATTORNEY HOEFLICH:

20 The parents weren't charged with
21 anything in this case, and they weren't evicted from
22 the casino either. The only thing we have, obviously,
23 is from them entering with the daughter. And that's
24 the only surveillance that we have from this
25 situation. So it's kind of ---.

1 ATTORNEY PITRE:

2 In other words, we don't have any
3 information on the parents. We don't know who they
4 are. We're attempting to locate them. From what we
5 understand, they're out of state. We're trying to
6 locate them through our identification of the
7 daughter. So if we are able to identify the parents,
8 we will be --- well, mainly one of the parents, at
9 least, will be filing the necessary Exclusion
10 Petition.

11 MR. FAJT:

12 And I would hope --- and, again, I'm not
13 telling you how to do your business, but the security
14 guard --- and I don't know what happened to him or
15 her, but obviously, you know, the conversation I would
16 think that the parents had with the security guard is
17 relevant in this matter. And was an attempt to
18 distract the guard while the daughter slipped by, or
19 was it a questioning, you know, how old do you have to
20 be to get on the casino floor. I mean, it's my
21 understanding there was some engagement between the
22 parents and the security guard before this individual,
23 you know, went past the guard. And I would certainly
24 think that that conversation would be relevant.

25 ATTORNEY PITRE:

1 There was some engagement of the
2 security guard to distract him. There was also some
3 purchasing of alcohol by one of the parents and that
4 was given to the underage. We didn't hold Penn
5 National accountable for that because, obviously, a
6 parent purchasing alcohol for an underage person and
7 Penn National not being aware of that. In fact, it
8 was one of the bar people --- bar workers that called
9 security over to identify --- to question the underage
10 individual after seeing the mother hand deliver the
11 alcohol to the individual.

12 MR. FAJT:

13 Thank you.

14 CHAIRMAN:

15 Okay. Anything further? Ex-Officio
16 members? May I have motion?

17 MR. FAJT:

18 Mr. Chairman, I move that the Board
19 issue an Order to Adopt the Consent Agreement between
20 the Office of Enforcement Counsel (OEC) and
21 Mountainview Thoroughbred Racing Association, as
22 described by the Office of Enforcement Counsel (OEC).

23 MR. WOODS:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 ALL SAY AYE

3 CHAIRMAN:

4 Opposed? The motion carries. Thank
5 you, gentlemen.

6 MR. HAYLES:

7 Thank you.

8 ATTORNEY PITRE:

9 The next matter on the Board's agenda is
10 a Consent Agreement between the Office of Enforcement
11 Counsel (OEC) and Mr. Norman Patten. If Mr. Patten is
12 present or if his attorney is present I ask that they
13 come forward. Dustin Miller is here on behalf of the
14 Office of Enforcement Counsel (OEC) to present the
15 Consent Agreement.

16 CHAIRMAN:

17 Is Norman Patten in the hearing room?
18 Or counsel representing him? Apparently you're on
19 your own, Dustin.

20 ATTORNEY MILLER:

21 Good afternoon, Chairman Ryan, members
22 of the Board. Dustin Miller on behalf of the Office
23 of Enforcement Counsel (OEC). This Consent Agreement
24 arises from Mr. Patten's arrest at Parx Casino for
25 underage gambling on July 14th, 2012. Mr. Patten, age

1 18 at the time, entered Parx Casino on that date at
2 approximately 4:23 a.m. and remained inside Parx
3 Casino until 10:20 a.m.

4 While inside Parx Casino, Mr. Patten
5 played seven hands of Blackjack over the course of
6 eight minutes. Mr. Patten's presence was detected at
7 Parx Casino when he tried to obtain a cash advance.
8 Mr. Patten was arrested by onsite Pennsylvania State
9 Police and charged with underage gaming.

10 On September 24th, 2012 Mr. Patten was
11 found guilty of the underage gaming charge and
12 sentenced to pay a fine of \$300 plus costs. On
13 February 19th, 2013 the Office of Enforcement Counsel
14 (OEC) filed a Petition to place Mr. Patten on the
15 Exclusion List. Shortly thereafter, the Office of
16 Enforcement Counsel (OEC) commenced negotiations to
17 settle the matter with Mr. Patten's attorney and Mr.
18 Patten himself. On July 26th, 2013 the parties
19 entered into a Consent Agreement.

20 Terms of the agreement call for Mr.
21 Patten to be placed on the Exclusion List, at a
22 minimum, until the date of his 22nd birthday, June
23 7th, 2016. Further, Mr. Patten shall be barred from
24 petitioning the Board for earlier consideration for
25 removal from the Exclusion List. Finally, Mr. Patten

1 and Office of Enforcement Counsel (OEC) have agreed
2 that Mr. Patten shall not request a hearing to come
3 off the Board's Exclusion List until the date of his
4 22nd birthday, June 7th, 2016.

5 At this time we would ask the Board to
6 entertain a motion to approve this Consent Agreement.

7 CHAIRMAN:

8 Questions or comments from the Board?
9 Ex-Officio members? May I have a motion?

10 MR. WOODS:

11 Mr. Chairman, I move that the Board
12 issue an Order to adopt the Consent Agreement between
13 the Office of Enforcement Counsel (OEC) and Norman
14 Patten, as described by the Office of Enforcement
15 Counsel (OEC).

16 CHAIRMAN:

17 Second?

18 MRS. KAISER:

19 Second.

20 CHAIRMAN:

21 All in favor?

22 ALL SAY AYE

23 CHAIRMAN:

24 Opposed? The motion carries.

25 ATTORNEY MILLER:

1 Thank you.

2 CHAIRMAN:

3 Thank you, Dustin.

4 ATTORNEY PITRE:

5 The next matter on the Board's agenda is
6 a motion to consider the Revocation of Mrs. Theresa
7 McConaghie's Gaming Employee Permit. If Mrs.
8 McConaghie is present, I'd ask that she come forward.
9 Jeffrey Hoeflich is back to present the matter for the
10 Board's consideration.

11 ATTORNEY HOEFLICH:

12 The next matter before the Board today
13 is a request for Revocation of Theresa M. McConaghie's
14 Gaming Employee Permit. The Office of Enforcement
15 Counsel (OEC) filed an Enforcement Action against Mrs.
16 McConaghie for her failure to cooperate with an
17 investigation, including failure to appear for a sworn
18 statement after OEC issued an investigatory subpoena.

19 On March 15th, 2012 Mrs. McConaghie submitted a G2
20 Employee Permit Application following a promotion
21 which she received at Valley Forge Casino Resort.

22 During the course of BIE's background
23 investigation, the agent learned that Mrs.
24 McConaghie's application differed from information she
25 previously provided in her Gaming Employee Permit from

1 2010. During an initial interview for her G2 Employee
2 Permit, it was revealed that Mrs. McConaghie failed to
3 disclose information regarding her arrest history and
4 previous employment while in New Jersey. But when BIE
5 asked Mrs. McConaghie to update her G2 Application to
6 reflect the discrepancies, she still failed to
7 disclose the reason for her termination from a
8 previous casino. In addition, providing information
9 on the background and nature of an arrest in New
10 Jersey.

11 Office of Enforcement Counsel (OEC)
12 issued a sworn statement request of Mrs. McConaghie on
13 April 2nd, 2013. When Mrs. McConaghie failed to
14 respond to the sworn statement request, OEC issued an
15 investigatory subpoena on April 22nd, 2013. A sworn
16 statement was held on May 20th, 2013, and Mrs.
17 McConaghie's absence was noted for the record.

18 Office of Enforcement Counsel's (OEC)'s
19 Enforcement Action was filed on June 7th, 2013. The
20 Enforcement Action was properly served upon Mrs.
21 McConaghie by both certified and First Class mail.
22 Mrs. McConaghie did not respond to the filing in any
23 way. Due to Mrs. McConaghie's failure to respond, the
24 averments and the Enforcement Action are deemed to be
25 admitted as fact, and her right to a hearing has been

1 waived.

2 On July 11, 2013 the Office of
3 Enforcement Counsel (OEC) filed a Request to Enter
4 Judgment Upon Default. The matter is now before the
5 Board to consider the Revocation of Theresa M.
6 McConaghie's Gaming Employee Permit.

7 CHAIRMAN:

8 Is Theresa McConaghie present today in
9 the hearing room? Any questions or comments from the
10 Board? Ex-Officio members? May I have a motion?

11 MRS. KAISER:

12 Mr. Chairman, I move that the Board
13 issue an Order to approve the Revocation of Theresa
14 McConaghie's Gaming Employee Permit, as described by
15 the Office of Enforcement Counsel (OEC).

16 MR. MCCALL:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 ALL SAY AYE

21 CHAIRMAN:

22 Opposed? The motion carries.

23 ATTORNEY HOEFLICH:

24 The next matter before the Board today
25 is a Request for Revocation of Matthew Miranda's

1 Gaming Employee Permit. The OEC filed an Enforcement
2 Action against Mr. Miranda for the charges of robbery,
3 simple assault and theft against an individual on
4 April 3rd, 2013. On that day at 9:17 p.m. Stroudsburg
5 Police were notified of a robbery taking place at the
6 Veterans Memorial Bridge. When police arrived, they
7 observed the victim on the bridge and Mr. Miranda
8 fleeing the scene.

9 The victim positively identified Mr.
10 Miranda as the thief, and police placed Mr. Miranda
11 under arrest. It should be noted that he has not been
12 working in the casino industry in Pennsylvania since
13 December of 2011. OEC's Enforcement Action was filed
14 on June 4th, 2013. The Enforcement Action was
15 properly served upon Mr. Miranda by both certified and
16 First Class mail. Mr. Miranda did not respond to the
17 filing in any way. Due to Mr. Miranda's failure to
18 respond, the averments and the Enforcement Action are
19 deemed to be admitted as fact, and his right to a
20 hearing has been waived.

21 On July 10th, 2013 the OEC filed a
22 Request to Enter Judgment Upon Default. The matter is
23 now before the Board to consider the Revocation of
24 Matthew Miranda's Gaming Employee Permit.

25 CHAIRMAN:

1 Is Matthew Miranda in the hearing room?
2 Any questions or comments from the Board? Ex-Officio
3 members? May I have a motion?

4 MR. MCCALL:

5 Mr. Chairman, I move that the Board
6 issue an Order to approve the Revocation of Matthew
7 Miranda's Gaming Employee Permit, as described by the
8 OEC.

9 MR. MCNALLY:

10 Second.

11 CHAIRMAN:

12 All in favor?

13 ALL SAY AYE

14 CHAIRMAN:

15 Opposed? The motion carries. Thank
16 you, Jeffrey.

17 ATTORNEY PITRE:

18 The next four matters on the Board's
19 agenda will be handled by Assistant Enforcement
20 Counsel, Cassandra Fenstermaker. The first of which
21 is a Revocation of Mr. Gregory Gibson's Gaming
22 Employee Permit.

23 ATTORNEY FENSTERMAKER:

24 Hello. I have three matters for the
25 Board's consideration today, which stem from one

1 incident. With the Board's approval, I'd like to
2 provide a brief synopsis of the facts and then present
3 each Petition individually for your consideration and
4 vote.

5 CHAIRMAN:

6 All right.

7 ATTORNEY FENSTERMAKER:

8 Thank you. April 18th, 2013 a patron
9 dropped off a cell phone at the security podium, which
10 he had discovered in the facility. The phone's owner
11 later called Harrah's to inquire about his phone and
12 was told that it had been located and could be
13 retrieved at the security podium. The following
14 morning, Gregory Gibson, who was employed as a
15 security officer at Harrah's, was posted at the
16 security podium.

17 Gibson observed the cell phone in the
18 podium and was seen moments later making a phone call
19 on his personal cell phone. Less than an hour later,
20 his wife, Asia Gibson, arrived at the security podium
21 and claimed the phone as hers, although she didn't
22 sign her own name to the claim form, she signed
23 someone else's. Mr. Gibson gave her the phone and she
24 proceeded to leave the facility. The theft was
25 discovered when the phone's owner arrived to pick up

1 his property and it was no longer there. Both Gregory
2 and Asia Gibson were charged with theft, and their
3 charges are still pending.

4 As a result of the above incident, on
5 June 19th, 2013 the OEC filed a Petition to Revoke Mr.
6 Gibson's Gaming Employee Permit. The Complaint was
7 served by First Class and Certified Mail. Mr. Gibson
8 failed to respond to the Complaint in any way, and
9 therefore, pursuant to Board Regulations, all facts
10 alleged in the Complaint are deemed admitted. A
11 request to enter judgment upon default was filed on
12 July 29th, 2013, and at this time the OEC requests
13 that Mr. Gibson's Gaming Employee Permit be revoked.

14 CHAIRMAN:

15 Is Gregory Gibson in the hearing room?
16 Any questions or comments from the Board? Ex-Officio
17 members? May I have a motion?

18 MR. MCNALLY:

19 Mr. Chairman, I move that the Board
20 issue an Order to approve the Revocation of Gregory
21 Gibson's Gaming Employee Permit, as described by the
22 OEC.

23 CHAIRMAN:

24 Second?

25 MR. MOSCATO:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 ALL SAY AYE

5 CHAIRMAN:

6 Opposed? The motion carries.

7 ATTORNEY FENSTERMAKER:

8 On June 19th, 2013 the OEC filed a
9 Petition to exclude Mr. Gibson from Commonwealth
10 casinos. The Petition was served by First Class and
11 Certified Mail. Mr. Gibson failed to respond to the
12 Petition in any way. And therefore, pursuant to Board
13 regulations, all facts alleged in the Complaint are
14 deemed admitted. A Request to Enter Judgment Upon
15 Default was filed on July 29th, 2013. And at this
16 time, the OEC requests that Mr. Gibson be added to the
17 Board's Exclusion List.

18 CHAIRMAN:

19 Questions or comments from the Board?

20 Ex-Officio members? May I have a motion?

21 MR. MOSCATO:

22 Yes, sir. I move that the Board issue
23 an Order to approve the addition of Gregory Gibson to
24 the PGCB Involuntary Exclusion List, as described by
25 the OEC.

1 MR. FAJT:

2 Second.

3 CHAIRMAN:

4 All in favor?

5 ALL SAY AYE

6 CHAIRMAN:

7 Opposed? The motion carries.

8 ATTORNEY FENSTERMAKER:

9 On June 19th, 2013 the OEC filed a
10 Petition to exclude Asia Gibson from Commonwealth
11 casinos. The Petition was served by First Class and
12 Certified Mail. Mrs. Gibson failed to respond to the
13 Petition in any way. And therefore, pursuant to Board
14 regulations, all facts alleged in the Petition are
15 deemed admitted. A Request to Enter Judgment Upon
16 Default was filed on July 29th, 2013. And at this
17 time the OEC requests that Asia Gibson be placed on
18 the Board's Exclusion List.

19 CHAIRMAN:

20 Is Asia Gibson in the hearing room? Any
21 questions or comments from the Board? Ex-Officio
22 members? May I have a motion?

23 MR. FAJT:

24 Mr. Chairman, I move that the Board
25 issue an Order to approve the addition of Asia Romaine

1 Gibson to the PGCB Involuntary Exclusion List, as
2 described by the OEC.

3 MR. WOODS:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 ALL SAY AYE

8 CHAIRMAN:

9 Opposed? The motion carries.

10 ATTORNEY FENSTERMAKER:

11 The final matter I have for the Board's
12 consideration is a Petition to place Randy Parker on
13 the Pennsylvania Gaming Control Board's Exclusion
14 List. On April 30th, 2013 OEC filed a Petition to
15 place Randy Parker on the Board's Exclusion List.
16 While patronizing Rivers Casino on February 4th, 2013
17 Mr. Parker capped, and attempted to cap, his bets on
18 several occasions. He left the casino before security
19 was able to locate and identify him, however.

20 Then, on March 5th, 2013 Mr. Parker was
21 observed taking chips from a gaming table, which
22 belonged to another patron. At that time, Mr. Parker
23 was identified as having been involved in the February
24 4th, 2013 incidents, as well. Mr. Parker plead guilty
25 to one count of theft by unlawful taking, one count of

1 theft of property lost or misplaced and one count of
2 unlawful to take or claim with intent to defraud as a
3 result of his actions.

4 The Petition was sent to Mr. Parker by
5 both First Class and Certified Mail. Mr. Parker
6 failed to respond to the Petition in any way, and
7 therefore, all facts alleged in the Complaint are
8 deemed admitted. A Request to Enter Judgment Upon
9 Default was filed on July 9th, 2013. And at this
10 time, the OEC requests that Randy Parker be placed on
11 the Board's Exclusion List.

12 CHAIRMAN:

13 Any questions or comments from the
14 Board? Ex-Officio members? May I have a motion?

15 MR. WOODS:

16 Mr. Chairman, I move that the Board
17 issue an Order to approve the addition of Randy Parker
18 to the PGCB Involuntary Exclusion List, as described
19 by the OEC.

20 MRS. KAISER:

21 Second.

22 CHAIRMAN:

23 All in favor?

24 ALL SAY AYE

25 CHAIRMAN:

1 Opposed? The motion carries.

2 ATTORNEY FENSTERMAKER:

3 Thank you.

4 CHAIRMAN:

5 Thank you very much.

6 ATTORNEY PITRE:

7 The next matter that we have for the
8 Board's consideration is the placement of Mrs. Tracy
9 Vanbrocklin on PGCB's Involuntary Exclusion List.
10 Jeff Hoeflich will present the matter for the Board's
11 consideration.

12 ATTORNEY HOEFLICH:

13 The next matter before the Board today
14 is a request for placement of Tracy Vanbrocklin on the
15 Board's excluded persons' list. The OEC filed a
16 Petition to place Mrs. Vanbrocklin on the Exclusion
17 List for leaving her seven year old son in her vehicle
18 while she gambled inside Hollywood Casino.

19 On April 9th, 2013 at 11:35 p.m. Mrs.
20 Vanbrocklin parked her vehicle on the Valley Ramp of
21 Hollywood Casino. She then proceeded into the casino
22 where she gambled on three different slot machines
23 throughout a period of 20 minutes. At approximately
24 11:55 p.m. a child exited Mrs. Vanbrocklin's vehicle
25 and proceeded to the main entrance of Hollywood

1 Casino. The young boy was stopped by security and
2 taken to the podium, at which time security paged Mrs.
3 Vanbrocklin. Hollywood Casino evicted Mrs.
4 Vanbrocklin for leaving her child unattended in her
5 vehicle while she gambled inside the casino.
6 Moreover, Pennsylvania State Police charged Mrs.
7 Vanbrocklin with endangering the welfare of a child.

8 OEC's Petition was filed on June 4th,
9 2013. The Petition was properly served upon Mrs.
10 Vanbrocklin by both Certified and First Class mail.
11 Mrs. Vanbrocklin did not respond to the filing in any
12 way. Due to Mrs. Vanbrocklin's failure to respond,
13 the averments and the Petition are deemed to be
14 admitted as fact, and her right to a hearing has been
15 waived. On July 10th, 2013 the OEC filed a Request to
16 Enter Judgment Upon Default. The matter is now before
17 the Board to consider the placement of Tracy
18 Vanbrocklin on the self Excluded List --- the
19 Exclusion List.

20 CHAIRMAN:

21 Is Tracy Vanbrocklin in the hearing
22 room? Any questions or comments from the Board?
23 Ex-Officio members? May I have a motion?

24 MRS. KAISER:

25 Mr. Chairman, I move that the Board

1 issue an Order to approve the addition of Tracy
2 Vanbrocklin to the Pennsylvania Gaming Control Board
3 Involuntary Exclusion List, as described by the OEC.

4 MR. MCCALL:

5 Second.

6 CHAIRMAN:

7 All in favor?

8 ALL SAY AYE

9 CHAIRMAN:

10 Opposed? The motion carries.

11 ATTORNEY PITRE:

12 Thank you.

13 CHAIRMAN:

14 Thank you, Cyrus and your staff. Ladies
15 and gentlemen, that concludes today's meeting. Our
16 next scheduled public meeting will be held on
17 Wednesday, September 18th, in this room. The meeting
18 will begin at 10:00 a.m. Any final comments from the
19 Board? Ex-Officios? May I have a motion to adjourn
20 the meeting?

21 MR. MCCALL:

22 So moved.

23 MR. MCNALLY:

24 Second.

25 CHAIRMAN:

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Thank you very much. Take care.

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MEETING CONCLUDED AT 1:00 P.M.

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CERTIFICATE

I hereby certify that the foregoing proceedings,
hearing held before Chairman Ryan was reported by me

1 on 8/21/2013 and that I Cynthia Piro Simpson read this
2 transcript and that I attest that this transcript is a
3 true and accurate record of the proceeding.

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Cynthia Piro Simpson
Court Reporter