

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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IN RE: SUGARHOUSE LICENSE RENEWAL PUBLIC INPUT HEARING

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PUBLIC HEARING

\* \* \* \* \*

BEFORE: William H. Ryan, Chairman  
Linda S. Lloyd, Presiding Officer  
Annemarie Kaiser, Member  
Gregory C. Fajt, Member  
Richard G. Jewell, Member

HEARING: Thursday, July 9, 2015  
10:01 a.m.

LOCATION: The Pennsylvania Convention Center  
1101 Arch Street  
Room 115A  
Philadelphia, PA 19107

WITNESSES: Wendy Hamilton, Mary Cheeks, Leigh  
Whitaker, Amy Clements, Jessica Jones,  
Betty Adams, Andrew Palumbo, Linda  
O'Connell

Reporter: Nicole B. Slick

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## P R O C E E D I N G S

PRESIDING OFFICER:

I'm Linda Lloyd, and I'm the Presiding Officer assigned by the Board to conduct this portion of the Category 2 License Renewal Hearing for SugarHouse HSP Gaming, LP doing business as SugarHouse Casino. Before we begin, if we could all turn off or to vibrate our cell phones, et cetera so we won't interrupt our speakers.

As the Presiding Officer, I call this hearing to order. Today's date is Thursday, July 9th, 2015. The time is 10:00 a.m. and the location is the Pennsylvania Convention Center, Room 115A, 1101 Arch Street, Philadelphia, Pennsylvania, 19107.

The Pennsylvania Race Horse Development and Gaming Act requires at Section 1326 that than operator's license shall be subject to renewal by the Board every three years. This license renewal hearing is convened by the Board pursuant to the mandate found in Section 1205(b)(1)(i) of the Gaming Act which requires the Board to conduct a public hearing for any license renewal application.

This public hearing was advertised on the Board's website, announced by the Board at several

1 meetings and advertised in local newspapers. Board  
2 members present here today for the hearing are to my  
3 immediate right, Chairman Bill Ryan and Annmarie  
4 Kaiser, to my left, Greg Fajt and Dick Jewell.

5           The hearing will begin with a  
6 presentation by SugarHouse Casino. The Board's Office  
7 of Enforcement Counsel (OEC) will have an opportunity  
8 to cross examine witnesses and the Board will have an  
9 opportunity to ask questions.

10           After SugarHouse has concluded its  
11 presentation, the Board's OEC will make its  
12 presentation with the opportunity for questions from  
13 SugarHouse and the Board. After the close of  
14 testimony and evidence from both parties, those  
15 individuals who have registered to speak today at  
16 today's hearing during the public comment period will  
17 be heard as their name is called. Elected officials  
18 will have ten minutes to speak, representatives from  
19 community groups will have five and individuals will  
20 have three.

21           This is an official administrative  
22 hearing, so please treat this as if you were attending  
23 a court proceeding. All witnesses, if you could speak  
24 loudly and clearly into the microphone so that our  
25 court reporter and others can hear what you have to

1 say. And I would remind everyone here that we are  
2 live streaming the proceedings on our website. So  
3 let's begin by having all witnesses from SugarHouse  
4 and the OEC who will testify today, if you could  
5 please stand and raise your right hand to be sworn by  
6 the court reporter.

7 -----

8 WITNESSES SWORN EN MASSE

9 -----

10 PRESIDING OFFICER:

11 And I would ask when you speak for the  
12 first time if you would state and spell your name for  
13 the court reporter. So, SugarHouse, are you ready to  
14 proceed?

15 ATTORNEY DONNELLY:

16 Thank you, Director Lloyd. Good  
17 morning, Chairman and Members of the Board. John  
18 Donnelly's my name, D-O-N-N-E-L-L-Y. I'm appearing on  
19 behalf of SugarHouse Casino today. We will --- I will  
20 be very brief.

21 We have with us, I'll introduce who's  
22 here today to speak, are Wendy Hamilton who's the  
23 general manager, and I'm sure you all know, of  
24 SugarHouse. Mary Cheeks, who is the CFO, who provides  
25 financial services for both SugarHouse and Rivers.

1 And Leigh Whitaker, the vice president of  
2 communications, who will be addressing you as well.

3           Also with us today, and I'd to introduce  
4 to you, I don't think he's been introduced before is,  
5 Evan Davis, who is the senior counsel for SugarHouse.  
6 We won't let him speak, he's a lawyer, you know. And  
7 also there are five team members who've asked to  
8 present, and they are, if they could stand, Amy  
9 Clements, Jessica Jones, Betty Adams, Andrew Palumbo  
10 and Linda O'Connell. They'll be speaking at the end  
11 of our presentation.

12           I want to point out that we filed  
13 extensive applications back in August of last year,  
14 renewal forms that are --- as everyone on the Board,  
15 but perhaps not everyone in this room, knows are  
16 voluminous with everything that essentially has  
17 happened to SugarHouse, its related entities and the  
18 persons who are associated with SugarHouse for the  
19 last --- actually, it turns out to be a little over  
20 three years, because as the Board knows that the  
21 application is due within three years. Hopefully, the  
22 law will change and it won't be --- it'll be five  
23 years in the future.

24           I want to thank --- we've worked very  
25 extensively with Jim Armstrong and OEC and Bill

1 Gavigan who's been chief investigator, Bill Davenport,  
2 and of course, Cyrus on this, they've thoroughly  
3 investigated us.

4 And with that, I am going to turn the  
5 microphone over to Wendy Hamilton, who will make our  
6 presentation via our PowerPoint. Thank you very much.

7 MS. HAMILTON:

8 Good morning. It's Wendy Hamilton,  
9 H-A-M-I-L-T-O-N, and I am the lucky general manager at  
10 SugarHouse Casino. Good morning, Chairman Ryan,  
11 Members of the Board. We're happy to be with you this  
12 morning to recount some of our story.

13 First, I can't believe we'll be  
14 celebrating our fifth anniversary this September, time  
15 flies when you're having fun. From the early days,  
16 our ownership and leadership made several promises to  
17 you and our other constituencies. We promised that  
18 SugarHouse would mean jobs, tax revenue, neighborhood  
19 development and community involvement.

20 When the project plan was scaled down in  
21 2008 due to economic conditions, we promised that  
22 eventually we'd expand. We've kept all of these  
23 promises and our remarks here today will center on  
24 this.

25 Let me begin with our three headliner

1 accomplishments. Number one, we've had a significant  
2 economic impact on the region. \$569 million in new  
3 tax revenue has been generated for the City and the  
4 Commonwealth. We've paid \$209 million in wages to our  
5 1,200 team members, \$189 million in construction-  
6 related spend, \$186 million to our PA-based providers  
7 and \$6 million in charitable giving.

8           Number two, our expansion is under  
9 construction and will open later this year. We will  
10 add 289 slots, 44 new tables and a new 28-table poker  
11 room to our gaming floor. But the most important new  
12 elements are our 30,000 square foot event center,  
13 seven new food and beverage venues and a 1,500-space  
14 parking garage. Not counting the garage, this project  
15 will increase our square footage by 150 percent and  
16 our gaming capacity by 24 percent.

17           Number three, our employees have voted  
18 us a best place to work and a top workplace every  
19 year. I've been in this business for over 20 years  
20 and I've never been part of such a unique and  
21 fantastic team that get the job done every day in a  
22 building that, at least up to this point, has  
23 presented endless facility-related obstacles to  
24 delivering great customer service and they're having  
25 fun doing it.

1                   Since a picture paints a thousand words,  
2 I'd like to show a two-minute video.

3 VIDEO PRESENTATION

4                   MS. HAMILTON:

5                   You guys are the best.

6                   ATTORNEY DONNELLY:

7                   Wendy, I'd stop now.

8                   MS. HAMILTON:

9                   We didn't just create jobs, we created  
10 great jobs. Today we have 1,200 employees, 97 percent  
11 of whom are full-time team members. This is unusually  
12 high for our industry. Eighty-seven (87) percent of  
13 these are enrolled in our medical benefits. This too  
14 is usually high. Eighty-one (81) percent of our  
15 workforce is enrolled in our 401K plan, again, crazy  
16 high. Our benefits package is pretty incredible.  
17 We've made almost \$8 million in matching contributions  
18 to the 401K plan, which provides for immediate 100  
19 percent vesting. And we've reimbursed \$129,000 in  
20 tuition costs. In just under five years of operation,  
21 we've made 402 internal promotions.

22                   We are proud to offer Independence Blue  
23 Cross Health Insurance for which SugarHouse pays the  
24 lion's share of the premium. And there have been no  
25 premium increases for employees in five years. We pay

1 bonuses for perfect attendance and for improved  
2 service ratings. To date, we've paid out \$1.5 million  
3 in bonus dollars to frontline team members.

4           We deliver annual merit-based wage  
5 increases with your personal performance assessment  
6 every January. We give everyone at least 20 days of  
7 paid time off. This grows with each year of service.  
8 And we offer eight-hour shifts with a paid hour break.  
9 I am partial to the GM hotline, sometimes we're just  
10 out of peanut butter in the employee cafeteria, and I  
11 do know how to get that fixed, but sometimes I get  
12 really helpful advice, too.

13           Diversity for us is always top of mind  
14 and we think of it as more than EEO categories. In  
15 order to provide the most relevant and attractive  
16 product to our customers, we have to be a workforce  
17 that reflects the community. We are best when we have  
18 diversity of thought, experience and creativity. A  
19 diverse team empowers us to think differently about  
20 how to create a better experience for our guests and  
21 team members every day.

22           Our team is 40 percent women, 52 percent  
23 minority, 52 percent Philadelphia residents and 67  
24 percent Pennsylvania residents. Our leadership team  
25 is 36 percent women and 39 percent minority.

1                   Prior to opening, we began to develop  
2 partnerships with local workforce agencies in the City  
3 to create awareness about career opportunities at  
4 SugarHouse and to reach, develop and recruit qualified  
5 candidates to join us. To date, we have worked with  
6 more than 45 organizations in the community. As a  
7 result of these valuable partnerships, we have been  
8 fortunate to hire some great team members who  
9 contribute to our overall success and make us better  
10 on a daily basis. These valuable partnerships have  
11 also resulted in us being recognized for various  
12 awards from those agencies.

13                   I would now like to introduce Mary  
14 Cheeks, our senior vice president of finance.

15                   MS. CHEEKS:

16                   Good morning. Mary Cheeks, C-H-E-E-K-S.  
17 As reflected on the presentation, we have increased  
18 our minority and women business enterprise  
19 participation by 30 percent, or 1.7 million. In  
20 percentages, we improved from 27.3 percent in the 2012  
21 fiscal year to 35.4 percent in the 2014 fiscal year.

22                   As for local supplier participation,  
23 that has increased five percent or 582,000 for the  
24 same period. The increase in MWBE and local spend was  
25 accomplished while maintaining an annual qualified

1 spend of \$21 million.

2                   To highlight a couple of initiatives on  
3 how the SugarHouse team accomplishes this, the  
4 following should be noted. We have ongoing meetings  
5 with vendors and supplier groups on how to do business  
6 with SugarHouse. These meetings address the licensing  
7 process step-by-step. Discussions are held when  
8 responding to RFPs and the criteria we use for bid  
9 evaluation and selection. We educate and work with  
10 our vendors to avoid uncertainty with the casino  
11 regulations regarding licensing and to avoid  
12 uncertainty in our overall operating practices.

13                   We also closely monitor Tier Two MWBE  
14 participation. This is a process that we handle  
15 through the RFP negotiations requesting our national  
16 and large suppliers department with local MWBE vendors  
17 as part of their supply base. We at SugarHouse are  
18 very proud of the results we accomplished thus far and  
19 look forward to continuous improvement.

20                   We continue to reinvest in our facility  
21 to keep the product fresh, build on customer loyalty  
22 and create jobs. SugarHouse slot and maintenance  
23 capital spend since opening is \$24.8 million. \$5.9  
24 million was just for slot machine purchases. Since  
25 the last relicensing hearing, three major projects

1 have been completed and one is currently underway. We  
2 completed a \$3.3 million floor reconfiguration in  
3 September of 2012. This project realigned our casino  
4 floor to provide an improved slot layout and overall  
5 customer journey. The project created 25 direct jobs.

6 We completed a \$5.7 million refresh  
7 project in March of 2014. The purpose of this project  
8 was to prepare the existing building to blend well  
9 with the new expanded space.

10 The original high-limit lounge was  
11 converted to gaming space, a new VIP lounge was  
12 constructed, new carpet installed and the bathroom  
13 ceilings and wall finish were completely renovated.  
14 This project included a \$600,000 air purification  
15 system that notably increased customer satisfaction by  
16 50 percent. This project created 185 direct and  
17 indirect jobs.

18 We completed a \$3.3 million interim  
19 poker room that opened November 1st, 2014. We now  
20 have 26 poker tables that rank fifth in the state in  
21 revenue and rank third in win per unit. The project  
22 created 45 direct jobs. Currently, we are underway  
23 with \$164 million property expansion that Wendy has  
24 spoken about.

25 I want to share with the Board the

1 commitment that SugarHouse has made with the City of  
2 Philadelphia that will benefit the neighboring  
3 community. We funded and coordinated the construction  
4 of a \$12.8 million project that replaced and expanded  
5 the size of the Laurel Street combined sewer outflow  
6 known as CSO. The project began in 2014 and created  
7 122 direct and indirect jobs. We also relocated and  
8 improved the construction quality of another CSO for  
9 \$8 million and created 49 direct and indirect jobs.  
10 Thank you. And next I'll introduce Leigh Whitaker,  
11 our vice president of communications.

12 MS. WHITAKER:

13 Good morning, Chairman Ryan and Members  
14 of the Board. My name is Leigh Whitaker, that's,  
15 W-H-I-T-A-K-E-R, and I am the vice president of  
16 communications for SugarHouse. I'm happy to be here  
17 today because today is my eighth anniversary of  
18 working for SugarHouse. And it is true, it is the  
19 best job I've ever had, so I'm looking forward to the  
20 next eight years.

21 From the very beginning, we have been  
22 committed to being a good neighbor and a good  
23 corporate citizen. I know you've heard me say this  
24 before, and I will keep saying it, getting to know our  
25 neighbors and supporting causes and organizations that

1 are important to our neighborhood and the city at  
2 large is something we are very proud of. As you may  
3 remember, in November of 2008, we signed a community  
4 benefits agreement that provides \$500,000 annually to  
5 the Penn Treaty Special Services District during the  
6 interim casino phase. Pursuant to the agreement, our  
7 contribution will grow to \$1 million after our  
8 expansion is complete and open to customers.

9           To date, we have contributed \$2,680,000  
10 to the SSD. With our contributions, the SSD has  
11 funded many great projects in the neighborhood, from  
12 new historical markers and fence repairs at Palmer  
13 Cemetery to a new van for Portside Art Center. The  
14 SSD is making a long-lasting impact on the places and  
15 programs that make our community great.

16           Our contribution is due to the SSD on  
17 October 8th every year. This year, we will increase  
18 our payment from \$500,000 to \$1 million, even though  
19 our expansion won't yet be complete. We are  
20 increasing the payment amount ahead of schedule to  
21 make clear that we love our neighborhood, and we will  
22 continue to support the SSD's efforts to make our  
23 community a better place to live, work and play.

24           The SSD isn't alone in funding  
25 improvement projects and supporting development in

1 Fishtown and Northern Liberties. Since we opened in  
2 2010, more than 5,000 residential units in our local  
3 neighborhood have been constructed or are in the  
4 planning stages. A number of bars and restaurants  
5 have opened, too, including Stephen Starr's Frankford  
6 Hall and Fette Sau and La Colombe's Flagship  
7 Coffeehouse just a block or two away from us on  
8 Frankford Avenue.

9           Of course, other than our expansion, we  
10 can't take credit for this recent spate of  
11 development, but we think that our commitment to the  
12 neighborhood serves as a positive sign to developers  
13 and restaurateurs looking for new neighborhoods in  
14 which to open shop. In fact, in a letter to Chairman  
15 Ryan dated July 7th, 2015, Michael Samschick, CEO and  
16 president of Core Realty, and also the owner of our  
17 1080 office building, wrote, and I quote, Core Realty  
18 has embarked on investing several hundred million  
19 dollars both in commercial and residential development  
20 directly adjacent to SugarHouse Casino.

21           The ability to execute and deliver our  
22 project is due in part and parcel to the success and  
23 prosperity that SugarHouse Casino has brought and  
24 continues to bring to the area. One can visually see  
25 how clean and secure the area has become, which is a

1 testament to SugarHouse's commitment to our  
2 neighborhood. Thank you for your words of support,  
3 Mr. Samschick. We look forward to all that our joint  
4 future holds.

5                   And that's not all. In addition to our  
6 unwavering support of the Penn Treaty SSD and our  
7 local neighborhood, support for organizations across  
8 Philadelphia is also very important to us. Since we  
9 were awarded our license in 2006, we have donated more  
10 than \$3 million, and that's in addition to our SSD  
11 contributions, to support a number of local  
12 organizations, events and projects across the City.  
13 This December will mark the sixth year in a row that  
14 we've sponsored the New Years Eve fireworks. And the  
15 following day, on January 1st, 2016 we will sponsor  
16 our fifth Mummies parade. This past year marked the  
17 second year in a row that we sponsored the Veterans  
18 Affairs Commission's annual Veteran's Fair at City Hall  
19 and we look forward to next year's event.

20                   In just a couple weeks, we will host our  
21 fourth Susan G. Komen for the Cure volunteer party at  
22 SugarHouse, a party that honors the volunteers who  
23 make the Race for the Cure happen every year and who  
24 work tirelessly to raise money for breast cancer  
25 research. And listen, we don't just make monetary

1 contributions, our team members actively participate  
2 in community events that raise money for great causes,  
3 like the Police Athletic League, numerous Veteran's  
4 organizations and the American Cancer Society. Our  
5 team members have even donated and delivered 1,150  
6 Thanksgiving turkeys to local families over the years.

7           We do all of these things to support and  
8 honor the City, our neighbors and our partners in the  
9 community. What's good for Philadelphia is good for  
10 SugarHouse and we look forward to bigger and better  
11 service in support to our neighborhood and to the city  
12 as a whole and to winning more employment awards in  
13 the future. Before we wrap our presentation, we have  
14 a few team members who would like to tell you their  
15 SugarHouse story. And first up is my BFF, Amy  
16 Clements.

17                           MS. CLEMENTS:

18           Hi. My name is Amy Clements,  
19 C-L-E-M-E-N-T-S. I am currently employed at  
20 SugarHouse casino as the executive assistant. I've  
21 been with the company since 2010, originally as a  
22 player service agent. Being my first time working at  
23 a casino, I was both anxious and excited about this  
24 new experience. Prior to my employment with  
25 SugarHouse, while I was working as a manager at

1 Teavana, a coworker of mine began working at  
2 SugarHouse and couldn't stop raving about it. I  
3 wanted a piece of her excitement. I went for my  
4 interview and knew instantly this is where I belong.  
5 My feelings have not changed in all my years here.

6           This is my first job where I'm actually  
7 excited to come to work every day. I have always felt  
8 that I was part of a team and that my opinions  
9 mattered from when I started in player's services to  
10 my position now. I was placed in the player's service  
11 department for a few months and then was promoted to  
12 the operations administrator. Last year I was  
13 promoted to the executive assistant. It's an amazing  
14 feeling to look around at my coworkers and see the  
15 people I was in training with prior to opening, and  
16 they have also been promoted into other positions.

17           If I've learned anything, it's that hard  
18 work pays off and does not go unnoticed at SugarHouse.  
19 No other place I've worked rewards their team members  
20 with perfect attendance and service bonuses. Team  
21 members are always rewarded for their hard work. We  
22 work hard, but we love to have fun. I've been blessed  
23 to work with amazing people who encourage, inspire,  
24 challenge, push and mentor me everyday. They have not  
25 just become lifelong friends, but a part of my family.

1 I fractured my ankle in May and I'm so  
2 thankful to have great health coverage through  
3 SugarHouse. In addition, my work family checks on me  
4 every day, they help me with anything they can. I  
5 recently moved into my new house, and again, my work  
6 family was there. Some people helped me move and  
7 others brought in things to help turn my house into a  
8 home. They have become an amazing support system, and  
9 even gave me the push and encouragement to go back and  
10 finish school. Because SugarHouse offers tuition  
11 reimbursement, I'm able to accomplish my goals and  
12 continue my education as a Hawk at Saint Joe's  
13 University.

14 I have so many great memories over the  
15 years of working at SugarHouse from our pre-opening  
16 barbeque, which brought all departments together, to  
17 the day we opened and our team member meetings where  
18 the leaders sang and danced. I can't wait to continue  
19 to make more memories with this great team. So, much  
20 of me is made from what I've learned from Wendy and  
21 the other leaders. I have the best job in Philly  
22 where hard work pays off and I'm always appreciated.

23 MS. JONES:

24 Good morning. My name is Jessica Jones,  
25 J-O-N-E-S, and I joined the SugarHouse family almost

1 five years ago. At the time I was an introvert, I was  
2 going through the motions at a retail job, not too far  
3 at Liberty Place on 16th and Chestnut, until my aunt  
4 suggested that I apply to Philadelphia's first casino.  
5 At the time I was only 23, I hadn't spent a lot of  
6 time in casinos, but she thought the experience would  
7 draw me out. I certainly had nothing to lose, Sally  
8 Mae was banging on my door demanding the money back  
9 that she had leant me. So, I was excited for  
10 something new and I obliged and sent in my résumé.

11 I was called in for an interview, and  
12 about several weeks later I was extended a very warm  
13 welcome to the Player Service Department by my current  
14 director, William Larmour. Fast forward to August  
15 31st, 2010, I remember orientation like it was  
16 yesterday. It was a diverse room running the gamut in  
17 age and cultural background, all humming with the same  
18 nervous energy. We chattered, we studied and we  
19 laughed our way through four weeks of training, a  
20 very, very busy opening, and before we knew it, we  
21 were celebrating year one.

22 The Player Service team offered a wealth  
23 of avenues to contribute to, for example, the  
24 Departmental newsletter. We have sign-up incentives,  
25 the opportunity to host events and sweepstakes with

1 the promotions team, and an intimate look at how the  
2 casino industry runs with the Futures and Legends  
3 program, which was also co-founded by Mr. Andrew  
4 Palumbo, sitting right there. There was so much to do  
5 and even more to celebrate, and the celebration just  
6 continued, so from the successful completion of yet  
7 another year to expansion announcements. And quarter  
8 after quarter, year after year, we just had more and  
9 more reasons to woo-hoo.

10           So here comes my personal woo-hoo, when  
11 I became a player's service leader about two years ago  
12 on March 10th. I was a senior Player Service agent at  
13 the time, I was a brand spanking new graduate of the  
14 Futures and Legends program. But to be honest, I  
15 didn't recognize myself. The person that I had become  
16 working at SugarHouse Casino in no way mirrored the  
17 person that had applied to job that had submitted that  
18 résumé. She was afraid and completely unaware of the  
19 potential that she possessed. And, you know, player  
20 services did that for me, they made me aware of who I  
21 could be. SugarHouse did that for me.

22           I was overwhelmed by the support that I  
23 had while pursuing this new journey from my fellow  
24 agents, from members of my leadership team and even  
25 from the guests that I had gotten to know every day.

1           My journey has been peppered with minor  
2 frustrations of dealing with the whims of the public  
3 on a day-to-day basis, but also sweetened by small  
4 victories, saying good riddance to Sally Mae in my  
5 first year working at SugarHouse, and by a larger  
6 victories, I was able to purchase my first home on my  
7 anniversary date, August 31st, 2013. So, overall,  
8 this journey has afforded me the opportunity to work  
9 with such an amazing group of people.

10           It's the people I worked with like David  
11 DeCasien from the player services team, Andrew Palumbo  
12 from food and beverage, Tamara James from player  
13 services who create moments every day that make work  
14 fun and an awesome place to be. Dave, as I mentioned,  
15 was my sponsor, he trained me throughout orientation  
16 and it was him and Andrew who encouraged me to do the  
17 Futures and Legends program at all. Tamara, who is  
18 not present, but was also a player services agent,  
19 pushed me past my own fears into applying at all for a  
20 leadership position. And I'm honored to work  
21 alongside them both. And honestly full circle moments  
22 like these solidify player services and SugarHouse  
23 period as a family for me, and I will always be  
24 grateful for that.

25           So, all in all, this is a testament from

1 me hopefully to you to the things that make SugarHouse  
2 necessary. The people that exist, like me, full of  
3 potential, looking for fresh ways to connect to the  
4 people we see everyday, the opportunity to learn from  
5 the people we otherwise wouldn't, and all of the  
6 successes and all of the family that lies in wait in  
7 between. Thank you.

8 MS. ADAMS:

9 Good morning, everybody. My name is  
10 Betty Adams, A-D-A-M-S. I wanted to provide to you  
11 with my first-hand experience about working for  
12 SugarHouse Casino. When I found out there was going  
13 to be a casino in Philly, I thought that would be a  
14 fun place to work. On the day of the implosion of the  
15 Jack Frost Refinery, a place where my grandfather  
16 worked, I took a walk down to watch, like many other  
17 Fishtowners. Then on the day of SugarHouse opening, I  
18 rode by on my bike early in the morning and felt the  
19 excitement in the air. I was thinking, I want to get  
20 a job there, and I ride my bike to and from work every  
21 day. I was born and raised, and still live, in  
22 Fishtown.

23 Before I found SugarHouse, I worked for  
24 the City of Philadelphia's Parks and Recreation, after  
25 school programs, summer camp and the city pools. I

1 did this seasonally with no benefits for 32 years.  
2 When my husband became very ill and was unable to  
3 work, I finally applied for a job at SugarHouse. When  
4 I got the call from SugarHouse it was a lifesaver  
5 because I needed a full-time job with 40 hours and  
6 benefits for my husband's medication and to provide  
7 for my family.

8 I've worked at SugarHouse for three  
9 years now. My managers are fair, show us respect and  
10 are easy to get along with. They listen to any of our  
11 problems that may come up. I met some great customers  
12 who I call my friends. My coworkers are the best.  
13 They know when you are having a bad day and will lift  
14 your spirits. If you're feeling a little under the  
15 weather, they're there to help.

16 One coworker seemed to have been having  
17 a bad day for a few weeks. I noticed this and asked  
18 him if he was okay. He confided in me about his  
19 situation, and just being there for him, if not to  
20 listen, was enough to make his and my day.

21 You never know what people are going  
22 through. A few of my coworkers call me Momma Betty.  
23 And there's my friend and neighbor, SugarHouse, the  
24 place that pays me to have a good time. Not only have  
25 they given me the opportunity to support my family,

1 they've given me the opportunity to grow. I was  
2 recently promoted to senior EVS attendant and enjoy  
3 spending the extra money on my grandkids, and I feel  
4 appreciated. There's always a party going on for us  
5 employees, or SugarHouse has given us something like  
6 bonuses, perfect attendance checks, t-shirts, free  
7 meals, turkeys for Thanksgivings and contests. I will  
8 never forget the time I got to go into the cash glass  
9 money machine, it was so fun. The wind was blowing  
10 and I was trying to grab money, as much money as  
11 possible, and it came in handy too. I thank  
12 SugarHouse every day for giving me the opportunity to  
13 work and have fun and support us Fishtown neighbors.  
14 Thank you.

15 MR. PALUMBO:

16 Good morning, everyone. I'd like to  
17 thank the Pennsylvania Gaming Control Board and  
18 SugarHouse Casino for the opportunity to share my  
19 story. My name is Andrew Palumbo, P-A-L-U-M-B-O.  
20 Prior to joining the SugarHouse team in August 2010, I  
21 worked for the Commonwealth of Pennsylvania,  
22 Pennsylvania Lottery from 2006 to 2010. I enjoyed my  
23 tenure as a district lottery representative, however,  
24 after four years of employment, I realized that the  
25 opportunity for mobility was limited. I researched

1 the market and quickly discovered that SugarHouse was  
2 an up and coming Philadelphia casino and entertainment  
3 company.

4                   After applying and interviewing, I was  
5 offered a management trainee position, which I  
6 pioneered into what is now a sought-after program  
7 which provides candidates with an opportunity to train  
8 in many different departments of the casino. During  
9 this time, I received extensive training and education  
10 within operations and gaming departments of the  
11 casino. These areas included security, revenue audit,  
12 slot performance, player services, cashiering, slot  
13 counting and human resources. The training experience  
14 prepared me for my future. Over the last four years  
15 I've held leadership positions in player services and  
16 food and beverage. It has been an inspiring  
17 experience to work with amazing people every day.

18                   SugarHouse has had a positive impact in  
19 my professional and personal life. Professionally,  
20 I've been blessed to have great business mentors who  
21 have my best interest in mind. They've inspired me to  
22 pave my career path and to lead others. My employment  
23 with SugarHouse has enabled me to secure a mortgage  
24 loan and purchase a home in Philadelphia. My family  
25 and I have the peace of mind of having health

1 benefits. I couldn't be happier than to be able to  
2 provide for my family. I've had many great  
3 experiences and have built many great relationships  
4 with my colleagues over the last half decade. The  
5 SugarHouse team is my extended family. Our team is  
6 truly one of a kind. Thank you.

7 MS. O'CONNELL:

8 Good morning, Board Members. My name is  
9 Linda O'Connell, O-C-O-N-N-E-L-L, and I've lived in  
10 Philadelphia for many years. I've worked for  
11 SugarHouse Casino in the cage department, and have  
12 been working there since they opened. Prior to  
13 working at SugarHouse, I was a waitress banquet  
14 server. I did this for 25 years.

15 When casinos opened I said --- in the  
16 Philadelphia area, I realized I needed a change. I  
17 needed benefits, I needed security and I needed a plan  
18 for retirement. I now have a 401K, company matches,  
19 and I never had a 401K before, and have saved a lot of  
20 money. I feel more comfortable knowing I have time  
21 when I retire. I worked at another local casino  
22 before making the decision to come to SugarHouse. So,  
23 when I had came to SugarHouse, I feel I made a very  
24 good move. I get full time hours that I want and they  
25 work with me when it comes scheduling full time.

1 Management is a big thing to me, and if  
2 you don't have a good team behind you, you can't  
3 succeed. They treat us fairly and we can go to our  
4 shift manager, sponsor any time to listen to. I can  
5 even joke with my director. In fact, I followed my  
6 old director and shift managers to SugarHouse. They  
7 said SugarHouse would be an up and coming place, and I  
8 know it is. I like it at SugarHouse and I appreciate  
9 how much they provide for us. At Thanksgiving time  
10 they give us turkeys, we get customer service bonuses  
11 and perfect attendance bonuses. They give us raises  
12 and PTO. I have 162 hours of PTO that I have saved up  
13 and I am soon taking a vacation. I like my job, I  
14 enjoy coming to work and they treat us good. I hope  
15 we are a big success and I hope the people I work with  
16 will be there for a long time. Thank you.

17 ATTORNEY DONNELLY:

18 Those are all the witnesses we have. If  
19 Director Lloyd would --- we'd appreciate if you would  
20 read into the record, I believe there's three letters  
21 from public officials.

22 PRESIDING OFFICER:

23 The first letter is from Senator  
24 Lawrence Farnese, Jr. Thank you for allowing me the  
25 opportunity to submit comments in connection with the

1 renewal of SugarHouse Casino's gaming license. I  
2 support the renewal of SugarHouse's gaming license.  
3 SugarHouse is a large employer in the First Senatorial  
4 District creating over 1,198 jobs, the majority of  
5 which are Philadelphia residents. The Casino has made  
6 a strong effort to include the immediate surrounding  
7 neighborhood in its employment pool, which I  
8 appreciate very much.

9           Further, nearly half of SugarHouse's  
10 goods and services come from Philadelphia companies.  
11 Since its opening, SugarHouse's 1,602 slots, 60 table  
12 games and 24 table interim poker room have produced  
13 \$570 million in total revenue to the Commonwealth, \$74  
14 million of which went directly to the City of  
15 Philadelphia. The \$164 million expansion, which will  
16 be completed in December, is an investment which will  
17 only further SugarHouse's success in Philadelphia.  
18 SugarHouse works closely with the Philadelphia Police  
19 Department and neighboring community groups to  
20 identify and address any impacts of the casino on the  
21 surrounding neighborhood.

22           Issues of crime and traffic have been  
23 handled very responsibly and rapidly. I trust  
24 SugarHouse, under the guidance of the Board, will  
25 continue to be and expand its commitments of working

1 with community organizations, hiring local residents  
2 and partnering with local businesses. Thank you for  
3 your consideration.

4           The second letter is from the City of  
5 Philadelphia Council President Darrell Clarke. I'm  
6 writing in support of SugarHouse Casino's Category 3  
7 casino license renewal. Since opening in 2010,  
8 SugarHouse has been an exceptionally good neighbor and  
9 corporate citizen. To date, SugarHouse has generated  
10 more than \$285 million in revenue to the City of  
11 Philadelphia and the Commonwealth of Pennsylvania with  
12 more than \$30 million going directly to the City of  
13 Philadelphia and the School District of Philadelphia.

14           In addition, SugarHouse's commitment to  
15 the Penn Treaty Special Services District and  
16 implementation of the SSD internship and college  
17 training program for neighboring residents have  
18 buttressed their steadfast community engagement.  
19 SugarHouse also committed to hiring a significant  
20 number of Philadelphia residents, women and minorities  
21 to staff the casino. Currently more than half their  
22 employees are Philadelphia residents, and women and  
23 minorities each make up more than 40 percent of the  
24 workforce, another promise made and kept.

25           Furthermore, they committed to

1 aggressively seeking out and utilizing qualified MBE,  
2 WBE and LBE firms throughout all phases of the project  
3 and they continue to make progress towards meeting the  
4 goals as outlined in the economic opportunity plan.  
5 For these reasons, I wholeheartedly support the  
6 renewal of SugarHouse's license.

7                   And finally from the City of  
8 Philadelphia, the Deputy Mayor for Economic  
9 Development Alan Greenberger. Thank you for allowing  
10 me to submit comments in connection with the Gaming  
11 Control Board's consideration of SugarHouse Casino.  
12 On behalf of the Mayor Nutter and the City of  
13 Philadelphia, I support the renewal of SugarHouse's  
14 Casino license.

15                   The successful partnership between the  
16 City and SugarHouse has generated employment,  
17 community development, economic opportunities and tax  
18 revenue for Philadelphia. More than half of  
19 SugarHouse's 1,200 employees are from Philadelphia,  
20 with 40 percent of the workforce being women and 52  
21 percent minority. SugarHouse also buys locally with  
22 60 percent of their purchases coming from companies  
23 within the region.

24                   Since SugarHouse opened in September  
25 2010, the City has benefited from \$74 million in

1 revenue, including local share assessment, settlement  
2 tax, real estate taxes, business income and receipts  
3 tax, total payroll withholding, liquor tax and sales  
4 tax. Further, SugarHouse has been both a good  
5 neighbor and a good corporate citizen supporting its  
6 surrounding community with a generous community  
7 benefits agreement, while also contributing to many  
8 worthy city-wide causes.

9           We await the conclusion later this year  
10 of their \$164 million expansion. The casino has added  
11 to the appeal of our city for tourists and  
12 conventioners, and a larger facility further enhances  
13 our hospitality industry. Renewal of SugarHouse's  
14 license will ensure that our partnership will continue  
15 to grow and prosper. For all these reasons, on the  
16 behalf of the City of Philadelphia, I ask that you  
17 renew SugarHouse Casino.

18           Do you have anything further, Mr.  
19 Donnelly?

20           ATTORNEY DONNELLY:

21           That's all the testimony. I reserve  
22 after Office of Counsel's questions to respond to some  
23 of those questions.

24           PRESIDING OFFICER:

25           Certainly. Mr. Armstrong, any questions

1 for SugarHouse?

2 ATTORNEY ARMSTRONG:

3 Yes, I do, Director Lloyd. James  
4 Armstrong, A-R-M-S-T-R-O-N-G, OEC. If we could have  
5 slide 19 brought up, my question would be for Mary  
6 Cheeks.

7 -----

8 MARY CHEEKS, HAVING BEEN PREVIOUSLY SWORN, TESTIFIED  
9 AS FOLLOWS:

10 -----

11 CROSS EXAMINATION

12 BY ATTORNEY ARMSTRONG:

13 Q. Ms. Cheeks, can I draw your attention to slide  
14 19? Under interim poker room, you see that the  
15 presentation states that the project created 45 direct  
16 and indirect construction jobs.

17 A. Yes.

18 Q. Can you tell us how many permanent interim poker  
19 room jobs were created by the interim poker room?

20 A. I believe it was over 100, 102 team members.

21 Q. 102 permanent jobs?

22 A. Yes.

23 Q. Can you break those jobs down as full time versus  
24 part time?

25 A. They were all full time.

1 Q. Is it anticipated that once the permanent poker  
2 room opens that all these jobs will remain?

3 A. They would remain and increase, because we're  
4 increasing capacity by four tables.

5 Q. Now, it also says that 500 --- under casino  
6 expansion, 2015, 500 permanent jobs would be created?

7 A. Yes.

8 Q. That's from the expansion that has not yet  
9 occurred?

10 A. Right. That has not yet occurred.

11 Q. Can you break down on these 500 new jobs which  
12 will be full time and which will be part time?

13 MS. HAMILTON:

14 Yeah. They're all full time.

15 -----

16 WENDY HAMILTON, HAVING BEEN PREVIOUSLY SWORN,  
17 TESTIFIED AS FOLLOWS:

18 -----

19 CROSS EXAMINATION

20 BY ATTORNEY ARMSTRONG:

21 Q. And does SugarHouse still anticipate the  
22 expansion opening occurring in 2015?

23 A. Yes.

24 Q. Okay. Do we have a specific date yet for the  
25 grand opening?

1 A. I don't want to give a date, but it will be  
2 inconvenient to the holiday season.

3 Q. Staying with you, Wendy, can we have slide eight  
4 up, please? Now, as far as I know, these figures for  
5 the table games have changed. Wasn't it anticipated  
6 at one time there'd be 30 additional table games and  
7 then 30 poker room games?

8 A. Yeah, I think you're right that that number has a  
9 little bit of flux over the past, I'll say, two years.  
10 You know, we've just continued to refine what the  
11 market wants, what the market will bear and what the  
12 square footage that's designed will hold. And so,  
13 yes, there's been some fluidity and the number now is  
14 44. You know the table games have performed, you  
15 know, very well for us and I think that we have more  
16 of a need at this point in tables than we even do in  
17 slots.

18 Q. Okay. So, will you only been adding then 16  
19 additional table games with the expansion?

20 A. No, it's 44 tables games plus the 28 poker  
21 tables.

22 Q. Okay.

23 A. Which is for --- the current poker room is 24, so  
24 it's really four additional poker tables, but it's 44  
25 additional table games separate from poker.

1 Q. Okay. I believe you testified there will be  
2 seven new restaurants?

3 A. Seven new food and beverage outlets, yes.

4 Q. Okay. The restaurants that SugarHouse now has,  
5 will they remain?

6 A. So, there's two restaurants that we have today.  
7 One is Jack's, and it is currently physically located  
8 where the north wall of the casino will open up into  
9 the new expansion. So, that outlet goes away ---  
10 physically goes away. The other restaurant that we  
11 have, the Refinery, out at the east end of the  
12 property that's all glass, we have a plan to redeploy  
13 that. It'll remain a food and beverage outlet, but it  
14 will change. But we can't do that until after the  
15 expansion is open, so there's no timeline, there's no  
16 associated budget, there's no concrete plan, but we  
17 know we will --- it'll be time to kind of lift that  
18 outlet a little bit, add something to it and kind of  
19 redeploy that space.

20 Q. Okay. Thank you.

21 ATTORNEY ARMSTRONG:

22 Can we have slide 20? Mary, I think  
23 you'll be able to answer this question. In regard to  
24 these city infrastructure improvements, SugarHouse  
25 states that it costs \$12.8 million --- total project's

1 cost for the Laurel Street combine sewer outflow.  
2 SugarHouse also states that the project cost is  
3 reimbursable by the City. Was SugarHouse reimbursed  
4 by the City?

5 MS. WHITAKER:

6 Not as of yet. It's over a five-year  
7 period.

8 ATTORNEY ARMSTRONG:

9 I'm sorry?

10 MS. WHITAKER:

11 The reimbursement will occur over a  
12 five-year period.

13 ATTORNEY ARMSTRONG:

14 Okay. And that would be full  
15 reimbursement for the \$12.8 million?

16 MS. WHITAKER:

17 Yes.

18 BY ATTORNEY ARMSTRONG:

19 Q. Can we have slide 12, please? It says 97 percent  
20 of team members are full time employees with full  
21 benefits, but only 87 are actually --- are taking in  
22 the medical benefit plans. Is there an explanation  
23 for why it's ten percent less?

24 A. So, we do have a few part-time employees at the  
25 property because of a certain, you know, odd schedule

1 that somebody desires that works for us because there  
2 are, you know, a certain number of dealers who work at  
3 multiple casinos and choose to, you know, do an  
4 appended scheduled with us and with somebody in  
5 Atlantic City. And so the health benefits are  
6 available to only full-time employees. So, 97 percent  
7 of our team members are full time, 87 percent --- for  
8 87 percent of those folks to have our medical benefits  
9 is actually a very high number. And usually, the  
10 biggest discrepancy is that people have their benefits  
11 maybe through a spouse. There's other places that  
12 people get benefits.

13 So, for it to be that close is very unusual, in  
14 my experience. But we're happy about that. That's  
15 part of the engagement that we have with our  
16 employees. But yeah, that's actually a very high  
17 number.

18 Q. Okay. So, full benefits then includes medical  
19 benefits at all times. All ---

20 A. That's right.

21 Q. --- full-time employees are entitled to full  
22 benefits which would entitle them to medical benefits  
23 if they so choose?

24 A. That's right.

25 Q. What qualifies a team member as a full-time

1 employee?

2 A. The federal designation now is 30 hours a week.

3 Q. Are any of the part-time employees permitted to  
4 partake in the 401K plan?

5 A. The part-time employees do have the 401K  
6 available to them.

7 Q. And in regard to the expansion, it's going to be  
8 500 new employees. Are you anticipating SugarHouse's  
9 workforce rising to nearly 1,700 people?

10 A. Yes. That number's conservative, so if it's ---  
11 you know, I'm sure it's not around 500, but if it's  
12 anything, it's plus.

13 ATTORNEY ARMSTRONG:

14 Can we have slide 18, please? My  
15 question's for Mary. LBE does stand for local  
16 business enterprises?

17 MS. CHEEKS:

18 Yes.

19 ATTORNEY ARMSTRONG:

20 Okay. Can you explain why SugarHouse's  
21 spending with local business enterprises has remained  
22 relatively flat while spending for minority and women  
23 business enterprises has steadily increased over the  
24 last three years?

25 MS. CHEEKS:

1 Well, if you look from 12 to 14, that's  
2 a five percent increase. So, you know, we try to  
3 balance because it's a qualified spend where if you're  
4 outside of the five contiguous counties, you're not  
5 deemed local. So, it's a balancing act. We look for  
6 continuous improvement, and I think 62.9 percent is  
7 pretty darn good. Did that answer?

8 ATTORNEY ARMSTRONG:

9 Yes, that answers.

10 MS. CHEEKS:

11 Thank you.

12 ATTORNEY ARMSTRONG:

13 I'm not sure who can answer this next  
14 question. Can you tell us how often SugarHouse  
15 replaces its old slot machines, the ones that are  
16 going out of the favor with the customer?

17 MS. CHEEKS:

18 Well, I had mentioned earlier that we've  
19 spend \$6 million in slot purchases from, you know,  
20 opening up until now, and that's been averaging about  
21 \$1.5 million a year. So, Wendy, we looked at  
22 that ---.

23 A. Yeah, that's about 75 slot machines, so it's  
24 about five percent annually. Which for a brand new  
25 property, that's a pretty aggressive replacement

1 cycle.

2 BY ATTORNEY ARMSTRONG:

3 Q. Okay. Do you have the breakdown, or would you  
4 know the breakdown, between slot machines that you  
5 lease versus the slot machines that SugarHouse owns?

6 A. I don't know if we have numbers.

7 MS. CHEEKS:

8 I do know it's the ---.

9 A. The lion's share we own, and we've worked over  
10 time on reducing the percentage even further that we  
11 lease. There are certain games you have to have on  
12 your floor, I'll use Wheel of Fortune as an example,  
13 because it's so wildly popular. But it's not as good  
14 of a deal for the operator as an owned game, so you  
15 walk a balance between offering product that customers  
16 love and doing what's financially the right thing for  
17 the operation. So, you know, we watch that very  
18 closely. What's approximately the number?

19 MS. CHEEKS:

20 A little less than three percent.

21 A. It's low, the number we lease.

22 BY ATTORNEY ARMSTRONG:

23 Q. Okay. Can you tell us how often SugarHouse  
24 employees receive alcohol awareness training?

25 A. Is it annual?

1                   MS. CHEEKS:

2                   It's definitely once a year.

3 A.    It might be ---.

4                   MS. CHEEKS:

5                   We have the refresher through the RAMP  
6 program.  Yeah, it's definitely annually.

7 A.    The gallery says once a year.

8 BY ATTORNEY ARMSTRONG:

9 Q.    And in regard to the new parking garage that  
10 you'll be completing soon, will the SugarHouse  
11 security personnel be patrolling that as well as the  
12 parking lots?

13 A.    Yes.  I don't know if you're familiar with our  
14 patrol unit, which are officers who are trained and  
15 designated to work strictly outside.  And they are,  
16 you know, uniformed appropriately for the weather and  
17 working in the dark sometimes and working in the rain  
18 and the snow and the heat.  And yes, that unit will  
19 cover the garage as well.

20 Q.    Okay.  And finally, were there any traffic issues  
21 during this expansion project occurring down at  
22 SugarHouse?

23 A.    Traffic issues beyond the campus or on the  
24 campus?

25 Q.    Yeah, like Delaware Avenue and of that nature

1 from ---?

2 A. You know, Delaware Avenue has its moments, and  
3 there is some work going on out in the lanes because  
4 our entrance moves. So, the left --- the southbound  
5 left turn lane into SugarHouse, a new lane was created  
6 and the old one was closed. So, you know, perhaps  
7 there's a hairline difference from --- during rush  
8 hour that it's a little bit more, you know, congested  
9 than it used to be. But it's not marked and it's  
10 temporary. Those orange barrels, you know, surround  
11 us. So, it's not something that will be lasting, but  
12 I can't sit here and say there's been no impact. But  
13 it's not something that we've heard anything about  
14 from anyone.

15 ATTORNEY ARMSTRONG:

16 Okay. Thank you. I have no further  
17 questions.

18 PRESIDING OFFICER:

19 Mr. Donnelly, any follow-up questions?

20 ATTORNEY DONNELLY:

21 None. Thank you.

22 PRESIDING OFFICER:

23 Then we will --- I'm assuming you would  
24 like your PowerPoint moved into the record?

25 ATTORNEY DONNELLY:

1 Yes. I would like to move the  
2 PowerPoint into the record and the letters that we've  
3 submitted also, the letters from the public officials.  
4 I'd like to reserve that as I know that the record  
5 will remain open until there's an actual licensing  
6 hearing, and I'd like to reserve for a very short  
7 closing at the end of the questions from the Board  
8 members and so on.

9 PRESIDING OFFICER:

10 Certainly.

11 ATTORNEY DONNELLY:

12 Thank you.

13 PRESIDING OFFICER:

14 So, we will move the PowerPoint in as  
15 SugarHouse Exhibit Number 1.

16 (SugarHouse Exhibit 1 marked for  
17 identification.)

18 PRESIDING OFFICER:

19 And the letters will be moved with the  
20 remaining public comment.

21 (SugarHouse Exhibit 2 marked for  
22 identification.)

23 ATTORNEY DONNELLY:

24 Yes. I'd also like --- I realize that  
25 the applications that we forwarded are part of the

1 record as well, but I'd like, as typical,  
2 confidentiality to the full extent of the law with  
3 regard to those documents.

4 PRESIDING OFFICER:

5 Of course. And I will now turn to Board  
6 members, if any of the Board members have questions.

7 MR. JEWELL:

8 Yes, I do for Ms. Cheeks and Ms.  
9 Whitaker. It's to neighborhood support. \$6 million,  
10 I think you indicated, from the beginning. The first  
11 question for Ms. Cheeks is, how did --- that's a  
12 budgeted number I assume. How did you arrive at  
13 creating that number or how did that number get there?  
14 And then we'll talk about its disposition.

15 MS. CHEEKS:

16 I think that's a two-part question.  
17 First, Leigh and Wendy sit down and determine ---.

18 MS. WHITAKER:

19 I beg for a lot of money every year. We  
20 start with the SSD number and I say I need double that  
21 for all the other people.

22 MR. JEWELL:

23 Right.

24 MS. CHEEKS:

25 And they have taught me that things are

1 outside of budget constraints. So, I can't actually  
2 say \$6 million is budgeted, because if we need it, we  
3 spend it.

4 MR. JEWELL:

5 Okay. And then as to the allocation,  
6 part of the money is allocated through the  
7 neighborhood groups, I understand, and then they make  
8 choices of the application of those funds. But then  
9 you have maybe two-thirds, if I understood this, that  
10 you actually then directly make within the community  
11 or a number approximating that; is that right?

12 MS. CHEEKS:

13 No. So, we make a contribution to the  
14 Special Services District every year.

15 MR. JEWELL:

16 Right.

17 MS. CHEEKS:

18 They have full discretion on how they  
19 spend the money, except there's a provision in the CBA  
20 that they can't use it to fight us, because when we  
21 signed it, it was still a little contentious. So,  
22 they have their own process, they have an application,  
23 they have meetings once a month, they interview the  
24 applicants and make their determinations. And then  
25 the other pot of money that goes outside of the

1 neighborhood is really on a case-by-case basis.  
2 People come to us and ask us for sponsorships or other  
3 requests, and we'd make a determination on a  
4 case-by-case basis how to support ---.

5 MR. JEWELL:

6 And how do you triage that? Who's  
7 involved in making that decision about where to  
8 allocate that second pot?

9 MS. CHEEKS:

10 I think me and Wendy mostly. You know,  
11 we look to support organizations and causes that are  
12 important to Philadelphia and important to our  
13 customer base. So, we do a lot of like with Komen,  
14 Veterans and Police and fire. And we don't do a lot  
15 of children's activities, for obvious reasons, but  
16 certainly a lot of adult causes, you know, various  
17 health charities and those kinds of things.

18 MR. JEWELL:

19 And all of those folks who would be  
20 interested in having help from you all, there's a  
21 known process that they --- online, et cetera, that  
22 they would know how to apply? How does that work?

23 MS. CHEEKS:

24 So, there's no formal process. I  
25 probably get 100 requests every day. And so even

1 though we've never advertised it, people know how to  
2 reach me at least.

3 MR. JEWELL:

4 My question is, should there be because  
5 it's a question of notice and fairness so that  
6 everybody that has a need can come in and compete and  
7 make their case?

8 MS. CHEEKS:

9 Yeah, we talked about it several times.  
10 One of the reasons why I've been a little bit  
11 resistant to it is because once you sort of put  
12 yourself in a box and you say you only deal with these  
13 four, five or six different causes, then the same four  
14 or five or six groups get the money every year. And  
15 so now I have the flexibility to give money to new  
16 groups, to different groups, you know, smaller amounts  
17 to up and coming groups. It sort of gives me the  
18 ability to support more groups, more causes across,  
19 you know, different neighborhoods in the city. And so  
20 that's why I didn't want to sort of box us in.

21 MR. JEWELL:

22 However, you know, I would think if you  
23 had a formal process you would get even more groups in  
24 order to triage, rather than kind of word of mouth.  
25 I'm just suggesting you might consider that.

1                   MS. CHEEKS:

2                   Sure.

3                   MR. JEWELL:

4                   Thank you very much.

5                   MR. FAJT:

6                   Thank you, Linda. A couple of  
7 questions. Wendy, I don't think you answered this,  
8 but on page 12, the 1,198 employees as of 5/31, how  
9 many of those are full-time? I know you said you  
10 don't have a lot of part-time employees, but how many  
11 of those folks are full time?

12                   MS. HAMILTON:

13                   Well, ---.

14                   MR. FAJT:

15                   Roughly. And if you don't have it, you  
16 can get that to us later.

17                   MS. HAMILTON:

18                   Yeah. It's 97 percent of 1,200, so  
19 I ---.

20                   MR. FAJT:

21                   Okay. I'm sorry. Okay.

22                   MS. HAMILTON:

23                   Don't make me do that right now.

24                   MR. FAJT:

25                   I'm sorry. Okay. Cameras in the

1 garage, somebody had mentioned that earlier. Is it  
2 going to be --- or you talked about the security  
3 coverage in the garage with your folks driving around.  
4 Are there going to be cameras on every floor? Are  
5 there going to be any dark spots in that garage?

6 MS. HAMILTON:

7 It will be well-lit, it will be  
8 well-surveilled and it will be well-patrolled.

9 MR. FAJT:

10 Okay. Thank you. That's all I have.  
11 Thank you.

12 MS. KAISER:

13 Just one real quick question. I assume  
14 you continue to provide training on problem gaming and  
15 checking identification for minors or excluded  
16 persons. Does that continue to be an issue, with  
17 minors trying to enter the property, and how do you  
18 address that?

19 MS. HAMILTON:

20 Yeah. We address that in a couple of  
21 ways. So, we definitely go through annual responsible  
22 gaming training. I just completed mine, got a perfect  
23 score. A lot of that takes place online, so it's  
24 something that we talk about a lot with our employees,  
25 but many of the training modules are available online.

1 And you kind of sit and you take it at your own pace.  
2 And at the end there's a certification quiz.

3           So, that is in place. That's obviously  
4 something that is very important to us as an industry  
5 and as a company. It doesn't help anyone when those  
6 incidents happen. It's not something that we ever  
7 want to be associated with us. It's not --- you know,  
8 I know there are people out there who think, oh, you  
9 know, they want the kids and they want people who have  
10 a gambling --- we don't. We don't. There's no  
11 revenue tied to it. All it is is a bad headline.

12           So, we do everything that we possibly  
13 can to work to keep those things from happening. I  
14 would love to think that there will be a year --- that  
15 we can get through a whole year without a single  
16 underage accessing our property or without a single,  
17 you know, self-excluded customer from accessing our  
18 property. In my 22 years in the industry, I would  
19 have to sit here and tell you that that's unlikely.  
20 There are going to be a couple every year, but I want  
21 to see that number continue to improve. And so it's  
22 something that we talk about constantly with our  
23 employees.

24           We've continue to make technology  
25 changes as far as checking ID. We've continued to

1 make policy and procedure changes. For example, we  
2 just changed out the handheld that we use at our front  
3 door. We had some system operational issues with the  
4 old handhelds. They didn't always work. They didn't  
5 work with all driver's licenses. They were sometimes  
6 slow, which was very frustrating for the employees.  
7 So, now we have a better piece of technology that's  
8 quicker and more dependable. If somebody comes in  
9 with a vertical license, this is an example of policy  
10 change, indicating that they're under 21, you know,  
11 people turn 21 and still have that license. So, if  
12 somebody comes in with a vertical, because that's such  
13 an obvious clue, you need a second verifier. You need  
14 someone else to look at it and say, yep, they've had  
15 their birthday, they're now 21.

16                   And you know, unfortunately --- well,  
17 let's say there's a positive and a negative here.  
18 We're pretty aggressive with the discipline that gets  
19 delivered when we are at fault for an underage  
20 accessing the property. There's a difference between  
21 someone under 21 coming in with a very good fake ID  
22 and our officer doing all the things they're supposed  
23 to do, looking at it, looking at the person, the  
24 picture matches and letting them in and something  
25 later in the visit cues us into the fact that that's

1 not the right person. That's a different discipline  
2 than an officer who was talking to someone and not  
3 paying attention when the under 21 walked in the door.

4                   So, we look at every case individually,  
5 but then we're pretty aggressive in the cases where we  
6 were --- it was our fault. And --- I feel like I had  
7 one other point. I think --- does that answer?

8                   MS. KAISER:

9                   Yes. Thank you very much.

10                  ATTORNEY DONNELLY:

11                  I'd just like to add one thing. We've  
12 been pretty aggressive in urging that the legislature  
13 change the law to have some significant penalties  
14 against underage persons, as they do in New Jersey.  
15 So, we're very hopeful that that will get passed.

16                  MS. KAISER:

17                  Thank you.

18                  MS. HAMILTON:

19                  Just one more thing. So, I said there  
20 was a positive and a negative, on a quarterly basis if  
21 our security team finishes a quarter with a perfect  
22 track record for underage, there is a bonus that gets  
23 paid out to every employee. And I don't have the  
24 number off the top of my head, it might be \$50 or  
25 \$100, but that goes to --- I think it's \$100, goes to

1 every officer if they finish a quarter with a perfect  
2 record.

3 MS. KAISER:

4 Thank you.

5 MR. JEWELL:

6 Yeah. I do have one more follow-up for  
7 Ms. Hamilton. Obviously, the theme this morning has  
8 been happy. I enjoyed your video. I hoped Mr.  
9 Donnelly ---.

10 MS. HAMILTON:

11 You look like a dancer.

12 MR. JEWELL:

13 Yes. I was actually looking forward to  
14 Mr. Donnelly's moves, they were missing. That's all  
15 right. My question is, though, what makes you  
16 unhappy? What is it --- and this is a macro question,  
17 if you had a magic wand, what makes you unhappy? What  
18 would you correct? What would you --- I'm even  
19 talking about Title 4, going in a really macro sense.  
20 What is it, if anything, that makes you unhappy?

21 MS. HAMILTON:

22 What makes me unhappy, and I'll give you  
23 two things, number one is we are still a misunderstood  
24 industry. And I know that, you know, we as operators,  
25 and I'll include my peers at other companies in that

1 as well, we work very hard to be great employers and  
2 great providers of quality entertainment experience,  
3 and yet --- and this doesn't affect us maybe every  
4 day, but there are people out there who still look at  
5 us a certain way and turn their nose up and just don't  
6 understand really what some of these properties do for  
7 the communities around them, so that's frustrating.  
8 But you know, we go forward and we keep doing what's  
9 right and we hope that, you know, over time people  
10 begin to understand.

11                   Secondly, you know, and I thank you for  
12 giving me the opportunity to bring this up, you've  
13 heard this from me a lot of times, I think I have the  
14 speeches memorized. There's a lot of gaming in this  
15 region and it concerns me that we continue to add  
16 capacity, because we want to keep doing the things  
17 that we talked about today for our customers and for  
18 our employees. And there's nothing that indicates  
19 right now that this market is big enough to feed  
20 another mouth, and yet, we're moving toward another  
21 license in the market, you know, opening in the next  
22 couple years. I don't think we have a timeline yet.

23                   So, listen, I understand the legislation  
24 that was passed. I certainly understand the directive  
25 that was given to the Board to place that license.

1 But, you know, as a macro issue, we as a society need  
2 to stop looking back at the same places for additional  
3 revenue. It's not there. It's going to hurt the  
4 existing operators and there's not going to be a whole  
5 lot more additional tax revenue. So, you know, I  
6 think we've been very clear on this issue, but that  
7 makes me unhappy.

8           We want to be great. We want to be  
9 strong. We want to keep rewarding our players and our  
10 employees. And I hope that we start to see market  
11 growth that lets us continue to do that in the face of  
12 additional competition in an area that is rife with  
13 options. Then we all win. I hope that that turns out  
14 to be the case, but it's difficult to think about it  
15 right now when the market has been somewhat stagnant  
16 and we've seen a number of properties in Atlantic City  
17 go completely belly up. I spent, you know, I don't  
18 know, 12 years in that market. We never thought we'd  
19 see that day, I still can't believe it. I can't  
20 believe Atlantic City casinos have closed, and yet,  
21 that's what happens when there's casinos all over the  
22 place.

23           So, you know, I think that we've moved  
24 very, very quickly through gaming expansion, and I  
25 think that is a threat to the health of the existing

1 operators.

2 MR. JEWELL:

3 Thank you, ma'am.

4 MR. FAJT:

5 Thank you, Linda. Mary, a follow-up  
6 question on the medical benefits issue. I thought  
7 when the Rivers Casino, which I believe you were there  
8 at that hearing in Pittsburgh, the GM for Rivers, your  
9 sister property for lack of a better term, testified  
10 that they had, not played around with the numbers, but  
11 tried to keep people at a part-time level just to  
12 avoid from giving medical benefits under the  
13 Affordable Care Act, and you folks don't appear to be  
14 doing that. Is there a difference in philosophy  
15 between the two casinos, or did I hear Craig Clark,  
16 the GM from Rivers, incorrectly?

17 MS. WHITAKER:

18 You heard him correctly, and that is not  
19 Wendy's philosophy. I'll let her speak for herself.

20 MR. FAJT:

21 Okay. Thank you.

22 MR. JEWELL:

23 One --- go ahead, please, ma'am.

24 MS. HAMILTON:

25 When you are given people like that, you

1 take care of them. You know, I wasn't there to hear  
2 what Craig said. Listen, our parent company, Rush  
3 Street Gaming, is a very responsible operator and I  
4 don't know, that actually surprises me a little bit if  
5 that's the way that that came out. We know, and I'm  
6 not going to act like it's selfless, the best thing  
7 for this operation to self-sustain and to best serve  
8 the area and to best serve, you know, both customers  
9 and employees is for us to be healthy and make money.  
10 We are a business. We're in hospitality, we are  
11 entertainers, and so you can't expect to serve the  
12 public every day with employees who are either unhappy  
13 or disgruntled or bored and think that you're going to  
14 give people a great experience.

15                   So, job number one is to find great  
16 people and give them a great experience. That is job  
17 one, that's how you make money in hospitality. So,  
18 you know, yeah, I'd like to think I'm a nice person, I  
19 am, but you know, it comes down to running --- that's  
20 the way think of running a strong business. And so,  
21 you know, these are --- I wouldn't want to sit here  
22 and defend great jobs if they weren't jobs that people  
23 could live on and raise a family on and know that they  
24 were covered when they were sick. So, that's, you  
25 know --- that's kind of, I would think, critical to

1 the culture we've created at SugarHouse.

2 MR. JEWELL:

3 I have one follow-up for Ms. Cheeks on  
4 the comment you just made. What is the 403B match and  
5 what is the Healthcare Share match?

6 MS. CHEEKS:

7 The 401K match is ---

8 MR. JEWELL:

9 401K, sorry.

10 MS. CHEEKS:

11 --- 100 percent on the first three  
12 percent and 50 percent on the remaining two.

13 MR. JEWELL:

14 May I hear that again, please?

15 MS. CHEEKS:

16 100 percent on the first three percent  
17 and 50 percent on the remaining two percent.

18 MR. JEWELL:

19 And then the Healthcare Share match?

20 MS. HAMILTON:

21 I know it. The Healthcare share because  
22 there's a number of options that you can choose based  
23 on HMO or, you know, providers and also based on  
24 whether you're a single or with a spouse or with a  
25 family. And the range that we cover ranges from 74

1 percent to 94 percent of the full premium, depending  
2 on which of those packages you as the employee choose.

3 MR. JEWELL:

4 Thank you.

5 PRESIDING OFFICER:

6 Mr. Donnelly, any follow-up on the  
7 questions from the Board?

8 ATTORNEY DONNELLY:

9 None, thank you.

10 PRESIDING OFFICER:

11 Mr. Armstrong?

12 ATTORNEY ARMSTRONG:

13 Thank you, Director Lloyd, Chairman,  
14 Commissioners. The OEC and SugarHouse have entered  
15 into the following stipulations concerning  
16 SugarHouse's application for renewal of its license,  
17 which are contained in the binders before you as  
18 Exhibits 7 --- or Exhibit 1 through 7. Exhibit 1, the  
19 Pennsylvania State Police have provided OEC with the  
20 Uniform Crime Reporting System reports for the time  
21 period of October 2011 through May 2015 addressing  
22 incidents at SugarHouse since its Category 2 slot  
23 machine license was last renewed.

24 (Board Exhibit 1 marked for  
25 identification.)

1                   ATTORNEY ARMSTRONG:

2                   The second exhibit is a letter from the  
3 Bureau of Liquor Control Enforcement which was issued  
4 to SugarHouse --- or I'm sorry, was issued to the OEC  
5 stating there had been one citation and an  
6 adjudication against SugarHouse since its Category 2  
7 slot machine license was last renewed.

8                   (Board Exhibit 2 marked for  
9 identification.)

10                  ATTORNEY ARMSTRONG:

11                  On June 19th, 2015, the Board's Office  
12 of Compulsive and Problem Gambling issued a memorandum  
13 to the OEC attesting that SugarHouse is in compliance  
14 with its compulsive and problem gambling plan and is  
15 meeting the requirements under the Gaming Act and the  
16 Board's regulations as they pertain to its plan.  
17 That's Exhibit 3.

18                  (Board Exhibit 3 marked for  
19 identification.)

20                  ATTORNEY ARMSTRONG:

21                  The OEC and SugarHouse have entered into  
22 ten Board Approved Consent Agreements since the time  
23 of SugarHouse's last renewal. That is Exhibit 4.

24                  (Board Exhibit 4 marked for  
25 identification.)

1                   ATTORNEY ARMSTRONG:

2                   The OEC conducted four compliance  
3 conferences at SugarHouse's facility since the time of  
4 SugarHouse's last renewal. The compliance conference  
5 memorandums are Exhibit 5. And Director Lloyd, we'd  
6 ask that Exhibit 5 be kept confidential.

7                   (Board Exhibit 5 marked for  
8 identification.)

9                   PRESIDING OFFICER:

10                  Yes.

11                  ATTORNEY ARMSTRONG:

12                  OEC also issued SugarHouse 60 warning  
13 letters since the time of its last renewal.  
14 SugarHouse has appropriately responded to each warning  
15 letting issued by the OEC. Copies of the warning  
16 letters and SugarHouse's responses are in the binder  
17 as Exhibit 6. We would also ask that Exhibit 6 be  
18 kept confidential.

19                  (Board Exhibit 6 marked for  
20 identification.)

21                  ATTORNEY ARMSTRONG:

22                  And finally, Exhibit 7 is the  
23 stipulation and agreement executed by the parties on  
24 July 7th of 2015.

25                  (Board Exhibit 7 marked for

1 identification.)

2 ATTORNEY ARMSTRONG:

3 That being said, I would like to enter  
4 Exhibits 1 through 7 into the record at this time.

5 PRESIDING OFFICER:

6 Mr. Donnelly, any comments?

7 ATTORNEY DONNELLY:

8 None.

9 PRESIDING OFFICER:

10 They will be entered with those  
11 confidentiality stipulations.

12 ATTORNEY ARMSTRONG:

13 Thank you. Director Lloyd, Enforcement  
14 Counsel also intends to offer the testimony of three  
15 witnesses who are with the Pennsylvania State Police,  
16 the Bureau of Casino Compliance and the Bureau of  
17 Investigations and Enforcement (BIE). With your  
18 permission, I'd like to call the first witness.

19 PRESIDING OFFICER:

20 Please proceed.

21 ATTORNEY ARMSTRONG:

22 Call Sergeant William Brown,  
23 Pennsylvania State Police.

24 -----

25 SERGEANT WILLIAM BROWN, HAVING BEEN PREVIOUSLY SWORN,

1 TESTIFIED AS FOLLOWS:

2 -----

3 A. Good morning.

4 DIRECT EXAMINATION

5 BY ATTORNEY ARMSTRONG:

6 Q. Please state your name and title for the record,  
7 please.

8 A. Sure. It's William Brown, B-R-O-W-N. I'm a  
9 Sergeant with the Pennsylvania State Police.

10 Q. Okay. How long have you been employed by the  
11 State Police?

12 A. Seventeen (17) years.

13 Q. What is your current assignment?

14 A. I'm the Gaming Office Commander at the SugarHouse  
15 Casino.

16 Q. Can you briefly describe your duties?

17 A. I oversee two corporals and eight troopers in  
18 day-to-day activities at the SugarHouse Casino.

19 Q. Can you briefly describe the role of Pennsylvania  
20 State Police at SugarHouse Casino?

21 A. PSP's primary jurisdiction is the gaming floor  
22 and gaming-related areas within the casino.

23 Q. In regard to jurisdiction at SugarHouse Casino,  
24 what law enforcement agency is primary police  
25 jurisdiction over the parking lot?

1 A. The Philadelphia Police Department, 26th  
2 District.

3 Q. Can you briefly describe the working relationship  
4 between the Pennsylvania State Police personnel that  
5 they have with the Philadelphia Police assigned to  
6 cover SugarHouse Casino?

7 A. We have a very good professional working  
8 relationship with the Philadelphia Police Department.

9 Q. Can you briefly describe the working relationship  
10 between Pennsylvania State Police, what they have with  
11 SugarHouse Casino personnel, particularly the security  
12 and surveillance departments?

13 A. We also have a very good professional working  
14 relationship with security and surveillance.

15 Q. And can you briefly describe the working  
16 relationship between Pennsylvania State Police  
17 personnel, they have with the personnel from the  
18 Board's Bureau of Casino Compliance?

19 A. Once again, very good professional working  
20 relationship.

21 Q. Now, in regard to Exhibit 1 that's in the record  
22 at this time, the Uniform Crime Reporting System  
23 reports, you're familiar with the Uniform Crime  
24 Reporting system?

25 A. Yes.

1 Q. And can you briefly describe what it is?

2 A. It is official data collected on crime within the  
3 United States.

4 Q. Which agency compiles the information obtained in  
5 the Uniform Crime Reporting System?

6 A. Each PSP office or station compiles and enters  
7 the UCR information, the FBI administers the UCR  
8 program nationwide.

9 Q. Is it in electronic format?

10 A. Yes.

11 Q. How frequently is the information updated?

12 A. It's updated monthly. Data must be entered by  
13 the 10th of each month for the preceding month.

14 Q. And is that database subject to being edited?

15 A. Yes.

16 Q. Under what circumstances?

17 A. A UCR system user can edit arrests, clearances,  
18 number of victims, number of accused, demographics for  
19 victims and demographics for the accused.

20 Q. What information is contained in the Uniform  
21 Crime Reporting System?

22 A. Reported offenses, actual offenses, arrests,  
23 property damage, documentation of theft amounts, age  
24 and demographics of the victims and offenders for both  
25 adult and juvenile.

1 Q. And can the number of offenses reported be  
2 reduced if the case is later determined to be  
3 unfounded?

4 A. No.

5 Q. Are criminal offenses that occur at SugarHouse  
6 Casino listed in the Uniform Crime Reporting System?

7 A. Yes.

8 Q. How are all these offenses that occurred at this  
9 licensed Pennsylvania casino entered into the Uniform  
10 Crime Reporting System?

11 A. The UCR officer for Bureau of Gaming Enforcement  
12 at SugarHouse Casino is Corporal Burkhart. He tracks  
13 pertinent UCR data as incident reports are reviewed  
14 and approved. At the end of the month, Corporal  
15 Burkhart enters his UCR spreadsheet information into  
16 the UCR database.

17 Q. Does the Uniform Crime Reporting System list the  
18 number of actual offenses that are prosecuted?

19 A. Yes, it counts all arrests.

20 Q. What is the most common criminal offense at  
21 SugarHouse based on the report?

22 A. Forgery and counterfeiting.

23 Q. Can you give an example of one of these offense?

24 A. Counterfeit money would be the best example.

25 Q. Does the Pennsylvania State Police have any

1 theories or an explanation as to why SugarHouse Casino  
2 experiences more instances of forgery and  
3 counterfeiting than other Pennsylvania casinos?

4 A. I would say it's solely based on the location  
5 being within the City of Philadelphia. From the  
6 Secret Service, Philadelphia ranks as one of the  
7 highest cities for counterfeit money.

8 Q. Since 2012, when the highest number of reported  
9 instances of forgery and counterfeiting occurred, has  
10 there been a decrease in forgery and counterfeiting  
11 incidents at SugarHouse Casino?

12 A. Yes. In 2012, we had 259 reported incidents of  
13 theft, fraud and forgery. This went down to 175 in  
14 2013 and then to 180 in 2014.

15 Q. Is this reduction in forgery and counterfeiting  
16 attributable to law enforcement efforts by the  
17 Pennsylvania State Police?

18 A. I think the new technology and security features  
19 on some of the new bills have helped reduce the amount  
20 of counterfeiting, and also, the additional training  
21 that SugarHouse management has offered their employees  
22 for counterfeit detection.

23 Q. Now, can you say how many thefts were reported at  
24 SugarHouse in 2014?

25 A. 101.

1 Q. And what about 2013?

2 A. 170.

3 Q. Was there a significant reduction in the thefts  
4 at SugarHouse Casino from 2013 to 2014?

5 A. Yes, more than 40 percent. In 2014, we had 101,  
6 compared to 170 in 2013.

7 Q. Now, are there a significant number of violent  
8 crimes at SugarHouse Casino?

9 A. According to UCR stats, we had 15 robberies and  
10 14 assaults from October 2011 through May of 2015.  
11 Now, a crime is also considered a robbery if a  
12 pickpocket occurs, that is why this number 15 may look  
13 high. The 14 assaults also can look high due to a  
14 simple harassment citation being classified as an  
15 assault.

16 Q. Are there a significant number of crimes  
17 regarding individuals under the age of 21?

18 A. No.

19 Q. Has there been a noticeable increase in any  
20 specific crimes between October 2009 and May of this  
21 year?

22 A. The criminal trespass incidents continue to go up  
23 every year. This is based on the longer the property  
24 is open the more people are going to be evicted and  
25 kicked out and then try to get back in and cited by

1 PSP.

2 Q. Now, after reviewing the Uniform Crime Reporting  
3 System for offenses reported for SugarHouse Casino, do  
4 you see a pattern of any type of actual offenses that  
5 have occurred at the licensed facility?

6 A. The pattern would seem to be the most common  
7 crimes are theft, fraud and forgery incidents, which  
8 are dealing with counterfeit money, and then the  
9 criminal trespass incidents were individuals are  
10 evicted and then return, spotted by security and  
11 surveillance and then cited by PSP.

12 Q. Are the Uniform Crime Reporting System records  
13 for reported offenses at SugarHouse Casino for June  
14 2015 now available?

15 A. Yes.

16 Q. Generally, is the Pennsylvania State Police  
17 satisfied with the level of cooperation between the  
18 staff of SugarHouse Casino and the troopers stationed  
19 at the facility?

20 A. Yes. PSP has a great working relationship with  
21 the staff at SugarHouse Casino.

22 Q. Are there any issues or concerns that you think  
23 negatively impact the suitability of SugarHouse  
24 Casino?

25 A. No.

1 ATTORNEY ARMSTRONG:

2 Thank you. I have no further questions

3 PRESIDING OFFICER:

4 Mr. Donnelly, any Cross?

5 ATTORNEY DONNELLY:

6 No.

7 PRESIDING OFFICER:

8 Okay. You're excused.

9 A. Thank you.

10 ATTORNEY ARMSTRONG:

11 Director Lloyd, our next witness will be  
12 John Sentell from the Bureau of Casino Compliance.

13 -----

14 JONATHAN SENTELL, HAVING FIRST BEEN DULY SWORN,  
15 TESTIFIED AS FOLLOWS:

16 -----

17 A. Good morning.

18 DIRECT EXAMINATION

19 BY ATTORNEY ARMSTRONG:

20 Q. Mr. Sentell, can you for the record state your  
21 name for the record?

22 A. Sure. John Sentell, S-E-N-T-E-L-L.

23 Q. And how long have you been employed?

24 A. Been employed by the Pennsylvania Gaming Control  
25 Board since 2006.

1 Q. Tell us what your title is.

2 A. I'm the Bureau of Casino Compliance Senior  
3 Supervisor.

4 Q. And what are your duties and responsibilities?

5 A. I oversee the Bureau of Casino Compliance offices  
6 located in each licensed facility, primarily the  
7 eastern part of the Commonwealth.

8 Q. And can you describe the role of the Bureau of  
9 Casino Compliance at a licensed Pennsylvania casino?

10 A. Yes, the Bureau of Casino Compliance is a 24 hour  
11 a day, 7 day a week regulatory review and oversight  
12 presence for the daily operations of all licensed  
13 facilities in Pennsylvania.

14 Q. Does it ensure that SugarHouse employees are  
15 properly licensed?

16 A. Yes, we do.

17 Q. Are you familiar with the Board's regulations and  
18 SugarHouse Casino internal controls, and does the  
19 Bureau of Casino Compliance ensure that SugarHouse  
20 remains compliant?

21 A. Yes, we do.

22 Q. Can you describe the type of access that the  
23 Bureau of Casino Compliance has within SugarHouse  
24 Casino?

25 A. The Bureau of Casino Compliance has full

1 unfettered access to all areas of the casino.

2 Q. Does that include the surveillance room?

3 A. Yes, it does.

4 Q. And account room?

5 A. Yes.

6 Q. And the central control computer room?

7 A. Yes.

8 Q. Can you describe the interactions with the  
9 Department of Revenue?

10 A. We are the primary liaison, onsite liaison for  
11 the Department of Representative --- or Department of  
12 Revenue representatives that come in the performance  
13 of their duties to the licensed facility itself.

14 Q. Are there any issues with the connectivity  
15 regarding the essential control computer at SugarHouse  
16 Casino?

17 A. None that I'm aware of.

18 Q. Was there ever a need for an emergency access?

19 A. From time to time there is, yes. The central  
20 computer room needs to be accessed on an emergency  
21 basis sometimes upon notification from the DOR  
22 contractor, sometimes upon notification from the  
23 onsite facilities department from the licensed casino.

24 Q. Does the Bureau of Casino compliance interact  
25 with SugarHouse Casino patrons?

1 A. Yes, we do. We frequently are the sounding board  
2 for patrons at SugarHouse Casino.

3 Q. Would that involve complaints by patrons?

4 A. Yes, it does. And we thoroughly investigate ---  
5 do a thorough independent investigation of all  
6 complaints by all patrons.

7 Q. Is your Bureau also involved in patrons who wish  
8 to self-exclude themselves?

9 A. Yes. We do the intakes for people that wish to  
10 place themselves on the self-exclusion and also the  
11 voluntary credit suspension program.

12 Q. Can you describe the relationship between the  
13 Bureau of Casino Compliance and the Pennsylvania State  
14 Police assigned to SugarHouse Casino?

15 A. Excellent.

16 Q. Can you describe the relationship between the  
17 Bureau of Casino Compliance and SugarHouse Casino  
18 staff?

19 A. Very good.

20 Q. Has SugarHouse Casino staff been cooperative in  
21 compliance reviews conducted by the Bureau of Casino  
22 Compliance?

23 A. Yes, they have.

24 Q. Are the regulatory issues at SugarHouse Casino  
25 comparable to the regulatory issues found at other

1 Pennsylvania casinos?

2 A. Yes, they are. There's no remarkable issues at  
3 SugarHouse Casino as compared with the other licensed  
4 facilities in Pennsylvania.

5 Q. And do you know of any issues or concerns that  
6 would negatively impact SugarHouse Casino's  
7 suitability for continued licensure?

8 A. No.

9 ATTORNEY ARMSTRONG:

10 Thank you. I have no further questions.

11 PRESIDING OFFICER:

12 Mr. Donnelly, any questions for Mr.

13 Sentell?

14 ATTORNEY DONNELLY:

15 No, thank you.

16 PRESIDING OFFICER:

17 You are excused.

18 ATTORNEY ARMSTRONG:

19 Director Lloyd, I'd like to now call the  
20 BIE Investigator William Gavigan.

21 -----

22 WILLIAM GAVIGAN, HAVING FIRST BEEN DULY SWORN,  
23 TESTIFIED AS FOLLOWS:

24 -----

25 A. Good morning.

1 DIRECT EXAMINATION

2 BY ATTORNEY ARMSTRONG:

3 Q. For the record, could you state your full name  
4 and spell your last name?

5 A. William Gavigan, G-A-V-I-G-A-N.

6 Q. And how are you employed, Mr. Gavigan?

7 A. I'm an investigator with the Gaming Control Board  
8 BIE and I'm currently the case agent assigned to the  
9 SugarHouse Casino.

10 Q. And how long have you been employed in that  
11 position?

12 A. I began working for BIE in January of 2006, and I  
13 was promoted to case agent for the SugarHouse Casino  
14 in August of 2014.

15 Q. And what are your responsibilities as an  
16 investigator in the BIE?

17 A. I conduct financial investigations and background  
18 investigations of individuals under companies who wish  
19 to conduct business with or participate in gaming  
20 activities in the Commonwealth of Pennsylvania. I  
21 also conduct miscellaneous investigations pertaining  
22 to potential regulatory violations at the SugarHouse  
23 Casino.

24 Q. In your professional capacity, have you been  
25 involved in the investigation of SugarHouse Casino's

1 renewal application?

2 A. Yes, sir.

3 Q. When did the (BIE) begin its renewal  
4 investigation of SugarHouse Casino?

5 A. August 2014.

6 Q. Can you describe the scope of the investigation?

7 A. After reviewing the Bureau policy for renewal  
8 investigation, I reviewed the applications and send  
9 correspondence to the applicant requesting supporting  
10 documentation relating to the investigation. This  
11 includes extensive financial documentation, family  
12 history, military history, criminal and/or civil  
13 litigation and potential bankruptcy and lien  
14 information.

15 I also conduct numerous database searches to  
16 verify the applicant's credit history, criminal  
17 history, education, residence history, travel history,  
18 PGCB regulatory enforcement action, special  
19 conditions, gaming licenses, references, political  
20 contributions and federal and state tax compliance. I  
21 then arrange a meeting with the applicant to review  
22 all the requested documents and conduct an interview  
23 to review the application and supporting documents to  
24 ensure all the information is complete and correct.  
25 Once the investigations completed, I prepare a report

1 of investigation.

2 Q. And did you review applications filed by  
3 SugarHouse Casino with regard to its principles,  
4 principle entities?

5 A. Yes, sir.

6 Q. And has SugarHouse Casino been cooperative during  
7 the course of the investigation?

8 A. 100 percent.

9 Q. Is the investigation complete?

10 A. At this time, I've completed approximately 80  
11 percent of the renewal investigation.

12 Q. Did the (BIE) discover any areas of interest  
13 during the course of the investigation?

14 A. No, sir.

15 Q. Did the (BIE) discover any areas of concern  
16 during the course of the investigation?

17 A. No, sir.

18 Q. Did the (BIE) discover anything during the course  
19 of the investigation that would preclude a finding of  
20 suitability for SugarHouse Casino?

21 A. No, sir.

22 Q. When does the (BIE) anticipate completing its  
23 report of investigations for SugarHouse Casino?

24 A. The remaining ROIs will be submitted to OEC no  
25 later than November 1st, 2015.

1                   ATTORNEY ARMSTRONG:

2                   Thank you. I have no further questions.

3                   PRESIDING OFFICER:

4                   Mr. Donnelly?

5                   ATTORNEY DONNELLY:

6                   No, thank you.

7                   PRESIDING OFFICER:

8                   Okay. You're excused.

9                   A. Thank you.

10                  ATTORNEY ARMSTRONG:

11                  Director Lloyd, that concludes the OEC's  
12 presentation.

13                  PRESIDING OFFICER:

14                  Okay. Any questions from Board Members  
15 for OEC? No? Okay. Then we will move into the  
16 public comment portion of our hearing, unless I hear  
17 otherwise. Anyone need a break? Okay. First, I will  
18 move into the record the written public comment  
19 received by the Board by the deadline, including the  
20 three that I read into the record previously. We also  
21 received an additional ten written comments in support  
22 of the renewal of the license for SugarHouse, and  
23 those will be entered into the record. And I've  
24 shared those with counsel as well.

25                  So, as I call your name from those

1 registered to speak, please come forward to the  
2 podium. Each speaker should begin their remarks by  
3 stating and spelling for the court reporter his or her  
4 name. If you are a speaker today and you have written  
5 notes or testimony which you will read from during the  
6 hearing, when you're finished, if you could give a  
7 copy to our court reporter, she would appreciate that  
8 as well. And just a reminder, elected officials have  
9 ten minutes, community groups are allotted five  
10 minutes and individuals have three minutes. As you're  
11 getting close to your time --- end of your time, I'll  
12 let you know that. So, if you have registered to  
13 speak today, if you would stand please and raise your  
14 right hand and be sworn by the court reporter.

15 -----

16 WITNESSES SWORN EN MASSE

17 -----

18 PRESIDING OFFICER:

19 Okay. We will begin with Mark Squilla  
20 from City Council.

21 MR. SQUILLA:

22 Good morning. My name's Mark Squilla,  
23 S-Q-U-I-L-L-A, City Councilman First District here in  
24 Philadelphia. And the SugarHouse Casino is in my  
25 district. I'd like to say a few things, I don't have

1 any written testimony, but I just have a couple quick  
2 points I'd like to make. And the first one, which is  
3 always the biggest one, is the creation of jobs and  
4 how important that is to us here in the City of  
5 Philadelphia. SugarHouse has currently over 1,000  
6 jobs, and with the expansion, we'll add another 500  
7 jobs. It's more important that a lot of the workers  
8 here come from Philadelphia. Over 50 percent of the  
9 workers are from Philadelphia, which is the key to our  
10 growth, also the key to our tax base and very  
11 important to us here in Philadelphia.

12                   Working with SugarHouse, they have been  
13 very willing and open to deal with not only Special  
14 Services District, which comes with the Casino  
15 District, and funneling out funds for the near  
16 neighbors and the surrounding community, which is very  
17 important, but also working with the police and the  
18 security. I understand Captain O'Conner is here to  
19 speak about the police and what it has meant to us  
20 here in the City of Philadelphia.

21                   You know, when we first had the casino,  
22 there was always the cries of what it was going to  
23 mean to the surrounding area, especially the near  
24 neighbors, and how the crime would increase and how  
25 that would affect them. And I'll leave a lot of that

1 to the Captain, but the one independent study done by  
2 Drexel really showed that the crime not only did not  
3 go up, but it actually decreased in and around the  
4 vicinity of the casino, which is very important to us  
5 here in the City of Philadelphia.

6           And the collaboration between the State  
7 Police, the casino and our local police is so  
8 important. But also the casino, along with the jobs,  
9 has done a tremendous job of working with the  
10 surrounding communities as far as sponsorships,  
11 sponsoring whether it's parades, local organizations  
12 and things like that in addition to the moneys that go  
13 toward the local community. So, they have been a  
14 great partner in that aspect.

15           We also have great outreach people that  
16 are always accessible, and Leigh Whitaker and Dan  
17 Stevenson and Joe Raftner, that is important to us as  
18 elected officials when there are issues or concerns.  
19 We have people that we can reach out to, and to have  
20 names to call and for people to respond instantly is  
21 very rewarding. It also lets the surrounding  
22 community know that there are people that will listen.  
23 Obviously, in a business like this, sometimes things  
24 don't always go as planned and there may be issues  
25 that come up, but at least if those issues can be

1 communicated and addressed, it's very important.

2           The issue with jobs, in Philadelphia we  
3 have a high unemployment rate and high poverty. It's  
4 very important to create as many jobs as possible,  
5 good, sustaining, paying jobs, you know, and that's  
6 something that we have here. We'd like to increase  
7 and work more. We're in constant communications with  
8 SugarHouse and accessible from the management team as  
9 far as Wendy Hamilton. And what it means to us to be  
10 able to work with her, tell her what our concerns are  
11 or how we can work to improve any problems and  
12 constantly go on the positive side of how can the City  
13 of Philadelphia and SugarHouse continue to work  
14 together to make it better. Not only for us a City,  
15 make it better for the workers, make it better for  
16 SugarHouse and really grown the business.

17           Because at the end of the day, it is  
18 additional tax dollars that goes not only to the  
19 state, but to our local economy. And as a  
20 councilperson representing the District, we do get a  
21 lot of the concerns, if there are any, from the  
22 surrounding areas. And to have SugarHouse be able to  
23 communicate to us what they are doing to resolve these  
24 issues and for us to be able to reach out to them and  
25 get those answers is so important.

1                   So, I'd like to give a lot of credit to  
2 Wendy Hamilton and the people down at SugarHouse  
3 because it's really nice to be able to have there.  
4 And Wendy will tell you, too, sometimes we don't agree  
5 on everything that goes on, but we're able to sit down  
6 there and talk about things and work them out. And  
7 we'll continue to do that moving forward. We'll  
8 continue to do that, I'm sure, once the license is  
9 renewed. Because we need the license renewed, we need  
10 to make sure that we have work for our people here in  
11 the City, and we need to make sure that we keep the  
12 relationship that we have. So, I'm here to make sure  
13 that you know how we feel here in the City of  
14 Philadelphia, and hopefully you would take that under  
15 consideration moving forward. Thank you very much.

16                   PRESIDING OFFICER:

17                   Thank you. George Kappe?

18                   MR. KAPPE:

19                   Good morning, Board Members. My name is  
20 George Kappe, and I am the Captain of the 26th Police  
21 District, wherein the SugarHouse Casino lies. I just  
22 want to comment briefly on the fantastic relationship  
23 that we have with SugarHouse and their personnel,  
24 especially their security staff and the State Police,  
25 Sergeant Bill Brown at the State Police who's detailed

1 there and the Director of Security for SugarHouse,  
2 Tony DiLacqua. We communicate frequently in regards  
3 to ongoing matters in the area. Either I reach out  
4 them, they reach out to me and we liaison with no  
5 hesitation.

6 I just want to briefly comment on what  
7 Councilman Squilla touched on and that --- what I'm  
8 sure you may already be aware of was the report issued  
9 last year by a collaboration between Drexel University  
10 and Temple University in regards to crime in and  
11 around gaming establishments, particular the  
12 SugarHouse Casino, which showed no negative impact or  
13 slight decreases or slight increases, but not  
14 significantly to say one way or the other that a  
15 gaming establishment detracts from a neighborhood. So  
16 I'd be happy to answer any questions that you might  
17 have in regards to what goes on at the casino or the  
18 26th District.

19 PRESIDING OFFICER:

20 Okay. Thank you.

21 MR. KAPPE:

22 Great. Thank you very much.

23 PRESIDING OFFICER:

24 Moving along to our community groups.

25 And I'll say here if I mispronounce anyone's name, I

1 apologize in advance. This one I shouldn't, Richard  
2 Levins. Or maybe I'm a little too optimistic about my  
3 pronunciation, I don't know. We'll find out.

4 MR. LEVINS:

5 It's Levins, the Irish version. Good  
6 morning. My name is Richard Levins, L-E-V-I-N-S, and  
7 I'm here in my capacity as the Volunteer Vice Chairman  
8 of the Board of the Penn Treaty Special Services  
9 District, which includes Board representation from  
10 neighborhoods of Fishtown, Northern Liberties, Old  
11 Richmond and South Kensington. These neighborhoods  
12 are adjacent to SugarHouse Casino.

13 I'm a lifelong resident of Philadelphia  
14 and have lived in Fishtown for the last 34 years. I  
15 also served as the past President and Board Chairman  
16 of the New Kensington Community Development  
17 Corporation. Prior to the opening of SugarHouse  
18 Casino in 2010, SugarHouse was the only casino  
19 applicant to reach out to the community to offer it to  
20 enter into a community benefit agreement. Through  
21 good faith negotiations, a community benefit agreement  
22 was executed by SugarHouse and the local community  
23 leaders in 2008. Under the agreement, SugarHouse  
24 agreed to work with the members of the Penn Treaty  
25 Special Services Board to address quality of life

1 issues, hire local residents, use local vendors and  
2 commit to an initial annual contribution into the  
3 amount of \$500,000 to be increased to \$1 million upon  
4 completion of Phase One. And incidentally, we were  
5 just notified by SugarHouse that that increase would  
6 be effective this year in advance of the completion of  
7 Phase One. Thank you, SugarHouse.

8           Without exception, SugarHouse has lived  
9 up to every aspect of its obligation under the  
10 Community Benefit Agreement. It has hired from the  
11 community, used local vendors for its goods and  
12 services and lived up to its financial commitment to  
13 the community by its annual contribution. The money  
14 received from SugarHouse is used for a wide range of  
15 services in the SSD community. These include programs  
16 for youth athletics, veterans, senior citizens, arts,  
17 church groups, music appreciation, historical site  
18 maintenance, supplemental educational programs, summer  
19 concerts and cultural events.

20           The SSD distributes grants to local  
21 organizations through monthly meetings where grant  
22 proposals are formally presented to the SSD Board. If  
23 a grant is awarded to any organization, the grantee is  
24 required to provide detailed reports on the use of the  
25 funds. Our grant process is transparent and our

1 bylaws provide that our records, bank account and  
2 check disbursements are open to anyone for public  
3 inspection. The Penn Treaty Special Services Board  
4 consists of all volunteers, so every penny received  
5 from SugarHouse goes back to the community.

6 In summary, SugarHouse has demonstrated  
7 itself as an outstanding corporate citizen to the area  
8 served by the Penn Treaty Special Services District  
9 and the Philadelphia Region. It has lived up to all  
10 of its obligations under the Community Benefit  
11 Agreement. In the Philadelphia region generally,  
12 SugarHouse is one of those unfortunately very few  
13 corporate organizations that sponsor events that have  
14 been historically near and dear to the public.  
15 Examples include sponsorship of the New Year's Eve  
16 fireworks and the Mummers Day Parade in Philadelphia.  
17 Thank you very much.

18 PRESIDING OFFICER:

19 Joseph Cipolla?

20 MR. CIPOLLA:

21 That was very close. Cipolla (corrects  
22 pronunciation), C-I-P-O-L-L-A, and it's an  
23 Americanized version of Cipolla (changes  
24 pronunciation), which my grandfather is probably  
25 turning over in his grave because we still use Cipolla

1 (changes pronunciation). But it's Joe Cipolla. So,  
2 good morning to the Board. I have the great honor  
3 today to be here as a representative of JEVS Human  
4 Services. I am the director of employment services at  
5 that organization. If you know about JEVS, we're a  
6 74-year-old non-profit organization that really  
7 strives to help people find new direction both in  
8 their career and their personal lives. And we help  
9 about 20,000 people a year do that.

10                   One of the hallmarks of JEVS is our  
11 workforce development programs, and one of the key  
12 activities of workforce development is finding people  
13 jobs. People come to us who have many barriers to  
14 employment, and so it is critical that we find  
15 businesses partners who not only are willing to hire  
16 the folks that we present to them as candidates, but  
17 also engage in the activity of instructing and  
18 mentoring people as they go through this process of  
19 finding a job in today's difficult marketplace.

20                   And you can imagine when we talk about  
21 people with multiple barriers we're talking about  
22 people who may have just not been in a workforce for a  
23 long time for a number of reasons, or have sporadic  
24 work histories. So they really and truly find the  
25 employment market and what's required in today's

1 market to be quite daunting. If they were to do it on  
2 their own, most of the times they'd fail.

3                   Since 2011, we've had a fantastic  
4 relationship with the HR Department at SugarHouse, in  
5 particular Jay Tarbell, Romaine Jones, Maryann  
6 Warrington. They have always been there for us when  
7 we've asked them to do things like come in and speak  
8 to a group of job seekers on what's the best way to  
9 interview, come in and take a look at people's résumés  
10 and give us an idea about what's a winning résumé.  
11 How do you get through that panel interview where they  
12 ask you if you could be any color what color would you  
13 be? You can imagine how daunting that is for somebody  
14 who has a sporadic work history or maybe somebody who  
15 comes from a low-income background.

16                   SugarHouse has always been there to help  
17 our folks, our jobseekers become true candidates. And  
18 whether they get hired by SugarHouse or they go to  
19 another organization or go to another company within  
20 this region, that help that they provide our people is  
21 absolutely critical, giving them confidence and really  
22 teaching them what it really takes to win in the job  
23 market. A couple other things that I want to point  
24 out to you about what they've helped us do. They  
25 participate in four to five job fairs a year in our

1 organization, sometimes specifically for SugarHouse  
2 when they have a large recruitment. And other times  
3 they join other companies that come in.

4           Of particular importance is that we have  
5 an annual --- we actually twice a year do a joint job  
6 fair with the Jewish Federation of Philadelphia, and  
7 SugarHouse every year is very kind in coming in and  
8 not only providing job opportunities for those  
9 candidates who come through, but also leading  
10 workshops and panel discussions on interviewing  
11 skills. They come on a regular basis and give us  
12 feedback, so they participate in focus groups with us  
13 to help us figure out what's the best way to help  
14 people attached to a labor force.

15           They're also an active participant in  
16 our JEVS Corporate Partners Group, and this is a group  
17 of 65 business leaders throughout the area who get  
18 together five times a year, and again, give us  
19 direction, provide us with job leads of other  
20 companies that we can seek. And I'm happy to tell you  
21 that JEVS has in its group of employers over 1,000  
22 companies that have hired from JEVS. SugarHouse is in  
23 no small part helpful in having us expand that group.  
24 They also provide us with philanthropic support as  
25 well.

1                   In 2013, JEVS selected SugarHouse as its  
2 business leader of the year and presented it to them  
3 at our annual Strictly Business Awards luncheon that  
4 happens every October. In 2014, SugarHouse was  
5 selected as the national winner of the International  
6 Association of Jewish Vocational Services Annual  
7 Business Leadership Award, and we presented that award  
8 to them in Montreal in May of 2014.

9                   I've been doing this work for 38 years.  
10 I can tell you how important companies are as not just  
11 places to go that have openings, but they're really  
12 true business partners. And SugarHouse is at the top  
13 of our list. I fully --- JEVS fully supports their  
14 application for renewal and hopes the Board will look  
15 favorably on that. Thank you very much.

16                   PRESIDING OFFICER:

17                   Shalimar Thomas?

18                   MS. THOMAS:

19                   Good morning. Thank you for allowing me  
20 to testify today. My name is Shalimar Thomas, that's,  
21 T-H-O-M-A-S. Maybe I should just spell my first name,  
22 too, just for the record. S-H-A-L-I-M-A-R. I know  
23 it's not the easiest name. I'm the executive director  
24 of the African American Chamber of Commerce of  
25 Pennsylvania, New Jersey and Delaware.

1                   Businesses and individuals join the  
2 African-American Chamber of Commerce to have a voice  
3 in legislation. In addition, their membership helps  
4 them connect with on average more than \$300 million in  
5 contract opportunities in some of the region's top  
6 business leaders. The African-American Chamber of  
7 Commerce membership has reached more than 400 members,  
8 a 78 percent increase in only one year, and has been  
9 named one of the top Chamber of Commerce in the  
10 region.

11                   We are also one of the fastest growing  
12 chambers in the region. In addition, we continue to  
13 be the only Chamber of Commerce in Philadelphia with a  
14 specific focus on African-American business  
15 development, and we continue to play a vital role to  
16 help in suppliers meet their supplier diversity goals.

17                   SugarHouse Casino has been a tremendous  
18 partner with the African-American Chamber of Commerce.  
19 Decision-makers like Leigh Whitaker have taken time  
20 out of their day, which is something very important to  
21 the Chamber. We understand that time that  
22 decision-makers have and for them to take time to  
23 speak with our members is very important to the  
24 chambers. But decision-makers have taken time out of  
25 their day to speak to our members about best practices

1 and the process for obtaining contracts with their  
2 organization.

3                   Their approach has been honest,  
4 transparent and effective, evident by one of our small  
5 business members, JCW Consulting, who attended these  
6 sessions and is now doing business with the SugarHouse  
7 Casino.

8                   In addition, thanks to their new  
9 business relationship, JCW Consulting is contributing  
10 to the economic development of the region and was able  
11 to increase his workforce. This is something else  
12 that we work with partners like SugarHouse Casino to  
13 help our members do, to not just get contracts, but to  
14 get contracts in the way that'll help them develop  
15 their workforce and hire.

16                   Also, leaders at SugarHouse have worked  
17 with the Chamber of Commerce to share their process  
18 through several communication channels. We don't want  
19 to get our members --- have our members getting  
20 information about contracts one way. We use various  
21 social media outlets and our newsletter to share  
22 information. And SugarHouse Casino has participated  
23 in each and every one of these platforms.

24                   The organization continues to work with  
25 SugarHouse Casino --- the African-American Chamber

1 continues to work with the SugarHouse Casino to think  
2 of innovative ways to communicate contracting  
3 opportunities, support supplier development programs  
4 and connect our members who are ready for the  
5 opportunity to contract.

6           The Chamber has had an extremely  
7 successful year. More than 30 percent of our members  
8 have indicated that they've received at least one  
9 contract in the past year and has hired at least one  
10 new employee. It is because of partnerships with  
11 organizations like the SugarHouse Casino that's  
12 allowing us to not only help our members with contract  
13 opportunities, but also make sure we provide technical  
14 assistance to help them qualify for those  
15 opportunities, grow, hire and have an economic impact  
16 on the community. This is why I support SugarHouse  
17 Casino. Thank you so much.

18                           PRESIDING OFFICER:

19           Peter Gonzales? Mr. Gonzales? Okay.  
20 We will move on to the individuals that have  
21 registered. Bill Francisco?

22                           MR. FRANCISCO:

23           Hello, everybody, good afternoon. My  
24 name is Bill Francisco and I'm the owner of a company  
25 called Fishtown Fleet Wash. My company started

1 working for SugarHouse in June of 2007, almost two  
2 years before it opened. And since that day it opened  
3 in September of 2010, myself and/or some collection of  
4 my workers have been there every day. We've been  
5 there on Christmas morning, we've been there at 12:00  
6 on New Year's Eve and for a bunch of Irish Catholic  
7 boys from Fishtown, yes, we've been there on St.  
8 Patrick's Day.

9                   Our first job we did for SugarHouse was  
10 to clean the --- oh, my handwriting --- the area of  
11 land that the SugarHouse is located on today. The  
12 weeds were six foot high and a collection of wildlife  
13 that we encountered was very foreign to us. What was  
14 a deer doing living in Fishtown?

15                   Near the end of that job, which took us  
16 a week, some guy drove on the property looking for  
17 directions to 95. After I got done telling him how to  
18 get to 95, he said, oh, by the way, dude, there's a  
19 snake wrapped around your ankle. That's a true story.  
20 But since that time, the SugarHouse has thankfully  
21 kept us very busy.

22                   I employ around 20 people that all live  
23 within walking distance of the SugarHouse. From 2010  
24 to 2012, we had some lean times in our business, but  
25 today in 2015 our business and the amount of work we

1 do has never been higher in the 19 years we've been  
2 around. But I'm not sure we would have even made it  
3 to 2015 without the work from the SugarHouse.

4 I'm very thankful to SugarHouse, not  
5 just for my business, but also for the effect they  
6 have on my neighborhood in a variety of ways.

7 I'm sure people have come to you and  
8 talked to you about the Special Service District,  
9 which is a great thing for the whole area. My  
10 perspective of the Sugarhouse, and living in the  
11 neighborhood and working, I see the small personal  
12 things they do for people that resonates through their  
13 lives. When they support a cause for --- like a sick  
14 person in the neighborhood or when they change a  
15 person's life by simply giving them a job.

16 In my life the SugarHouse is probably  
17 the best thing that ever happened to my neighborhood.  
18 I can't tell what's second because a lot of things  
19 don't really happen good in our neighborhood. But  
20 since they've been in there, we've had new  
21 restaurants, new coffeehouses, hipsters. I actually  
22 have a neighbor that lives across the street from me  
23 that moved to Fishtown from Key West, Florida. Like,  
24 who does that?

25 So in closing, I'm usually not just this

1 informal, but my body has poison ivy all over it. And  
2 I had the audacity to call Wendy Hamilton yesterday to  
3 try to book off on this, and like an hour later, I'm  
4 driving in my truck, I'm like I have a lot of --- what  
5 kind of gall do I have to ask Wendy not to come here  
6 tomorrow, of all the stuff they've done for us over  
7 the years. So, thanks. That's my speech.

8 PRESIDING OFFICER:

9 Joseph O'Connell, I'd hate to be you.  
10 Just for this moment in time, I'd hate to be you.

11 MR. O'CONNELL:

12 Good morning. So do I. Unfortunately I  
13 do ---. Good morning, thanks for letting me talk. My  
14 name is Joseph O'Connell. I'm one of the owners of  
15 Emerald Business Supply. We're an office supply  
16 company that started back in 1988. It's owned by  
17 myself and my four brothers who grew up in Kensington  
18 on Emerald Street.

19 As you know, the office supply industry  
20 is a very tough business, it's very competitive. We  
21 started dealing with SugarHouse in 2010 and we have  
22 increased business each year. This year is going to  
23 be one of our best years with them.

24 With that being said, we've gotten some  
25 bids from them that we had won, competitive bids, and

1 also since we've gotten those bids from them, we've  
2 been able to bring more people back to work that were  
3 laid off previously. We have 23 employees, we're a  
4 very small company, but with SugarHouse growing, we're  
5 hoping that we grow also with them.

6 So with that said, I'd like to thank you  
7 guys for giving us the opportunity.

8 PRESIDING OFFICER:

9 Thank you.

10 MR. O'CONNELL:

11 Okay. Thank you.

12 PRESIDING OFFICER:

13 Alicia Larkin?

14 MR. DELUCAS:

15 Alicia wasn't able to be here today  
16 because she's in the hospital, but she asked that her  
17 statement be entered into public record. I have it  
18 here, is it okay if I read it?

19 PRESIDING OFFICER:

20 Surely.

21 MR. DELUCAS:

22 Okay. My name's Thurman DeLucas  
23 (phonetic), I work at the SugarHouse Casino. But her  
24 statement is this, seven years ago I was diagnosed as  
25 having two minor brain tumors. Since then my

1 condition has worsened and I've sought more serious  
2 treatment since January of this year.

3           Once, I was sent home from work because  
4 I was bleeding from my eyes and vomiting. I thought  
5 they were looking out for me, but they weren't because  
6 I was pointed.

7           I've had numerous doctor's appointments  
8 and a few trips to the emergency room, and each time  
9 they've caused me to miss work or been late. I've  
10 been pointed. I've brought in doctor's notes to  
11 management and human resources and even had my doctor  
12 call SugarHouse while I was in the ER, but they still  
13 pointed me. One manager even responded, quote, looks  
14 like we're going to have to find a new food runner.

15           I'm a single mother of two and a good  
16 worker and I need my job at SugarHouse, but I won't be  
17 able to keep it if the attendance policy doesn't  
18 change. Thank you.

19                           PRESIDING OFFICER:

20                           Joe Schleinkofer? Mr. Schleinkofer?

21 Okay.

22                           MR. SCHLEINKOFER:

23                           Hello. I'm here just to represent some  
24 opinions of my coworkers. I'm here just to represent  
25 some opinions of most of my coworkers who all strongly

1 object to the SugarHouse attendance policy.

2           It's very easy to point out at  
3 SugarHouse. I started at day one at SugarHouse, less  
4 than half, maybe one-third of the original employees  
5 are still working there from day one.

6           Some heartbreaking stories of people  
7 being pointed unjustly regardless, since there's no  
8 excuse policy. There is absolutely no excuse. I feel  
9 that it is a very indifferent and insensitive policy.  
10 People are trying to earn money for their families.  
11 You should be a little more conscientious when you  
12 turn somebody out into the street who are trying to  
13 provide for their children, single mothers or fathers,  
14 whatever. I just feel they have no problem releasing  
15 people.

16           Also, during certain states of  
17 emergencies in the past five years, the SugarHouse is  
18 the only major business that I think remained open.  
19 The Mayor urged people of nonessential business to  
20 please close or keep people off the street, SugarHouse  
21 stays open. The gallery in Center City closes, you  
22 know, the whole City closes.

23           One example, Hurricane Irene in 2011,  
24 while they had rooms reserved at a hotel less than a  
25 half a mile away from the SugarHouse, we had to call

1 in on a hotline, which I did report to work that day.  
2 It was a Saturday in August of 2011.

3 I was then told the storm's getting kind  
4 of severe, maybe you better go home, Joe. I had to  
5 walk home two-and-a-half miles in a pouring rain, high  
6 winds, water everywhere. I was in fear of the wires  
7 coming down, getting electrocuted. Manhole covers in  
8 my neighborhood, they're disappearing left and right.  
9 The last thing I wanted to do was fall through one of  
10 them. Thank God I made it home safely.

11 Recently in 2014, SEPTA stopped running  
12 for one of their storms, February 2014. I was also  
13 pointed for that. I rely on SEPTA, as do many other  
14 people. As far as I know, all of those people who  
15 relied on SEPTA that night to get to work were pointed  
16 because they had a fair amount of people that showed  
17 up. What's that say?

18 I brought it up at a team meeting one  
19 time to one of the executives. Her response to me was  
20 I should have thought about that before I took the  
21 job. I don't think that we should have to think of  
22 things that far ahead. How often does SEPTA shut  
23 down? You know, I mean, I think they're a little  
24 overbearing with the policy and there are a litany of  
25 things that are kind of shocking if they were made

1 public on why some people are released.

2                   It's a no-excuse policy and that's the  
3 one thing that's consistent about it. It's a very  
4 indifferent and insensitive policy, and I've never  
5 worked anywhere with the kind of discretion that's  
6 used there, including the United States Army, which  
7 has more understanding. That's all I have to say.  
8 Thank you.

9                   PRESIDING OFFICER:

10                   Valerie Owes?

11                   MS. OWES:

12                   Hello, how are you? My name is Valerie  
13 Owes. I've been employed by the SugarHouse Casino  
14 since 2010. We have an attendance policy that  
15 consists of six credits, which we call points. We get  
16 down to zero basically we're fired. Employees are  
17 penalized under this attendance system, even if they  
18 are hospitalized, have doctor's notes, get injured on  
19 the job. We have also been punished if we arrive one  
20 minute late.

21                   I am presenting you the results of a  
22 survey that we conducted of over 200 workers and it is  
23 very --- the results are very clear. Ninety-five (95)  
24 percent said employees should not be receiving points  
25 if they have a doctor's note. Ninety-seven (97)

1 percent said employees should not receive points if  
2 they have to go to the emergency room, which you heard  
3 one of the workers is in the hospital now.

4 Ninety-nine (99) percent said employees should not  
5 receive points if they get hurt at work. Eighty-eight  
6 percent said employees should not receive points for  
7 being one minute late. Eighty-four (84) percent says  
8 six points is not enough.

9                   SugarHouse likes to say that they have  
10 the best job in Philly, but I believe that the  
11 attendance policy is unfair. It hurts my coworkers,  
12 leads to a high turnover and hurts our services. I  
13 think it's a disgrace that the City Council passed a  
14 law giving the workers paid sick days, SugarHouse  
15 workers are still being punished and even fired for  
16 being sick. Thank you.

17                   PRESIDING OFFICER:

18                   Charles Librizzi?

19                   MR. LIBRIZZI:

20                   Good morning. My name's Charles  
21 Librizzi, L-I-B-R-I-Z-Z-I. I've been at SugarHouse  
22 Casino for four years. Coming from Atlantic City, I  
23 was thinking SugarHouse was just another casino. From  
24 day one I noticed that SugarHouse is not just another  
25 casino, it is a community.

1 I was used to management walking  
2 straight passed me without even saying a word, but not  
3 here. It's a different story. If someone from the  
4 upper management team would walk past, they would stop  
5 and say, hello, Chuck, welcome aboard. If there's  
6 anything I can do for you, let me know. I have  
7 enjoyed my time here at Sugarhouse.

8 Every day I come to work there's always  
9 something new whether some days we're hosting a Susan  
10 G. Komen Event, Mother's Day brunch or it's just  
11 another workday. I feel that my culinary knowledge  
12 has grown with experience from working. I look  
13 forward to the future and hope for a possible  
14 promotion with expansion.

15 Now, SugarHouse has been very supportive  
16 to me and my family. I have three children which all  
17 have a primary immunodeficiency disease. A primary  
18 immunodeficiency disease is when someone's immune  
19 system is either missing or not functioning properly.  
20 Where you or I may get over a common cold in two days,  
21 my children it would --- could last up to two weeks  
22 and needing antibiotics.

23 The Immune Deficiency Foundation holds a  
24 benefit walk down at Penns Landing right here in  
25 Philadelphia. The purpose of this walk is to raise

1 awareness and funds in hoping to finding a cure.

2           SugarHouse Casino has sponsored my  
3 family the past two years to help raise over \$5,000  
4 and which in turn has made me one of the top  
5 fundraisers in the Philadelphia area. Also,  
6 SugarHouse granted me the money to allow my family and  
7 I to go to the Immune Deficiency's National Conference  
8 last month. By going to that conference, we were able  
9 to meet doctors and other medical professionals. We  
10 were able to learn about new products that are coming  
11 soon. And the most important part of going to the  
12 conference was that my kids could meet other kid their  
13 age so they could share stories and see how other kids  
14 cope with this rare disease.

15           My family and I are truly grateful for  
16 everything SugarHouse Casino has done for us. In my  
17 18-year casino career, I worked in good casinos and  
18 not so good casinos. But SugarHouse Casino is a great  
19 casino and I'm proud to be part of the SugarHouse  
20 Casino family. Thank you.

21           PRESIDING OFFICER:

22           Phillip Prince?

23           MR. PRINCE:

24           Hi and good morning, PGCB and fellow  
25 members of the audience. My name is Phillip Prince

1 and my name is spelled with, P-H-I-L-L-I-P,  
2 P-R-I-N-C-E. And today I have a story to tell, and  
3 it's essentially about my life and how the SugarHouse  
4 Casino has affected it in such a positive way. About  
5 seven years ago I ended up having to leave school, and  
6 choosing to leave school, I ended up choosing to keep  
7 a roof over my head. And the area in which I lived in  
8 was Kutztown University.

9                   This is a known college town where every  
10 season, once summer hits, all the college students are  
11 gone and the only populous that stays there are  
12 individuals that have jobs outside of this town. If  
13 you do happen to get a job inside town, you're more or  
14 less stuck with that facility until the students come  
15 back, until they have a cheaper workforce. So at that  
16 point in my life I just saw myself as going nowhere.  
17 And my girlfriend at the time, who's now currently my  
18 wife, she saw the pain in which I was going through,  
19 but she tried to stick with me.

20                   At one point in time, my employer  
21 proceeded to explain to me, well, the season's  
22 starting to come up and we just aren't looking for  
23 full-time busboys, so sir, you'll just have to hit the  
24 bricks. With that being told to me, it made me  
25 understand a few things. That my situation, going

1 into college, I was a foster child, so already from  
2 the start I was behind the eight ball. There was no  
3 place for me to return to, there was no place I could  
4 go forward to besides schooling. So once he told me I  
5 was going to be unemployed, I just knew then in, then  
6 out that I would not survive.

7 Me and my girlfriend at the time, we  
8 proceeded to discuss whether or not we should continue  
9 to stay together, and she came up with the idea if I  
10 want to leave, that's fine, but only after a year of  
11 staying with her in Philadelphia. So we moved here to  
12 Philadelphia. We stayed with her sister for almost an  
13 entire year, and I had the worst luck possible in  
14 terms of finding a job as we were coming right out of  
15 the recession. It was at that point where by luck of  
16 the draw, my wife had proceeded to hear about the job  
17 fair that was held exactly in this building here for  
18 the SugarHouse Casino.

19 I proceeded to show up at the job fair  
20 and talk to many individuals, some are sitting here  
21 today, some aren't. But as I spoke to those  
22 individuals, I could see that they were extremely  
23 excited and they wanted to be here in Philadelphia.  
24 Fast forward a couple weeks and I was able to get an  
25 interview with table games. Unfortunately, at the

1 time I wasn't able to pass the math test to the full  
2 extent. They wanted me to answer a couple more  
3 questions than I was able to answer in the allotted  
4 amount of time.

5                   At that point, I held my head low. I  
6 knew I wasn't going to go anywhere with my life. I  
7 saw myself as just hitting a brick wall and saying, in  
8 a couple weeks' time I'm going to be homeless. I  
9 can't bring anyone else down with me. So I prepared  
10 to tell my girlfriend this was the end. But lo and  
11 behold, Bill Omar who's possibly in the audience,  
12 probably not, he had given me a call and said to me  
13 that, Phil, I saw your interview for table games, you  
14 seem to have something about you. I want you to come  
15 back for security. So fast-forward a couple more  
16 weeks and all of a sudden now I'm at the security  
17 interview and I'm just thinking to myself, this is it,  
18 but don't get too upset about it, just do you, be  
19 yourself.

20                   In doing so, I remember walking in,  
21 seeing all of the chef's smiling faces, seeing all the  
22 people happy, playing the games with the balloon stuck  
23 between your knees passing it along. But it wasn't  
24 until the end of the interview, or the panel  
25 interview, that I really felt I put my best foot

1 forward, but I didn't know if I had the job 100  
2 percent. And a couple minutes later here comes Bill  
3 running out the door waiving me down. And we spoke  
4 for a couple moments, but one of the things I remember  
5 him telling me was you had a certain charisma when you  
6 were at the panel, you had a certain strength in the  
7 your eyes that told me that you could do this  
8 business. Do you think you want to get the job in  
9 security? I almost leap into his arms.

10                   And now fast forward quite a few years,  
11 I went from nearly being homeless to owning a home. I  
12 went from not being able to afford a vehicle, let  
13 alone being a foster kid allowed to get my license, to  
14 having not only one vehicle but two. And of all  
15 things I was, thank God, blessed that me and my wife,  
16 now we're currently having a kid on the way.

17                   There's a lot of testimonies you're  
18 going to hear today from both sides, people that are  
19 for the Union, people that are for the SugarHouse, but  
20 we're all here to say that we're just trying to look  
21 for a better environment and place to work in. And I  
22 feel the SugarHouse Casino --- like Wendy, you're  
23 awesome to me every time I see you. Heck, everyone  
24 I've worked with at this facility, they're amazing.

25                   And I feel for the guys all the way in

1 the back that are standing up. I understand their  
2 pain and I fully understand what they're going  
3 through. But I understand that every one of us have  
4 our own struggles and own problems that we have to go  
5 through, and I feel the SugarHouse is coming together  
6 as a family, something I only learnt about from being  
7 at a facility like this and meeting the individuals  
8 that I work with.

9                   For me, this business is so unique and  
10 so different, because of the amount of people that  
11 I've been introduced to, been gracious enough to be  
12 introduced to, and also just to work with them. It's  
13 amazing, and I feel the SugarHouse deserves to have  
14 their license renewed. But most of all I believe this  
15 family deserves another change to continue on the path  
16 in which you're taking. Thank you and have a great  
17 day.

18                   PRESIDING OFFICER:

19                   Sung Fitzmaurice? Fitzmaurice (changes  
20 pronunciation)? Fitzmaurice (changes pronunciation)?

21                   MR. FITZMAURICE:

22                   That was perfect, perfecto. Very nicely  
23 done. Thank you. Good afternoon, Board Members. My  
24 name is Sung Fitzmaurice, F-I-T-Z-M-A-U-R-I-C-E.  
25 Well, let me tell you my story, and it began five

1 years ago when I was hired to begin day one dealer  
2 school at SugarHouse.

3           Being hired, I remember back then it was  
4 a process, a unique process. I remember the three  
5 steps it took to receive three parts of a puzzle that  
6 spelled sweet success. And I'm sure everybody  
7 remembered that here. There was a math quiz, which I  
8 thought was simply, maybe too simple. But also they  
9 had this interview panel review that was kind of  
10 unique at that time.

11           And of course, everybody had so much  
12 good energy, I felt so welcome there. They made us  
13 feel like to have this interview, just have fun.  
14 That's all they say. And of course, Leigh, I remember  
15 her well as being part of that. The way it was done,  
16 I'd definitely say that it was new and exciting. Very  
17 new and exciting.

18           So in dealer school, I met people that  
19 will mold and support me throughout my new career. I  
20 can't say enough about them to describe how much they  
21 meant to me. As teachers, supporters and people that  
22 I respected very much, they taught me a new way of  
23 thinking which carries on with me today. Now, they  
24 truly impacted my life.

25           I previously owned my own mortgage

1 business, I was a mortgage banker and everybody knows  
2 the collapse in 2006. How it affected me and my  
3 family, I have to reinvent myself basically learning  
4 different aspects of the mortgage business, and I did  
5 that for the next three years.

6           After reinventing myself, I found in my  
7 position where I needed to reinvent myself again, so I  
8 did that again. But that's where SugarHouse came into  
9 view. They offered me a new career, not a job, but a  
10 career that I'm proud of today.

11           What they represented, they showed me  
12 that they are caring people, the people that I met  
13 throughout the years. The people that I see every day  
14 at work in the different departments, they're my  
15 teammates and my SugarHouse family. That's what makes  
16 this a special place for me to work since day one.  
17 There's so many people I look forward to meeting in my  
18 future at SugarHouse also.

19           Now, I started as a dealer and was  
20 promoted to a dual rate, then again, promoted to a  
21 full-time supervisor. Through my promotion since  
22 opening day at SugarHouse, I was able to provide for  
23 my family and establish a rewarding new career. I  
24 have worked hard and, of course, as you can see,  
25 results with rewards and promotion and recognition.

1 I am very appreciative of all the people  
2 that still support me in my future endeavors. And I  
3 also look forward to many of my years of being part of  
4 the SugarHouse family and I want to tell you the  
5 journey we have taken under and the future roads we  
6 will travel, we do it together. That's a caring  
7 family and that's what we have here at SugarHouse.  
8 Thank you for your time.

9 PRESIDING OFFICER:

10 Monica Gardner?

11 MS. GARDNER:

12 Hello. My name is Monica Gardner,  
13 G-A-R-D-N-E-R. I'm currently a table games dealer at  
14 SugarHouse Casino. I honestly underestimated  
15 SugarHouse when I came back in 2010. I'm a day one  
16 hire and I came in to the interview, it was really  
17 weird, because they were dancing and music playing.  
18 And that's not the typical interview that you're used  
19 to going into.

20 So I came from Toys R Us and I recently  
21 had a baby, my son was two months old when I first  
22 came, so I was experiencing a lot of new things in  
23 life. I was 21 years old, never been in a casino  
24 before and I was hired as a steward.

25 So when I went in, I was a little

1 excited, but not too excited because I was just  
2 washing dishes. And I didn't know, like you know, how  
3 exciting could that be. But once I got in and I met a  
4 few people who kind of had the same experience that I  
5 did, other single moms with new children, and  
6 different walks of life, people that already have  
7 previously been in the casino business and new hires  
8 just like myself.

9                   I realized that it was different. It  
10 was a family-oriented kind of place. It became a  
11 different, kind of like brother and sister, type of  
12 thing. We would hang out together. We learned each  
13 other and about our families, mothers, fathers, past  
14 and stuff like that. So as time went on it went from  
15 being family-like to an actual family.

16                   I am probably the most promoted person  
17 there, I believe. I'm on my fourth department. So in  
18 the five years that we've been open, I started out as  
19 a dishwasher, I was promoted to a cook. Went from  
20 being a cook to account attendant and I was encouraged  
21 to be a dealer.

22                   I would say that each department was  
23 awesome. Each lesson I learned there, it put me in a  
24 step for the next position, which you know, I couldn't  
25 get that anywhere else, not at Toys R Us and that's

1 where I came from. Yeah, that was --- it's not the  
2 family that you would have at SugarHouse.

3 I have so many stories to tell, of  
4 course, because I've been all over SugarHouse, so I  
5 could go on and on for days. But I think the most  
6 memorable thing I do have is me going into the  
7 bathroom, and I think it probably was like the first  
8 year, and I went to the ladies room and I saw Wendy  
9 there. And she was just, you know, simple girl stuff,  
10 checking the mirror, washing her hands or whatever.  
11 And then she took the paper towels and she wiped  
12 around the sink. And I knew exactly who she was,  
13 there's the general manger, but she's wiping the sink.

14 And it stood out to me as, you know, you  
15 got to remember to always humble yourself no matter  
16 where you go and how far you get, to take time out to  
17 look out for somebody else.

18 So at SugarHouse when you go in there,  
19 it's the simple things like holding the door for the  
20 next person or picking up trash. It's not your job,  
21 but you'll still do it because that's the type of  
22 atmosphere that we have there. And yet, each job, you  
23 know, you go into these jobs and it's not going to be  
24 perfect, you're going to have your bad days. But  
25 after you had a bad day, you'll come in tomorrow and

1 have the best time of your life.

2                   There's some days I come in I don't want  
3 to work, I'm feeling bad, I probably had a bad day at  
4 home, but I'll talk to a supervisor or I'll get on the  
5 floor and deal with a customer and they make me want  
6 to be there, like, for the next three days. So now I  
7 can hang out for the rest of the week. I can hang out  
8 for the rest of the week because I had such an awesome  
9 time. And not to mention I'm getting paid to do it.

10                   401K plans and all of that, that's all  
11 fine and well, but when you go to work and you're  
12 surrounded by people that encourage you and want you  
13 to do better, and like, you know, they have your best  
14 interest in mind, that's a really good place to be. A  
15 lot of businesses aren't like that, especially these  
16 days. It's hard to find a job and keep a job, so when  
17 you have a job and, you know, they're pushing --- as  
18 long as you're willing to work and you're willing to  
19 try, together you can build a successful place. And I  
20 think SugarHouse has been pretty successful in the  
21 past four or five years that we've been open.

22                   I don't --- you know, the skills that I  
23 have now I haven't acquired on my own. It took a lot  
24 of work. It took a lot of people and patience because  
25 sometimes, you know, I can get a little spicy. But

1 they've been pretty patient with me, my managers and  
2 supervisors, whatever, and they've allowed me to  
3 expand myself and move freely within SugarHouse, and I  
4 really appreciate that because there's not a lot of  
5 places where you have that opportunity.

6                   So I hope you guys consider renewing the  
7 license because I would like to keep my job and I  
8 would like to stay at SugarHouse where I can keep a  
9 full-time position. Regardless to what position I'm  
10 in, it's always been full time. I don't want to have  
11 to go to another casino where they don't even offer it  
12 because they don't want to give the benefits. I have  
13 a child, so the benefits work well with everything  
14 that goes on in my personal life. So, you know, thank  
15 you, SugarHouse. Thank you, God.

16                   PRESIDING OFFICER:

17                   Joshua Rodriguez?

18                   MR. RODRIGUEZ:

19                   Good afternoon. My name is Joshua  
20 Rodriguez. And that is spelled, R-O-D-R-I-G-U-E-Z. I  
21 have been currently working here at SugarHouse Casino  
22 for about three years now. Working at this Casino has  
23 been quite a unique experience in its own with all the  
24 amazing people that I've met throughout this three  
25 years journey. I can't think of a better job

1 experience.

2                   From working my way up through the  
3 ladder here at the casino just to make a name for  
4 myself, to overcoming some fears, creating new  
5 projects for an ever changing market and how amazing  
6 our team inspires us to do our best each and every  
7 day. So in this letter I'm going to tell you why  
8 SugarHouse Casino is one of the best places to work in  
9 Philadelphia, PA.

10                   Three years ago when I applied, I  
11 thought I would never get a call for a group  
12 interview, nor did I ever see myself in the position  
13 that I am today. The interview itself was a whole lot  
14 of fun, from people laughing at the crazy responses to  
15 just questions they asked during the interview or just  
16 hearing about the back-stories of the actual panel  
17 judges. It was at that moment I knew SugarHouse  
18 Casino was just what I was looking for.

19                   When the interview finally ended, we all  
20 proceeded back downstairs to our HR waiting room. A  
21 woman with short, blonde hair emerged and stated,  
22 thank you everyone for coming. At this time I'm going  
23 to call some names so I can get more information  
24 regarding your application. Guess what? My name was  
25 called and I got the job, obviously.

1           The first department I ever started in  
2 with soft count, a department that never saw any  
3 interaction with the guests, but I have to say it was  
4 hard work. Every day you would be responsible for  
5 counting the previous day's cash amounts, either in  
6 table games or slots, or even both.

7           The coworkers I met in the department  
8 were a trip-and-a-half. We always had a nice laugh at  
9 anyone's expense regardless of the scenario, trust me.  
10 I finally had to say goodbye to soft count. You see,  
11 I was at the age where my parent's insurance no longer  
12 covered me, and I had to think of my own well-being.

13           My manager was 100 percent supportive  
14 and she understood where I was coming from. And in my  
15 decision, she actually supported me 100 percent again.  
16 Thanks to soft count, I had a strong foundation of  
17 understanding how some things worked in the casino.  
18 All I can say, it was a step in the right direction.

19           My next department was by far one of the  
20 most demanding. It was called player services. What  
21 a department. There was never a dull moment. From  
22 the strange requests that guests would ask on every  
23 single day to just talking with my coworkers just to  
24 make the day pass by, it was always a laugh.

25           The department was right in the

1 limelight, the center of attention. You see, when I  
2 first started, I would be a shaking mess making  
3 announcements for promotions until one day near the  
4 end of my two-year run one of my managers told me,  
5 Josh, I remember when you first started making the  
6 announcements and how nervous you were, but look at  
7 you know.

8 I never realized it until that moment  
9 that she was right. I was now just able to pick up  
10 the mic and go. I couldn't believe I finally got over  
11 my fear of public speaking. Most of the time my  
12 management team was tough with me, especially my first  
13 sponsor, but that was because he saw the potential in  
14 what I could do for the company. Even when I came up  
15 with some minor projects, I blew them away with my  
16 ability to think outside the box.

17 I started to think with player service  
18 underneath my belt I could go a number of different  
19 ways in the company.

20 My current department, and hopefully not  
21 my last, as I try to make a name for myself, is guest  
22 services, a department that is on the same page as  
23 player services, but with some major differences. On  
24 my first day, I finally knew I was home. I was still  
25 helping the guests with their questions and concerns

1 as they called in, but now was responsible for  
2 specific projects on a week-to-week basis.

3 My director is ever so supportive in  
4 wanting to see you succeed and progress in the  
5 company. I mean, what director of a company will give  
6 you a handwritten letter thanking you for coming into  
7 her department and saying how an amazing job you are  
8 doing? The answer is none.

9 In this new way of doing business,  
10 companies kind of forget about employees and just  
11 focus on their bottom line. But just receiving  
12 something to that matte, was just a breath of fresh  
13 air. You see, when it comes down to it, SugarHouse is  
14 not just a company, but also a community, but better  
15 yet a family. With everyone you meet on this journey,  
16 a coworker, a manager or even a guest, they became a  
17 special part of your life and you know deep down they  
18 just want to see you succeed.

19 We all have our good days and I know we  
20 have our bad. And guess what, the company has them,  
21 too. But when it comes down to it, our managers  
22 really do have our backs. We might not always see it,  
23 but it's there. They just want to make sure we have  
24 keys for success. Management not only wants to see  
25 the company grow and mature but us as well. Like I

1 said before, working at this casino has been quite a  
2 unique experience in its own, and I haven't regretted  
3 it. Thank you.

4 PRESIDING OFFICER:

5 Thank you. Christopher Reeves?

6 MR. REEVES:

7 Good morning, Gaming Control Board,  
8 distinguished guests. My name is Christopher Reeves,  
9 R-E-E-V-E-S, and I like to call myself SugarHouse's  
10 Superman. I work in the Human Resources Department as  
11 a team relations manager. I didn't start out in this  
12 role, like many of our other team members, I was  
13 promoted and promoted into this. This is not an easy  
14 role, like Superman there's so many superheroes in my  
15 court to help me succeed.

16 I have over ten years of casino gaming  
17 experience. And when it comes to Sugarhouse, by far  
18 they're the best in the business, especially when it  
19 comes to our team members. Because of my role in  
20 Human Resources, I see a lot of things that affect our  
21 team. We have a lot of fun, it's unparalleled.

22 One of the biggest things that I see  
23 that affects our team is our Sweet Relief program.  
24 Our Sweet Relief program helps our team members in  
25 various ways, from sending a team member and her

1 daughter to their first college viewing, from helping  
2 a team member maintain his home and not be homeless.

3 I'm a big proponent of our Sweet Relief  
4 program because it's also helped me. Hurricane Sandy  
5 destroyed my life. I lost everything, but I didn't  
6 lose SugarHouse. They're my family and they were  
7 there for me every step of the way. There's nothing I  
8 wouldn't do for my team, and I know there's nothing  
9 the team would not do for me. SugarHouse was there  
10 for me, they still are.

11 As much as my character's been tested,  
12 SugarHouse has taught me that here's always a way and  
13 there's a better way to accomplish your goals and your  
14 dreams, and I've done that.

15 I've accomplished many things working at  
16 SugarHouse, and one of my biggest accomplishments is  
17 obtaining my Bachelor's degree in Business. Using the  
18 team tuition reimbursement program, it allowed me to  
19 afford the opportunity to go back to school. \$5,000 a  
20 year in tuition reimbursement, that's huge. That is  
21 huge, and it was tough. It was very tough. One to  
22 two hour commute to work every day, a full-time job, a  
23 partner of 20 years arguing with me that I want to  
24 spend more time with you and going back to school,  
25 maintaining a 3.7 GPA.

1 I haven't stopped there. I'm working on  
2 my Master's degree. With the assistance of the  
3 tuition reimbursement program, I am doing it. I'm  
4 investing in my future and SugarHouse is investing in  
5 me. If you can imagine, along the way I've scored an  
6 awesome mentor. I can't wait to see what we learn  
7 from each other.

8 There's over 1,200 team members who work  
9 for us at SugarHouse Casino, and I'm their go-to guy.  
10 That's me, team relations. I can relate with them  
11 because we're all equals. In fact, our culture allows  
12 me to say I work for them. They're my heart.

13 I'll never forget, last year I threw the  
14 most awesome ground-breaking ceremony party for our  
15 expansion. I was exhausted, the day after I was  
16 completely exhausted. I was so proud of myself. And  
17 my boss's boss's boss, Wendy, wrote me a handwritten  
18 card explaining how well the event was executed. It  
19 drives me every day. When I'm having one of those bad  
20 days, I look at that card and say, I can do this.

21 I travel to work every day from the  
22 Atlantic City because I enjoy what I do. I love our  
23 team and I love the grey manner in which we  
24 contemplate decisions. Everyone is given a voice and  
25 a platform to speak.

1                    Celebrations are had to encourage  
2 camaraderie and cohesion. When was the last time you  
3 celebrated National Burger Day? That's next month.  
4 Did your employer ever give you a turkey on  
5 Thanksgiving? Mine did. In fact, we ordered enough  
6 to donate to the community.

7                    We are a unique entity. I've never seen  
8 anything function the way we function. And in the  
9 words of my director, we do things differently because  
10 we are different.

11                    Alone SugarHouse is four walls and a  
12 roof, but what makes us unique is the team that's  
13 housed within it. We are SugarHouse and every team  
14 member portrays that in his or her own way. As we  
15 expand and cultivate our relationship, the  
16 relationships that we form with our community, we will  
17 only get stronger. Thank you so much.

18                    PRESIDING OFFICER:

19                    Thomas Morrissey.

20                    MR. MORRISSEY:

21                    Good afternoon, good afternoon.

22 Pennsylvania Gaming Control Board. My name's Thomas  
23 Morrissey, M-O-R-R-I-S-S-E-Y.

24                    I was born and raised in Philadelphia,  
25 and I've lived in the Fishtown section of the city for

1 the last 45 years. And I'm a proud employee of  
2 Sugarhouse Casino where I've been working for the last  
3 five years.

4 I'm what we call a day oner. I've been  
5 here since the beginning. Actually, I've been here  
6 and involved in Sugarhouse since before a shovel went  
7 into the ground. Sugarhouse came to my neighborhood  
8 and promised things and said things and did things.  
9 After they did this, I joined a community group called  
10 FACT. Our first objective was to support and welcome  
11 Sugarhouse Casino to our blue collar neighborhood.

12 It wasn't long before I saw positive and  
13 concrete action from Sugarhouse, that they were the  
14 real deal. They did what they said they were going to  
15 do, whether it was helping to fund a needed event or  
16 just showing up to a protest to help us keep our local  
17 fire engine open.

18 They did what a good neighbor would do.  
19 They helped. They helped support what was important  
20 to all of us. This was done before the casino was  
21 open. So some people would say, wait until they open  
22 their casino, they're going to forget the neighborhood  
23 and they're going to forget the people that supported  
24 it. I'm here to tell you, not only were them people  
25 wrong, Sugarhouse became an even better neighbor,

1 making Fishtown and Philadelphia a better place to  
2 work, live and play.

3                   Whether it's continuing financial  
4 support of the Pennsylvania --- the Philadelphia  
5 Special Services District, which has helped countless  
6 number of small neighborhoods and nonprofit groups, to  
7 its annual neighborhood Christmas party where some  
8 kids who otherwise might not get a picture with Santa  
9 Claus, a great meal or a gift would otherwise have to  
10 do without.

11                   This was happening because Sugarhouse  
12 casino cares, and they kept their word to the  
13 community and to the city. So besides being a great  
14 neighbor, they're also a great employer.

15                   I was hired in August 2010 to the  
16 security department and I am quickly coming up on my  
17 five year anniversary. Sugarhouse has given so many  
18 people, myself and other people an opportunity to work  
19 for an employer who cares.

20                   If you want a career and you want to  
21 work for an employer who will help you get it and keep  
22 it, this is the place. Offering us team members fair  
23 and competitive pay is just the beginning. We have  
24 excellent benefits, and a lot of them are free.

25                   I receive service bonuses and attendance

1 bonuses, and every time I do, I'm like, wow, who does  
2 this? I asked friends and neighbors who have jobs  
3 elsewhere if they get tuition reimbursement so they  
4 can grow with the company? They tell me no. I ask  
5 them if they are invested in their 401k 100 percent?  
6 They tell me no. I get all this and more because I am  
7 fortunate enough to be a Sugarhouse team member.

8           There's a reason they've been named one  
9 of the best places to work in Philly the last few  
10 years, because they go above and beyond. We have an  
11 excellent management team and a terrific human  
12 resources department.

13           In closing, I would just like to say  
14 that Sugarhouse absolutely deserves to have its  
15 license renewed. They have given careers to people  
16 who want them. They have helped Fishtown become a  
17 better neighborhood. They've helped many  
18 neighborhoods in this city in many ways, not just  
19 financially. They have helped the City of  
20 Philadelphia with everything from the New Year's Day  
21 Mummers Parade to various walks and events. They have  
22 helped the State of Pennsylvania with a steady stream  
23 of much needed revenue.

24           I am so proud to have Sugarhouse Casino  
25 in my Fishtown neighborhood and to be employed there

1 and to be able to say that I supported them from the  
2 very beginning, when they said give us a chance and  
3 we'll show you what we can and will do.

4           They are excellent neighbors, employers  
5 and people who really care and who did what they said  
6 they would do and then some. Thank you very much.

7           PRESIDING OFFICER:

8           Suzanne Travers.

9           MS. TRAVERS:

10           Good morning, ladies and gentlemen and  
11 distinguished guests. I am what you call a  
12 transplant. I am not a Philadelphian, I didn't grow  
13 up here in Fishtown. I moved here from New York  
14 looking for a lower cost of living. Well, it's not a  
15 lower cost of living, but somewhere it's cheaper to  
16 raise a child on my own.

17           And after 16 years in a nice local  
18 restaurant, I carved out a nice little piece, he was  
19 raised and grown and now I had to worry about me.  
20 Social Security used to send me those letters that  
21 would say I would get \$353 upon retirement. So one  
22 day while I was laying around after a long weekend of  
23 double shifts at the restaurant, Mike Jarrod  
24 (phonetic) come on the TV doing a job fair for the  
25 Sugarhouse Casino. Not even built yet, soon to be

1 Philadelphia's first.

2                   So I flipped up my laptop and I put in  
3 an application for things that I knew how to do,  
4 restaurant, food service, count money. Nobody  
5 answered. I got a letter from dealer training school  
6 wanting to know if I would come for an interview. In  
7 my mind I thought what are they thinking? I don't  
8 even know how to play cards. They knew something that  
9 I did not, or they were looking for something more  
10 customer service orientated.

11                   After a long summer of ten weeks of  
12 blackjack training, a couple of weeks of three card  
13 poker, some baccarat, we all learned our skills and  
14 made new friends and practiced and watched the  
15 building grow.

16                   And after ten weeks, somebody said would  
17 you like a full-time job as a dealer in the casino?  
18 Full benefits, a 401k, 40 hours a week. Perfect  
19 timing for my retirement plan. Made really great  
20 friends along the way. During this time, we learned  
21 many skills and made great friends.

22                   Upon completion of that, we opened up  
23 the casino in September. Boy, was it crazy. The  
24 first couple of years were full of fun, lots of  
25 education. You learned a lot of new things. We

1 enhanced our skills. We learned to work with great  
2 people, different people from all over the city.

3 Over time, Sugarhouse has become my  
4 extended family. Being 1 of 15 children, it's hard to  
5 say that. But I --- it has. So much so that when my  
6 own sister had passed, Sugarhouse stepped in with a  
7 lot of emotional and financial support for me to  
8 balance two families, mine, and hers, through a very  
9 difficult time. I'm very thankful to them for that.

10 In less than five years, I have received  
11 a promotion recently to a dual rate supervisor, with  
12 an opportunity to go full time shortly, I hope, as  
13 well as the possibility to move to other locations in  
14 the country.

15 Sugarhouse has been such a blessing to  
16 me that I encouraged my own child to join us, and he  
17 has now been with us for four years.

18 I would personally like to thank the  
19 Sugarhouse Casino as an over 40 woman, who they have  
20 provided me a new lease on life. I am independent,  
21 financially secure and know what the future holds now,  
22 things I couldn't have imagined five years ago. I  
23 just bought myself a brand new car for the first time  
24 ever. I'm going to Cabo on a lovely two week  
25 vacation, and without Sugarhouse, many people in my

1 own situation, I know a lot of women who are over 40  
2 who had worked in food service and industries that  
3 didn't have coverage and things that are now employed  
4 with full-time benefits, jobs, and not so worried  
5 about where we go after 50.

6 Thank you and thank you.

7 PRESIDING OFFICER:

8 One last call for Peter Gonzales?

9 Okay. That is the list I've been  
10 provided from our online registration. Is there  
11 anyone here who believes they registered and I did not  
12 call your name? If you do, raise your hand? Don't  
13 see any hands. That's always good.

14 A few housekeeping matters. I'd like to  
15 thank the convention center staff for their help today  
16 in setting up the room and meeting our needs.

17 I'd also like to thank our staff that  
18 are here, there are many of us scattered throughout  
19 the room, but in particular, our executive director,  
20 Kevin O'Toole is here, in the back, and our Chief  
21 Counsel Doug Sherman is sitting up here in the front.  
22 I'd like to thank them and all the rest of the staff  
23 that are here today.

24 Any briefs or written memorandum that  
25 either party may wish to file by close of business

1 next Thursday, July 16th, 2015.

2 We can --- I think you wanted a closing  
3 statement, Mr. Donnelly?

4 ATTORNEY DONNELLY:

5 It's not going to be much of a closing  
6 statement. I know when to shut up. That sign there,  
7 and these folks out there, everybody spoke, weren't  
8 scripted. And I want to thank you all for coming out  
9 here.

10 Look, there's only two reasons that  
11 anybody does --- revenue for the state, which we have  
12 no control over, and good sustainable jobs, and it  
13 makes me proud. So I thank all you guys. That's my  
14 closing.

15 PRESIDING OFFICER:

16 The record will remain open until the  
17 Board hears the matter at a later public meeting. I  
18 will prepare a report based upon the testimony and  
19 evidence entered today and a suitability report when  
20 it's filed with our office. The report and all the  
21 material will be sent to the full board for its  
22 consideration and at its convenience, so we'll  
23 schedule the matter to be heard in Harrisburg.

24 I want to thank you all for coming today  
25 for your cooperation. The hearing is now concluded.

1 Thank you.

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HEARING CONCLUDED AT 12:52 P.M.

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CERTIFICATE

I hereby certify that the foregoing proceedings, hearing held before Chairman Ryan was reported by me on 7/9/15 and that I, Nicole B. Slick, read this transcript, and that I attest that this transcript is a true and accurate record of the proceeding.

  
\_\_\_\_\_  
Court Reporter  
Nicole B. Slick