



PENNSYLVANIA GAMING CONTROL BOARD

Meeting of the Board December 9, 2009 Minutes

A meeting of the Pennsylvania Gaming Control Board was held on December 9, 2009 in the PUC-Keystone Building, Hearing Room 1, Harrisburg, PA. The meeting began at 10:00 a.m.

Members in attendance were:

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

Ex-officio Members in attendance:

David Barasch representing Honorable Stephen Stetler, Secretary of Revenue
Frank Jurbala representing Honorable Russell Redding, Acting Secretary of Agriculture
Jennifer Langan representing Honorable Robert McCord, State Treasurer

Individuals who appeared officially before the Board:

Kevin O'Toole – Executive Director Report
Claire Yantis – New Hires
David Rhen – 2010-11 Budget, Gaming Regulatory Budgets
Richard Sandusky – Regulations
R. Douglas Sherman – Petitions
Steve Cook – Withdrawals, Report and Recommendations
Susan Hensel – Licensing Matters
Cyrus Pitre – Enforcement Actions
Dustin Miller – Consent Agreement
Michael Roland – Consent Agreement
Melissa Powers – Consent Agreement

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

OATH OF OFFICE

The Honorable M. Teresa Sarmina, who serves on the Philadelphia Court of Common Pleas, administered the Oath of Office to Kenneth Trujillo, the newest member of the Pennsylvania Gaming Control Board.

ANNOUNCEMENTS

Chairman Fajt announced that the Board held an Executive session on December 8, 2009 and prior to this meeting to discuss personnel issues, to conduct quasi-judicial deliberations relating to matters pending before the Board and to consult with counsel regarding privileged and confidential agency business.

PUBLIC HEARING

A public hearing was held to address separately two Petitions filed by Greenwood Gaming and Entertainment, Inc.'s as follows:

- ✓ Petition for Regulatory Approval Prerequisite to Opening of Permanent Facility
- ✓ Petition for Modification of Shuttlebus Requirement

MINUTES AND TRANSCRIPTS

On a motion by Board Member Angeli, the minutes and transcript of the October 21, 2009 were approved 6-1. Board Member Kenneth Trujillo abstained.

EXECUTIVE DIRECTOR'S REPORT

Kevin O'Toole, Executive Director, reported on the revenue figures for the month of November 2009. He stated that nine operating casinos generated gross terminal revenue of \$166 million dollars during November. This revenue generated over \$91 million dollars in tax receipts for the Commonwealth of Pennsylvania. Mr. O'Toole stated that it was encouraging to see the market for casino entertainment continuing to grow in Pennsylvania.

He also reported that Mary Colins, our former Chair of the Pennsylvania Gaming Control Board, received a "Special Recognition Award" from the Council on Compulsive Gambling of Pennsylvania. Mary, he said, was instrumental, along with Commissioners Coy and McCabe, in establishing very comprehensive responsible gambling regulations. In closing, he stated that the Office of Compulsive and Problem Gambling does an outstanding job in monitoring the casino's efforts to insure a strong commitment to responsible gambling programs and initiatives. Mr. O'Toole recognized Nan Horner, Liz Lanza, Elizabeth Burch and Daria Manning for their dedicated work on Compulsive and Problem Gambling.

HUMAN RESOURCES

PGCB MOTION NO. 2009-316 HR – Employment

Motion Made: Board Member Coy
Seconded: Board Member Ginty

- ✓ James Armstrong, Assistant Enforcement Counsel, OEC Eastern Region

Resolved, the Board hereby approves the hiring of the above candidate for employment.

Board Decision: Passed by unanimous vote

OFFICE OF FINANCIAL MANAGEMENT

PGCB MOTION NO. 2009-317 OFM – FY 2010-11 PGCB Budget

Motion Made: Board Member Ginty
Seconded: Board Member McCabe

Resolved, the Board hereby issues an Order approving the Pennsylvania Gaming Control Board's FY 2010-11 Budget

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-318 OFM – FY 2010-11 Pennsylvania State Police Budget

Motion Made: Board Member McCabe
Seconded: Board Member Sojka

Resolved, the Board hereby issues an Order approving the Pennsylvania State Police's FY 2010-11 Gaming Regulatory Budget.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-319 OFM – FY 2010-11 Department of Revenue Budget

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved, the Board hereby issues an Order approving the Department of Revenue's FY 2010-11 Gaming Regulatory Budget.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-320 OFM – FY 2010-11 Office of Attorney General's Budget

Motion Made: Board Member Trujillo
Seconded: Board Member Angeli

Resolved, the Board hereby issues an Order approving the Office of Attorney Generals FY 2010-11 Gaming Regulatory Budget.

Board Decision: Passed by unanimous vote

OFFICE OF CHIEF COUNSEL

PGCB MOTION NO. 2009-321 REG – Proposed Regulation No. 125-108

Motion Made: Board Member Angeli
Seconded: Board Member Coy

Resolved, the Board hereby adopts Proposed Regulation No. 125-108 and establishes a comment period of 30 days; and directs that the Proposed Regulation be posted on the Board's website.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-322 REG – Final-form Regulation No. 125-103

Motion Made: Board Member Coy
Seconded: Board Member Ginty

Resolved, the Board hereby adopts Final-form Regulation No. 125-103 and directs that the Final-form Regulation be posted on the Board's website.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-323 OCC – Petition / Downs Racing

Motion Made: Board Member Ginty
Seconded: Board Member McCabe

Resolved, the Board hereby approves the Petition of Downs Racing for Changes to the Gaming Floor.

Docket Number: 1034-2009
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-324 OCC – Petition / Taylor International Corporation

Motion Made: Board Member McCabe
Seconded: Board Member Sojka

Resolved, the Board hereby approves the Petition of Taylor International Corporation for removal from the Prohibited Vendors List subject to the payment of a \$1,500 civil penalty fee.

Docket Number: 1123-2009
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-325 OCC – Petition / Sands Bethworks Gaming, LLC

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved the Board hereby approves the Petition of Sands Bethworks Gaming, LLC and waived Licensing Condition Number 59. Sands Bethworks is relieved of its requirement to install an additional 2,000 machines by November 2009.

Docket Number: 1175-2009
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-326 OCC – Petition / Greenwood Gaming & Entertainment, Inc.

Motion Made: Board Member Angeli
Seconded: Board Member Coy

Resolved the Board hereby approves the Petition of Greenwood Gaming & Entertainment, Inc. for Regulatory Approval Pre-requisite to Opening of Permanent Facility, with conditions.

Docket Number: 1128-2009
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-327 OCC – Petition / Greenwood Gaming & Entertainment, Inc.

Motion Made: Board Member Trujillo
Seconded: Board Member Coy

Resolved the Board hereby tabled the Petition of Greenwood Gaming & Entertainment, Inc. for Modification of Shuttlebus Requirement.

Docket Number: 1181-2009
Board Decision: Passed by unanimous vote

PGCB RESOLUTION NO. 2009-8 BGO / Greenwood Gaming & Entertainment

Motion Made: Board Member Coy
Seconded: Board Member McCabe

WHEREAS Under 4 Pa.C.S. §1202(a)(1), the Pennsylvania Gaming Control Board (“Board”) has general and sole regulatory authority over the conduct of gaming and related activities; and

WHEREAS Under 58 Pa.Code §467a.2(b), a Category 2 slot machine licensee may not commence slot operations until a slot machine licensee successfully demonstrates to the Board that no less than nine criteria are met including, but not limited to, confirmation that the slot machines and associated equipment are properly operating; that adequate surveillance and security measures are in place; that the slot machine licensee’s employees are all properly licensed, permitted or registered by the Board, as well as, properly trained; that all conditions of licensure have been met; and that the slot machine licensee has successfully completed a test period; and

WHEREAS The Board has, in the past, delegated authority upon certain members of the Board, acting collectively, to review whether all pre-opening criteria have been met and to grant authorizations on behalf of the full Board when the required criteria have been met; and

WHEREAS The Board believes it is once again in the Board’s best interest to delegate such authority to certain members of the Board

RESOLVED That Board members Raymond Angeli, James Ginty and Kenneth Trujillo are delegated authority to determine whether Greenwood Gaming and Entertainment, Inc., d/b/a Philadelphia Park Casino and Racetrack has demonstrated that all pre-opening criteria have been met and to authorize commencement of slot operations for the Parx Casino. The Board members delegated this authority shall also have the authority to approve minor modifications of any gaming floor plan previously approved by the full Board between the date of such Board approval and the commencement of slot operations.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-328 OCC – Withdrawals or Surrenders

Motion Made: Board Member Ginty
Seconded: Board Member McCabe

Resolved the Board hereby adopts the withdrawal or surrender of Principal and Key Employee Applications, or Licenses, as well as Vendor Registrations or Certifications as follows:

- ✓ Perpetual Limited; OHA Docket 1098-2009
- ✓ William Wayne Warner; OHA Docket 1168-2009
- ✓ Juan C. Tolosa; OHA Docket 1138-2009

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-329 OCC – Report and Recommendation / Derek Bevan

Motion Made: Board Member McCabe
Seconded Board Member Sojka

Resolved, the Board hereby issues an Order adopting the Report and Recommendation of the Office of Hearing and Appeals and denied the Gaming Employee Permit of Derek Bevan.

Docket Number: 1093-2009
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-330 OCC – Report and Recommendation / Anthony Johnson

Motion Made: Board Member Sojka
Seconded Board Member Trujillo

Resolved, the Board hereby issues an Order adopting the Report and Recommendation of the Office of Hearing and Appeals and denied the Non-Gaming Employee Registration of Anthony Johnson.

Docket Number: 1055-2009
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-331 OCC – Report and Recommendation / Navarro Robichaw

Motion Made: Board Member Trujillo
Seconded Board Member Angeli

Resolved, the Board hereby issues an Order adopting the Report and Recommendation of the Office of Hearing and Appeals and denied the Non-Gaming Employee Registration of Navarro Robichaw.

Docket Number: 1110-2009
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-332 OCC – Report and Recommendation / Ruben Rodriguez-Maisonet

Motion Made: Board Member Angeli
Seconded Board Member Coy

Resolved, the Board hereby issues an Order adopting the Report and Recommendation of the Office of Hearing and Appeals and orders that the Non-Gaming Employee Registration of Ruben Rodriguez-Maisonet remain suspended.

Docket Number: 1083-2009
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-333 OCC – Emergency Order / Joseph Kane

Motion Made: Board Member Coy
Seconded Board Member Ginty

Resolved, the Board hereby rescinds the November 18, 2009 Board Order denying the renewal application of Joseph Kane. It is ordered that Joseph Kane's renewal application be approved for a Gaming Employee Occupational Permit.

Docket Number: 1194-2009
Board Decision: Passed by unanimous vote

BUREAU OF LICENSING

PGCB MOTION NO. 2009-334 LIC – Principal and Key Employee Licenses

Motion Made: Board Member Ginty
Seconded Board Member McCabe

Resolved, the Board hereby issues an Order approving the Issuance of Principal and Key Employee Licenses as follows:

Chester Downs and Marina, LLC

Key Employee Initial Licensure

✓ **Corey Fulton**, Slot Shift Manager, Docket #27976-1

Key Employee Renewal

✓ **Michael Lamont Wesley**, Surveillance Supervisor, Docket #20970-3

Downs Racing, LP

Key Employee Initial Licensure

✓ **Merrit C. Nash**, Surveillance Supervisor, Docket #22749-2

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-335 LIC – Temporary Principal and Key Employee Licenses

Motion Made: Board Member McCabe

Seconded: Board Member Sojka

Resolved, the Board hereby issues an Order approving the issuance 23 (3 Principals; 20 Key Employees) Temporary Principal and Key Employee Licenses.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-336 LIC – Issuance of Gaming and Non-Gaming Permits and Registrations

Motion Made: Board Member Sojka

Seconded: Board Member Trujillo

Resolved, the Board hereby approves the Order issuing 158 Gaming Employee Permits (includes 118 renewals) and 89 Non-Gaming Employee Registrations.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-337 LIC – Denial of Gaming and Non-Gaming Permits and Registrations

Motion Made: Board Member Trujillo

Seconded: Board Member Angeli

Resolved, the Board hereby issues Orders approving the denials of one (1) Gaming Employee Permit and one (1) Non-Gaming Employee Registration, as follows:

<u>BOL Dbase</u>	<u>Docket #</u>	<u>SLOTSLink</u>	<u>Applicant</u>
16448	G1005164		Omar Robinson
42160	N1017754		Gregory Schmidt

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-338 LIC – Withdrawal of Gaming and Non-Gaming Employee Permits and Registrations

Motion Made: Board Member Angeli

Seconded: Board Member Coy

Resolved, the Board hereby issues an Order approving the withdrawal of 9 (5 Gaming; 4 Non-Gaming) Employee Permits and Registrations.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-339 LIC – Vendor Certification

Motion Made: Board Member Coy
Seconded: Board Member Ginty

Resolved, the Board hereby issues an Order approving the applications for Vendor Certification as follows:

- ✓ City Sign Service, Inc.
- ✓ H Group Construction
- ✓ JPC Group, Inc.
- ✓ Maritz Holdings, Inc.
- ✓ Pioneer Contracting, Inc.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-340 LIC – Abandonment of Vendor Applications

Motion Made: Board Member Ginty
Seconded: Board Member McCabe

Resolved, the Board hereby issues an Order approving the abandonment of Vendor Applications as follows:

- ✓ Design and Print, LLC
- ✓ DeGol Brothers, LP
- ✓ Fenton Art Glass Company
- ✓ Invotech Systems, Inc.
- ✓ JTECH Communications

Board Decision: Passed by unanimous vote

OFFICE OF ENFORCEMENT COUNSEL

PGCB MOTION NO. 2009-341 OEC – Consent Agreement / Ainsworth Game Technology, Ltd.

Motion Made: Board Member McCabe
Seconded: Board Member Sojka

Resolved, the Board hereby adopts the Consent Agreement and Stipulation of Settlement between the Office of Enforcement Counsel and Ainsworth Game Technology Limited. Ainsworth shall pay a fine of \$13,200 which represents a \$200 per day fine for each day the renewal application was late.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-342 OEC – Consent Agreement / Brabender-Cox

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved, the Board hereby tabled the Consent Agreement between the Office of Enforcement Counsel and Brabender-Cox.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-343 OEC – Consent Agreement / Mainline Information Systems

Motion Made: Board Member Trujillo
Seconded: Board Member Angeli

Resolved, the Board hereby adopts the Consent Agreement and Stipulation of Settlement between the Office of Enforcement Counsel and Mainline Information Systems.

Docket Number: 1049-2009
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-344 OEC – Consent Agreement / Washington Trotting Association

Motion Made: Board Member Angeli
Seconded: Board Member Coy

Resolved, the Board hereby adopts the Consent Agreement and Stipulation of Settlement between the Office of Enforcement Counsel and Washington Trotting Association, The Meadows Racetrack and Casino (“WTA”). WTA shall pay a civil penalty of \$5000 within five days for underage gaming violation.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2009-345 OEC – Consent Agreement / Washington Trotting Association

Motion Made: Board Member Coy
Seconded: Board Member Ginty

Resolved, the Board hereby adopts the Consent Agreement and Stipulation of Settlement between the Office of Enforcement Counsel and Washington Trotting Association, The Meadows Racetrack and Casino (“WTA”). WTA shall pay a civil penalty of \$5,000 for self exclusion violation.

Board Decision: Passed by unanimous vote

ADJOURNMENT

On a motion by Board Member McCabe, and seconded by Board Member Coy, the meeting was adjourned.