



PENNSYLVANIA GAMING CONTROL BOARD

Meeting of the Board June 10, 2010 Minutes

A meeting of the Pennsylvania Gaming Control Board was held on June 10, 2010 at the North Office Building, Hearing Room 1, Harrisburg, PA. The meeting began at approximately 10:00 a.m.

Members in attendance were:

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

Ex-officio Member/Designee in attendance:

David Barasch, Deputy Secretary of the Department of Revenue
Jorge Augusto, representing Russell Redding, Secretary of Agriculture

Individuals who appeared officially before the Board:

Kevin O'Toole – Executive Directors Report
Claire Yantis – Personnel Related Items
David Rhen – Agency Financial Report
Richard Sandusky – Regulations
R. Douglas Sherman – Petitions
Steve Cook – Withdrawals, Report and Recommendations
Sean Hannon – Licensing Matters
Cyrus Pitre – Consent Agreement, Revocations

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

ANNOUNCEMENTS

Chairman Fajt announced that the Board held an Executive session on June 9th in accordance with the Sunshine Act. The purpose of the executive session was to discuss personnel matters, pending litigation, and to conduct quasi-judicial deliberations relating to matters pending before the Board.

Chairman Fajt announced the resignation of Deputy Executive Director, Frank Donaghue. Chairman Fajt presented Mr. Donaghue with a Resolution outlining his excellent service to the Pennsylvania Gaming Control Board.

PGCB RESOLUTION 2010-2-EXE – FRANK DONAGHUE
Adopted June 10, 2010

WHEREAS, On March 1, 2006, Frank Donaghue was hired by the Pennsylvania Gaming Control Board as the agency's first Chief Counsel; and

WHEREAS, Frank Donaghue was tasked with assembling the Office of Chief Counsel with highly skilled and competent attorneys and staff to oversee the drafting and development of Board regulations and policies, administrative matters, hearing and licensing processes as well as the defense of Board decisions from appeal, all in an effort to create a new agency and implement the new gaming industry in Pennsylvania; and

WHEREAS, Frank Donaghue also served as the Acting Executive Director during an important transition period for the Board and assumed additional duties as necessary to assure the success of the Pennsylvania Gaming Control Board; and

WHEREAS, Frank Donaghue has worked steadfastly toward the creation of a fully functioning agency, the proper implementation of gaming and the enhancement of the Board's operations and regulation of the gaming industry; and

WHEREAS, the development of the Pennsylvania Gaming Control Board during Frank Donaghue's tenure as Chief Counsel and Acting Executive Director is a matter of which the full Board is both proud and appreciative; be it

RESOLVED that the Pennsylvania Gaming Control Board proudly recognizes Frank Donaghue for his exemplary record of leadership and congratulates Frank on his service to the Pennsylvania Gaming Control Board and wishes him the very best in all his future endeavors.

MINUTES AND TRANSCRIPT

On a motion by Board Member Angeli, seconded by Board Member Coy, the minutes and transcript of the May 13, 2010 meeting were approved.

EXECUTIVE DIRECTORS REPORT

Kevin O'Toole, Executive Director announced the release of a Table Games Schedule for testing and implementation that will result in the first public availability of table game gambling in Commonwealth slots casinos as early as July 8th.

He presented the schedule and by letter to each casino that holds an approved table games certificate. He said the schedule includes an eight-hour test period of live betting at each casino to permit Board personnel to determine if the casino is prepared in all aspects to open its table game operation. If approval is given after the test period, Mr. O'Toole says casinos can go live with table games two days later after allowing for one "down day" to evaluate the test including meetings of PGCB and casino personnel to discuss the results of the test period.

HUMAN RESOURCES

PGCB MOTION NO. 2010-205 HR – Employment

Motion Made: Board Member Coy

Seconded: Board Member McCabe

Joseph Gossner – BIE Investigator, Eastern Region
Douglas Merski – Casino Compliance Representative, Presque Isle

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

Board Decision: Passed by unanimous vote

OFFICE OF FINANCIAL MANAGEMENT

Mr. David Rhen, Budget Manager, provided a report of expenses through the period of May 31, 2010.

OFFICE OF CHIEF COUNSEL

PGCB MOTION NO. 2010-206 REG – Temporary Regulation #125-123

Motion Made: Board Member Sojka
Seconded: Board Member Angeli

Resolved, the Board hereby adopts Temporary Regulation #125-123 and establishes a comment period of 30 days; and directs that the Temporary Regulation be posted on the Board's website.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-207 REG – Temporary Regulation #125-124

Motion Made: Board Member Ginty
Seconded: Board Member Sojka

Resolved, the Board hereby adopts Temporary Regulation #125-124 and establishes a comment period of 30 days; and directs that the Temporary Regulation be posted on the Board's website.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-208 REG – Temporary Regulation #125-125

Motion Made: Board Member Coy
Seconded: Board Member McCabe

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

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-209 OCC – Petition / Sands Bethworks / Table Games

Motion Made: Board Member Sojka
Seconded: Board Member Coy

Resolved, the Board hereby grants Sands Bethworks Petition for Waiver of Requirements Relating Audible Alarm Device and Motion for Confidentiality.

Docket Number: 1398-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-210 OCC – Petition / Mountainview Thoroughbred Racing Association

Motion Made: Board Member McCabe
Seconded: Board Member Angeli

Resolved, the Board hereby grants Mountainview Thoroughbred Racing Association's (Hollywood Casino) Petition for Approval of Additional Slot Machines on Gaming Floor.

Docket Number: 1425-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-211 OCC – Petition / Washington Trotting Association, Inc.

Motion Made: Board Member Coy
Seconded: Board Member Angeli

Resolved, the Board hereby grants Washington Trotting Association, Inc.'s (The Meadows) Petition for Approval of Change to its Gaming Floor.

Docket Number: 1429-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010- 212 OCC – Petition / South Jersey Precision Tool and Mold, Inc.

Motion Made: Board Member McCabe
Seconded: Board Member Coy

Resolved, the Board hereby grants the Petition, with conditions, of South Jersey Precision Tool and Mold, Inc., Mount Airy #1 LLC, Sands Bethworks Gaming, LLC and Chester Downs and Marina LLC for Approval of Reduction in Manufacturer License Fee.

Docket Number: 1463-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-213 OCC – Withdrawals / Surrenders

Motion Made: Board Member Coy
Seconded: Board Member Ginty

Resolved, the Board hereby grants the withdrawal or surrender of Principal and Key Employee Applications, or Licenses, as well as Gaming Service Provider Registrations or Certifications as follows:

- ✓ ITW Food Equipment Group LLC Licensing No. 45080; PGCB Doc No. 1399-2010
- ✓ JCM American Corporation Licensing No. 43804; PGCB Doc No. 1400-2010
- ✓ W2001 Eastern Hotel Realty, LP Licensing No. 17349; PGCB Doc No. 1370-2010 / *with prejudice*
- ✓ Cyril Patrick McKoy Licensing No. 1844; PGCB Doc No. 1404-2010
- ✓ Stephen Prakash Licensing No. 43446; PGCB Doc No. 1405-2010

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-214 OCC – Report and Recommendation / Jason Schwab

Motion Made: Board Member Ginty
Seconded: Board Member McCabe

Resolved the Board hereby rejects the Report and Recommendation issued by the Office of Hearings and Appeals and denied the Non-Gaming Employee Registration of Jason Schwab.

Docket Number; 1048-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-215 OCC – Report and Recommendation / Ramon Zavala

Motion Made: Board Member McCabe
Seconded: Board Member Sojka

Resolved the Board hereby adopted the Report and Recommendation issued by the Office of Hearings and Appeals and denied the Non-Gaming Employee Registration of Ramon Zavala.

Docket Number; 1308-2010
Board Decision: Passed by unanimous vote

BUREAU OF LICENSING

PGCB MOTION NO. 2010-216 LIC – Manufacturer License Renewal

Motion Made: Board Member Coy
Seconded: Board Member McCabe

Resolved, the Board hereby approved the renewal of NRT Technology's Corporations Manufacturer License.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-217 LIC – Conditional Table Games Manufacturer License

Motion Made: Board Member Sojka

Seconded: Board Member Coy

Resolved, the Board hereby approved the Conditional Table Games Manufacturer License for Tech Art, Incorporated.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-218 LIC – Key Employee Licenses

Motion Made: Board Member Coy

Seconded: Board Member Angeli

Resolved, the Board hereby approved the issuance of Key Employee Credentials as follows:

Chester Downs and Marina, LLC

Key Employee Initial Licensure

✓ **Dennis A. Jones**, Security Shift Manager – Docket #26960-3

Sands Bethworks Gaming, LLC

Key Employee Initial Licensure

✓ **Charles D. Berger**, Director of Internal Audit – Docket #38884-2

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-219 LIC – Temporary Principal and Key Employee Credentials

Motion Made: Board Member Angeli

Seconded: Board Member Coy

Resolved, the Board hereby approved the issuance of 15 (1 Principal and 14 Temporary Key Employees) Credentials.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-220 LIC – Issuance of Gaming and Non-Gaming Permits and Registrations

Motion Made: Board Member Coy

Seconded: Board Member Ginty

Resolved, the Board hereby approves the Order issuing issuance of 538 (460 initial; 2 renewal; 76 temporary) Gaming Employee Permits and 135 Non-Gaming Employee Registrations.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-221 LIC – Withdrawal of Key Employee Applications

Motion Made: Board Member Ginty

Seconded: Board Member McCabe

Resolved, the Board hereby issues an Order approving 6 Key Employee Application Withdrawals.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-222 LIC – Prohibited Gaming Service Provider List

Motion Made: Board Member McCabe

Seconded: Board Member Sojka

Resolved, the Board hereby issued Orders the addition of Gaming Service Providers to the Prohibited Gaming Service Provider List, as follows:

- ✓ Fabcon, LLC
- ✓ Maple Direct, Inc.
- ✓ Roman Mosaic and Tile Company
- ✓ South Shore Contracting, Inc.

Board Decision: Passed by unanimous vote

OFFICE OF ENFORCEMENT COUNSEL

PGCB MOTION NO. 2010-223 OEC – Consent Agreement / Sands Bethworks, LLC

Motion Made: Board Member Sojka

Seconded: Board Member Angeli

Resolved, the Board hereby approved the Consent Agreement between the Office of Enforcement Counsel and Sands Bethworks, LLC. Sands Bethworks shall pay a civil penalty in the amount of \$48,000

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-224 OEC – Revocation / Adelaide Johnson

Motion Made: Board Member McCabe

Seconded: Board Member Angeli

Resolved, the Board hereby approves the Order and revokes the Non-Gaming Employee Registration of Adelaide Johnson.

Docket Number: 1286-2010

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-225 OEC – Revocation / Daniel Gonzalez

Motion Made: Board Member Angeli

Seconded: Board Member Coy

Resolved, the Board hereby approves the Order and revoked the Non-Gaming Employee Registration of Daniel Gonzalez.

Docket Number: 1265-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-226 OEC – Suspension / Michael Updegrove

Motion Made: Board Member Coy
Seconded: Board Member Ginty

Resolved, the Board hereby approves the Order and revoked the Non-Gaming Employee Registration of Michael Updegrove.

Docket Number: 1285-2010
Board Decision: Passed by unanimous vote

ADJOURNMENT

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

I HEREBY CERTIFY THAT THESE MINUTES WERE APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD AT A PUBLIC MEETING ON THE 29th DAY OF JULY, 2010.

Mickey Kane, Board Secretary