



PENNSYLVANIA GAMING CONTROL BOARD

Meeting of the Board
February 10, 2011
Minutes

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

Members in attendance were:

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

Ex-Officio members in attendance were:

Robert Coyne, Designee, Department of Revenue
Robert McCord, State Treasurer
Dan Tufano, representing Secretary of Agriculture

Individuals who appeared officially before the Board:

Claire Yantis – Personnel Matters
David Rhen – Agency Financial Report
R. Douglas Sherman – Petitions
Steve Cook – Withdrawals, Report and Recommendations & Emergency Suspensions
Susan Hensel – Licensing Matters
Sean Hannon – Licensing Matters
Cyrus Pitre – Enforcement Actions
Billie Matelevich-Hoang – Enforcement Actions
Melissa Powers – Enforcement Actions
Dustin Miller – Enforcement Actions
Robert Smeltzer – Witness, representing self
Ryan McCauley – Witness, representing self

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

A PUBLIC HEARING WAS HELD AS FOLLOWS:

- Down's Racing, LP (Mohegan Sun @ Pocono Downs) - Petition for Approval of Changes to Gaming Floor (OP-7)

PUBLIC MEETING

PGCB RESOLUTION NO. 2011-2 EXE – Kenneth McCabe

Motion Made: Board Member Ginty
Seconded: Board Member Sojka

WHEREAS, Kenneth T. McCabe was appointed in 2004 by the Senate President Pro Tempore and sat as an initial member of the Pennsylvania Gaming Control Board when it first met on December 14, 2004; and

WHEREAS, Commissioner McCabe, was reappointed for two additional 2-year terms by the Senate President Pro Tempore; and

WHEREAS, he was a leader in establishing the first state agency in more than 30 years utilizing more than 20 years of professional background with the Federal Bureau of Investigation to assist in adopting a comprehensive body of regulations to ensure the integrity of gaming; and

WHEREAS, after an in-depth licensing process that included 18 days of public input hearings across the state as well as suitability hearings in Harrisburg, Commissioner McCabe and the Board voted on September 27, 2006 to award Pennsylvania's first conditional slot machine casino operator licenses; and

WHEREAS, on November 14, 2006, less than two years after the Board held its first meeting, Pennsylvania's first licensed gaming facility, Mohegan Sun at Pocono Downs, opened to the general public; and

WHEREAS, the Board voted on December 20, 2006 to award Pennsylvania's first permanent slot machine casino operator licenses; and

WHEREAS, ten facilities are now operating with both slot machines and table games to provide employment for thousands of Pennsylvanians; and

WHEREAS, as a result of the actions by Commissioner McCabe and the Board, property and wage tax reduction is no longer a wish but a reality for Pennsylvania homeowners; and

WHEREAS, additionally, due to these actions, Pennsylvania's horse racing industry is revitalized and a major contributor to the Commonwealth's number one industry, agriculture; be it

RESOLVED that the Pennsylvania Gaming Control Board proudly recognizes Commissioner Kenneth T. McCabe's exemplary record of service and leadership, and wishes him the very best in all of his future endeavors.

Upon Motion duly made and seconded, the foregoing Resolution was adopted on February 10, 2011.

Board Decision: Passed by unanimous vote

ANNOUNCEMENTS

Chairman Fajt announced that the Board held Executive Sessions yesterday, February 9th, and again just prior to this meeting. The purpose of yesterdays Executive Session was to discuss personnel matters, pending litigation, and to conduct quasi-judicial deliberations relating to matters being considered by the Board, including each of the matters coming before the Board today. The Executive Session which just ended was held to conduct quasi-judicial deliberations relative to the hearing held earlier today.

MINUTES/TRANSCRIPT

PGCB MOTION NO. 2011-47 MNT – Minutes and Transcript

Motion Made: Board Member McCabe
Seconded: Board Member Coy

Resolved, the Board hereby approved the Minutes and Transcripts of the January 6 and January 26, 2011 meetings.

Board Decision: Passed by unanimous vote

HUMAN RESOURCES

PGCB MOTION NO. 2011-48 HR – New Hires

Motion Made: Board Member Coy
Seconded: Board Member Sojka

Resolved, the Board hereby approved the following new hire: Dennis O'Brien, Casino Compliance Representatives for Sugarhouse.

Board Decision: Passed by unanimous vote

OFFICE OF FINANCIAL MANAGEMENT

David Rhen, Budget Manager provided an Agency Financial Report.

OFFICE OF CHIEF COUNSEL

PGCB MOTION NO. 2011-49 OCC – Petition / Downs Racing

Motion Made: Board Member Ginty
Seconded: Board Member McCabe

Resolved, the Board hereby granted Down's Racing LP's Petition for Approval of Changes to the Gaming Floor, with conditions.

Docket Number: 1757-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-50 OCC – Withdrawals / Surrenders

Motion Made: Board Member McCabe
Seconded: Board Member Sojka

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:

- | | | |
|-----------------------------------|------------------------|------------------------|
| ➤ Daniel Fryer | Licensing No. 41731; | PGCB Doc No. 1791-2010 |
| ➤ Dennis Gallagher | Licensing No. 15179; | PGCB Doc No. 1820-2010 |
| ➤ Hiromi Okada | Licensing No. 2151-3; | PGCB Doc No. 1797-2010 |
| ➤ Richard Sansone | Licensing No. 46557-2; | PGCB Doc No. 1825-2010 |
| ➤ Sprung Instant Structures, Inc. | Licensing No. 3814; | PGCB Doc No. 1793-2010 |

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-51 OCC – Report and Recommendation / Kim Lam

Motion Made: Board Member McCabe
Seconded: Board Member Coy

Resolved, the Board hereby adopted the Report and Recommendation issued by the Office of Hearings and Appeals and denied the Application of Kim Lam.

Docket Number: 1764-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-52 OCC – Report and Recommendation / Robert Smeltzer

Motion Made: Board Member Ginty
Seconded: Board Member Coy

Resolved, the Board hereby adopted the Report and Recommendation of the OHA and granted the Gaming Employee Permit of Robert Smeltzer. All confidential information contained in OEC's Exhibit 1 shall be redacted. The information to be redacted shall include the following: driver's license, bank account, checking account, safe deposit box numbers, investment accounts, and the banks or other entities that hold the accounts; credit card numbers; State Identification Numbers; and FBI Numbers, as they are confidential by law.

Docket Number: 1571-2010
Board Decision: 6 – Yes, Trujillo - No

PGCB MOTION NO. 2011-53 OCC – Report and Recommendation / D.B.S

Motion Made: Board Member Coy
Seconded: Board Member Ginty

Resolved, the Board hereby adopted the Report and Recommendation of the OHA and denied the Petition of D.B.S. for early removal from the Self Exclusion List. Further, D.B.S.'s Exceptions to the Hearing Officer's Report and Recommendation are rejected by the Board.

Docket Number: 1734-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-54 OCC – Report and Recommendation / J.R.M

Motion Made: Board Member Sojka
Seconded: Board Member McCabe

Resolved, the Board hereby adopted the Report and Recommendation of the OHA and denied the Petition of J.R.M. for early removal from the Self Exclusion List. Further, J.R.M.'s Exceptions to the Hearing Officer's Report and Recommendation are rejected by the Board.

Docket Number: 1704-2010
Board Decision: 6- Yes, Ginty-Present

PGCB MOTION NO. 2011-55 OCC – Emergency Suspension / Rachel Bachmann

Motion Made: Board Member Sojka
Seconded: Board Member Coy

Resolved, the Board hereby Ordered that the matter of Rachel Bachmann's Emergency Suspension be referred to the Office of Hearings and Appeals to promptly conduct a hearing to determine the validity of the Temporary Emergency Order of Suspension and issue a Report and Recommendation. The Temporary Emergency Order of Suspension shall remain in effect until otherwise ordered by the Board.

Docket Number: 1865-2010
Board Decision: Passed by unanimous vote

BUREAU OF LICENSING

A presentation was provided on Reduced Licensing Fee for Manufacturers and Suppliers.

PGCB MOTION NO. 2011-56 LIC –Key Employee License

Motion Made: Board Member McCabe
Seconded: Board Member Sojka

Resolved, the Board approved the following Key Employee License:

Presque Isle Downs, Inc.

Key Employee Renewal

✓ Stephen Paul Danowski, Director of Surveillance – Docket #8224-3

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-57 LIC – Temporary Principal and Key Employee Credentials

Motion Made: Board Member Sojka
Seconded: Board Member Coy

Resolved, the Board hereby approved the issuance of 1 Principal and 17 Key Employee Credentials.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-58 LIC – Issuance of Gaming and Non-Gaming Permits and Registrations

Motion Made: Board Member Coy
Seconded: Board Member Ginty

Resolved, the Board hereby approved the issuance of 367 (164 initial; 175 temporary G2; 28 full G2) Gaming Employee Permits and 114 Non-Gaming Employee Registrations. [1st-COY][2nd-GINTY]

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-59 LIC – Denials

Motion Made: Board Member Sojka
Seconded: Board Member Coy

Resolved, the Board hereby approved the denial of 9 Gaming Employee Permits and 3 Non-Gaming Employee Registrations as follows:

GAMING EMPLOYEE DENIALS

Docket #

<u>BOL Dbase</u>	<u>SLOTSLink</u>	<u>Applicant</u>
43428	G1024624	Amy Mokricky
54088	G1027975	Carl Pace
47900		Scott Valletti
52162		Laura Brookins
49404	1023153	Omar Hogue
46397	1020368	Steve Panitch
49166	1022917	Samuel Lam
48013	1021803	Bon Buthdy
53071	1026825	Albert Meeks

NON-GAMING DENIALS

Docket #

<u>BOL Dbase</u>	<u>SLOTSLink</u>	<u>Applicant</u>
44331		Nolan Cochran
54586	N1028474	John Connor
52658	N1026371	Paige Davis

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-60 LIC – Withdrawals

Motion Made: Board Member Coy
Seconded: Board Member Ginty

Resolved, the Board hereby approved the withdrawal of 21 Key Employee Applications

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2010-61 LIC – Gaming Service Provider Certification

Motion Made: Board Member Ginty
Seconded: Board Member McCabe

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

- Absolute Electrical Contracting, Inc.
- Genesis Associates
- McPhee Electric, Ltd. d/b/a McPhee
- Philip M. Casciano Associates, Inc. d/b/a PMC Associates
- R.W. Sidley, Inc. d/b/a Sidley Precast Group

Board Decision: Passed by unanimous vote

OFFICE OF ENFORCEMENT COUNSEL

PGCB MOTION NO. 2011-62 OEC – Consent Agreement / WTA

Motion Made: Board Member McCabe
Seconded: Board Member Sojka

Resolved, the Board hereby approved the Consent Agreement between Washington Trotting Association (WTA) and the Office of Enforcement Counsel. WTA shall pay a civil penalty in the amount of \$30,000 for incidents of underage gaming.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-63 OEC – Consent Agreement / Rivers Casino

Motion Made: Board Member Sojka
Seconded: Board Member McCabe

Resolved, the Board hereby Approved the Consent Agreement between Holdings Acquisition, LP (Rivers) and the Office of Enforcement Counsel. The Rivers shall pay a civil penalty in the amount of \$105,000 for incidents of underage gaming.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-64 OEC – PGCB Exclusion List / Sharon Balek

Motion Made: Board Member McCabe
Seconded: Board Member Coy

Resolved, the Board hereby placed Sharon Balek on the Pennsylvania Gaming Control Board's Exclusion List. Ms. Balek shall not enter or game at a licensed facility or collect any winnings as a result of gaming. It is further ordered, that should she attempt to gain access to a licensed facility that she be ejected.

Docket Number: 1701-2010
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-65 OEC – PGCB Exclusion List / Ryan McCauley

Motion Made: Board Member Coy
Seconded: Board Member McCabe

Resolved, the Board hereby remanded the matter to the Office of Hearings and Appeals for a full evidentiary hearing on OEC's Petition to Place Ryan McCauley on the PGCB Exclusion List.

Docket Number: 1753-2010
Board Decision: Passed by unanimous vote

OATH OF OFFICE – Keith R. McCall

Keith R. McCall was sworn in as the newest member of the PA Gaming Control Board by Susan Klock and assisted by Board Secretary, Mickey Kane.

ADJOURNMENT

On a motion by Commissioner Coy and seconded by Commissioner Ginty, the meeting was adjourned.