



PENNSYLVANIA GAMING CONTROL BOARD

Meeting of the Board

March 21, 2012

Minutes

A meeting of the Pennsylvania Gaming Control Board was held at the Office of Hearings and Appeals, Strawberry Square Complex, 2nd Floor, Harrisburg. The meeting began immediately following the public hearings.

Members in attendance were:

William H. Ryan, Jr., Chairman
Gregory C. Fajt
James B. Ginty
Keith R. McCall
Anthony C. Moscato
Gary A. Sojka
Kenneth Trujillo

Ex-Officio members in attendance were:

Robert Coyne, Designee, Department of Revenue
Christopher Craig, State Treasurer's Office
Jorge Augusto, Representative, Department of Agriculture

Individuals who appeared officially before the Board:

Kevin O'Toole – Executive Director Report
Stacey Knavel – Budget Update
Claire Yantis – Personnel Matters
Susan Yocum - Regulations
R. Douglas Sherman – Petitions
Steve Cook – Withdrawals, Report and Recommendations
Susan Hensel – Licensing Matters
Cyrus Pitre – Enforcement Actions
Billie Jo Matelevich-Hoang – Enforcement Actions
Cassandra Fenstermaker – Enforcement Actions
Michael Roland – Enforcement Actions
Dustin Miller – Enforcement Actions

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

ANNOUNCEMENTS

Chairman Ryan reported that the Board held an Executive Session on March 20th for the purpose of discussing personnel matters, pending litigation and to conduct quasi-judicial deliberations relating to matters being considered by the Board on March 21.

MINUTES/TRANSCRIPT

On a motion by Commissioner Fajt, seconded by Commissioner Ginty, the minutes and transcript of the February 8, 2012 meeting were approved.

EXECUTIVE DIRECTOR'S REPORT

PGCB RESOLUTION NO. 2012- 2 BGO – Valley Forge Convention Center Resolution

Motion Made: Board Member Ginty
Seconded: Board Member McCall

Resolved, the Board hereby approved the following Resolution:

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 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; that the licensee’s proposed site plan, internal control systems and audit protocols have been approved by the Board; and that the slot machine licensee has successfully completed a test period; and

WHEREAS, Under 4 Pa.C.S. §13A22, a slot machine licensee holding a Table Games Operation Certificate may not commence table games operations until the certificate holder is shown to be in full compliance with the Pennsylvania Race Horse Development and Gaming Act; the table games related internal controls and audit protocols are found to be sufficient; all table game employees are properly authorized and credentialed; the certificate holder is prepared in all respects to offer table games to the public; and all necessary internal and management controls, security arrangements and surveillance systems are in place and operational; and

WHEREAS, The Board has previously approved Valley Forge Convention Center Partners, L.P. for slot machine licensure; to hold a Table Games Operation Certificate; as well as Valley Forge Convention Center Partners, L.P. site plan; and

WHEREAS, Board staff has now reviewed the proposed internal controls and audit protocols submitted by Valley Forge Convention Center Partners, L.P., as they relate to both slot machine operations and table games operations; and Board staff recommends that the Board approve the proposed internal controls and audit protocols submitted by Valley Forge Convention Center Partners, L.P.; and

WHEREAS, Valley Forge Convention Center Partners, L.P. continues to work towards meeting the other pre-requisites to commencing slot machine and table games operations; and

WHEREAS, The Board has, in the past, delegated authority upon certain members of the Board, acting collectively, to review whether all remaining 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

BE IT RESOLVED, That the Board hereby approves the proposed internal controls and audit protocols submitted by Valley Forge Convention Center Partners, L.P., as they relate to both slot machine operations and table games operations; and be it

FURTHER RESOLVED, That Board members William H. Ryan, Jr., Gregory C. Fajt and James B. Ginty are delegated authority to determine whether Valley Forge Convention Center Partners, L.P. has demonstrated that all pre-opening criteria have been met and to authorize commencement of slot operations and table game operations for the Valley Forge Casino Resort. 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.

Upon Motion duly made and seconded, the foregoing Resolution was adopted March 21, 2012.

Board Decision: Passed by unanimous vote

HUMAN RESOURCES

PGCB MOTION NO. 2012- 550 HR – Personnel, New Hire

Motion Made: Board Member McCall
Seconded: Board Member Moscato

Resolved, the Board hereby authorized the hiring of Chris Stever, Casino Compliance Representative for Sugarhouse Casino.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012- 551 HR – Personnel, Ratified the Hiring of Employees

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby ratified the hiring of the following personnel:

- ✓ Gerald Lynch, CCR at SugarHouse
- ✓ Jeremy Banks, CCR at Harrah's

Board Decision: Passed by unanimous vote

OFFICE OF FINANCIAL MANAGEMENT

Stacey Knavel, Budget Manager, provided an update on revenue and expenditures.

OFFICE OF CHIEF COUNSEL

PGCB MOTION NO. 2012- 552 OCC – Regulation

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved, the Board hereby adopted Final-form Regulation #125-152.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012- 553 OCC – Regulation

Motion Made: Board Member Trujillo
Seconded: Board Member Fajt

Resolved, the Board hereby adopted Final-form Regulation #125-154.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012- 554 OCC – Petition

Motion Made: Board Member Fajt
Seconded: Board Member Ginty

Resolved, the Board hereby denied Eastern PA Citizens Against Gambling’s Application for Stay Pending Applications Before the Board and Appeals in the Commonwealth Court & United States Supreme Court re: Granting Valley Forge Convention Center Partners, LP’s Application for License and Petitions for Approval of Access Plan, Table Games Certification & Floor. The Board further denied Valley Forge’s request for administrative sanctions.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012- 555 OCC – Petition

Motion Made: Board Member Ginty
Seconded: Board Member McCall

Resolved, the Board hereby denied Eastern PA Citizens Against Gambling’s Appeal from Order by Designated Officer Granting Motion for Release of copy of Petition. Gaming Floor Plans are both proprietary and confidential documents and Director Lloyd appropriately withheld Exhibit A. Valley Forge’s Gaming Floor Plan is deemed confidential under the Gaming Act and the Board’s Regulations. A public version of the floor plan was provided to Mr. Schneller.

OHA Docket #: OHA #2537-2012 and #2448-2011
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012- 556 OCC – Petition

Motion Made: Board Member McCall
Seconded: Board Member Moscato

Resolved, the Board hereby approved Fine Capital Partners’ Amended Petition for a Board Order Permitting it to file an Institutional Investor in Connection with Pending Manufacturer Application of Scientific Games with conditions. Fine Capital Partners must receive US Securities and Exchange Commission’s approval of its application for registration as an Investment Advisor and provide the Bureau of Licensing with evidence of that approval within five business days; and if SEC fails to approve application, Fine Capital Partners shall be required to submit a Principal Entity application to the Bureau of Licensing. The Board also approved Fine Capital Partners motion to maintain confidential information related to this matter.

OHA Docket #: 2502-2011
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012- 557 OCC – Petition

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby approved Lightning Poker’s Petition for Approval of Assignment of Slot Machine Manufacturer License No. M-18384 to Lightning Gaming, Inc.

OHA Docket #: 2445-2011
Board Decision: 6 – Yes, Ginty abstained from participating or voting

PGCB MOTION NO. 2012- 558 OCC – Withdrawals

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Approved the withdrawal or surrender of Manufacturer, Principal and Key Employee Applications, or Licenses, as well as Gaming Service Provider Registrations or Certifications as follow:

- ✓ Amenity Elite, LLC PGCB Doc # 2551-2012, Licensing # 65890
- ✓ The Halo Group, Inc. (Michelle Hofstetter) PGCB Doc # 2580-2012, Licensing # 64954
- ✓ Aristocrat Technologies, Inc. (Thomas F. Smock) PGCB Doc # 2546-2012, Licensing # 22657-2
- ✓ Waller Corporation PGCB Doc # 2556-2012, Licensing # 61114
- ✓ Galaxy Gaming, Inc. (Andrew Zimmerman) PGCB Doc # 2564-2012, Licensing # 49005

Board Decision: Passed by unanimous vote.

PGCB MOTION NO. 2012-559 OCC – James Crawley

Motion Made: Board Member Trujillo
Seconded: Board Member Fajt

Resolved, the Board ordered that the Report and Recommendation of the Office of Hearings and Appeals is adopted and the Non-Gaming Employee Registration for James J. Crawley, Jr. is denied.

OHA Docket #: 1691-2011
Board Decision: Passed by unanimous vote.

PGCB MOTION NO. 2012-560 OCC – Vanessa Holmes

Motion Made: Board Member Fajt
Seconded: Board Member Ginty

Resolved, the Board ordered that the Report and Recommendation of the Office of Hearings and Appeals is adopted and denied the Gaming Employee Permit of Vanessa Holmes.

OHA Docket #: 2070-2011
Board Decision: Passed by unanimous vote.

PGCB MOTION NO. 2012-561 OCC – Dong Son

Motion Made: Board Member Ginty
Seconded: Board Member McCall

Resolved, the Board hereby ordered that the Report and Recommendation of the Office of Hearings and Appeals is adopted and denied the Gaming Employee Permit of Dong Son.

OHA Docket #: 1927-2011
Board Decision: Passed by unanimous vote.

PGCB MOTION NO. 2012-562 OCC – Liwei Zhou

Motion Made: Board Member Trujillo
Seconded: Board Member Moscato

Resolved, the Board hereby ordered that the Report and Recommendation of the Office of Hearings and Appeals is adopted and in lieu of suspension of his Gaming Employee Permit, Liwei Zhou shall remit to the

Board a civil penalty in the amount of \$979.00 which reflects the amount won while gambling (\$479) and an additional \$500. The amount is payable within 30 days of this Order.

OHA Docket #: 2396-2011
Board Decision: Passed by unanimous vote.

PGCB MOTION NO. 2012-562 OCC – Travis Riley

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby lifted the emergency suspension of Travis Riley’s Gaming Employee Permit. The felony charge of stalking was dismissed.

OHA Docket #: 2584-2011
Board Decision: Passed by unanimous vote.

BUREAU OF LICENSING

PGCB MOTION NO. 2012-563 LIC

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby approved the Slot Machine Manufacturer License of Scientific Games International, Inc.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-565 LIC – Principal and Key Employee Licenses

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved, the Board hereby approved the issuance of the following Principal and Key Employee Licenses as follows:

Mountainview Thoroughbred Racing Association

Principal Initial Licensure

✓ **Jay A. Snowden**, Senior Vice President for Regional Operations – Docket #65306-1

Key Employees Initial Licensure

✓ **Joelle Shearin**, Vice President of Finance & Chief Financial Officer – Docket #62485-1

✓ **Susan Reyes**, Vice President of Human Resources – Docket #49012-1

✓ **Ronald Schlecht**, Manager of Information Security – Docket #61598-2

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2011-566 LIC – Temporary Key Employee Credentials

Motion Made: Board Member Trujillo
Seconded: Board Member Fajt

Resolved, the Board hereby approved the issuance of 23 Temporary Key Employee Credentials.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-567- LIC – Gaming & Non-Gaming Employee Permits and Registrations

Motion Made: Board Member Fajt
Seconded: Board Member Ginty

Resolved, the Board hereby approved the issuance of 597 (83 full G2 employees; 241 initial; 72 renewals; 201 Temporary G2 employees) Gaming Employee Permits and 128 Non-Gaming Employee Registrations.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-568 LIC – Withdrawals

Motion Made: Board Member McCall
Seconded: Board Member Moscato

Resolved, the Board hereby approved the withdrawal of 1 Key Employee, 19 G2 Employees and 2 Non-Gaming Employee Applications.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-569 LIC – GSP Certification

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby approved the Gaming Service Provider Certifications as follows:

- ✓ Component Assembly Systems, Inc.
- ✓ Graphic Controls Acquisition Corporation
- ✓ Mintz & Hoke, Inc., DBA: Mintz & Hoke Communications Group
- ✓ Paragon Wholesale Foods Corporation
- ✓ Samuels & Son Seafood Company, Inc.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-570 LIC – GSP Registration

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved, the Board hereby approved the Gaming Service Provider Registrations as follows:

- ✓ Continental/Rockbridge North Shore Hotel, L.P, DBA: Hyatt Place Pittsburgh North Shore
- ✓ Cyrilla Construction Co.
- ✓ Global Surveillance Associates, Inc.
- ✓ Hershey Creamery Corporation, DBA: Hershey's Ice Cream
- ✓ James Murrin Electrical Contractors, Inc.

- ✓ JL Furnishings, LLC
- ✓ JMB Financial Advisors, LLC
- ✓ Kulture Consulting, LLC
- ✓ Paoli Foods, Inc., DBA: Pocono Provisions
- ✓ Pittsburgh Stage, Inc.
- ✓ Players Travel, Inc.
- ✓ Saucon View, LP
- ✓ Tangam Gaming Inc.
- ✓ Thomas United, Incorporated
- ✓ Toshiba Business Solutions USA, Inc., DBA: Connected Office Products
- ✓ Universal Software Solutions, LLC, DBA: U.S.S., LLC

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-571 LIC – GSP Registration

Motion Made: Board Member Trujillo
Seconded: Board Member Fajt

Resolved, the Board hereby approved the abandonment of Gaming Service Provider Applications as follows:

- ✓ Alta Communications, Inc.
- ✓ James S. Ritter, D/B/A: Ritter's Farm Markets
- ✓ LandShapers, Inc.
- ✓ Peregrine Co., Inc.
- ✓ TC Lloyd Construction Company, Inc.
- ✓ Turner/Rado Joint Venture, DBA: Turnado

OFFICE OF ENFORCEMENT COUNSEL

PGCB MOTION NO. 2012-572 OEC – Revocation

Motion Made: Board Member Fajt
Seconded: Board Member Ginty

Resolved, the Board hereby approved the Revocation of Thomas Glazewski's Gaming Employee Permit.

OHA Docket #: 2352-2012
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-573 OEC – Revocation

Motion Made: Board Member Ginty
Seconded: Board Member McCall

Resolved, the Board hereby approved the Revocation of Alexis Billops' Non-Gaming Employee Registration.

OHA Docket #: 2466-2011
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-574 OEC – Revocation

Motion Made: Board Member McCall
Seconded: Board Member Moscato

Resolved, the Board hereby approved the Revocation of Valerie Marker’s Non-Gaming Employee Registration.

OHA Docket #: 2511-2012
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-575 OEC – Revocation

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby approved the Revocation of Ryan Patrick Lowe’s Gaming Employee Permit.

OHA Docket #: 2547-2012
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-576 OEC –PGCB Exclusion List

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved, the Board hereby approved the addition of Clive Cattan to the Pennsylvania Gaming Control Board’s Exclusion List.

OHA Docket #: 2509-2012
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-577 OEC –PGCB Exclusion List

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved, the Board hereby approved the addition of Nebiyu Belleto to the Pennsylvania Gaming Control Board’s Exclusion List.

OHA Docket #: 2390-2012
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-578 OEC –PGCB Exclusion List

Motion Made: Board Member Trujillo
Seconded: Board Member Fajt

Resolved, the Board hereby approved the addition of Jin Cheng Lin to the Pennsylvania Gaming Control Board’s Exclusion List.

OHA Docket #: 2354-2011
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-579 OEC –PGCB Exclusion List

Motion Made: Board Member Fajt
Seconded: Board Member Ginty

Resolved, the Board hereby approved the addition of Aizhen Nmn Liu to the Pennsylvania Gaming Control Board's Exclusion List.

OHA Docket #: 2357-2011
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-580 OEC –PGCB Exclusion List

Motion Made: Board Member Ginty
Seconded: Board Member McCall

Resolved, the Board hereby approved the addition of Qing Ding Liu to the Pennsylvania Gaming Control Board's Exclusion List.

OHA Docket #: 2358-2011
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-581 OEC –PGCB Exclusion List

Motion Made: Board Member McCall
Seconded: Board Member Moscato

Resolved, the Board hereby approved the addition of Sefula Seji to the Pennsylvania Gaming Control Board's Exclusion List.

OHA Docket #: 2359-2011
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-582 OEC –PGCB Exclusion List

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby approved the addition of Baoyu Zhang to the Pennsylvania Gaming Control Board's Exclusion List.

OHA Docket #: 2314-2011
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-583 OEC –PGCB Exclusion List

Motion Made: Board Member Sojka
Seconded: Board Member Trujillo

Resolved, the Board hereby approved the addition of Cong Dian Zheng to the Pennsylvania Gaming Control Board's Exclusion List.

OHA Docket #: 2310-2011
Board Decision: Passed by unanimous vote

PUBLIC COMMENT

There was no public comment.

ADJOURNMENT

On a motion by Commissioner Trujillo, seconded by Commissioner Fajt, the meeting was adjourned.
I HEREBY CERTIFY THAT THESE MINUTES WERE APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD AT A PUBLIC MEETING ON THE 2nd DAY OF MAY, 2012.

Mickey Kane, Board Secretary