



PENNSYLVANIA GAMING CONTROL BOARD

Meeting of the Board

November 20, 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
Annmarie Kaiser
Keith R. McCall
Anthony C. Moscato
Gary A. Sojka

Ex-Officio members in attendance were:

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

PA Gaming Control Board Staff who appeared officially before the Board:

Kevin O'Toole – Executive Director Report
Susan Yocum - Regulations
R. Douglas Sherman – Petition(s)
Steve Cook – Withdrawals, Report and Recommendations
Susan Hensel – Licensing Matters
Cyrus Pitre – Enforcement Actions
Enforcement Counsel: Nan Davenport, Dustin Miller and Glen Stuart, Cassandra Fenstermaker, Michael Roland and Beth Manifesto

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

PUBLIC HEARINGS

Hearings were held on (1) Sands Bethworks Gaming, LLC - Petition Requesting Approval of the Reconfiguration of the Gaming Floor Under OP-13; (2) Gaming Laboratories Inc. (GLI) – Petition to Possess Slot Machines for Purposes of Operating a Permanent Gaming Testing and Certification Laboratory in the Commonwealth and (3) Valley Forge Casino – Petition for Approval of Revised Resort Membership Program

ANNOUNCEMENTS

By way of announcements, the Board held Executive Sessions on November 19th, 2012. The purpose of the Executive Session was to discuss personnel matters, pending litigation, and to conduct quasi-judicial deliberations relating to matters being considered by the Board on November 8th. A second Executive Session was held just prior to reconvening the November 20th for the purpose of deliberating on the public hearings held just prior to the public meeting.

MINUTES/TRANSCRIPT

On a motion by Commissioner Kaiser, seconded by Commissioner McCall, the minutes and transcript of the October 10, 2012 meeting were approved.

OFFICE OF THE EXECUTIVE DIRECTOR

Prior to the Board's approval, Mr. O'Toole reported that Section 1202(b)(8) of the Pennsylvania Race Horse Development and Gaming Act authorizes the Board to purchase Directors and Officers Insurance coverage for the protection of the agency, Board members and Board staff. Since December 2006, the Board has had such protection in place under a series of annual insurance policies.

He reported that the policy presently in place is set to expire on December 5, 2012 and, as a result, Board staff asked the Department of General Services, Office of Risk and Insurance, to seek out and recommend coverage options for the period beginning on December 6, 2012 and ending on December 5, 2013. The Department of General Services responded by recommending that the Board retain its present insurers – Chartis, who provides \$10 million in primary coverage, and Chubb, who provides \$10 million in excess coverage – for the coming year.

PGCB MOTION NO. 2012-835 EXE – Directors and Officers Insurance

Motion Made: Board Member Fajt
Seconded: Board Member Ginty

Resolved, the Board hereby approved the Board's Directors and Officers insurance coverage and authorized the Executive Director to take all steps necessary to secure the necessary insurance coverage beginning December 5, 2012.

Board Decision: Passed by unanimous vote.

OFFICE OF CHIEF COUNSEL

PGCB MOTION NO. 2012-836 OCC – Proposed Regulation

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby adopted Proposed Regulation # 125-166. The information shall be posted to the Board's website.

Board Decision: Passed by unanimous vote.

PGCB MOTION NO. 2012-837 OCC – Petition / Sands Bethworks Gaming, LLC

Motion Made: Board Member Sojka
Seconded: Board Member Fajt

Resolved, the Board hereby approved the Petition of Sands Bethworks Gaming, LLC requesting approval of the Reconfiguration of the Gaming Floor under OP-13. The Board further granted Sands Bethworks Request for Confidentiality.

OHA Docket #: 2892-2012
Board Decision: Passed by unanimous vote.

PGCB MOTION NO. 2012-838 OCC / Petition – Valley Forge

Motion Made: Board Member McCall
 Seconded: Board Member Moscato

Resolved, the Board hereby denied Valley Forge's Petition for Approval of a Revised Resort Membership Program, however, approved Valley Forge's request for Confidentiality. The Board further moved that all requests to intervene in this matter be denied as moot.

OHA Docket #: 2848-2012
 Board Decision: 6-1 Vote, Commissioner Ginty Dissenting on Petition and /7-0 Vote for Confidentiality

PGCB MOTION NO. 2012-839 OCC / Report and Recommendation –American Warhorse Inc.

Motion Made: Board Member Moscato
 Seconded: Board Member Sojka

Resolved, the Board hereby adopted the Report and Recommendation issued by the Office of Hearings and Appeals granting North American Warhorse, Inc.'s request to withdrawal its Gaming Service Provider Application without prejudice.

OHA Docket #: 2707-2012
 Board Decision: Passed by unanimous vote.

BUREAU OF LICENSING

PGCB MOTION NO. 2012-840- LIC – Principal and Key Employee Licenses

Motion Made: Board Member Sojka
 Seconded: Board Member Fajt

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

Chester Downs and Marina, LLC

Principals Initial Licensure

- **John William Randolph Payne**, President of Shared Services and Central Division, Caesar's Entertainment Corporation, parent company of Chester Downs – Docket #8613-2
- **Jeffrey T. Housenbold**, Director/Member Audit Committee of Caesar's Entertainment Corporation, parent company of Chester Downs – Docket #67738-1

Key Employee Initial Licensure

- **Susan M. Foster**, Director of Table Games – Docket #63134-2

Greenwood Gaming and Entertainment, Inc.

Principal Affiliate Initial Licensure

- **Greenwood Table Games Services, Inc.** – Docket #65650-1

Key Employee Initial Licensure

- **Steven A. Fayne**, Director of Table Games – Docket #47523-3

Key Employees Renewal

- **Allen N. Strauss**, Director of Purchasing – Docket #2442-3
- **Bette A. Strauss**, Operations Controller – Docket #2937-3

Mountainview Thoroughbred Racing Association

Key Employee Renewal

- **John C. Newman, Sr.**, Vice President of Casino Operations – Docket #21089-3

Sands Bethwords Gaming, LLC

Principal Initial Licensure

- **Timothy Edwards Notaro**, Vice President & Chief Audit Executive of Las Vegas Sands Corporation's Audit Service Group; Las Vegas Sands Corporation is the parent company of Sands Bethwords Gaming, LLC – Docket #63793-1

Valley Forge Convention Center Partners, LP

Key Employees Initial Licensure

- **Michael S. Bowman**, President and Chief Executive Officer – Docket #56347-2
- **Anthony G. Spagno**, Vice President of Table Games – Docket #65744-1

IGT

Key Employee Initial Licensure

- **Adam Cascais**, Sales Account Manager – Docket #65728-1

Key Employees Renewal

- **Kenneth Kachnic**, System Sales Specialist/Account Executive – Docket #1307-3
 - **Anthony Sofran**, Sales Director Eastern Region – Docket #1310-3

Scientific Games International, Inc.

Principal Initial Licensure

- **Jeffrey B. Johnson**, Vice President, Finance/Chief Accounting Officer and Corporate Controller – Docket #68903-1

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-841- LIC – Temporary Principal and Key Employee Credentials

Motion Made: Board Member Fajt
Seconded: Board Member Ginty

Resolved, the Board hereby approved the issuance of 2 Temporary Principal and 15 Key Employee Credentials.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-842- LIC – Gaming Permits & Non-Gaming Employee Registrations

Motion Made: Board Member Ginty
Seconded: Board Member Kaiser

Resolved, the Board hereby approved the issuance of 236 (39 full G2 employees; 118 initial; 43 renewals; 36 Temporary G2 employees) Gaming Employee Permits and 43 Non-Gaming Employee Registrations.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-843 LIC – Denial

Motion Made: Board Member Kaiser

Seconded: Board Member McCall

Resolved, the Board hereby approved the denial of Mercedes Powers' Gaming Employee Application (Docket #72154).

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-844 LIC – Withdrawals

Motion Made: Board Member McCall
Seconded: Board Member Moscato

Resolved, the Board approved the withdrawal of withdrawal of the 12 Gaming Employee Permits and 7 Non-Gaming Employee Registrations.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-845 LIC – Certifications

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

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

CERTIFIED GAMING SERVICE PROVIDERS

- King Ventures, LLC
- Red Tettermer, Inc.
- Theone Catering, LLC

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-846 LIC – Registrations

Motion Made: Board Member Sojka
Seconded: Board Member Fajt

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

REGISTERED GAMING SERVICE PROVIDERS

- Cashman, LLC, DBA: Cashman and Associates
- Dunbar Armored, Inc.
- Kiosk Information Systems, Inc.
- Mastercraft Floor Covering, Inc.
- Production Technology Consultants Group, Inc.
- R.S. Covenant, Inc.
- The Fragrance Outlet, Inc., DBA: Spritz Designer Fragrances
- Williams Scotsman, Inc.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-847 LIC – GSP Application

Motion Made: Board Member Fajt
Seconded: Board Member Ginty

Resolved, the Board hereby denied East Coast Travel and Transportation's Gaming Service Provider Application.

Board Decision: Passed by unanimous vote

OFFICE OF ENFORCEMENT COUNSEL

PGCB MOTION NO. 2012-848 OEC – Consent Agreement / Joseph Pizza

Motion Made: Board Member Ginty
Seconded: Board Member Moscato

Resolved, the Board hereby approved the Consent Agreement between the Office of Enforcement Counsel and Joseph H. Pizza. Joseph Pizza shall be placed on the PGCB Involuntary Exclusion List for a period of three (3) years. Mr. Pizza may not petition the Board for removal until three (3) years from the date of the Order.

Board Decision: 5-0 Vote, Chairman Ryan and Commissioner Kaiser recused themselves from vote

PGCB MOTION NO. 2012-849 OEC – Consent Agreement - Holdings Acquisition

Motion Made: Board Member McCall
Seconded: Board Member Moscato

The Board hereby approved the Consent Agreement between the Office of Enforcement Counsel and Holdings Acquisitions Co., LP for permitting self-excluded person to game. Holdings Acquisitions Co., LP shall pay a civil penalty in the amount of \$5,000 and \$2,500 for investigative costs within ten (10) days from the date of the Order.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-850 OEC – Consent Agreement – Holdings Acquisition

Motion Made: Board Member Kaiser
Seconded: Board Member McCall

The Board hereby approved the Consent Agreement between the Office of Enforcement Counsel and Holdings Acquisitions Co., LP for four (4) underage gaming violations. Holdings Acquisitions Co., LP shall pay a civil penalty in the amount of \$45,000 and \$2,500 for investigative costs within ten (10) days from the date of the Order.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-851 OEC – Consent Agreement – Sands Bethworks Gaming, LLC

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby approved the Consent Agreement between the Office of Enforcement Counsel and Sands Bethworks Gaming, LLC for conducting business with a Prohibited Gaming Service Provider.

Sands Bethworks Gaming, LLC shall pay a civil penalty in the amount of \$5,000 and \$2,500 for investigative costs within five (5) days from the date of the Order.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-852 OEC – Consent Agreement – Mount Airy #1, LLC

Motion Made: Board Member Sojka

Seconded: Board Member Fajt

Resolved, the Board hereby approved the Consent Agreement between the Office of Enforcement Counsel and Mount Airy #1, LLC for conducting business with a Prohibited Gaming Service Provider. Mount Airy shall pay a civil penalty in the amount of \$10,000 and \$2,500 for investigative costs within five (5) days from the date of the Order.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-853 OEC – Revocation / Brian Viercinski

Motion Made: Board Member Fajt

Seconded: Board Member Ginty

Resolved, the Board hereby revoked Brian Viercinski's Gaming Employee Permit.

OHA Docket #: 2833-2012

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-854 OEC – Revocation / Vaughn Dunston

Motion Made: Board Member Ginty

Seconded: Board Member Kaiser

Resolved, the Board hereby revoked Vaughn Dunston's Non-Gaming Employee Registration.

OHA Docket #: 2756-2012

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-855 OEC – Revocation / John Francies

Motion Made: Board Member Kaiser

Seconded: Board Member McCall

Resolved, the Board hereby revoked John Francies' Gaming Employee Permit.

OHA Docket #: 2827-2012

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-856 OEC – Revocation / Joshua Combs

Motion Made: Board Member McCall

Seconded: Board Member Moscato

Resolved, the Board hereby revoked Joshua Combs Non-Gaming Employee Registration.

OHA Docket #: 2624-2012
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-857 OEC – Revocation / Casimir Lakomiak

Motion Made: Board Member Moscato
Seconded: Board Member Sojka

Resolved, the Board hereby revoked Casimir Lakomiak’s Non-Gaming Employee Registration.

OHA Docket #: 2619-2012
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-858 OEC – Revocation / Tyler Ngo

Motion Made: Board Member Sojka
Seconded: Board Member Fajt

Resolved, the Board hereby revoked Tyler Ngo’s Gaming Employee Permit.

OHA Docket #: 2621-2012
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-859 OEC – Revocation / Benjamin Paterson

Motion Made: Board Member Fajt
Seconded: Board Member Ginty

Resolved, the Board hereby revoked Benjamin Patterson’s Non-Gaming Employee Registration.

OHA Docket #: 2622-2012
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-860 OEC –PGCB Exclusion List / Pasquale Capasso

Motion Made: Board Member Ginty
Seconded: Board Member Kaiser

Resolved, the Board hereby approved the placement of Pasquale Capasso on the PGCB Involuntary Exclusion List.

OHA Docket #: 2841-2012
Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2012-861 OEC –PGCB Exclusion List / Yulissa Troncosco

Motion Made: Board Member Kaiser
Seconded: Board Member McCall

Resolved, the Board hereby approved the placement of Yulissa Troncoso on the PGCB Involuntary Exclusion List.

OHA Docket #: 2766-2012
Board Decision: Passed by unanimous vote

ADJOURNMENT

On a motion by Commissioner McCall, seconded by Commissioner Moscato the meeting was adjourned.

I HEREBY CERTIFY THAT THESE MINUTES WERE APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD AT A PUBLIC MEETING ON THE 9th DAY OF **JANUARY, 2013**.

Mickey Kane, Board Secretary