



Chairman
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PENNSYLVANIA GAMING CONTROL BOARD
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 HARRISBURG, PENNSYLVANIA
 17106-9060

Commissioners
 RICHARD G. JEWELL
 OBRA S. KERNODLE IV
 SEAN LOGAN
 KATHY M. MANDERINO
 MERRITT C. REITZEL
 DANTE SANTONI, JR.

Ex-Officio Members
 C. DANIEL HASSELL
 RUSSELL C. REDDING
 JOSEPH M. TORSSELLA

MEETING MINUTES

WEDNESDAY, OCTOBER 3, 2018 – 10:00 a.m.
STRAWBERRY SQUARE COMPLEX, 2ND FLOOR, HARRISBURG

A meeting of the Pennsylvania Gaming Control Board was held at the Pennsylvania Gaming Control Board Office of Hearings and Appeals, Strawberry Square Complex, 2nd Floor, Harrisburg, PA.

MEMBERS OF THE BOARD:

David M. Barasch, Chairman
 Richard G. Jewell
 Obra S. Kernodle, IV
 Sean Logan
 Kathy M. Manderino
 Merritt C. Reitzel
 Dante Santoni, Jr.

EX-OFFICIO MEMBERS/DESIGNEES IN ATTENDANCE:

Jennifer Langan, Designee, Pennsylvania Treasury
 Sue Leighton, Representative, Department of Revenue
 Fred Strathmeyer, Designee, Department of Agriculture

PA GAMING CONTROL BOARD EXECUTIVE STAFF WHO APPEARED BEFORE THE BOARD:

Kevin O'Toole, Executive Director – Annual Report and Gaming Diversity Report
 R. Douglas Sherman, Chief Counsel – Petitions, Surrenders
 Susan Hensel, Director, Bureau of Licensing – Licensing Matters
 Cyrus Pitre, Chief Enforcement Counsel – Enforcement Actions

Office of Enforcement Counsel – Also presenting:

James Armstrong, John Crohe, Tamara Haken, Dustin Miller and David Tepper. Thomas Monaghan and Michael Roland (public hearings only)

ALSO PRESENT WERE:

Mr. John Donnelly Jr., Esquire, representing SugarHouse HSP Gaming, LP
 Mr. Dean McBride, Vice President of Gaming, SugarHouse HSP Gaming, LP

PUBLIC HEARING ATTENDANCE:

Sands Bethworks Gaming, LLC - Petition for an Interactive Gaming Certificate

- Brian Carr, President and Chief Operating Officer, Sands Bethworks Gaming, LLC
- Michael Magazzu, Vice President and General Counsel, Sands Bethworks Gaming, LLC
- Lynne Kaufman, Esquire, Cooper Levenson, representing PCI Gaming

Valley Forge Convention Center Partners, LP - Petition for an Interactive Gaming Certificate

- Adrian King, Jr., Esquire, Ballard Spahr representing Valley Forge Convention Center Partners, LP
- Dave Zerfing, Vice President and General Manager, Valley Forge Convention Center Partners, LP
- Bill Wright, Sr. Vice President, Operations, Boyd Corporation

Mountainview Thoroughbred Racing Association, LLC (Hollywood Casino) – Petition for Sports Wagering Certificate

- Adrian King, Jr., Esquire, Ballard Spahr, representing Mountainview Thoroughbred Racing Association, LLC (Hollywood Casino)
- Alex Hvizda, Director of Compliance, Hollywood Casino
- Dan Ihm, Vice President and General Manager, Hollywood Casino
- John Finamore, Sr. Vice President, Regulatory Operations, Penn National Gaming, Inc.
- Joseph Kirwan, Sports Betting Manager
- Gary Pecorello, Director of Casino Marketing
- Fred Lipkin, Vice President of Marketing

Greenwood Gaming and Entertainment, Inc. – Petition for Approval and Authority to Conduct Sports Wagering in the Commonwealth and Petition for Approval to Conduct Sports Wagering at the South Philadelphia Turf Club (Consolidated Hearing)

- Mark Stewart, Esquire, Eckert Seamans, representing Greenwood Gaming and Entertainment, Inc. (GGE)
- John Dixon, IT, GGE
- Matthew Cullen, Sr. Vice President, Interactive Gaming and Sports, GGE
- Joe Wilson, Chief Operating Officer, Parx Racing, GGE

- Thomas Bonner, Esquire, GGE, Legal and General Counsel
- Bryan Schroeder, Vice President of Regulatory Affairs & Chief Compliance Officer, GGE

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

ANNOUNCEMENTS

Chairman Barasch announced that the Board held an Executive Session on October 2nd to discuss personnel matters and to conduct quasi-judicial deliberations relating to matters being considered by the Board on October 3rd. The Chairman also announced that a Public Input Hearing would be held on November 1st to collect testimony on the Category 4 Casino Application submitted by Mountainview Thoroughbred Racing Association, LLC.

MINUTES / TRANSCRIPT

On a motion by Board Member Dante Santoni, seconded by Board Member Richard Jewell, the Board unanimously approved the minutes and transcript of the August 15, 2018 meeting.

EXECUTIVE DIRECTOR'S REPORT

Kevin O'Toole, Executive Director, reported that Board staff has completed and posted to our website the fiscal year 2017-2018 Annual Report and the Gaming Diversity Report.

He stated that the Board's Annual Report is a project coordinated by our Office of Communications and is a collaboration of effort by each unit within our Agency. The Report includes statistical summaries and charts, a Statement of Revenue and Expenditures, and information on each casino regarding revenue earned and taxes paid during fiscal year 2017-2018.

He further stated, that the Annual Report includes, as part of the statistical summary, the funds paid by each Pennsylvania casino as local share assessments along with the name of the municipality, county and School District that received local share funds. Mr. O'Toole thanked the staff of the Communications Department for outstanding work on the Annual Report.

He also commented that the eleventh annual Gaming Diversity Report was completed. The Diversity Report presents a summary for each Pennsylvania casino that depicts employment by race, employment by gender, minority, women and local business-owned enterprise participation in construction and non-construction spend, and charitable and community outreach expenditures.

Mr. O'Toole thanked the Director of Diversity, Mozelle Daniels and her staff, Sharon Reisinger and Evelyn Early, who assist with preparation of the Diversity Report.

Mr. O'Toole stated that our casinos licensees engage in good faith efforts throughout the year to promote and ensure diversity and inclusiveness in all aspects of their casino operations.

In closing, Mr. O'Toole informed the Board that our current complement of employees at the Gaming Control Board is 295 of which 41.7% are female, 58.3% are male, and 17.6% are minorities. We exceed the averages for Commonwealth salaried employment for female and minority participation.

OFFICE OF CHIEF COUNSEL

PGCB MOTION NO. 2018-371 OCC

Motions: 1st—Board Member Jewell / 2nd—Board Member Kernodle

The Board hereby approved, with conditions, the Interactive Gaming Certificate for **Sands Bethworks Gaming, LLC** d/b/a/ Sands Bethlehem Casino. Sands Bethworks Gaming, LLC shall pay a \$10,000,000 Authorization Fee to the Board within 60 days of the Board's Order approving the Petition. It is further ordered that Sands' Motion to Protect Confidential Information is granted, as well as confidential treatment for Appendix 14 of Sands' Petition.

Docket Number: 7943-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-372 OCC

Motions: 1st—Board Member Logan / 2nd—Board Member Manderino

The Board hereby approved, with conditions, the Interactive Gaming Certificate for **Valley Forge Convention Center Partners, LP**. Valley Forge shall pay a \$10,000,000 Authorization Fee to the Board within 60 days of the Board's Order

approving the Petition. It is further ordered that Valley Forge's Motion to Protect Confidential Information is granted.

Docket Number: 7944-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-373 OCC

Motions: 1st–Board Member Manderino / 2nd–Board Member Reitzel

The Board hereby approved, with conditions, **Mountainview Thoroughbred Racing Association, LLC**, d/b/a Hollywood Casino at Penn National Race Course's Petition for a Sports Wagering Certificate. Hollywood Casino shall pay a \$10,000,000 Authorization Fee to the Board within 60 days of the Board's Order approving the Petition. It is further ordered that Hollywood Casino's Motion to Protect Confidential Information is granted.

Docket Number: 7991-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-374 OCC

Motions: 1st–Board Member Reitzel / 2nd–Board Member Santoni

The Board hereby approved **Greenwood Gaming & Entertainment, Inc.'s** (d/b/a Parx Casino) Petition for Approval and Authority to Conduct Sports Wagering in the Commonwealth, as well as, granted its request for confidentiality, with conditions to be outlined in the Board's Order. Greenwood Gaming shall pay a \$10,000,000 Authorization Fee to the Board within 60 days of the Board's Order approving the Petition.

Docket Number: 8003-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-375 OCC

Motions: 1st–Board Member Santoni / 2nd–Board Member Jewell

The Board hereby approved, with conditions, **Greenwood Gaming & Entertainment, Inc.'s** (d/b/a Parx Casino) Petition for Approval and Authority to Conduct Sports Wagering at its South Philadelphia Turf Club. It is further ordered that Greenwood Gaming's Motion to Protect Confidential Information is granted.

Docket Number: 8004-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-376 OCC

Motions: 1st–Board Member Jewell / 2nd–Board Member Kernodle

The Board hereby approved Mohammed Aljaafari's Petition for Removal from the PGCB Involuntary Exclusion List. Mr. Aljaafari shall be removed from the list within 15 days from the date of the Board's Order.

Docket Number: 5149-2017

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-377 OCC

Motions: 1st–Board Member Kernodle / 2nd–Board Member Logan

The Board approved the following surrenders as follows:

- Gregg Russell Carano; 7962-2018 – Surrender Principal License
- Mark Stephen Tarchetti; 7964-2018 – Surrender Principal License
- Michael Borofsky; 7990-2018 – Surrender Principal License
- Andrew Howard; 7992-2018 – Surrender Principal License

Board Decision: Passed by unanimous vote

BUREAU OF LICENSING

PGCB MOTION NO. 2018-378 BOL

Motions: 1st–Board Member Logan / 2nd–Board Member Manderino

The Board granted the Slot Machine and Table Game Manufacturer Licenses for **AGS, LLC a/k/a American Gaming Systems**. AGS, LLC pays the \$170,000 license fee for its Slot Machine Manufacturer License and any other outstanding fees and AGS, LLC also pays \$170,000 license fee for its Table Game Manufacturer License and any other outstanding fees. The following AGS, LLC Principals submitted initial applications for licensure in conjunction with the licensure of AGS, LLC. They are as follows:

- AGS Capital, LLC, 100% ownership interest in AGS, LLC – Docket # 91864-1
- AP Gaming Acquisition, LLC, 100% ownership interest in AGS Capital, LLC – Docket # 91847-1
- AP Gaming II, Inc., 100% ownership interest in AP Gaming Acquisition, LLC – Docket # 91844-1

- AP Gaming I, LLC, 100% ownership interest in AP Gaming II, Inc. – Docket # 91842-1
- AP Gaming Holdings, LLC, 100% ownership interest in AP Gaming I, LLC – Docket # 91849-1
- AP Gaming, Inc., 100% ownership interest in AP Gaming Holdings, LLC – Docket # 91845-1
- PlayAGS, Inc., 100% ownership interest in AP Gaming, Inc. -Docket # 93125-1
- Apollo Gaming Holdings, LP, 34.6% ownership interest in PlayAGS, Inc. – Docket # 93443-1
- AP Gaming Voteco, LLC, 100% voting interest in PlayAGS, Inc. - Docket # 93123-1
- Nicholas Paul Kimokeo Akinoa, Chief Financial Officer of AGS, LLC; PlayAGS, Inc.; and AGS Capital, LLC; Treasurer of PlayAGS, Inc.; AP Gaming, Inc.; AP Gaming Holdings, LLC; AP Gaming I, LLC; AP Gaming II, Inc.; and AP Gaming Acquisition, LLC; and Chief Accounting Officer of Play AGS, Inc. – Docket # 91853-1
- Victor Jerome Gallo, General Counsel, and Compliance Officer of AGS, LLC and General Counsel and Secretary of PlayAGS, Inc. – Docket # 91854-1
- Sigmund Hyunjai Lee, Chief Technology Officer of AGS, LLC – Docket # 91855-1
- David Lopez, Chief Executive Officer and President of AGS, LLC; PlayAGS, Inc.; AGS Capital, LLC; AP Gaming, Inc.; AP Gaming Holdings, LLC; AP Gaming I, LLC; AP Gaming II, Inc.; and AP Gaming Acquisition, LLC; Secretary of AGS, LLC; AP Gaming Acquisition, LLC; AP Gaming II, Inc.; AP Gaming I, LLC; AP Gaming Holdings, LLC; and AP Gaming, Inc.; and Director of PlayAGS, Inc. – Docket # 36042-4
- David Benjamin Sambur, Managing Member of AP Gaming VoteCo, LLC – Docket # 58722-3
- Marc J. Rowan, Managing Member of AP Gaming VoteCo, LLC – Docket # 8979-4

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-379 BOL

Motions: 1st–Board Member Manderino / 2nd–Board Member Reitzel

The Board granted the Conditional Interactive Gaming Manufacturer License of **Everi Interactive, LLC**. Everi Interactive, LLC pays the \$10,000 Interactive Gaming Manufacturer License fee within 30 days of the Board's Order. The following Principals submitted initial applications for licensure in conjunction with the licensure of Everi Interactive, LLC:

- Everi Games Holding, Inc. – Docket #58926-4
- Everi Holdings, Inc. – Docket #4732-5
- Everi Games, Inc. – Docket #58923-4
- Michael Rumbolz, Manager – Docket #17684-6

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-380 BOL

Motions: 1st–Board Member Reitzel / 2nd–Board Member Santoni

The Board granted the Conditional Video Gaming Terminal Procurement Agent Licensure of **Bell Gaming, LLC**. The Procurement Agent is not authorized to act in the capacity of a procurement agent until the \$500 license fee is paid. The individual and entity listed below submitted an application for principal licensure in conjunction with Bell Gaming LLC's application:

- David George – President and 100% owner through trust – Docket #108991-1
- The David A. George Trust – 100% owner – Docket #108986-1

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-381 BOL

Motions: 1st–Board Member Santoni / 2nd–Board Member Jewell

The Board granted the following Conditional Video Gaming Terminal Operator Licenses. *Applications for Principal licenses were submitted and can be found in the Order.*

Lucky Day Gaming, LLC – Docket 109090-1

Second State Gaming, LLC – Docket 109551-1

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-382 BOL

Motions: 1st–Board Member Jewell / 2nd–Board Member Kernodle

The Board approved the following **Principal (1)** and **Key (1)** Employee Licenses:

Washington Trotting Association, Inc.

Principal Employee

Initial Licensure

- Christina Jeannette Donelson, Sr., Senior Vice President of Human Resources for affiliate licensee Pinnacle Entertainment, Inc., which is the indirect parent company of slot machine licensee Washington Trotting Association, LLC – Docket #96828-2

Konami Gaming, Inc.

Key Employee

Initial Licensure

- Jason James Bertsch, Vice President of System Sales – Docket #37166-2

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-383 BOL**Motions:** 1st–Board Member Kernodle / 2nd–Board Member LoganThe Board approved the issuance of eleven (11) **Temporary Principal** and sixteen (16) **Temporary Key Employee Credentials**. *Information pertaining to the names of these individuals can be found in the Order.*

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-384 BOL**Motions:** 1st–Board Member Logan / 2nd–Board Member ManderinoThe Board approved the issuance of 413 (44 G2 full permits, 161 initial, 106 renewals and 102 temporary G2) **Gaming Employee Occupation Permits** and 162 **Non-Gaming Employee Registrations**. *Information pertaining to the names of these individuals can be found in the Order.*

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-385 BOL**Motions:** 1st–Board Member Manderino / 2nd–Board Member ReitzelThe Board hereby **denied** the following applications:**GAMING EMPLOYEES**

- Waleska Rodriguez-Reyes – Docket #109126-1
- Charles Wilber – Docket #107943-1
- Tiarra Black – Docket #88902-2
- Stephanie Duch – Docket #91072-2
- Chad Gordon – Docket #67688-3333

NON-GAMING EMPLOYEE

- Jeannette Vasquez – Docket #107950-1

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-386 BOL**Motions:** 1st–Board Member Reitzel / 2nd–Board Member SantoniThe Board approved the **withdrawal** of 1 Key Employee, 41 Gaming Employee and 12 Non-Gaming and Applications. *Information pertaining to the names of these individuals can be found in the Order.*

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-387 BOL**Motions:** 1st–Board Member Santoni / 2nd–Board Member JewellThe Board approved the Application of **Bonfire, LLC** for Gaming Service Provider Certification.

Board Decision: Passed by unanimous vote

OFFICE OF ENFORCEMENT COUNSEL**PGCB MOTION NO. 2018-388 OEC****Motions:** 1st–Board Member Jewell / 2nd–Board Member KernodleThe Board hereby approved the Consent Agreement between the Office of Enforcement Counsel and **SugarHouse HSP Gaming, LP** for breach of Table Games Integrity incidents (failure to properly conduct Spanish 21 Game). SugarHouse shall pay a civil penalty in the amount of \$10,000 and an administrative fee of \$2,500 within five (5) days.

Docket Number: 8005-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-389 OEC**Motions:** 1st–Board Member Kernodle / 2nd–Board Member LoganThe Board hereby approved the Consent Agreement between the Office of Enforcement Counsel and **SugarHouse HSP Gaming, LP** for breach of Table Games Integrity incidents (failure to properly address automated shuffler warnings).

SugarHouse shall pay a civil penalty in the amount of \$85,000 and an administrative fee of \$2,500 within five (5) days.

Docket Number: 8006-2018

Board Decision: Jewell, Kernodle, Logan, Manderino, Reitzel and Santoni – Yes; Chairman Barasch – No

PGCB MOTION NO. 2018-390 OEC

Motions: 1st–Board Member Logan / 2nd–Board Member Manderino

The Board hereby approved the revocation of **Heidy Calderon’s** Non-Gaming Employee Registration.

Docket Number: 7912-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-391 OEC

Motions: 1st–Board Member Manderino / 2nd–Board Member Reitzel

The Board hereby approved the revocation of **Larry Mayo’s** Non-Gaming Employee Registration.

Docket Number: 7894-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-392 OEC

Motions: 1st–Board Member Reitzel / 2nd–Board Member Santoni

The Board hereby approved the suspension of **Chance Harr’s** Gaming Employee Occupation Permit.

Docket Number: 7961-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-393 OEC

Motions: 1st–Board Member Santoni / 2nd–Board Member Jewell

The Board hereby approved the suspension of **Patrick Lehman’s** Non-Gaming Employee Registration.

Docket Number: 7935-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-394 OEC

Motions: 1st–Board Member Jewell / 2nd–Board Member Kernodle

The Board hereby approved the revocation of **Rosemary Morrone’s** Non-Gaming Employee Registration.

Docket Number: 7936-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2018-395 OEC

Motions: 1st–Board Member Kernodle / 2nd–Board Member Logan

The Board hereby approved the revocation of **Jason Singleman’s** Gaming Level 2 Employee Occupation Permit. The Board disregards allegations of past wrongs, which the Board had previously rejected as a reason for denying Mr. Singleman’s renewal, and OEC’s prosecutorial decision to issue a Warning Letter in another instance. The Board, however, does find that Mr. Singleman’s conduct of increasing player ratings when they were not gambling is sufficient proof that he lacks suitability to hold a G2 Permit.

Docket Number: 7861-2018

Board Decision: Passed by unanimous vote

The Board approved the following placements on the PGCB Involuntary Exclusion List:

MOTION #	RESPONDENT	DOCKET #-2018	FIRST	SECOND	BOARD DECISION	CAN PETITION TO BE REMOVED ON /notes
2018-396 OEC	Shelby Summer Brown	7818	Logan	Manderino	Unanimous	
2018-397 OEC	Oscar Carter, III	7817	Manderino	Reitzel	Unanimous	
2018-398 OEC	Douglas Yaple	7909	Reitzel	Santoni	Unanimous	OEC’s Default Judgement was granted, in part, and denied in part (See Order)

ADJOURNMENT

On a motion by Board Member Dante Santoni, seconded by Board Member Richard Jewell, the meeting was adjourned.