



Chairman
DAVID M. BARASCH
Phone: (717) 346-8300
Fax: (717) 346-8350
www.gamingcontrolboard.pa.gov

PENNSYLVANIA GAMING CONTROL BOARD
P.O. BOX 69060
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, JANUARY 9, 2019 – 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
Christin Heidingsfelder, Designee, Department of Revenue

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

Kevin O'Toole, Executive Director – 10 Year Service Awards and Qualified Gaming Entities
Danette Bixler-George, Director, Human Resources – New Hires
Claire Yantis – Administrative Director, Quarterly Financial Report for period ending 12/31/18
R. Douglas Sherman, Chief Counsel – Petitions
Steve Cook, Deputy Chief Counsel – Withdrawals/Surrenders and Reports and Recommendations
Susan Hensel, Director – Licensing Matters
Cyrus Pitre, Chief Enforcement Counsel – Enforcement Actions

Office of Enforcement Counsel – Also presenting:

Ashley Gabrielle and Beth Manifesto.

OTHER ATTENDEES FOR MEETING AND/OR HEARING (ORAL ARGUMENT):

Michael D. Fabius, Esquire, representing Woodlands Fayette, LLC
Joseph Bott, Human Resources, Assisted with 10-Year Service Award
Vickie Schreiner, PGCB Employee, Received Award
Michael Roland, PGCB Employee, Received Award

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

10-YEAR SERVICE AWARDS

Vickie Schreiner, Bureau of Licensing, and Michael Roland, Office of Enforcement Counsel, were recognized for their 10 years of continuous and loyal service to the Pennsylvania Gaming Control Board.

ANNOUNCEMENTS

Chairman Barasch announced that the Board held an Executive Session on January 8th, to discuss personnel matters and to conduct quasi-judicial deliberations relating to matters that the Board will be considering on January 9, 2019.

An Oral Argument was held prior to the start of the public meeting and will be voted on under the appropriate Bureau.

- **Woodlands Fayette, LLC** – Petition to Surrender the License of Joseph A. Hardy, III

MINUTES / TRANSCRIPT

On a motion from Commissioner Jewell, seconded by Commissioner Kernodle, the Board unanimously approved the **October 31, 2018** minutes and transcript.

EXECUTIVE DIRECTOR REPORT

Kevin O'Toole, Executive Director, stated that Act 42 of 2017, the Gaming Expansion legislation, provided for the implementation of interactive gaming in the Commonwealth. Thirteen Interactive Gaming Certificates were made available in each of the following three categories: peer-to-peer poker, non-peer-to-peer slots, and non-peer-to-peer table games.

He further explained that 39 Interactive Gaming Certificates were initially made available to the 13 Slot Machine Licensees in the Commonwealth for a period of 120 days. After that time period expired, and after the subsequent withdrawal of one applicant, 4 peer-to-peer poker certificates, 3 non-peer-to-peer slot certificates, and 3 non-peer-to-peer table game certificates remained available. Pursuant to the Gaming Act, the Board was then authorized to establish procedures to allow for Qualified Gaming Entities to apply for the remaining Interactive Gaming Certificates.

Mr. O'Toole explained that the Board sent out guidelines stating that any entity seeking Interactive Gaming Certificates must file a petition with the required contents between October 15 and October 31, 2018. The Board received two Petitions for Consideration as a Qualified Gaming Entity for Issuance of Interactive Gaming Certificates. The first Petition was filed by Marina District Development Company, LLC, a subsidiary of MGM Resorts International, and the operator of the Borgata Casino in Atlantic City, NJ. Marina District seeks to offer all 3 forms of interactive gaming. The second Petition was filed by Golden Nugget Pennsylvania, Inc., a subsidiary of Golden Nugget, who operates the Golden Nugget Casino in Atlantic City, N.J. Golden Nugget seeks to offer non-peer-to-peer slots and non-peer-to-peer table games.

Mr. O'Toole stated that he was informed by the Office of Chief Counsel that, following its review of each Petition and OEC's responses to those Petitions, it was determined that all required documentation was provided by the two entities. Having satisfied the requirements for Qualified Gaming Entity status, each may now proceed to file applications for Slot Machine Operators License. Each will undergo the requisite investigative process and be found suitable for licensure by the Board.

In closing, he remarked that although it was previously anticipated that a blind random drawing to select from multiple Petitioners would be necessary, that is not the case. MGM Resorts International and Golden Nugget Pennsylvania, Inc. may both proceed forward in the process toward approval to offer interactive gaming in Pennsylvania.

HUMAN RESOURCES

PGCB MOTION NO. 2019-1 HR

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

The Board hereby approved the hiring of **Daniel Cali**, Investigator, Bureau of Investigations and Enforcement.

Board Decision: Passed by unanimous vote

OFFICE OF FINANCIAL MANAGEMENT

Claire Yantis, Administrative Director, updated the Board on **revenue and expenditures** for the second quarter of fiscal year 2018-2019.

(A SHORT RECESS WAS TAKEN)

OFFICE OF CHIEF COUNSEL

The Board tabled the **Woodlands Fayette, LLC's** Petition to Surrender the License of Joseph A. Hardy, III matter; (OHA #5556-2017)

PGCB MOTION NO. 2019-2 OCC

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

The Board hereby approved **Jerome Benenati's** Petition for Removal from the PGCB Involuntary Exclusion List effective 15 business days from the date of this Order. The Board's approval to remove Mr. Benenati from the list does not grant him access to Mount Airy Casino and Resort. Mr. Benenati should contact Mount Airy regarding the imposed ban from the property.

Docket Number: 5083-2017

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-3 OCC

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

The Board approved the following **withdrawals/surrenders** as follows:

- Robert Pickus – Surrender Principal License; 8145-2018
- John Rauen – Withdraw Principal Application; 8144-2018
- Christopher Cody Williamson – Withdraw Principal Application; 8122-2018
- Matthew Frank – Surrender Principal License; 8143-2018

WTA, Mountainview 8126-8139-2018, and 8190-2018, 8191-2018 (all included in the same Petition)

Surrender Principal Licenses of:

- Franchise Merger Sub, Inc.; 8191-2018
- Charles Atwood; 8126-2018
- Stephen Craig Comer; 8127-2018
- Ron Huberman; 8128-2018
- Desiree Rogers; 8129-2018
- James Martineau; 8130-2018
- Anthony Sanfilippo; 8131-2018
- Carlos Ruisanchez; 8132-2018
- Donna Negrotto; 8133-2018
- Neil Walkoff; 8134-2018
- Vincent Zahn; 8135-2018
- Cherly Kondra; 8136-2018

- Christina Jeannette Donelson; 8138-2018
- Jeff Danis; 8139-2018

Withdraw Principal Licenses of:

- Carlino Family Trust; 8190-2018
- Simon Fothergill; 8137-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-4 OCC

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

The Board denied **Greenwood Gaming & Entertainment, Inc.’s** Petition for Waiver of Section 465a.19 of the Pennsylvania Gaming Control Board’s Regulations.

Docket Number: 7835-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-5 OCC

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

The Board adopted the Report and Recommendation of the Office of Hearings and Appeals, with the correction that **Jessica Benning’s** criminal record spans from 2008 through 2017, and that her application for Non-Gaming Employee Registration is denied. It was also ordered that certain exhibits listed in the Order contain confidential information and are sealed or redacted from public view.

Docket Number: 7905-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-6 OCC

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

The Board adopted the Report and Recommendation of the Office of Hearings and Appeals denying **Nicholas Anderson’s** Petition for early removal from the PGCB Involuntary Exclusion List. Mr. Anderson is to remain on the list for a period of five (5) years at which time he may petition the Board for removal. It was also ordered that Exhibit HA 1 #1 be redacted as it contains confidential information.

Docket Number: 5121-2017

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-7 OCC

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

The Board adopted the Report and Recommendation of the Office of Hearings and Appeals recommending **T.S.’s** Petition for Removal from the Voluntary Self-Exclusion List be denied. T.S. shall remain on the list. All files related to this matter shall be sealed.

Docket Number: 6636-2018

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-8 OCC

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

The Board adopted the Report and Recommendation of the Office of Hearings and Appeals recommending the revocation of **Timothy Nugent’s** Gaming Employee Occupation Permit. It was also ordered that certain exhibits listed in the Order contain confidential information and are sealed or redacted from public view.

Docket Number: 7820-2018
 Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-9 OCC

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

The Board adopted the Report and Recommendation of the Office of Hearings and Appeals regarding the Emergency Suspension of **Derrick Parris’** Non-Gaming Employee Registration. The suspension remains in effect.

Docket Number: 8044-2018
 Board Decision: Passed by unanimous vote

BUREAU OF LICENSING

PGCB MOTION NO. 2019-10 BOL

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

The Board approved the Category 1 Slot Machine Licensee Application of **PID, LLC**. The Board approved, for licensure, parties related to the Change of Control of Category 1 Slot Machine Licensee Eldorado Resorts, Inc. to Churchill Downs, Incorporated, operating Presque Isle Downs & Casino through PID, LLC. The Board further approved the Change of Control with the conditions requested by the Bureau of Licensing and the Office of Enforcement Counsel. A Change of Control Fee in the amount of \$3,750,000 shall be paid within three (3) business days of closing of the transaction implementing the Change of Control. The Principals submitted applications for licensure in conjunction with the application of PID, LLC as follows:

- **Churchill Downs, Inc.**, 100% owner of HCRH, LLC
- **HCRH, LLC**, 100% ownership interest in PID, LLC
- **CDI Holdings, LLC**, 7.37% ownership interest in Churchill
- **The Duchossois Group, Inc.**, 100% ownership interest in CDI Holdings.
- **Michael W. Anderson**, Vice President of Operations
- **Cathy M. Beeding**, Senior Counsel and Corporate Compliance Officer
- **Bradley K. Blackwell**, Senior Vice President and General Counsel
- **Ulysses L. Bridgeman**, Director and Audit Committee Member
- **William C. Carstanjen**, Director and Chief Executive Officer
- **Marcia A. Dall**, Executive Vice President and Chief Financial Officer
- **Chad E. Dobson**, Vice President and Chief Accounting Officer
- **Craig J. Duchossois**, indirect ownership interest in Churchill.
- **Richard L. Duchossois**, Director and direct and indirect ownership interest in Churchill
- **Christopher R. Elmore**, Vice President of Internal Audit
- **Daniel P. Harrington**, Director and Audit Committee Member
- **Karole F. Lloyd**, Director and Audit Committee Member
- **Duncan B. McConnell**, Senior Director of Slot Strategy and Performance
- **Austin W. Miller**, Senior Vice President of Gaming Operations
- **William E. Mudd**, President and Chief Operating Officer
- **Benjamin C. Murr**, Senior Vice President and Chief Technology Officer
- **R. Alexander Rankin**, Chairman/Director and Audit Committee Member
- **Craig D. Robinson**, Vice President of Casino Operational Finance
- **Russell R. Stokes**, Senior Director of Casino Technology
- **Wade M. West**, Senior Director of Casino Marketing
- **Ian S. Williams**, President of Online Gaming

Docket Number: 107697
 Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-11 BOL

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

The Board granted the Conditional Interactive Gaming Manufacturer License of **Majime Services, OU**. Majime Services, OU shall pay a \$10,000 License Fee within 10 days of notification by the Board. Einar Roosileht submitted the application and fees in conjunction with the application of Majime Services, OU.

Docket Number: 112020-1
 Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-12 BOL

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

The Board granted **Commonwealth America, LLC's** Video Gaming Terminal Procurement Agent License. The individuals listed below have submitted applications for principal licensure in conjunction with Commonwealth America, LLC's application:

- Gregory Colanto – Docket #112277-1
- Dylan Loch – Docket #112276-1
- Alexander Plungis – Docket #112274-1

Docket Number: 112272-1
 Board Decision: Passed by unanimous vote

MOTION NO. 2019-13 BOL

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

The Board approved the following **Principal (2)** and **Key (4)** Employee Licenses:

Greenwood Gaming and Entertainment, Inc.

Key Employee

Initial Licensure

Janet Del Borrello, Director of Player Services – Docket #20474-6

Presque Isle Downs, Inc.

Principal Employee

Initial Licensure

- Murray Blackstock, Director of Corporate Surveillance for affiliate licensee Eldorado Resorts, Inc., which is the indirect parent company of slot machine licensee Presque Isle Downs, Inc. – Docket #105513-1

Sugarhouse HSP Gaming, LP

Key Employee

Initial Licensure

- Cody Eugene Rushing, Director of IT – Docket #102768-1

Chester Downs and Marina, LLC

Key Employees

Initial Licensure

- Marisa Elise Stagg, Regulatory Compliance Manager – Docket #107449-1
- Marianne Marie Oronzio, Manager of Cage and Credit – Docket #7433-7

Principal AffiliateInitial Licensure

- Caesars' Interactive Entertainment, LLC – Docket #63022-1

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-14 BOL

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

The Board approved the issuance of two (2) **Temporary Principal** and seven (7) **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. 2019-15 BOL

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

The Board approved the issuance of 583 (21 G2 full permits, 253 initial, 228 renewals and 81 temporary G2) **Gaming Employee Occupation Permits** and 166 **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. 2019-16 BOL

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

The Board denied **Dustin Atkinson's** Application for a Gaming Employee Occupation Permit.

Docket Number: 111673-1

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-17 BOL

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

The Board approved eight (8) G2 Permit application **withdrawal** requests as follows: Marcus Grudzinski, Edward Sulton'El, Katrina Mosley, Cassandra Snyder, John Hagberg, Fredric David, Candice Tesauro and Jamie Maggert.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-18 BOL

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

The Board approved **Center Stage Entertainment, Inc.'s** application for Gaming Service Provider Certification. The Certification includes Applicants and Qualifiers.

- Center State Entertainment, Inc.
- Frank L. Catrambone
- Frank S. Catrambone

Docket Number: 5110-4

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2019-19 BOL

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

The Board approved the applications for **Gaming Service Provider Registration** as follows:

- James B. Schwab Company, Inc.
- PayNearMe MT, Inc.
- ServIT, Inc.

Board Decision: Passed by unanimous vote

OFFICE OF ENFORCEMENT COUNSEL

PGCB MOTION NO. 2019-20 OEC

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

The Board hereby approved the revocation of **Sean F. Simons’** Non-Gaming Employee Registration.

Docket Number: 8042-2018

Board Decision: Passed by unanimous vote

ADJOURNMENT

On a motion by Board Member Reitzel, seconded by Board Member Santoni, the meeting was adjourned.