

PENNSYLVANIA GAMING CONTROL BOARD

PUBLIC MEETING

WEDNESDAY, MAY 6, 2009, 9:06 A.M.

PENNSYLVANIA CONVENTION CENTER
PHILADELPHIA, PENNSYLVANIA

BEFORE:

MARY DiGIACOMO COLINS, CHAIRMAN
RAYMOND S. ANGELI
JEFFREY W. COY
JAMES B. GINTY
KENNETH T. McCABE
SANFORD RIVERS
GARY A. SOJKA

HILLARY M. HAZLETT, REPORTER
NOTARY PUBLIC

	I N D E X	
	WITNESS	PAGE
1		
2	Frank Donaghue	4
3	Paul Resch	4
4	Fred Kraus	6
5	Claire Yantis	13
6	Doug Sherman	14
7	Steve Cook	19
8	Susan Hensel	25
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

1 CHAIRMAN DIGIACOMO COLINS: All right. I would like to
2 call this meeting to order. I would like to call this
3 meeting to order and ask for silence. Thank you very
4 much everyone.

5 My name is Mary Colins. I'm the Chairman of
6 the Pennsylvania Gaming Control Board. Before we start,
7 I'm going to take care of a few housekeeping measures.
8 I would like to ask that everyone please turn off their
9 cell phones, BlackBerries, things of that nature that
10 can interfere with the electronics and also can be
11 distracting to the enormous amount of work we have
12 today.

13 So if you would do that, I would appreciate it.
14 We are going to proceed today. We have a lot of work to
15 get done.

16 We are going to proceed -- the first phase of
17 our day will be our public meeting where we will handle
18 the business that is scheduled to be for this -- for
19 this month. We're going to handle that first.

20 After that, we will then move into the hearing
21 on HSP SugarHouse. After we have heard from the
22 parties, we are then going to, as advertised, have the
23 scheduled public input sessions on the issues of that
24 hearing.

25 So now we will start by opening our public

1 meeting. We do that always with the Pledge of
2 Allegiance.

3 (Pledge of Allegiance.)

4 CHAIRMAN DiGIACOMO COLINS: All right. By way
5 of announcement, the Board held an Executive Session on
6 May the 5th in accordance with the Sunshine Act. The
7 purpose for the Executive session was to discuss
8 personnel-related issues and to conduct quasi-judicial
9 deliberations relating to matters pending before the
10 Board.

11 Now we will move onto New Business, which will
12 begin with our Executive Director's report and that will
13 come from Mr. Frank Donaghue.

14 MR. DONAGHUE: Good morning, Chairman Colins
15 and Board members.

16 This morning, I'm going to turn it over to the
17 Director of Gaming Operations, Paul Resch, who is going
18 to present for the Board's consideration two resolutions
19 related to the Sands Casino.

20 Then I will handle one motion for the Board's
21 consideration regarding a delegation of authority. With
22 that, I'm going to turn it over to Paul.

23 MR. RESCH: Chairman Colins, members of the
24 Board, as you are aware, the opening team staff is
25 on-site at the Sands Casino Resort Casino in Bethlehem

1 preparing for the Sands opening, which is targeted for
2 May 22nd of 2009.

3 I have two Resolutions this morning to present
4 before the Board, both of which pertain to the Sands
5 opening.

6 The first Resolution for your consideration is
7 a Resolution which approves the Sands Internal Control
8 Submission pursuant to the statutory and regulatory
9 requirements.

10 The Sands filed their submission with the Board
11 90 days prior to their planned opening. The Board staff
12 has reviewed the Internal Control Submission in
13 conjunction with the Department of Revenue and we are
14 prepared to recommend to the Board at this time for its
15 adoption.

16 The Resolution will become part of the record,
17 so I will not read it; but I will entertain any
18 questions that you have on that submission.

19 CHAIRMAN DiGIACOMO COLINS: Well, Paul, we have
20 a number of the members of the public here today. For
21 purposes of illustrating what this Internal Control
22 process is, just explain how voluminous these Internal
23 Controls are and what they do. Would you explain that?

24 MR. RESCH: Absolutely. The Sands Internal
25 Control Submission encompasses approximately three,

1 4-inch binders and the Internal Control Submission
2 covers every aspect of the Sands' gaming operations
3 including its accounting and Internal Controls,
4 security, surveillance, and areas such as marketing and
5 player tracking.

6 It details their organizational charts and the
7 segregation of duties at the Sands Casino. It is very
8 comprehensive.

9 Subsequent to this submission, as is the case
10 with other of our licensees, the Sands will be
11 submitting Amendments to its Internal Controls as the
12 Board's regulatory requirements change or as the Sands
13 business practices change at the casino.

14 CHAIRMAN DiGIACOMO COLINS: And these Internal
15 Controls are basically things that we have to review,
16 approve, and then we audit and use these in order to
17 maintain regulatory oversight, correct?

18 MR. RESCH: Correct.

19 CHAIRMAN DiGIACOMO COLINS: All right. Mr.
20 Kraus.

21 MR. KRAUS: Yes. Good morning, Madame
22 Chairman. Fred Kraus, Venetian Casino Resort on behalf
23 of Sands Bethlehem.

24 I just want to echo what was mentioned before.
25 They are very voluminous. These are the Internal

1 Controls without some of the appendixes. They are very
2 lengthy. I have read them. There are about 60 to 70
3 e-mails back and forth between staff and the Sands
4 Bethworks revising them, so they have been thoroughly
5 looked at.

6 CHAIRMAN DiGIACOMO COLINS: Thank you very
7 much. All right. May I have a motion?

8 COMMISSIONER COY: Madame Chair, I move that
9 the Board adopt Resolution 2009-2 approving the Internal
10 Control Systems for Sands Bethworks Gaming, LLC, as
11 described by the Office of Gaming Operations.

12 CHAIRMAN DiGIACOMO COLINS: May I have a
13 second?

14 COMMISSIONER GINTY: Second.

15 CHAIRMAN DiGIACOMO COLINS: All in favor?

16 COMMISSIONERS: Aye.

17 CHAIRMAN DiGIACOMO COLINS: Opposed? Motion
18 carries.

19 Thank you. Next matter.

20 MR. RESCH: Thank you, Chairman. The second
21 Resolution for the Board's consideration today also
22 deals with the Sands opening. It would approve the
23 Sands Gaming Floor Plan, which was submitted to the
24 Board for review and approval.

25 The Board staff has received the plan and

1 reviewed it to ensure it meets all of the requirements
2 of Regulation 467(a)(1)(a) to include all of the
3 requirements for the Gaming Floor Plan such as the
4 location of slot machines and other things such as
5 ticket redemption units, ATMs, jackpot payout machines,
6 and also the location of surveillance cameras.

7 This plan is in conformance with the Board's
8 regulatory requirements. It reflects a gaming floor
9 space of 103,289 square feet upon which 3,000 slot
10 machines are proposed to be placed.

11 CHAIRMAN DiGIACOMO COLINS: Again, Mr. Resch,
12 when you say we review, the Board reviews to determine
13 the location of cameras, surveillance cameras, what
14 exactly do you mean by that? Explain that more fully
15 for everyone.

16 MR. RESCH: If I understand the question,
17 Chairman Colins, the --

18 CHAIRMAN DiGIACOMO COLINS: What are we looking
19 for with those cameras?

20 MR. RESCH: The plan reflects the location of
21 all of the surveillance cameras on the gaming floor and
22 it is denoted whether each camera is a fixed camera or
23 what is called a pan-tilt-zoom camera and they are
24 identified by number. That facilitates our staff as
25 well as State Police when they are working in the casino

1 to look at the plan and be able to pull up a particular
2 camera that would aid in our regulatory oversight
3 efforts to resolve such things as patron disputes.

4 One of the things our staff does at the opening
5 and will be doing this week and next week is ensuring
6 there is proper surveillance of every slot machine, the
7 asset number on the machine, as well as the reels, the
8 credit -- the credit meter portion of the machine, as
9 well as the restricted area such as the cage, the count
10 room, and other areas to ensure proper surveillance
11 coverage, and that all aids in our compliance oversight
12 activities there at the casino going forward.

13 CHAIRMAN DiGIACOMO COLINS: How about issues of
14 underage gaming with respect to the floor plan?

15 MR. RESCH: With respect to the floor plan, the
16 Regulations require if the Licensee has plans to allow
17 for an underage pathway around or through its gaming
18 floor, they must delineate that as a clearly marked
19 underage pathway.

20 In the case of Sands Casino, they have
21 identified an underage pathway, which underage patrons
22 accompanied by adults would be traversing around the
23 gaming floor under surveillance and security oversight
24 and review. It would be monitoring that very closely.
25 We will be working with them on that.

1 CHAIRMAN DiGIACOMO COLINS: Any other
2 questions?

3 COMMISSIONER SOJKA: One quick one. I'm
4 assuming since this is just beginning, they'll have 25
5 percent of their gaming floor designated as nonsmoking?

6 MR. RESCH: This plan represents the 25 percent
7 of the 103,289 square feet as a smoking area. That has
8 been designated on the plan in the shaded area.

9 The Sands will have the opportunity, as other
10 Licensees do, to come back to -- with another plan in
11 three months after they've obtained their Department of
12 Revenue report showing slot wins in the different
13 sections.

14 COMMISSIONER McCABE: I have a comment for the
15 Sands. In reviewing your floor plan, I notice that
16 there are a lot of different entranceways onto the
17 gaming floor that surround this pathway.

18 We're going to be concerned, will you have
19 enough security people along that way to keep underage
20 gamblers out of the gaming floor?

21 MR. KRAUS: Fred Kraus, again, for Sands
22 Bethworks Gaming. That is a very good question. That
23 is addressed in the Internal Control Submission. There
24 is a security staffing -- internal control plan that
25 delineates the number of security officers. So I think

1 we will have a robust plan to be able to keep minors
2 out.

3 COMMISSIONER McCABE: We will let you know if
4 it is not.

5 COMMISSIONER COY: How robust it is.

6 MR. KRAUS: I have heard that before.

7 CHAIRMAN DiGIACOMO COLINS: All right. Very
8 good. Thank you.

9 May I have a motion?

10 COMMISSIONER GINTY: Madame Chair, I move that
11 the Board adopt Resolution 2009-3 approving the gaming
12 floor plan for Sands Bethworks Gaming, LLC, as described
13 by the Office of Gaming Operations.

14 COMMISSIONER McCABE: Second.

15 CHAIRMAN DiGIACOMO COLINS: All in favor?

16 COMMISSIONERS: Aye.

17 CHAIRMAN DiGIACOMO COLINS: Opposed?

18 Motion carries.

19 Thank you very much.

20 MR. DONAGHUE: And finally, Chairman Colins,
21 under my report today, again, for the Board's
22 consideration would be a motion to delegate authority to
23 Commissioners Coy, Ginty, and Sojka to oversee the test
24 nights and the opening of Sands Bethworks.

25 CHAIRMAN DiGIACOMO COLINS: Very good.

1 May I have a motion?

2 COMMISSIONER McCABE: Yes. Madame Chair, I
3 move that the Board delegate authority to Commissioners
4 Ginty, Sojka, and Coy to approve collectively all
5 preopening conditions to the Category 2 Slot Machine
6 License of Sands Bethworks and determine the effective
7 date and time when slot operations may commence at Sands
8 Bethworks pursuant to the Board's Order dated December
9 20th, 2006.

10 COMMISSIONER RIVERS: Second.

11 CHAIRMAN DiGIACOMO COLINS: Thank you.

12 May I have a second?

13 We had the second.

14 COMMISSIONER GINTY: Can I second?

15 COMMISSIONER SOJKA: It has been seconded by
16 Commissioner Rivers.

17 CHAIRMAN DiGIACOMO COLINS: All right. Good.
18 Then all in favor?

19 COMMISSIONERS: Aye.

20 CHAIRMAN DiGIACOMO COLINS: Opposed?

21 Motion carries.

22 CHAIRMAN DiGIACOMO COLINS: Okay. Thank you.
23 Frank, that concludes your report.

24 MR. DONAGHUE: It does.

25 CHAIRMAN DiGIACOMO COLINS: Thank you very

1 much. Now, the Director of Human Resources Claire
2 Yantis.

3 MS. YANTIS: Good morning, Madame Chairman,
4 members of the Board. We would ask you to consider
5 today a motion to hire Christopher Tayoun as a Casino
6 Compliance Representative for Penn National Casino.

7 The filling of this vacancy is due to the
8 transfer of a Casino Compliance Representative from Penn
9 National to Sands Bethworks.

10 Mr. Tayoun has completed the PGCB interview
11 process, background investigation, and drug screening
12 and is being recommended for hire by Director of Casino
13 Compliance Tom Sturgeon.

14 CHAIRMAN DiGIACOMO COLINS: Very good. Thank
15 you.

16 Any questions?

17 May I have a motion?

18 COMMISSIONER RIVERS: Yes, Madame Chair. I
19 move that the Board approve the hiring of agency staff
20 as proposed on the condition that the employee has
21 completed the necessary background investigation and
22 drug testing program.

23 CHAIRMAN DiGIACOMO COLINS: May I have a
24 second?

25 COMMISSIONER McCABE: Second.

1 CHAIRMAN DiGIACOMO COLINS: All in favor?

2 COMMISSIONERS: Aye.

3 CHAIRMAN DiGIACOMO COLINS: Opposed?

4 Motion carries.

5 Thank you very much.

6 Acting Chief Counsel now, Doug Sherman.

7 MR. SHERMAN: Good morning, Madame Chairman,
8 members of the Board. Today the Board has four
9 Petitions before it for consideration. HSP Gaming's
10 Amended Petition for Additional Time to Make Slot
11 Machines Available to Play and Modifications to its
12 Approved Development Plan will be the subject of the
13 public hearing to be held at the conclusion of our
14 regular business.

15 Therefore, we will not be presenting that
16 Petition at this time.

17 The other three Petitions are all scheduled to
18 be considered today upon the documentary record. In
19 each case, the Board has been provided with the
20 Petition, the Response of Pleading of Enforcement
21 Counsel, and any additional Pleadings, as well as all
22 supporting evidentiary materials.

23 All parties have been notified that the Board
24 will be considering their matters today. They have a
25 right to be present to address the Board as may be

1 appropriate.

2 First on the agenda is the consideration of
3 Sands Bethworks' Petition for an Order approving the
4 Shared Service Agreement between the Sands Bethworks and
5 the Venetian Casino Resort.

6 Under the Agreement, Venetian would provide a
7 variety of services to Bethworks including financial
8 services and information technology consultation.

9 The Office of Enforcement Counsel (OEC)
10 originally objected to the Petition based upon their
11 primary concern, which was to ensure the key areas of
12 oversight remain at the licensed facility in
13 Pennsylvania.

14 Sands Bethworks and the OEC had addressed those
15 issues and had entered into a stipulation whereby the
16 OEC agrees to withdraw its objection and Sands Bethworks
17 agreed to ten conditions set forth in a stipulation
18 provided to the Board.

19 OEC believes that those conditions provide the
20 Board with adequate oversight of Sands Bethworks'
21 operation, and the Office of Chief Counsel (OCC)
22 concurs.

23 As a result, based upon the documentary record
24 presented, it would be appropriate for the Board to now
25 consider a motion to approve that Petition.

1 CHAIRMAN DiGIACOMO COLINS: Very good.

2 Mr. Pitre, any comments?

3 MR. PITRE: Only that we worked very hard with
4 Sands to ensure that the Act and the Regs were complied
5 with in this fashion. We feel that we have reached an
6 agreement with the conditions in place that would
7 satisfy them.

8 CHAIRMAN DiGIACOMO COLINS: Very good. Thank
9 you.

10 COMMISSIONER SOJKA: Can I just ask, is this
11 the only agreement of this kind that exists so far in
12 Pennsylvania?

13 MR. PITRE: No. There also exists the same
14 thing with the Meadows. I believe we also have one with
15 Mohegan Sun.

16 COMMISSIONER SOJKA: So there is a precedent?

17 MR. PITRE: Yeah, there is a precedent.

18 CHAIRMAN DiGIACOMO COLINS: Very good.

19 May I have a motion?

20 COMMISSIONER McCABE: Yes. Madame Chair, I
21 move that the Board approve the Petition submitted by
22 Sands Bethworks as described by Chief Counsel.

23 COMMISSIONER COY: Second.

24 CHAIRMAN DiGIACOMO COLINS: All in favor?

25 COMMISSIONERS: Aye.

1 CHAIRMAN DiGIACOMO COLINS: Opposed?

2 Motion carries.

3 MR. SHERMAN: The next Petition before the
4 Board is that of Holdings Acquisition Company operators
5 of the Rivers Casino soon to be opening in Pittsburgh
6 this summer.

7 The Rivers Casino is seeking a Waiver of Fixed
8 Seating stating that the nonfixed seating will provide a
9 more enjoyable gaming experience and cause less
10 disruption in play.

11 The OEC did not object to the relief requested
12 subject to four conditions. Those are, that the Rivers
13 Casino submit schematic drawings, which depict the
14 appearance, dimensions, and locations of the seating, as
15 well as the distance from adjacent fixtures, walls, and
16 other objects.

17 Two, that the Rivers Casino adopt Internal
18 Controls, which reflect the Waiver of the Fixed Seating
19 requirement and a minimum aisle width to be maintained
20 and to note on the floor plan which machines are exempt
21 from the seating requirement.

22 Third, the Rivers Casino will maintain a
23 minimum aisle width of 48 inches measured from the seat
24 back when unfixed slot machine seating is vacant and
25 touching the slot base and knee height.

1 Finally, the Rivers Casino will obtain all
2 necessary permits and approvals from the City of
3 Pittsburgh and the Commonwealth of Pennsylvania for the
4 use of all nonfixed seating.

5 This matter is now ripe for the Board's
6 consideration.

7 CHAIRMAN DiGIACOMO COLINS: Any comments from
8 Mr. Pitre?

9 MR. PITRE: With regard to the approvals from
10 the City of Pittsburgh, we did receive the letter from
11 the Fire Marshall, the Fire Chief of Pittsburgh okaying
12 the nonfixed seating at the Rivers Casino. So,
13 therefore, the matter is ripe for the Board's
14 consideration.

15 CHAIRMAN DiGIACOMO COLINS: Very good.

16 Any questions?

17 May I have a motion?

18 COMMISSIONER SOJKA: Yes. Madame Chairman, I
19 move that the Board approve the Petition submitted by
20 Holdings Acquisition Company, LP, as just described by
21 the OCC.

22 COMMISSIONER COY: Second.

23 CHAIRMAN DiGIACOMO COLINS: All in favor?

24 COMMISSIONERS: Aye.

25 CHAIRMAN DiGIACOMO COLINS: Opposed?

1 Motion carries.

2 MR. SHERMAN: I will now turn the presentation
3 over to Deputy Chief Counsel Steve Cook.

4 MR. COOK: Good morning, Madame Chairman,
5 members of the Board.

6 The third Petition being considered on a
7 documentary basis is the Petition to Intervene in HSP
8 Gaming, LP's, request for Additional Time to Make Slot
9 Machines Available for Play.

10 This Petition was filed by six members of the
11 General Assembly; Senator Lawrence Farnese,
12 Representative Michael O'Brien, Senator Michael Stack,
13 Representative William Keller, Representative Michael
14 McGeehan, and Representative John Taylor.

15 The Legislators argue that they have standing
16 to intervene in this matter as taxpayers, citizens, and
17 Legislators.

18 Both HSP and the OEC have objected to the
19 Legislator's Petition to Intervene; and subsequently,
20 the Legislators responded to their objections.

21 In addition to the submissions to the Board
22 related to their intervention, the Legislators have also
23 submitted documents outlining the underlying arguments
24 against HSP being granted the relief requested.

25 After a careful review of applicable law, the

1 OCC recommends that the Board allow the Legislators to
2 be heard as through the submission of Amicus briefs,
3 which they have already submitted as backup to their
4 Petition to Intervene but that they be denied
5 intervention as a party to the proceeding.

6 CHAIRMAN DiGIACOMO COLINS: Mr. Cook, can you
7 outline for us the criteria established by case law for
8 intervention to establish the right to intervene?

9 MR. COOK: By both case law, Madame Chairman,
10 and by Regulations, there are three avenues by which the
11 Legislators can be heard.

12 The first avenue is what is basically
13 traditional intervention and that requires that the
14 person seeking intervention have a substantial interest,
15 a direct interest, and an immediate interest in the
16 issue at hand.

17 In this particular matter, after careful review
18 of cases that dealt with Legislators seeking
19 intervention, it is clear that the status of a
20 Legislator as a Legislator does not give them any
21 greater right in the immediacy of the interest as would
22 any normal citizen. Therefore, they do not meet that
23 test.

24 Legislators have also been allowed intervention
25 when or in situations where the matter to be decided

1 directly impacted their status as a Legislator. That is
2 not the case here.

3 The final way Legislators can be heard is what
4 we are suggesting here today and that is as a friend of
5 the Court or friend of the Board in this case and in
6 which case they would not be provided party status.
7 However, their arguments would be heard and considered
8 by the Board.

9 CHAIRMAN DiGIACOMO COLINS: And, in fact, the
10 Petition for Intervention in the alternative asks for
11 status of an Amicus party, correct, Amicus filer?

12 MR. COOK: There are six different Legislators,
13 different Legislators make different arguments based on
14 where their district lies whether they are more directly
15 impacted or not.

16 Regardless, our conclusion after a very
17 exhaustive research is that none of them have
18 traditional intervention status. However, all of them
19 have Amicus status to be heard.

20 CHAIRMAN DiGIACOMO COLINS: Very good.

21 Any questions?

22 May I have a motion?

23 COMMISSIONER ANGELI: Madame Chairman, after
24 listening to counsel, I move that the Board approve in
25 part the Legislator's Petitions to Intervene, to the

1 degree it grants the Petitioners' Amicus status and the
2 Board should consider the Petitioners' filings to date
3 as Amicus briefs; and furthermore, the Board should deny
4 the Petition in part to the degree it seeks intervention
5 as a party.

6 CHAIRMAN DiGIACOMO COLINS: May I have a
7 second?

8 COMMISSIONER GINTY: Second.

9 CHAIRMAN DiGIACOMO COLINS: All in favor?

10 COMMISSIONERS: Aye.

11 CHAIRMAN DiGIACOMO COLINS: Opposed?

12 Motion carries.

13 Thank you.

14 MR. COOK: Next on the agenda, Madame Chairman,
15 are withdrawal of applications. The Board has received
16 four unopposed Petitions to withdraw Key Employee and
17 Principal Applications.

18 The individuals subject to those Petitions are
19 as follows: Joseph D'Amato, Peter Florstedt, Sr.,
20 Timothy Merrill, and James Lawrence Purcell.

21 The OEC has no objection to these withdrawals.
22 As such, the OCC presents them and would ask for a
23 motion that they be considered and approved without
24 prejudice.

25 CHAIRMAN DiGIACOMO COLINS: May I have a

1 motion, please?

2 COMMISSIONER ANGELI: Madame Chairman, I move
3 that the Board issue Orders to approve Withdrawals or
4 Surrenders as described by the OCC.

5 COMMISSIONER COY: Second.

6 CHAIRMAN DiGIACOMO COLINS: Before the vote,
7 Mr. Pitre, any objection or comments?

8 MR. PITRE: We have no objection to any of
9 these.

10 CHAIRMAN DiGIACOMO COLINS: Very good.

11 All in favor?

12 COMMISSIONERS: Aye.

13 CHAIRMAN DiGIACOMO COLINS: Opposed?

14 Motion carries.

15 MR. COOK: Next for the Board's consideration
16 is an Emergency Order to Suspend the Gaming Employee
17 Permit of Omar Robinson. Mr. Robinson was issued a
18 Gaming Employee Permit on March 19th, 2008.

19 He is employed as a Casino Marketing Analyst at
20 Harrah's Chester Casino and Racetrack. The Bureau of
21 Investigations and Enforcement (BIE) was notified by the
22 Pennsylvania State Police that on November 26th, 2008,
23 the Philadelphia Police Department issued a Criminal
24 Complaint against Mr. Robinson charging him with theft by
25 unlawful taking, forgery, welfare fraud, and unsworn

1 falsification to authorities. I believe three of these
2 charges are felonies.

3 Mr. Robinson is alleged to have fraudulently
4 converted public assistance for his own purpose in an
5 amount greater than \$3,000.

6 As a result of these charges, the OEC filed a
7 request for an Emergency Order of Suspension of
8 Mr. Robinson's Gaming Employee Permit on April 30th,
9 2009.

10 That request was signed -- an Order was signed
11 based on that request by the Acting Executive Director
12 on the same day.

13 Board Regulations now require that a Temporary
14 Emergency Order be presented to the Board for a full
15 evidentiary hearing or in the alternative that the Board
16 assign the matter to the Office of Hearings and Appeals
17 (OHA) to conduct such a hearing.

18 In this case, the OCC recommends that the
19 matter be referred to the OHA for a full evidentiary
20 hearing and that a Report and Recommendation on the
21 matter be issued and considered by the Board at a later
22 date.

23 CHAIRMAN DiGIACOMO COLINS: Do you have any
24 objection, Mr. Pitre?

25 MR. PITRE: No objection.

1 CHAIRMAN DiGIACOMO COLINS: May I have a
2 motion?

3 COMMISSIONER ANGELI: Madame Chairman, I move
4 that the Board issue an Order referring the matter to
5 the OHA for a hearing on the Emergency Suspension of
6 Omar Robinson and that the Temporary Emergency Order of
7 Suspension remain in place pending further action by the
8 Board.

9 COMMISSIONER COY: Second.

10 CHAIRMAN DiGIACOMO COLINS: All in favor?

11 COMMISSIONERS: Aye.

12 CHAIRMAN DiGIACOMO COLINS: Opposed?

13 Motion carries.

14 Thank you.

15 MR. SHERMAN: That concludes our presentation
16 at this point.

17 CHAIRMAN DiGIACOMO COLINS: Thank you very
18 much.

19 The Director of Licensing Susan Hensel?

20 MS. HENSEL: Thank you, Chairman Colins and
21 members of the Board. I have two manufacturer licensing
22 renewals to bring before the Board today.

23 The first renewal is for GTECH Corporation.
24 Its license was originally awarded in June of 2006 and
25 was renewed in December of 2007.

1 The second manufacturer is Atronic Americas,
2 LLC. Its license was originally awarded in May of 2006
3 and was renewed in November of 2007.

4 Each of the Licensees filed Renewal
5 Applications and were investigated by the BIE. The
6 Bureau of Licensing has provided you with Renewal
7 Suitability Reports for both companies.

8 In each case, no issues were identified by
9 either the BIE or Licensing that would preclude
10 licensure.

11 I have provided draft Orders for each of the
12 companies and their Principals and ask that the Board
13 consider the Orders individually.

14 CHAIRMAN DiGIACOMO COLINS: Are there any
15 questions?

16 May I have motion then?

17 COMMISSIONER COY: Madame Chair, I move that
18 the Board approve the Order renewing the Manufacturer
19 License of GTECH Corporation as described by the
20 Director of the Bureau of Licensing.

21 COMMISSIONER GINTY: Second.

22 CHAIRMAN DiGIACOMO COLINS: All in favor?

23 COMMISSIONERS: Aye.

24 CHAIRMAN DiGIACOMO COLINS: Opposed?

25 Motion carries.

1 MS. HENSEL: Second would be Atronic Americas.

2 CHAIRMAN DiGIACOMO COLINS: Okay. May I have a
3 motion as to that?

4 COMMISSIONER GINTY: Madame Chairman, I move
5 that the Board approve the Order renewing the
6 Manufacturer License of Atronic Americas, LLC, as
7 described by the Bureau of Licensing.

8 COMMISSIONER COY: Second.

9 CHAIRMAN DiGIACOMO COLINS: All in favor?

10 COMMISSIONERS: Aye.

11 CHAIRMAN DiGIACOMO COLINS: Opposed?

12 Motion carries.

13 MS. HENSEL: That concludes the presentation of
14 the Bureau of Licensing.

15 CHAIRMAN DiGIACOMO COLINS: Okay. Thank you.
16 All right. Thank you, Susan.

17 All right. Now, we're going to continue. That
18 concludes our regular business, so to speak. We will
19 now move to the hearing regarding the Petitions and the
20 amended Petition filed by SugarHouse HSP.

21 (Public Hearing and Public Comment held.)

22 CHAIRMAN DiGIACOMO COLINS: We'll reconvene.
23 Let me ask the Petitioners, I just want to find out if
24 there is anything further to add to this record?

25 MR. SPRAGUE: Your Honor, I can say no on

1 behalf of Sugarhouse.

2 CHAIRMAN DiGIACOMO COLINS: Thank you, sir.

3 And on behalf of the Gaming Board?

4 MR. PITRE: No, Your Honor.

5 CHAIRMAN DiGIACOMO COLINS: Now, we have been
6 deliberating and we are prepared to go forward and act
7 upon the Petition and I want to enter into a public
8 vote. I want our Chief Counsel now to address the
9 issues of the Petition with his comments.

10 MR. SHERMAN: Madame Chairman, members of the
11 Board, the proposed Order, which I will read on the HSP
12 Gaming matter will be as follows:

13 And now, this 6th day of May, 2009, upon
14 consideration of HSP Gaming, LP's, Application for
15 Additional Time to Make Slot Machines Available to Play
16 and the modification to its approved development plan,
17 the Pennsylvania Gaming Control Board hereby grants
18 HSP's application and approves HSP's modification to its
19 development plan in accordance with representations and
20 drawings and diagrams presented to the Board in support
21 of its application.

22 In addition, the Board approves the request for
23 additional time to operate and make available a minimum
24 of 1,500 slot machines for a period of an additional 24
25 months until January 10th, 2011.

1 It is further Ordered, the Board's grant of
2 this application is subject to the following conditions:

3 No. 1, HSP must provide monthly updates to the
4 Board regarding its efforts to obtain financing, the
5 status of all outstanding Applications or Licenses,
6 Certifications and Permits.

7 No. 2, HSP must promptly submit all financing
8 documents and commitments to the BIE for review.

9 No. 3, HSP must provide to the BIE a detailed
10 timeline for the commencement and completion of all
11 phases of construction.

12 No. 4, HSP must not alter the modified
13 development plan presented to the Board during these
14 proceedings absent prior approval by this Board.

15 No. 5, HSP will be required to periodically
16 provide updates as to the status of its project at
17 public meetings as scheduled by the Board.

18 No. 6, HSP shall be required to execute an
19 amended Statement of Conditions as determined
20 appropriate by the Bureaus of Licensing and BIE within
21 14 days of submission to HSP.

22 That completes the text of the Proposed Order.

23 CHAIRMAN DiGIACOMO COLINS: May I have a
24 motion?

25 COMMISSIONER McCABE: I move that we approve

1 the Proposed Order as set forth by Chief Counsel.

2 COMMISSIONER RIVERS: Second.

3 CHAIRMAN DiGIACOMO COLINS: Any questions or
4 comments before the vote?

5 All right. The only comment I want to make is
6 I believe that the Petitioner has met its statutory
7 burden and in asking for its extension of time, and I
8 also believe that the project as presented is
9 financially suitable and feasible, especially in view of
10 the \$160 million of equity and fusion into this project.

11 All in favor?

12 COMMISSIONERS: Aye.

13 CHAIRMAN DiGIACOMO COLINS: Opposed?

14 Motion carries.

15 All right. We will adjourn this meeting. Our
16 next scheduled meeting is Wednesday, June 3rd at 11:00
17 a.m. at the State Museum Auditorium in Harrisburg.

18 (The meeting concluded at 2:19 p.m.)

19

20

21

22

23

24

25

1 I hereby certify that the proceedings and
2 evidence are contained fully and accurately in the notes
3 taken by me on the within proceedings and that this is a
4 correct transcript of the same.

5

6

7

Hillary M. Hazlett, Reporter
Notary Public

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25