

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

* * * * *

PUBLIC HEARING

* * * * *

BEFORE: GREGORY C. FAJT, CHAIRMAN
Raymond S. Angeli, Jeffrey W. Coy, James B.
Ginty, Kenneth T. McCabe, Sanford Rivers,
and Gary A. Sojka, Members
Ex-officio Designee David Barasch
representing Revenue Secretary, Stephen
Stetler

HEARING: Wednesday, June 17, 2009
10:02 a.m.

LOCATION: State Museum Auditorium
300 North Street
Harrisburg, PA 17120

WITNESSES: Edward Fasulo, E. Barry Creany

Reporter: Cynthia Piro-Simpson

Any reproduction of this transcript
is prohibited without authorization
by the certifying agency.

A P P E A R A N C E S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

KEVIN O'TOOLE, ESQUIRE
Office of Chief Counsel
PA Gaming Control Board
P.O. Box 69060
Harrisburg, PA 17106-9060

E X H I B I T S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

<u>Number</u>	<u>Description</u>	<u>Page</u> <u>Offered</u>
---------------	--------------------	-------------------------------

NONE OFFERED

P R O C E E D I N G S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CHAIRMAN FAJT:

Good morning, everybody. I'm Greg Fajt, Chairman of the Pennsylvania Gaming Control Board. Just in a housekeeping matter, I'd like to ask you to turn off your cell phones, Blackberries and other electronic devices, as they tend to interfere with the communication system that we have. So thank you.

Today we have with us David Barash, who is the ex officio Designee representing Revenue Secretary Steve Stetler, and I also believe that Jennifer Langan is here representing the State Treasurer, Rob McCord. So thank you, Jennifer. A quorum of the Board is present, and these proceedings are called to order. I'd like to ask everybody to stand for the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE RECITED

CHAIRMAN FAJT:

We have one item before the Board today in way of a public hearing, which will take place prior to our public meeting. That first item addresses a Petition filed by Holdings Acquisition Company, L.P., more colloquially known as the Rivers Casino. The Petition seeks approval of the gaming

1 floor plan.

2 We will now begin. May I ask that all
3 the parties who want to present evidence in this
4 matter stand to be sworn?

5 -----

6 WITNESSES SWORN EN MASSE:

7 -----

8 CHAIRMAN FAJT:

9 Thank you. If it's okay with the Board,
10 we'll hear from both representatives of Holdings
11 Acquisition and Rivers Casino and also our Office of
12 Enforcement Counsel (OEC) and reserve our questions
13 until the conclusion of their presentations.
14 Everybody okay with that? Prior to your testimony,
15 could you please state your name, and spell your name
16 for the stenographer?

17 MR. FASULO:

18 Ed Fasulo, F-A-S-U-L-O.

19 CHAIRMAN FAJT:

20 Mr. Fasulo, anybody else at the table
21 going to be talking on behalf of Rivers Casino today?

22 MR. FASULO:

23 No, sir.

24 CHAIRMAN FAJT:

25 Okay. Thank you. Does the OEC --- well,

1 let's proceed with your presentation first. Go ahead,
2 Mr. Fasulo.

3 MR. FASULO:

4 Good morning, Mr. Chairman, good morning
5 fellow Commissioners, good morning members of staff.
6 My name is Ed Fasulo, I'm the Chief Operating Officer
7 and General Manager of the Rivers Casino in
8 Pittsburgh, Pennsylvania. My purpose today is to give
9 the Board and staff an update on the status of both
10 our construction and the operating aspects of the
11 casino. I have about a ten-minute presentation, after
12 which I would certainly be open to answering any
13 questions you might have.

14 A prelude to this is that there's a video
15 on here, and it's a series of three or four ten-second
16 commercials. I wanted to give the Board sort of a
17 sneak preview on what's about to hit the airwaves in
18 the next week or two from a marketing standpoint so
19 that you get a feel and a flavor of the direction and
20 our marketing efforts.

21 VIDEO PRESENTATION PLAYED

22 MR. FASULO:

23 Commissioners, this is a recent
24 photograph of the state of our construction of the
25 project. This was actually taken last Thursday. A

1 couple of notes that have changed here are, the entire
2 river bank has since been entirely landscaped, which
3 adds quite a bit to the aesthetic nature of the
4 property. So as you can see construction-wise, at
5 least externally, it's coming along very, very well on
6 time, on schedule, on budget.

7 I might point out that the Drum Bar
8 feature, which is that glass cylindrical iconic
9 feature right in the middle of our property there, I
10 only point that out, because the next slide shows ---
11 this is inside the Drum Bar. This is the beginning
12 installation of our chandelier, which hangs 76 feet
13 from the ceiling on down, which has a lot of animated
14 lights and everything. So again, it's an iconic
15 feature of ours that's going to reflect lovely on the
16 river and on the Mount Washington.

17 I thought I'd bring some photos to give
18 you a sense of the progress of how we're coming
19 internally. We have just over 2,500 slots on the
20 floor. Here's a view of some. You can see some have
21 already been electrified. Gaming's working
22 diligently, my staff's working diligently to get
23 everything connected along with G-Tech, of course, and
24 get all the connectivity going and communication.

25 Another slide here, this is Club 44 Six.

1 I'll explain that a little bit later, but there is
2 our private membership club. I wanted to give you a
3 sense of some --- the state of some of the interior
4 work.

5 Again, another view of a larger section
6 of the slot floor, again, slots working on
7 connectivity and data transmission. Again, some of
8 the interior work just to show the stage that we're at
9 from an interior standpoint. This is a view from one
10 of our restaurants. It's actually from our buffet. I
11 wanted to try to give the Board a sense of the views
12 that are visible from all of our food venues, as you
13 can see, spectacular views across the esplanade and
14 the front of the building onto the river, onto Mount
15 Washington, and obviously on the left-hand side you
16 can see the part of cityscape.

17 I also wanted to update the Board and
18 give them a sense and a feel of how we're moving from
19 a marketing standpoint. We have all the logo work
20 developed for all of our venues, and each one of them
21 have a purpose and a reason. This is Andrew's Steak
22 and Seafood. This is our high-end restaurant here.
23 And again, we named it Andrew's. We wanted to have a
24 good close connection with the City of Pittsburgh, and
25 obviously, there are a lot of famous Andrews from

1 Pittsburgh from Carnegie to Mellon to Warhol, et
2 cetera. So we thought Andrews would be an appropriate
3 name for our casino in Pittsburgh.

4 Another restaurant here called Ciao, and
5 the inscription is that it's a European-style Bistro,
6 which is a good reflection of it. In it, we have
7 flavored coffees, homemade gelatos, unique wine by the
8 glass. We think it'll be novel to the Pittsburgh
9 area. It's where you'll be able to walk up, and we'll
10 have a variety of selections of wines, everything from
11 --- an expensive bottle of \$20 on up to a very
12 expensive bottle of, say, \$300 or \$400. The intent is
13 to give everybody an opportunity to be able to taste,
14 because they can buy --- purchase by the ounce. So
15 they can buy a \$300 bottle of wine and get to taste it
16 for an occasion which they might not otherwise be able
17 to do. So again, we think this is going to be a great
18 novel, unique restaurant. As you can see, also
19 included, again, to suit the --- fit the sidewalk
20 style, freshly made pastries, paninis, crostinis and
21 sandwiches.

22 This is our Grand View Buffet. This is
23 on the second floor. In fact, that earlier view I
24 showed you from the windows was taken from there. Our
25 Grand View Buffet is 450 seats, has terrace dining.

1 All of our venues except for Ciao and West End have
2 terrace dining for seasonal dining outside. And
3 again, they're all on the river and everything with
4 great views. So we think that's a differentiator for
5 us. Magnificent views of the Ohio River, Mount
6 Washington cityscape. We have five ethnic stations.
7 There will be nothing like it in the Pittsburgh area.
8 Demonstration cooking everything from American,
9 Mongolian, Asian, authentic barbecue. We spent a lot
10 of additional money just buying original smoke ovens
11 in order to do it properly, and an Italian area. And
12 again, everything will be cooked to order in front of
13 everyone, so that as you go through the line the chefs
14 are tossing pasta or making fried chicken or whatever
15 the case may be. So that's a great venue.

16 This is our West End Café. And again,
17 the name is reflective where right adjacent to the
18 West End Bridge, as you well know, so we call this
19 restaurant --- it's just off of the casino floor,
20 combination of deli and sandwich shop, everything from
21 hot dogs, slices of pizza, a quick meal, a quick
22 snack, great viewing, again, open to the gaming floor,
23 so you feel like you're always part of the action.

24 This is a private club that I showed you
25 earlier. This is Club 44 Six. Again, we think we're

1 the first one really in the State of Pennsylvania to
2 have a club like this to this extent. As you saw from
3 my earlier photo that I provided you, it has more than
4 85 seats in there. It's a members only, of course,
5 for our VIP players, but it's reminiscent of an old
6 private country club feel, if you will, with a lot of
7 soft leather seats. We have a huge fireplace in it,
8 we have some grandfather clocks, antique type, so we
9 think --- this is very aspirational, we believe. And
10 again, we think this is a differentiator for us.

11 This is our bar, this is called Levels.
12 The reason it's called Levels, again, reflecting that
13 each of our names has a purpose and a reason. There
14 are four quadrants to this bar, this is located just
15 off the center of the gaming floor. It's uniquely
16 designed with four different levels of seating
17 quadrants. One is casino level, another level is 12
18 inches off the floor, another level is 18, another
19 level is 24. So you can go sit in any of these levels
20 that has nice settee --- you know, for small parties,
21 large parties or whatever, also have some
22 entertainment in there with everything from piano
23 player to harpist recorders to maybe a three jazz
24 ensemble, so on and so forth. So again, this is out
25 on the gaming floor. We think people will love this,

1 because they'll be part of the action here as well.

2 This is Spiral Bar. This is more of a
3 typical casino-type bar. It's a linear bar, off ---
4 not quite dead center of the casino, but it's where
5 our video poker machines are. We'll have 44 bar tops
6 there. There's no other outside seating area outside
7 of the bar tops, so this is just a typical casino bar.
8 We call this Spirals, by the way, because the display
9 cases in the middle of the bar are spiral or double
10 helix shaped where we're placing all of our liquors
11 and everything for display, so on the spiral shaped
12 displays.

13 This is the Drum Bar that I spoke of
14 earlier, this iconic feature. Again, it's going to be
15 a great viewing from the bridge from Mount Washington
16 from all over. It's our iconic feature. Circular bar
17 at the bottom, 88 seats surrounding it. A very high
18 energy area because of the light animation coming off
19 of the chandelier that I showed you earlier. We
20 expect this to be a popular place for the 25 to 35 to
21 45 year old set. It doesn't include me, by the way.

22 Our Wheelhouse, this is our sports bar.
23 This, by the way --- this venue was added when
24 Acquisitions Holding transferred ownership. This was
25 a new addition. This is --- it will have 25 bar top

1 slots inside there, 240 seats total. A true sports
2 bar feel. We aren't designating it as a sports bar,
3 because we want it to be a multi-utilization venue.
4 You know, not only a sports bar, we actually have a
5 stage in there. We've already contracted with FSN.
6 They're going to do live remotes from that stage for
7 both pre-game and post-game broadcasting that they do
8 for all of the Pittsburgh teams. So we think that
9 will be an attraction as well. It'll be a fun place.
10 A lot of video screens around, and again, a lot of
11 fun.

12 This, I particularly added this at the
13 last minute, because it's a room I'm quite proud of,
14 and if I can have the opportunity to give a tour to
15 make sure to emphasize this and point this out, but
16 this is our Team Dining Room. It's actually located
17 on the second floor, and it's adjacent to the buffet
18 that I showed you. It, too, has glass exterior walls
19 with the same views that I just showed you earlier.
20 The reason I want to point that out is that we
21 certainly could have put a restaurant there and been
22 very profitable, and we elected by design, on purpose,
23 to make that our team member dining room.

24 And that's an example, if you will, or
25 demonstration, if you will, of the value and

1 importance we place on our team members, to give them
2 such venue. We have our own kitchen there. Our team
3 members can go in. We'll cook anything they want to
4 order that we have on the menu, and we pay for their
5 meal, their mealtime. So anyway, great room, and
6 we're real proud of that.

7 And closing up is, we have a gift shop,
8 1,400 square foot. Logo'd wear, jewelry, T-shirts,
9 candles and a variety of things. The logo'd wear, of
10 course, would be Rivers Casino and all of the sports
11 teams.

12 This is a snapshot of our players club
13 cards. The players club is called Rivers Edge, as you
14 can see. We designated three tiers, as you notice.
15 The red is the entry level. That's single diamond
16 club, next is double diamond club member, and the
17 third is the triple diamond club members, as you note.
18 The left-hand card is called the charter card. What
19 we wanted to do with that, it's everyone that enrolls
20 or signs up prior to our opening and shows us a player
21 card, upper level playing card from another property,
22 we're going to issue them a charter member card that
23 they'll keep forever, by the way, because they'll be a
24 charter member. And they will be able to play up to
25 any of the levels that you see, any of the tiers that

1 you see demonstrated there.

2 I wanted to give you a sense of the
3 database that we're building this far. We currently
4 have over 12,000 guests that have requested club
5 membership, predominantly through direct mail, and
6 mostly from our website. Plus we've had several city
7 events. I.E., an example at one of the Pirate games,
8 one of our arrangements with them is we set up a table
9 on the bridge and try to capture --- or made ourselves
10 available for people to sign up for our slot club in
11 advance. Our goal is to have 50,000
12 pre-enrolled members prior to our opening.

13 Secondly, I want to give you a sense of
14 --- these have not gone out yet, but this is going to
15 be part of our direct mail piece and give you an idea,
16 again, of how we're focusing and how we're presenting
17 ourselves.

18 By the way, we got approval, just to make
19 you aware. We had our address changed to 777 Casino
20 Drive. Just got approved recently by the City of
21 Pittsburgh, so we're real happy about that. We can
22 market that. Our 800 phone number, by the way, is
23 going to be --- have 777 in it as well.

24 This is the typical billboard. Again,
25 these aren't up yet. Everything is a big, big

1 campaign that's going to begin right around next week
2 actually and continue to ratchet up through the month
3 of July. This is a typical billboard right here.

4 We have five buses wrapped in the City of
5 Pittsburgh. This is just an example of one. So we're
6 in the five-quadrant routes that the Port Authority
7 travels, so they're pretty distinctive, that bright
8 yellow. Again, another example, just to point out
9 with the Board, we had a vendor fair several weeks
10 ago. This is one of the flyers that we distributed.
11 It was an effort to notify all vendors and potential
12 utilizers of how to get in touch with us, what items
13 that we'll be using, expect to be using as we go
14 forward in operations, and to make it easier for them
15 to do business with us.

16 That's just a quick idea. We haven't
17 used that yet. We're trying to see if that's a
18 protected sign, but that might be something we put on
19 the billboard as well.

20 I wanted to touch upon human resources,
21 give you a sense of where we are on the team member
22 side. We have a total of 1,017 positions that were
23 available and budgeted for. We filled 600. We have
24 417 yet to go, most of those, however, are already in
25 the final stages of the interview process. As you can

1 see, at the very bottom, they're pretty impressive
2 that our website took in over 44,000 applicants since
3 it went active in late February. Pretty impressive.
4 And actually, we've had a few job fairs that I
5 attended myself. I've been pretty impressed with the
6 caliber of people that showed up. We had very, very
7 strong crowds in attendance.

8 A little bit on the construction side of
9 things, total construction, both non-construction and
10 construction, thus far we've expended \$334,934,389
11 thus far. Of that, 33 percent, or \$110 million of
12 that was directed directly to either state certified
13 minorities or women-owned businesses or locally-owned
14 businesses, just to give you a feel of how we're doing
15 on that front.

16 And that concludes my written statement,
17 I mean my presentation. I did want to give the Board
18 a more current up-to-date remarks on the status on the
19 compliance side, particularly with staff. Our
20 surveillance plan was submitted five days ahead of
21 schedule. We believe that that's in good order. Our
22 diversity plan was submitted to Ms. Daniels. Early
23 feedback from her has been very, very good. A few
24 minor edits that we'll be taking care of over the next
25 several days so that that will be in final stage.

1 Problem gambling plan has also been submitted to Ms.
2 Horner. Same type situation, we've had communication
3 with her, and she's given us feedback. Again, minor
4 edits and changes that we'll be taking care of to get
5 that in final order.

6 I also wanted to update the Commission as
7 far as how it's going on the slot floor and
8 connectivity, and G-Tech the master file, actually
9 went out last night or this morning at 2:00 a.m., they
10 went up to G-Tech, the file to the staff of the
11 Pennsylvania PGCB will be completed and gone out this
12 morning. It just needs a couple columns added to what
13 we supplied to the G-Tech one.

14 We currently have 2,551 games that are
15 onsite. The vast majority of those is set in place
16 awaiting for Shuffle Master, which is the electronic
17 21 games being delivered next week, and that will
18 round out the floor. All the Konami, which is our
19 slot system, all the Konami game hardware has been
20 installed on all the games thus far that are placed on
21 the floor. All the connectivity with G-Tech is
22 occurring now. And that's virtually an up-to-date as
23 of two o'clock this morning of where we were on the
24 compliance side of matters, so I would be more than
25 happy to take any questions you may have.

1 CHAIRMAN FAJT:

2 Thank you, Mr. Fasulo. Does the OEC have
3 any questions for Mr. Fasulo?

4 ATTORNEY CREANY:

5 Let me give you a question in two parts,
6 Mr. Fasulo. My name's Barry Creany for the OEC. And
7 you had mentioned that you have 2,550 at the facility.
8 How many of those do you have connected, and when do
9 you think you'll have the remaining 450, if you'll
10 just give us an update on that?

11 MR. FASULO:

12 Yes. The remaining 450, the expected
13 delivery date is June 22, which is next week. And I
14 don't have the exact number on the connectivity,
15 because that changes daily, but it's in the several
16 hundred range. I believe it's like 22 banks or so, so
17 I don't have the exact number, but close to that.

18 ATTORNEY CREANY:

19 And in your testimony, you reference the
20 fact that you have plans today to submit that slot
21 master list, and that's one of the requirements of the
22 regulations prior to an opening, but with that, when
23 do you anticipate having that finalized for staff
24 members?

25 MR. FASULO:

1 As I mentioned, the slot master list went
2 out to G-Tech at 2:00 a.m. this morning. We'll get
3 the PGCB's piece later on this morning. That is
4 actually approximately, 82, 84 percent of the total.
5 And again, because we don't have those remaining games
6 and those 400-some odd games aren't here yet, because
7 we need serial numbers, model numbers, et cetera. As
8 soon as those come, we'll complete it, but you'll have
9 an up-to-date master list sometime this morning.

10 ATTORNEY CREANY:

11 Do you anticipate then with the remaining
12 machines to be arriving next week, and with all the
13 identification that you'll need for the master list,
14 anything that would hold up your schedule of getting
15 to a test day and an opening?

16 MR. FASULO:

17 We don't anticipate or plan any. I might
18 note that there were approximately 63 games that
19 arrived in a damaged condition, without mentioning the
20 manufacturer. They'd have to be returned. That kind
21 of bogged us down, and that needs to occur as well.
22 But other than that, there's nothing that I can see
23 right now that should impair our plans for opening.

24 ATTORNEY CREANY:

25 Okay. And we're here today on the

1 Petition you have for approval of your gaming floor
2 plan. As initially submitted, there had been some
3 things that the staff had asked you to work into a
4 revised plan, we received that last week. At this
5 point, do you think what we have before the Board
6 today, the revised plan --- and I have dates of May
7 26th, is the most recent one I received, May 26th,
8 2009, do you anticipate any substantial changes
9 between now and when you get to a test day?

10 MR. FASULO:

11 No substantial changes. However, you
12 know, I think we can all anticipate minor changes.
13 I'm not sure what they might be right now, but no
14 anticipated significant or major changes.

15 ATTORNEY CREANY:

16 And when you talk about minor changes,
17 are these things that are maybe only going to be
18 evident once the machine's in place and staff has an
19 opportunity to review surveillance coverage and such?

20 MR. FASULO:

21 That's exactly correct. Once we get a
22 chance to have the final gaming floor set so that we
23 can view all the surveillance coverage, typically we
24 end up moving a machine or two, or for instance I've
25 already noticed that like at our front door, there's a

1 high profile game there that I'm probably going to
2 relocate, because it impairs the vision of the
3 sightline as guests come in. But again, not doing
4 that so that we do everything all at once and not have
5 confusion.

6 ATTORNEY CREANY:

7 And, Mr. Fasulo, one thing that is
8 somewhat unique, at least on the western part of the
9 state with respect to the Rivers is the fact that you
10 don't, in the plan, have these juvenile paths for
11 people who are under 21. Will you explain to the
12 Board why we have a gaming floor without the juvenile
13 plans?

14 MR. FASULO:

15 Certainly. Our company elected to make
16 our property an adults-only facility. We make no
17 bones about the fact that we're adult entertainment.
18 And obviously, because the legislature saw that as
19 well, no one under 21 is allowed on the gaming floor.
20 We took the additional step of not allowing anyone
21 under 21 anywhere on our property. So that's the
22 reason --- we didn't have to submit a particular plan
23 with pathways that were only for under 21 people. So
24 we're going to take steps to ensure that no one under
25 21 enters our property, again, because we feel

1 strongly that it's --- we're an adult entertainment
2 business and we want to stay that way.

3 ATTORNEY CREANY:

4 And Mr. Fasulo, I was not positive, but
5 I'd like to at least ask you, to the extent that
6 you've had the opportunity to review specific
7 conditions that the OEC recommended, that the --- part
8 of this Order that the Board considers today, have you
9 had a chance to review some of the conditions that
10 we're recommending?

11 MR. FASULO:

12 Actually, Mr. Creany, I brought with me
13 the pre-opening requirements that you had supplied to
14 us a number of weeks ago. And I've added on the
15 status of each line by line, I brought enough so the
16 Commissioners and members of the staff can review at
17 their leisure. I don't know, does that need to be
18 submitted as an exhibit or anything, or ---?

19 ATTORNEY CREANY:

20 You can supply it. At this point then,
21 you had said you're on target with time-wise. Are we
22 still looking at those dates of April 1st, 3rd and 5th
23 for final opening on the 5th? I'm sorry, I said
24 April, I meant August, of course.

25 MR. FASULO:

1 Yeah. You scared me for a minute. Yes,
2 we're still on target for our first test night to be
3 August 1st followed by gaming audit on the 2nd,
4 followed by a second test night on the 3rd, and
5 expecting it to open up on August 5th.

6 ATTORNEY CREANY:

7 And with respect to some of the
8 conditions that OEC put in the Answer and would
9 recommend the Board to consider today in determining
10 how to address this Petition, we're looking at things
11 about having your Internal Controls finalized and
12 approved. Of course, the Diversity Plan that you
13 mentioned, the Compulsive Problem Gambling Plan, the
14 slot master list, these kind of things, to the extent
15 you've already addressed them, is there anything else
16 you feel might be an impediment to getting to a test
17 day of August 1st?

18 MR. FASULO:

19 If everything goes as planned, you know,
20 we'll be fine, you know. But again, we're always
21 subject to something not working the way as planned,
22 but if the machine delivery comes as scheduled, which
23 we, again, expect it to, we believe that we'll have
24 everything in order and everything complete, in
25 compliance with the pre-opening requirements.

1 ATTORNEY CREANY:

2 Okay. And finally, Mr. Fasulo, you've
3 explained it's a fluid process here as we get to those
4 test days and the opening, and there will be things
5 you can see on the floor that you can't see on the
6 plan. There's going to be some adjustments. Do you
7 believe that you would need to either then --- these
8 final plans, the as-built plans, you're going to need
9 --- before we get to test periods, the Board's direct
10 or delegated authority to make some minor changes?

11 MR. FASULO:

12 Our expectation right now is to make any
13 of those changes prior to the filing of the 30-day
14 final submission following that any floor changes or
15 adjustments after that will have to be, you know,
16 dealt with at that point in time. But right now we
17 expect to have everything completed on the final
18 submission, 30 days in advance of opening.

19 ATTORNEY CREANY:

20 Thank you, Mr. Fasulo. We have no
21 further questions, Chairman.

22 CHAIRMAN FAJT:

23 Does the OEC have any presentation other
24 than the questions you just asked?

25 ATTORNEY CREANY:

1 Mr. Chairman, members of the Board, we
2 have been advised by the various offices and Bureaus
3 working with Rivers Casino that they've been
4 cooperative in making adjustments as need be to the
5 plans they had. At this point, it is progressing ---
6 you know, the reports, they're progressing very well
7 in that regard. We do suggest that if the gaming
8 floor plan is approved, and we have no objection to
9 that approval, but we would offer --- there would be
10 some conditions, they were mentioned in the Answer,
11 and we provided a proposed Order, those conditions are
12 standard conditions that we've used in all of the
13 facilities in the state. And if need be, I can read
14 them now, but we've submitted them to the Board for
15 its consideration. Would you like a summary of the
16 types of conditions?

17 CHAIRMAN FAJT:

18 Yes, I would.

19 ATTORNEY CREANY:

20 Yes, sir. The first is that they
21 complete their test period, which is something that is
22 anticipated going two days, August 1st and August 3rd.
23 They have their internal control systems approved by
24 the Board, and those things were submitted as of a
25 month or so ago, we approved the fixed seating

1 approval or the waiver of the fixed seating
2 requirement. So they're on track to be completed, and
3 it's in the submission review process right now.

4 The other is the various Board agencies
5 provide the Board members or the Board as a whole with
6 a red --- you know, a green flag to go ahead with the
7 openings, and that would be the Office of Gaming
8 Operations and the Bureau of Gaming Labs will provide
9 --- will have a master list and they will notify the
10 Board that those slots in place are both connected and
11 communicating with our central computer system.

12 Another condition is that the Director of
13 the Casino --- the Bureau of Casino Compliance
14 provides the Board with written notification that
15 surveillance coverage is adequate, and that it covers
16 all activities in the gaming floor area of the
17 Holdings permanent facility. All Holdings employees
18 have been licensed and permitted, as required by the
19 Board. That Holdings must have submitted and received
20 approval of its compulsive and problem gaming plan,
21 that the Holdings is going to adhere to the Statement
22 of Conditions that it signed that require prior to
23 opening, there's Statement of Conditions 48 through 53
24 be met, and those are tracking compliance with various
25 parts of the statute, the deposit of \$5 million into

1 the 1401 Fund and various other Statement of
2 Conditions requirements.

3 That there be written confirmation that
4 the permanent facility is, in all respects, ready to
5 receive the public. And this would include things
6 such as building code requirements and local and state
7 types of agency certifications, that it's ready for
8 public occupancy.

9 And finally that Holdings received
10 written authority to commence its slot operations
11 tentatively on August 5th by Order of the Board or by
12 Board members who have been specially selected to
13 execute such a commencement of a gaming operations
14 Order.

15 CHAIRMAN FAJT:

16 Mr. Fasulo, do you have any questions for
17 OEC?

18 MR. FASULO:

19 No, sir.

20 CHAIRMAN FAJT:

21 Okay. Board member questions? Mr.
22 Ginty?

23 COMMISSIONER GINTY:

24 I have one. Mr. Fasulo, you requested
25 that certain documents, site plans, facility plans,

1 gaming floor plans be kept confidential. Could you
2 explain the reason for that request?

3 MR. FASULO:

4 It's actually quite typical. The reason
5 is, there's a lot of sensitive material on there.
6 I.E., the location and placement of cameras at a
7 location and placement of restricted areas. And we
8 believe it's prudent and in the best interest of
9 Licensee to keep those confidential.

10 COMMISSIONER GINTY:

11 But our staff has total access to those
12 areas as well as our compliance people?

13 MR. FASULO:

14 Yes, sir. Obviously, they can access
15 that at any time.

16 COMMISSIONER GINTY:

17 Thank you.

18 CHAIRMAN FAJT:

19 Other questions? I have two quick
20 questions. You had mentioned that no one under 21 is
21 going to be on your premises. Does that apply to
22 employees?

23 MR. FASULO:

24 We've received permission in certain
25 areas to have under 21, 18 and over team members that

1 will be working in the buffet area, because that's on
2 the second floor and it's not on the gaming floor.
3 Staff has outlined the access route for those team
4 members that are under 21. So we will have some, yes,
5 sir.

6 CHAIRMAN FAJT:

7 Okay. And lastly, and I don't expect you
8 to have this information, but of the 33 percent that
9 is locally, business that has gone to local
10 businesses, minority-owned business and women-owned
11 businesses, if you could provide us with a breakdown
12 of that 33 percent between those three categories,
13 that would be something I'd be interested in seeing.

14 MR. FASULO:

15 Absolutely. I'll get that to you.

16 CHAIRMAN FAJT:

17 Great. No other questions? Jim? This
18 will conclude the public hearing. The record on this
19 matter is now closed. We're going to take a short
20 ten-minute break for a brief Executive Session so that
21 we can conduct quasi-judicial deliberations, and we'll
22 be back in ten minutes.

23 * * * * *

24 HEARING CONCLUDED AT 10:42 A.M.

25 * * * * *

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE

I hereby certify, as the stenographic reporter, that the foregoing proceedings were taken stenographically by me, and thereafter reduced to typewriting by me or under my direction; and that this transcript is a true and accurate record to the best of my ability.


Cynthia Lee Simpson
Court Reporter