

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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PUBLIC MEETING

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BEFORE: Gregory C. Fajt, Chairman
James B. Ginty, Raymond S. Angeli, Jeffrey
W. Coy, Kenneth T. McCabe, Gary A. Sojka,
Kenneth I. Trujillo
Keith Welks representing Honorable Robert
M. McCord, State Treasurer

HEARING: Friday, January 8, 2010, 10:00 a.m.

LOCATION: Pennsylvania Gaming Control Board
P.O. Box 69060
Harrisburg, PA 17106-9060

WITNESSES: Kevin O'Toole, Claire Yantis, Steve Cook,
Susan Hensel, Katie Higgins

Reporter: Cynthia Piro-Simpson

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CHAIRMAN:

Good morning everybody. I'm Greg Fajt, the Chairman of the Pennsylvania Gaming Control Board. And just as a housekeeping matter, as we always do, I'd like to ask everybody to turn off their Blackberries, cell phones and other communication devices as they tend to interfere with our communication system.

Joining us today is Keith Welks who is representing State Treasurer, Rob McCord. Welcome, Keith, and thank you for joining us today. A quorum of the Board is present. I'd like to call today's proceeding to Order. As the first Order of business I'd like everyone to stand for the Pledge of Allegiance, please.

PLEDGE OF ALLEGIANCE RECITED

PUBLIC HEARING CONDUCTED

CHAIRMAN:

If I could ask everybody to please take their seats. We'll now commence with our regularly scheduled public meeting. The first Order of business is old business and announcements. By way of announcements the Board held an executive session on

1 January 7th in accordance with the Sunshine Act. The
2 purpose of the executive session was to discuss
3 personnel matters, pending litigation and to conduct
4 quasi judicial deliberations relating to matters
5 pending before the Board. For our first item may I
6 have a motion to approve the minutes and transcript of
7 the November 4th, 2009 meeting?

8 MR. ANGELI:

9 Yes, Mr. Chairman, I move the Board
10 approve the minutes and the transcript of the November
11 4, 2009 meeting.

12 MR. COY:

13 Second.

14 CHAIRMAN:

15 All in favor?

16 KENNETH TRUJILLO ABSTAINS, ALL OTHER MEMBERS SAY AYE

17 CHAIRMAN:

18 All opposed? Motion passed.

19 MR. ANGELI:

20 I also would move the Board approve the
21 revised minutes of the June 17 meeting, 2009.

22 CHAIRMAN:

23 All in favor?

24 KENNETH TRUJILLO ABSTAINS, ALL OTHER MEMBERS SAY AYE

25 CHAIRMAN:

1 Opposed? Thank you. Motion passes.
2 Just for the record the change that Commissioner
3 Angeli talked about on the June 17th meetings, it
4 encompassed a renumbering of a motion from 172 to 172A
5 after it was discovered by staff that two motions at
6 that meeting were both identified as number 172.
7 Moving on to new business, I'd like to have Kevin
8 O'Toole, our Executive Director, provide his report.

9 MR. O'TOOLE:

10 A little housekeeping. Did we ever think
11 of a fixed heating rule?

12 CHAIRMAN:

13 I think we're moving away from that,
14 Kevin.

15 MR. O'TOOLE:

16 That was the last meeting.

17 CHAIRMAN:

18 We'll discuss the salary increase for
19 that housekeeping matter later on today.

20 MR. O'TOOLE:

21 Good morning, Chairman Fajt, members of
22 the Board. As we all are aware now, Governor Rendell
23 signed Senate Bill 711 yesterday authorizing the
24 legalization of table games in Pennsylvania's casino
25 facilities. This bill represents the culmination of a

1 significant effort to expand legalized gambling from
2 the slot machine only facilities to full service
3 casinos providing a wide array of casino related
4 products and services. The law promises great
5 expansion of economic and employment opportunities for
6 casinos and Pennsylvania citizens alike. It also
7 requires extraordinary dedication and commitment of
8 Board staff to see that the mandates of the new law
9 are fulfilled.

10 I would like to spend a few moments to
11 update the Board on what we, the staff, have been able
12 to do and what we still need to do. Up to this point
13 staff has been able to lay the preliminary groundwork
14 for plans to implement and effectively regulate table
15 games. Now, however, with the legislative process
16 finally completed we can get down to the actual work,
17 and believe me, there is a lot of work ahead.

18 First, the Board's regulatory review unit
19 within the Office of Chief Counsel has begun drafting
20 temporary regulations. We will be ruling out
21 temporary regulations in a number of phases. At each
22 of the next four or five Commission public meetings
23 you should have some level of temporary regulations
24 before you. We will start with the rules of the game
25 and we're working on approximately 12 of the

1 traditional table games and 5 of the more popular
2 poker games. We are focusing on getting those
3 temporary regulations before the Board at the public
4 meeting of January 27th. Ahead of us, however, is the
5 significant task of formulating regulations regarding
6 the accounting and internal controls associated with
7 table game operations as well as regulations
8 pertaining to the standards for surveillance of table
9 game activity.

10 Within the accounting and internal
11 controls will be specific regulations regarding casino
12 credit. Those regulations will include both the
13 application process and the approval process and the
14 verification of information process for the extension
15 of casino credit. The Board accepts the legislature's
16 decision to permit casino credit and Board staff will
17 effectively regulate that aspect of casino operations.

18 Completing the temporary regulations
19 should take our Regulatory Review Unit until at least
20 March or April to complete. Second, the Board's
21 Bureau of Licensing is preparing for significant
22 number of new applications. The Bureau has modified
23 its Gaming Employee License Application for table game
24 applicants for two primary purposes. First, we wanted
25 to identify table game applicants in Order to collect

1 appropriate and required statistics on the increase in
2 living wage jobs created as a result of table games.
3 It is estimated that table games will create between
4 4,500 and 6,000 new casino related jobs. Secondly, we
5 want to ensure that table game dealers and supervisors
6 are required to provide on their application form
7 information regarding their dealer training
8 certification as well as their work experience in
9 table game operations.

10 The Bureau of Licensing is also preparing
11 to accept and process applications for new
12 manufacturers, suppliers and vendors that will provide
13 the casinos with all necessary table game devices.
14 Once these gaming employee manufacturer, supplier and
15 vendor applications are received and processed by the
16 Bureau of Licensing they will be forwarded to the
17 Board's BIE and appropriate background investigations
18 will be conducted.

19 There will be a crunch of applications,
20 no doubt, but our BIE personnel are experienced and
21 excellent at what they do and they are up for the
22 challenge. The Board as an agency has advocated
23 consistently for supplemental budget appropriation and
24 this general assembly has granted a \$2.1 million
25 allocation for this fiscal year. Much of those funds

1 will be expended to recruit, interview and hire
2 approximately 50 to 55 new employees. These new
3 employees will be needed in a number of different
4 areas. Most significantly the Board's Bureau of
5 Casino Compliance will be adding three and possibly
6 four Casino Compliance representatives to work on site
7 along with the existing CCRs meet the new compliance
8 demands that necessitate regulatory oversight of the
9 table game revenue process.

10 Additional staff will also be added to
11 handle expanded auditing needs to ensure the highest
12 level of compliance with all regulatory requirements,
13 and certainly our OEC will be ready to ensure
14 compliance from an enforcement standpoint if there are
15 situations that come to their attention reflecting
16 non-compliance.

17 I think it's also important to note that
18 the Board expects to get the biggest bang possible
19 from that supplemental appropriations. The majority
20 of these new hires will be starting at \$37,000 per
21 year plus benefits. And as we heard from Mr. Quigley
22 in his presentation, that is consistent with the vast
23 majority of the new hires on the casino side. So we
24 will be hiring qualified individuals, most of them who
25 do not have casino regulatory experience. They will

1 need to be trained. The only difference with the
2 casino dealers is the \$37,000 salary that we will
3 start most of our new employees at will not be in a
4 tipped environment. But just to make the record
5 clear, we will not be hiring people at particularly
6 high salaries, certainly not at excessive salaries.

7 The Board's Bureau of Casino --- of
8 Gaming Operations has begun the process of
9 establishing three table game opening teams. As you
10 know in the past with the nine slot casinos we have
11 opened them up one at a time as they were licensed and
12 as they became ready, and we've also converted a
13 number of temporary facilities to permanent
14 facilities. But we will be establishing, and we have
15 established, three separate table game opening teams.
16 They are comprised of experienced Board personnel who
17 have participated in the opening of the nine slots
18 only casinos.

19 With three qualified opening teams the
20 Board will have the ability to simultaneously
21 implement table games at three different casinos on
22 the same day. With three separate opening teams we
23 are confident that if all nine operating casinos were
24 to be ready for table games at or about the same time,
25 we could have all properties open for table game play

1 within a 10 to 14 day period.

2 We have also initiated the process
3 through the Bureau of Financial Management and
4 Administration to prepare and issue an RFP for an
5 experienced expert, or experts, to teach our staff to
6 educate our employees in the particular --- and in
7 particular our on site casino compliance
8 representatives in the areas of table game protection
9 and the recognition of table game cheating and other
10 scams.

11 During March and April educational
12 training sessions at various regional locations will
13 be conducted for both Board personnel and troopers
14 from the Pennsylvania State Police Casino Details.
15 Everyone should read the amendments to Section 1518
16 passed through Senate Bill 711. These amendments
17 clarify and improve upon the language that describes
18 criminal offenses within a licensed casino. If
19 cheaters expect to prey on Pennsylvania table game
20 operations they will be caught and they will be
21 prosecuted.

22 Board staff has also begun preparation
23 for a smooth and effective process whereby the Board
24 will receive complete and responsive Petitions from
25 slot licensees who seek a table game operation

1 certificate. Letters were transmitted yesterday and
2 today to each of the nine operating casinos advising
3 them of a uniform and consistent process to make their
4 Petition filing with the Board and for the Board to
5 accomplish all that it needs to accomplish within a 60
6 day period from the receipt of that Petition. The 60
7 day period is the period at which the Board will then
8 have to rule on approving or denying the Petition for
9 table game operation certificate. If the Board
10 approves that certificate that does not mean that the
11 casino can open up their table games the next day.
12 That certificate is one of a number of factors and
13 conditions that have to be met before the table games
14 are open for the public.

15 A meeting to discuss this process with
16 industry representatives and to discuss all aspects of
17 the implementation of table games will be held within
18 the next several weeks. As we have stated on previous
19 occasions, the timeline for implementation of table
20 games is six to nine months from today. I have tried
21 to present an overview of the steps that the Board
22 must accomplish. Each casino has an equally
23 challenging task ahead of them. In part they must
24 recruit and train employees. They must revise their
25 floor plans and install additional surveillance

1 equipment. They must establish internal controls for
2 table games. They must revise a number of existing
3 internal controls and they may need to revise existing
4 loan agreements or obtain new sources of capital to
5 begin table game operations.

6 Although there is a lot of work to be
7 done I am very encouraged by the excellent working
8 relationship that presently exists among the
9 respective casino management teams at each property
10 and the Board staff. That concludes my report today,
11 but I certainly would be happy to answer any questions
12 that you might have.

13 CHAIRMAN:

14 Any questions from the Board? Kevin, I
15 have one quick one. You had mentioned in your
16 comments --- which thank you, they were very thorough
17 and appropriate. But I thought you had mentioned at
18 one time that we're going to have about 17, quote,
19 unquote, table games, 12 I guess traditional tables
20 and 5 card games or did I have that reversed?

21 MR. O'TOOLE:

22 No, that's correct. In the initial phase
23 approximately 12 traditional table games such as
24 blackjack, roulette, craps, three card poker, baccarat
25 and then approximately five traditional poker games,

1 five card stud, Texas Hold'em and those type of games.
2 So that would just be the first phase. You know,
3 there are some other games that are a little bit more
4 complicated and we also want to review the Petitions.
5 We're keeping our options open, but we would hope that
6 the casinos would --- you know, would get up and
7 running like Penn National with just some of the basic
8 games that the public know. You know, it is --- you
9 know, there's some ---. There are some games that are
10 attractive to certain aspects of the gambling public.
11 Some have durivations (phonetic) from Asian games,
12 like Thick Bow, Pie Giu (phonetic) Tiles and some of
13 those games are somewhat complicated, particular with
14 Pie Giu Tiles. You need extremely experienced
15 personnel to both deal and supervise those games. If
16 a casino wants to open up with Pie Giu Tiles, there'll
17 be an extra emphasis on testing the personnel
18 operating those games.

19 CHAIRMAN:

20 Thank you. Any other questions.

21 MR. SOJKA:

22 Just one quick one. You mentioned as
23 many as five different poker games. Will some of
24 those be banker games and some not, obviously?

25 MR. O'TOOLE:

1 When I use the term poker games I'm
2 referring to non-banked games. When I refer to
3 traditional table games I'm talking about banked
4 games. Quite a few traditional table games have the
5 word poker in their name like Three Card Poker, Four
6 Card Poker, Texas Bonus Hold'em Poker. So there's a
7 number of traditional banked table games that use the
8 word poker in the title that does make it confusing
9 when you think about the traditional poker that's a
10 non-banked game.

11 MR. MCCABE:

12 Mr. Chair, I don't have a question, I
13 have a comment. I just want to say Executive
14 Director, I'm very happy to have you there leading us
15 through this next phase and I look forward to you
16 taking us to this next level.

17 MR. O'TOOLE:

18 Thank you.

19 MR. GINTY:

20 Kevin, I think it's worth emphasizing
21 that you didn't wait for yesterday to happen, but, in
22 fact, you and your staff have been working on
23 regulations and understanding the games in
24 anticipation of the legislation passing.

25 MR. O'TOOLE:

1 Thank you.

2 CHAIRMAN:

3 Thank you. Thank you, Kevin. Next up is
4 our Human Resources Director, Claire Yantis.

5 MS. YANTIS:

6 Good morning Chair and Board members. We
7 have before you today a motion to hire one individual,
8 Cecilia Coccia, as an Administrative Assistant in the
9 Bureau of Licensing. Ms. Coccia has undergone the
10 PDCD interview process, background investigation and
11 drug screening and is being recommended for hire by
12 Bureau Director Susan Hensel. As such, I ask that you
13 consider the motion to hire Ms. Coccia as indicated.

14 CHAIRMAN:

15 Any questions or comments from the Board?
16 If not can I have a motion, please?

17 MR. COY:

18 Mr. Chairman, I move the Board approve
19 the hiring of the staff as proposed on the condition
20 that the employee has completed the necessary
21 background investigation and drug testing.

22 MR. GINTY:

23 Second.

24 CHAIRMAN:

25 All in favor?

1 ALL SAY AYE

2 CHAIRMAN:

3 Opposed? The motion passes.

4 MS. YANTIS:

5 Thank you.

6 CHAIRMAN:

7 Thank you, Claire. Next up is Doug
8 Sherman, our Chief Counsel. I see you have your able
9 assistant, Steve Cook, with you?

10 MR. SHERMAN:

11 Good morning, Chairman Fajt, members of
12 the Board. I'm going to make it real easy today. We
13 only have a few items from the OCC and I'm going to
14 let Steve handle each of them.

15 CHAIRMAN:

16 Putting your best foot forward, Doug;
17 right?

18 MR. COOK:

19 It flows downhill, Mr. Chairman. Good
20 morning, Chairman, members of the Board. The Board
21 has received eight unopposed Petitions to withdraw
22 applications or surrender licenses, registrations or
23 certifications, which include requests made on behalf
24 of nine persons and two businesses. The individuals
25 and entities subject to these Petitions are as

1 follows, Henry Thomas Lyons, Jr., John Beneat, James
2 L. Dougherty, Tommy Florio, Jr., Mark W. Hamilton,
3 Maximum Direct, Inc., Steven R. Platcow, Mark T.
4 Malin, Rosemary Bezouska, W.G. Tomko, Inc. and George
5 Yeager. The OEC has no objection to these withdrawals
6 and as such the OCC submits these withdrawals for the
7 Board's consideration of a motion to grant each. It
8 is noteworthy that seven of the Petitions, if granted,
9 would authorize withdrawals without prejudice. W.G.
10 Tomko, Inc.'s Petition for withdrawal, however, would
11 be with prejudice and is being made pursuant to a
12 Consent Agreement Tomko entered into with the OEC and
13 which was approved by the Board on October 21st, 2009,
14 wherein Tomko agreed to withdraw its certified vender
15 application with prejudice and also to not do business
16 in the Commonwealth for five years. Each of these
17 matters is now before the Board for consideration.

18 CHAIRMAN:

19 Thank you. Any questions or comments
20 from the Board? If not, could I have a motion,
21 please?

22 MR. MCCABE:

23 Mr. Chair, I move that the Board issue
24 Orders to approve the withdrawals or surrenders as
25 described by the OCC.

1 CHAIRMAN:

2 Second?

3 MR. SOJKA:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 ALL SAY AYE

8 CHAIRMAN:

9 Opposed? Thank you. The motion passes.

10 MR. COOK:

11 Next before the Board for consideration
12 are three reports and recommendations received from
13 the OHA relative to one Gaming Employee Permit, one
14 Non-Gaming Employee Registration and one Key Employee
15 License. The reports and recommendations along with
16 the evidentiary record for each hearing have been
17 provided to the Board in advance of this meeting.

18 Additionally in each case the person
19 involved has been notified that the Board is
20 considering their matter today and that they have the
21 right to be present to briefly address the Board. If
22 any of these individuals are present they should come
23 forward when their name is announced.

24 The first Report and Recommendation
25 before the Board today pertains to Amber Citriniti, a

1 food and beverage manager at the Rivers Casino. On
2 June 23rd, 2009 the Pennsylvania State Police notified
3 the Bureau of Casino Compliance that Ms. Citriniti was
4 arrested as the result of an incident, which occurred
5 two years earlier on June 17th, 2007. On that date at
6 approximately 4:40 p.m. Ms. Citriniti was while
7 driving allegedly failed to yield to an oncoming
8 motorcycle. The motorcycle crashed into Ms.
9 Citriniti's vehicle and the driver of the motorcycle
10 died as a result of his injuries. The Pennsylvania
11 State Police conducted an investigation of the
12 accident and discovered a small amount of marijuana
13 and a marijuana pipe in Ms. Citriniti's vehicle. She
14 thereafter submitted to a blood test and tested
15 positive for marijuana. Ms. Citriniti has maintained
16 since the time of the accident, however, that she had
17 not smoked marijuana the day of the accident, but
18 rather the night before. As a result of this accident
19 Ms. Citriniti has been charged with homicide by
20 vehicle, a third degree felony, possession of a
21 controlled substance, possession of drug
22 paraphernalia, driving under the influence and seven
23 --- or several other traffic related offenses, all of
24 which remain pending. On October 30th, 2009 the OEC
25 issued an emergency suspension request of Ms.

1 Citriniti's Non-Gaming registration and the Board's
2 Executive Director granted the request on that day.
3 Ms. Citriniti was personally served with an Order and
4 on the day she was served requested an informal
5 hearing before the Board's Director of Hearings and
6 Appeals, which occurred on November 2nd.

7 At the conclusion of the hearing the
8 Hearing Officer Ordered that the emergency Order
9 remain in place pending a full evidentiary hearing.
10 During the Board's November 4th, 2009 public meeting
11 the Board referred the matter back to the OHA to
12 conduct that full evidentiary hearing and to submit a
13 Report and Recommendation regarding the same.

14 Ms. Citriniti was served with a hearing
15 notice and both she and her Counsel appeared at a
16 November 19th, 2009 hearing. The Hearing Officer
17 thereafter issued a Report and Recommendation
18 recommending that the Board lift Ms. Citriniti's
19 registration suspension subject to certain conditions,
20 primarily that she undergo monthly drug testing. The
21 OEC thereafter filed exceptions to the Report and
22 Recommendation, objecting to various Findings of Fact
23 in the Hearing Officer's report.

24 The OEC also takes the position that the
25 Board lacks the authority to Order a Non-Gaming

1 registrant to undergo drug testing. The OCC has
2 reviewed this Report and Recommendation as well as the
3 exceptions filed to same. The OCC agrees with the
4 exceptions filed by the OEC, including the inability
5 of this Board to Order Ms. Citriniti to partake of a
6 drug testing program.

7 Notwithstanding, the OCC's agreement with
8 those exceptions, we believe the Board could still
9 lift the emergency suspension of Ms. Citriniti's
10 registration as suggested by the Hearing Officer,
11 given the length of time which is passed between the
12 incident leading to the charges in question and Ms.
13 Citriniti actually being charged as well as her
14 otherwise good record and the fact that Ms. Citriniti
15 has not yet been convicted of any of these crimes.
16 This matter is now ripe for the Board's consideration.

17 CHAIRMAN:

18 Any questions or comments from the Board?
19 Commissioner Sojka?

20 MR. SOJKA:

21 I've got a few questions. One, does Ms.
22 Citriniti have a court date?

23 MR. SHERMAN:

24 I believe she does have a court date for
25 at least a preliminary hearing. I don't think a trial

1 date has yet been set as far as I know.

2 MR. SOJKA:

3 Okay. But do we have any idea how far
4 into the future we have to look before we find out
5 whether ---?

6 MR. COOK:

7 I don't have that information. Perhaps
8 Chief --- or Enforcement Counsel does. I don't know.

9 MR. SHERMAN:

10 We are not aware when Ms. Citriniti's
11 court date is. Her attorney was not able to be here
12 today. He would have the answer to those questions.

13 MR. SOJKA:

14 Okay. Should this Board act to remove
15 this temporary suspension today, it would be clear
16 that we could immediately reinstitute a temporary
17 suspension if more information became available; is
18 that correct?

19 MR. COOK:

20 That would involve the OEC obtaining
21 information and following basically the same process
22 as it did this time.

23 MR. SOJKA:

24 Right. But the removal of temporary
25 suspension allowing Ms. Citriniti to work doesn't

1 create a situation where, should additional
2 information come forward, we couldn't move quickly to
3 again suspend her and take her out if we needed to; is
4 that correct?

5 MR. COOK:

6 No, that is correct.

7 MR. SOJKA:

8 And so the issue is that this person has
9 --- is looking at something that's two years old, may
10 take additional time into the future and all we're
11 basically doing is say, you may go back to work, but
12 we're really watching this and you may be suspended
13 again?

14 MR. COOK:

15 That's absolutely correct.

16 MR. SOJKA:

17 If that's the case then, I would be
18 willing to make the following motion if I may, Mr.
19 Chairman?

20 CHAIRMAN:

21 You may. Any other questions from the
22 Board? Seeing none ---.

23 MR. TRUJILLO:

24 Actually, I do have a couple more. I'm
25 sorry. Just so I understand, so what we have now is

1 an incident that --- and as I understand it she did
2 not flee from the scene and there's no charges that
3 she fled from the scene; is that correct?

4 MR. COOK:

5 That is correct.

6 MR. TRUJILLO:

7 And then after the incident she worked
8 for two years; is that correct?

9 MR. COOK:

10 Well, she obtained her employment with
11 the Rivers upon their opening.

12 MR. TRUJILLO:

13 During that time frame ---

14 MR. COOK:

15 Correct.

16 MR. TRUJILLO:

17 --- she was working? And then it was two
18 years after the incident that then she was arrested;
19 correct?

20 MR. COOK:

21 Charged, yes.

22 MR. TRUJILLO:

23 Charged. But as I understand it there's
24 no finding of probable cause since there's no
25 preliminary hearing at this stage?

1 MR. COOK:

2 I don't believe. I'm not absolutely
3 sure. There's not been a preliminary hearing. I
4 don't have any information that there has been one as
5 of yet.

6 MR. TRUJILLO:

7 But there's not a conviction at this
8 point?

9 MR. COOK:

10 There certainly is not a conviction.

11 MR. TRUJILLO:

12 What you have is a charge? I understand.
13 That's all.

14 CHAIRMAN:

15 Thank you. I think a motion is in Order.

16 MR. SOJKA:

17 Okay. Mr. Chairman, then I'll move that
18 the Board issue an Order to adopt the Report and
19 Recommendation of the OHA regarding the Non-Gaming
20 Employee Registration of Amber Citriniti to the degree
21 described by the OCC.

22 MR. TRUJILLO:

23 Second.

24 CHAIRMAN:

25 And just to be clear, that does not

1 include the ongoing drug testing?

2 MR. COOK:

3 That's correct.

4 CHAIRMAN:

5 Correct.

6 MR. COOK:

7 We don't really have the mechanisms in
8 place to Order someone. We don't have the
9 jurisdiction to Order drug testing, nor do we have the
10 system in place to send somebody somewhere for it.

11 CHAIRMAN:

12 Okay. All in favor?

13 ALL SAY AYE

14 CHAIRMAN:

15 Opposed? Motion passes. Next?

16 MR. COOK:

17 Joseph Finocchio is the subject of the
18 next Report and Recommendation before the Board today.
19 Mr. Finocchio was issued a Gaming Employee Permit on
20 July 14th, 2009 to work as a cage cashier at the Sands
21 Casino Resort in Bethlehem. On November 5th, 2009 the
22 Bureau of Casino Compliance was notified by Sands
23 Bethworks that Mr. Finocchio had been arrested on
24 narcotics charges. The Bureau of Casino Compliance
25 initiated a compliance review and discovered that Mr.

1 Finocchio was, in fact, charged with a felony drug
2 offense as part of an undercover operation being
3 conducted by the Pennsylvania Office of Attorney
4 General.

5 As a result of these --- or this charge,
6 the OEC filed a request for an emergency suspension of
7 Mr. Finocchio's Gaming Employee Permit. On November
8 6th, 2009 the Order was signed by the executive
9 director. The Board then called this matter at its
10 November 18th, 2009 meeting and referred it to the OHA
11 for a full evidentiary hearing.

12 The evidentiary hearing was held on
13 December 1st, 2009 during which testimony and exhibits
14 were received from both the OEC and Mr. Finocchio.
15 During that hearing Mr. Finocchio did not dispute the
16 charges against him and he failed to offer any
17 evidence to refute the basis for the suspension of his
18 Gaming Permit. As a result, the report recommendation
19 was issued recommending that his emergency suspension
20 continue pending further developments. The OCC would
21 concur in that recommendation and this matter is now
22 before the Board for consideration.

23 CHAIRMAN:

24 Is Mr. Finocchio present? Okay. Any
25 questions or comments from the Board? If not, could I

1 have a motion, please?

2 MR. TRUJILLO:

3 Mr. Chairman, I move that the Board issue
4 an Order to adopt the Report and Recommendation of the
5 OHA regarding the Gaming Employee Permit of Joseph
6 Finocchio as described by the OCC.

7 MR. ANGELI:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 ALL SAY AYE

12 CHAIRMAN:

13 Opposed? Motion passes.

14 MR. COOK:

15 The final Report and Recommendation
16 before the Board today pertains to Edward
17 Mioduszewski. In June 2008, Presque Isle Downs
18 submitted an application for a Key Employee License
19 allowing Mr. Mioduszewski to work as a security shift
20 manager at Presque Isle Downs. Mr. Mioduszewski
21 worked at the casino until his resignation in lieu of
22 termination on July 10th, 2009.

23 On August 27th, 2009 Presque Isle filed
24 an --- or I'm sorry, a Petition to withdraw Mr.
25 Mioduszewski's Key Employee Application. The OEC

1 filed an answer and objection to that Petition on
2 September 10th, 2009. In its answer the OEC asked the
3 Board to either reject the Key Employee Application,
4 which was pending for this gentleman or make the
5 application withdrawal be with prejudice given the
6 applicant's resignation in --- was in lieu of
7 termination for violating Presque Isle's policies.

8 A hearing in this matter was scheduled
9 and held in the OHA on November 3rd, 2009. Although
10 Mr. Mioduszewski received proper notice he did not
11 attend the hearing. Presque Isle has also stated on
12 the record that it does not oppose a withdrawal of the
13 application be with prejudice under the circumstances.
14 At this time the Report and Recommendation is before
15 the Board for consideration. The OCC would recommend
16 that this withdrawal be with prejudice given the
17 circumstances.

18 CHAIRMAN:

19 Is Mr. Mioduszewski present? If not, any
20 questions from the Board? Could I have a motion,
21 please?

22 MR. GINTY:

23 Mr. Chairman, I move that the Board issue
24 an Order to adopt the Report and Recommendation, the
25 OHA regarding this matter as described by the OCC.

1 CHAIRMAN:

2 Second?

3 MR. MCCABE:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 ALL SAY AYE

8 CHAIRMAN:

9 Opposed? Motion passes.

10 MR. COOK:

11 And that concludes the matters of the

12 OCC.

13 CHAIRMAN:

14 Thank you, Doug and Steve. Moving along,

15 next up is our Director of Bureau of Licensing, Susan

16 Hensel.

17 MS. HENSEL:

18 Thank you, Chairman Fajt and members of

19 the Board. The first matter for your consideration is

20 the renewal of the Mountainview Thoroughbred Racing

21 Association Category 1 License. The license renewal

22 hearing for this entity has been held and the record

23 is now closed. As a result, license renewal is now

24 ready for your consideration.

25 As has been indicated, no issues

1 regarding Mountainview Thoroughbred Racing Association
2 have been identified by either the BIE or licensing
3 that would preclude renewal of this license. I have
4 provided you with a draft Order for this entity and
5 asked that the Board consider the Order to renew the
6 Category 1 License for Mountainview Thoroughbred
7 Racing Association.

8 CHAIRMAN:

9 May I have a motion, please?

10 MR. MCCABE:

11 Yes, Mr. Chair. I move that the Board
12 grant the renewal of Mountainview Thoroughbred Racing
13 Association's Category 1 Slot Machine License as
14 described by the Bureau of Licensing.

15 CHAIRMAN:

16 Second?

17 MR. SOJKA:

18 Second.

19 CHAIRMAN:

20 All in favor?

21 ALL SAY AYE

22 CHAIRMAN:

23 Opposed? Motion passes.

24 MS. HENSEL:

25 The next matter for your consideration is

1 the approval of Principal and Key Employee Licenses
2 and waivers. Prior to this meeting the Bureau of
3 Licensing provided you with a proposed Order for one
4 Principal, one Principal waiver and 12 Key Employee
5 Licenses for Greenwood Gaming and Entertainment, Inc.,
6 Mountainview Thoroughbred Racing Association, Mount
7 Airy Number One, LLC and IGT. I ask that the Board
8 consider a motion approving these licenses and
9 waivers.

10 CHAIRMAN:

11 Any questions or comments from
12 Enforcement Counsel?

13 MR. PITRE:

14 No objection.

15 CHAIRMAN:

16 Questions or comments from the Board?
17 May I have a motion, please?

18 MR. SOJKA:

19 Yes, Mr. Chairman. I move that the Board
20 issue an Order to approve the issuance of Principal
21 and Key Employee Licenses as just described by the
22 Bureau of Licensing.

23 CHAIRMAN:

24 Second?

25 MR. TRUJILLO:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 ALL SAY AYE

5 CHAIRMAN:

6 Opposed? The motion passes.

7 MS. HENSEL:

8 We also have for your consideration the
9 issuance of temporary Principal and Key Employee
10 Licenses. Prior to this meeting the Bureau of
11 Licensing provided you with an Order regarding the
12 issuance of temporary licenses for three Principals
13 and 64 Key Employees. I ask that the Board consider
14 the Order approving these licenses.

15 CHAIRMAN:

16 Any questions or comments from
17 Enforcement Counsel?

18 MR. PITRE:

19 No objection.

20 CHAIRMAN:

21 Questions or comments from the Board? If
22 not a motion, please?

23 MR. TRUJILLO:

24 Mr. Chairman, I move that the Board issue
25 an Order to approve the issuance of the temporary

1 Principal and Key Employee Licenses as described by
2 the Bureau of Licensing.

3 MR. ANGELI:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 ALL SAY AYE

8 CHAIRMAN:

9 Opposed? The motion passes.

10 MS. HENSEL:

11 Next are gaming and Non-Gaming permits
12 and registrations. Prior to this meeting the Bureau
13 of Licensing provided you with a list of 207
14 individuals, including 100 initial and 107 renewals,
15 who the Bureau has granted occupation permits to and
16 159 individuals who the Bureau has granted
17 registrations to under the authority delegated to the
18 Bureau of Licensing. I ask that the Board adopt a
19 motion approving the Order.

20 CHAIRMAN:

21 Questions or comments from Enforcement
22 Counsel?

23 MR. PITRE:

24 No objection.

25 CHAIRMAN:

1 From the Board? If not, could I have a
2 motion?

3 MR. ANGELI:

4 Mr. Chairman, I move that the Board issue
5 an Order to approve the issuance of gaming permits and
6 Non-Gaming registrations as described by the Office of
7 Bureau Licensing.

8 CHAIRMAN:

9 Second?

10 MR. COY:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 ALL SAY AYE

15 CHAIRMAN:

16 Opposed? The motion passes.

17 MS. HENSEL:

18 In addition we have a recommendation of
19 denial for one Non-Gaming employee. Prior to this
20 meeting the Bureau of Licensing provided you with the
21 Order addressing this applicant who the BIE has
22 recommended for denial. In this case the applicant
23 failed to request a hearing within the specified time
24 period. I ask that the Board consider the Order
25 denying the Non-Gaming applicant.

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CHAIRMAN:

Enforcement Counsel have any questions?

MR. PITRE:

We support that.

CHAIRMAN:

Thank you. Questions from the Board?
Could I have a motion, please?

MR. COY:

Chairman, I move the Board issue an Order
approving the denial of a Non-Gaming Employee
Registration as described by the Bureau of Licensing.

MR. GINTY:

Second.

CHAIRMAN:

All in favor?
ALL SAY AYE

CHAIRMAN:

Opposed? The motion passes.

MS. HENSEL:

We also have withdrawal requests for
gaming and Non-Gaming employees. In each case the
occupation permit or registration is no longer
required due to such circumstances as the employee
failing to report to work or the job offer being
rescinded. For today's meeting I have provided the

1 Board with a list of 24 withdrawals for approval and
2 ask that the Board consider the Order approving this
3 list of withdrawals.

4 CHAIRMAN:

5 OCC, any questions?

6 MR. PITRE:

7 No objection.

8 CHAIRMAN:

9 Thank you. Any comments from the Board?
10 Can I have a motion, please?

11 MR. GINTY:

12 Mr. Chairman, I move that the Board issue
13 an Order to approve the withdrawal of Gaming and
14 Non-Gaming Employee Permits and Registrations as
15 described by the Bureau of Licensing.

16 MR. MCCABE:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 ALL SAY AYE

21 CHAIRMAN:

22 Opposed? Motion passes.

23 MS. HENSEL:

24 We also have withdrawal requests for Key
25 Employees as with the Gaming and Non-Gaming employees.

1 In each case the Key Employee License is no longer
2 required. For today's meeting I have provided the
3 Board with a list of 18 withdrawals for approval and I
4 ask that the Board consider the Order approving this
5 list of withdrawals.

6 MR. PITRE:

7 No objection.

8 CHAIRMAN:

9 Thank you. Questions from the Board?
10 Could I have a motion, please?

11 MR. MCCABE:

12 Mr. Chair, I move that the Board issue an
13 Order to approve the withdraw of Key Employee
14 Applications as described by the Bureau of licensing.

15 CHAIRMAN:

16 Second?

17 MR. SOJKA:

18 Second.

19 CHAIRMAN:

20 All in favor?

21 ALL SAY AYE

22 CHAIRMAN:

23 Opposed? The motion passes.

24 MS. HENSEL:

25 In addition we have two Orders regarding

1 vendors. The first is to certify the following three
2 vendors, Kereti, Incorporated; Fieser's, Inc.; Tara
3 Data Operations, Inc. I ask that the Board consider
4 the Order approving these vendors for certification.

5 MR. PITRE:

6 We recommend approval.

7 CHAIRMAN:

8 Thank you. Questions from the Board?
9 Could I have a motion, please?

10 MR. SOJKA:

11 Yes, Mr. Chairman. I move that the Board
12 issue an Order to approve the applications for Vendor
13 Certification as described by the Bureau of Licensing.

14 CHAIRMAN:

15 Second?

16 MR. TRUJILLO:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 ALL SAY AYE

21 CHAIRMAN:

22 Opposed? Motion passes.

23 MS. HENSEL:

24 Finally the Bureau of Licensing provided
25 you with an Order and an attached list of 38

1 registered vendors. I ask that the Board adopt a
2 motion approving the Order registering these vendors.

3 MR. PITRE:

4 We recommend approval.

5 CHAIRMAN:

6 Thank you. Any questions from the Board?
7 Could I have a motion?

8 MR. TRUJILLO:

9 Mr. Chairman, I move that the Board issue
10 an Order to approve the applications for Vendor
11 Registration as described by the Bureau of Licensing.

12 MR. ANGELI:

13 Second.

14 CHAIRMAN:

15 All in favor?

16 ALL SAY AYE

17 CHAIRMAN:

18 Opposed? Motion passes.

19 MS. HENSEL:

20 Thank you.

21 CHAIRMAN:

22 Thank you, Susan. Next up is Cyrus
23 Pitre, our Chief Enforcement Counsel.

24 MR. PITRE:

25 We have four matters for the Board's

1 consideration today. The first matter will be
2 presented by Ms. Katie Higgins. She'll be followed by
3 Melissa Powers and Dustin Miller.

4 CHAIRMAN:

5 Welcome, Katie.

6 MS. HIGGINS:

7 The first matter before the Board ---.

8 CHAIRMAN:

9 Would you please turn your mic on? Thank
10 you.

11 MS. HIGGINS:

12 The first matter before the Board is that
13 of Jake Butler. On May 29, 2009 the OEC filed a
14 complaint for revocation of Mr. Butler's Non-Gaming
15 registration due to his failure to maintain
16 suitability. Mr. Butler did not respond to the
17 complaint within 30 days and therefore pursuant to
18 Board regulations, all facts alleged in the complaint
19 are deemed admitted. The OEC filed a request for a
20 default judgment on September 1st, 2009 and at this
21 time the OEC would ask that the Board revoke Mr.
22 Butler's Non-Gaming registration.

23 CHAIRMAN:

24 Is Mr. Butler present today? Any
25 questions or comments from the Board? If not, could I

1 have a motion, please?

2 MR. COY:

3 Mr. Chairman, I move the Board issue an
4 Order approving the revocation of the Non-Gaming
5 Employee Registration of Jake Butler as described by
6 the OEC.

7 MR. GINTY:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 ALL SAY AYE

12 CHAIRMAN:

13 Opposed? Motion passes.

14 MS. HIGGINS:

15 The next matter before you today is that
16 of Brian Watson. On October 28th, 2009 the OEC filed
17 a complaint for revocation against Mr. Watson for
18 gaming at the licensed facility in which he was
19 formerly employed within 30 days of the termination of
20 his employment. Mr. Watson did not respond to the
21 complaint, therefore his right to a hearing has been
22 waived and the facts alleged in the complaint are
23 deemed admitted. On December 14th, 2009 OEC filed a
24 request for default judgment. At this time OEC would
25 ask that the Board revoke the Gaming Employee Permit

1 of Brian Watson.

2 CHAIRMAN:

3 Is Mr. Watson present today? Any
4 questions from the Board? If not, could I have a
5 motion, please?

6 MR. GINTY:

7 Mr. Chairman, I move that the Board issue
8 an Order to suspend the Gaming Employee Permit of
9 Brian Watson for a period of six months.

10 MR. MCCABE:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 ALL SAY AYE

15 CHAIRMAN:

16 Opposed? The motion passes. Thank you,
17 Melissa.

18 ATTORNEY MILLER:

19 The next request for revocation today
20 involves Alta K. Jones. Ms. Jones had been employed
21 as a Line Attendant at Harrah's Chester Downs Casino
22 and registered as a Non-Gaming employee. The OEC
23 filed an enforcement complaint to revoke Ms. Jones'
24 Non-Gaming Employee Registration for failing to notify
25 the Board of action, which would render her unsuitable

1 to continue to hold her Non-Gaming Employee
2 Registration on October 28th, 2009. The enforcement
3 complaint was properly served upon Ms. Jones to the
4 address listed on her application by both certified
5 and first class mail. Ms. Jones did not respond to
6 the filing in any way. Due to Ms. Jones' failure to
7 respond, the averments in the enforcement complaint
8 are deemed to be admitted as fact and her right to a
9 hearing has been waived. On December 22nd, 2009 the
10 OEC filed a request to enter judgment upon default.
11 The matter is now before the Board to consider the
12 revocation of Ms. Jones' Non-Gaming Employee
13 Registration.

14 CHAIRMAN:

15 Is Ms. Jones present today? If not, any
16 questions from the Board? Could I have a motion,
17 please?

18 MR. MCCABE:

19 Yes, Mr. Chairman. I move that the Board
20 issue an Order to approve the revocation of Non-Gaming
21 Employee Registration of Alta Jones as described by
22 the OEC.

23 CHAIRMAN:

24 Second?

25 MR. SOJKA:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 ALL SAY AYE

5 CHAIRMAN:

6 Opposed? The motion passes.

7 ATTORNEY MILLER:

8 The final request for revocation today
9 involves Arneisha McClarin. Ms. McClarin had been
10 employed as a Club Cappuccino attendant at Harrah's
11 Chester Casino and registered as a Non-Gaming
12 employee. The OEC filed an Enforcement Complaint to
13 revoke Ms. McClarin's Non-Gaming Employee Registration
14 for failing to notify the Board of action, which would
15 render her unqualified or unsuitable to continue to
16 hold her Non-Gaming Employee Registration on October
17 28th, 2009. The Enforcement Complaint was properly
18 served upon Ms. McClarin to the address listed on her
19 application by both certified and first class mail.
20 Ms. McClarin did not respond to the complaint in any
21 way. Due to Ms. McClarin's failure to respond to the
22 averments in the Enforcement Complaint are deemed to
23 be admitted as fact and a right to a hearing has been
24 waived. On December 22nd the OEC filed a request to
25 enter judgment upon default. The matter is now before

1 the Board to consider the revocation of Ms. McClarin's
2 Non-Gaming Employee Registration.

3 CHAIRMAN:

4 Is Ms. McClarin present today? If not,
5 could I --- any questions from the Board first? Could
6 I have a motion, please?

7 MR. SOJKA:

8 Yes, Mr. Chairman. I move that the Board
9 issue an Order to approve the revocation of Non-Gaming
10 Employee Registration of Arneisha McClarin as
11 described by the OEC.

12 CHAIRMAN:

13 Second?

14 MR. TRUJILLO:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed? Motion passes. Thank you,
21 Dustin.

22 ATTORNEY MILLER:

23 That concludes our business.

24 CHAIRMAN:

25 Thank you. That concludes today's

1 business. In closing, our next scheduled public
2 meeting will be held on January 27th, 2010 at 10:00
3 a.m. in the PUC Keystone Building, Hearing Room One.
4 I'd also like to announce that the Gaming Board will
5 hold a hearing on Wednesday, February 3rd to gather
6 evidence including public comment on the renewal of
7 the Category 2 Slot Machine Operator's License at
8 Sands Bethworks Gaming, LLC, operators of the Sands
9 Casino Resort in Bethlehem. The hearing will be held
10 at 10:00 a.m. at the Town Hall, 10 East Church Street,
11 Bethlehem, Pennsylvania. Citizens, community groups
12 and elected officials wishing to present oral or
13 written testimony, which will become part of the
14 evidentiary record in this matter can now register by
15 clicking on a special link on the homepage of the
16 Gaming Control Board website at www.pgcb.state.pa.us.
17 That deadline for registration and the receipt of
18 written comments is noon, Monday, February 1st.
19 Comments can also be mailed with a postmark no later
20 than Monday, February 1st to the PA Gaming Control
21 Board, P.O. Box 69060, Harrisburg, PA 17106, attention
22 Board Secretary or the comments can be faxed to (717)
23 346-8350. Any final comments from the Board? If not,
24 could I have a motion to adjourn?

25

MR. GINTY:

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So moved.

MR. SOJKA:

Second.

CHAIRMAN:

All in favor?

ALL SAY AYE

CHAIRMAN:

The meeting is adjourned. Thank you.

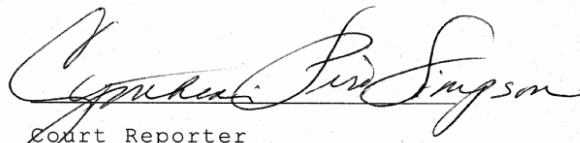
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MEETING CONCLUDED AT 12:00 P.M.

* * * * *

CERTIFICATE

I hereby certify that the foregoing proceedings, hearing held before Chairman Fajt was reported by me on 01/08/2010 and that I Cynthia Piro Simpson read this transcript and that I attest that this transcript is a true and accurate record of the proceeding.


Court Reporter