

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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IN RE: DOWNS RACING

\* \* \* \* \*

PUBLIC INPUT HEARING

\* \* \* \* \*

BEFORE: Linda Lloyd, Presiding Officer  
Gregory C. Fajt, Chairman  
Commissioner Raymond S. Angeli

HEARING: Wednesday, February 24, 2010  
10:00 a.m.

LOCATION: Fox Hill Fire House  
50 Second Street  
Plains, PA 18702

WITNESSES: Eddie Day Pashinki, Ronald Filippini, Todd  
Vonderheid, Pinky Stanseski, Jeff Walker,  
Michael Bean, Robert Soper

Reporter: Kenneth D. O'Hearn

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P R O C E E D I N G S

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PRESIDING OFFICER:

Good morning, everyone. My name is Linda Lloyd, and I'm the Presiding Officer assigned by the Board today to conduct this public input hearing regarding the petition filed by Downs Racing to conduct table games at its casino. Before we begin, if you could turn off or to vibrate all your cell phones, Blackberries and such, so that we don't disturb the speakers in the presentation.

As a presiding officer, I call to order this public input hearing regarding the petition of Downs Racing for the approval and issuance of the Certificate to Conduct Table Games, which is docketed at Number 1262-2010. The date is Wednesday, February 24th, and the time is 10:02, and the location is Plains Township Municipal Building, located at 50 Second Street, Plains, PA, 18702.

This public hearing input hearing is convened by the Pennsylvania Gaming Control Board, pursuant to the authority found in Sections 1205(b) and 1314(a)(b) of the Gaming Acts. This public hearing was advertised on the Board's website, announced at a previous Board meeting, and was

1 advertised in local newspapers. The Board Members  
2 present for the hearing today are to my left, Chairman  
3 Greg Fajt, and to my right, Commissioner Ray Angeli.  
4 The Board and its staff would like to thank Plains  
5 Township for making this space available to the Board  
6 for the hearing today. The staff's cooperation has  
7 been essential to organization and forming of this  
8 public input hearing.

9           The purpose of this hearing is to allow  
10 Downs Racing to present to the public its plans to  
11 operate table games at its casino, and to allow  
12 individual members of the public, community groups,  
13 and elected government officials to express their  
14 thoughts, and share their concerns about the proposed  
15 project with the Board. The hearing will continue  
16 until the last scheduled speaker registered has had  
17 the opportunity to speak. The order of speakers today  
18 is as follows: the Petitioner, Downs Racing, will make  
19 its presentation first, we will then hear from any  
20 legislators, local government representatives,  
21 community representatives, individual members of the  
22 public who have registered to speak. As necessary,  
23 we'll take a short break at an appropriate time.

24           Downs Racing will have approximately 20  
25 minutes to make their presentation. Each government

1 official will have approximately ten minutes to speak,  
 2 community representatives, approximately five minutes,  
 3 and individuals, approximately three minutes. If each  
 4 speaker could begin their remarks by stating his or  
 5 her name, and spelling their name for our court  
 6 reporter, that would be appreciative. If you are  
 7 speaking today and you have written notes which you  
 8 will speak from, when you are finished, if you will  
 9 please give a copy of your written testimony to the  
 10 court stenographer, who is sitting over hear in front  
 11 of the screen; that will be helpful.

12                   This is an official administrative  
 13 hearing, so please treat this as if you were attending  
 14 a court proceeding. All witnesses speak loudly and  
 15 clearly into the microphone, so the court reporter and  
 16 others can hear you. If you have any questions, there  
 17 are several Board staff members, find one of those,  
 18 and they can hopefully answer your questions. Let's  
 19 begin today by having each of you that are registered  
 20 to speak today, or will provide testimony on behalf of  
 21 Downs Racing, please stand and raise your right hand  
 22 to be sworn by the court reporter.

23 -----  
 24 WITNESSES SWORN EN MASSE  
 25 -----

1                   PRESIDING OFFICER:

2                   Before we begin with the testimony, I  
3 have several Hearing exhibits to enter into the  
4 record. Hearing Exhibit Number One is the Notice of  
5 the Public Hearing, sent to Downs Racing on January  
6 28th, 2010. Hearing Exhibit Two is a packet of five  
7 written comments received by the Board in response to  
8 our announcement on the website. The first comment,  
9 from Robyn Manta (phonetic), is in support of Downs  
10 Racing Table Games Project. The second comment, from  
11 Anthony Acero (phonetic), is neither supporting or  
12 opposing, but addresses taxes and property tax relief.  
13 The third comment is from Pinky Stanseski,  
14 S-T-A-N-S-E-S-K-I, in support of the project. The  
15 fourth comment, from Christine Shalkowski,  
16 S-H-A-L-K-O-W-S-K-I, neither supports nor opposes the  
17 project, but addresses smoking in the facility. And  
18 the fifth comment in support of the project is from  
19 Lee ViGioacchino, V-I, capital G-I-O-A-C-C-H-I-N-O.  
20 Does Downs Racing have any objections or comments to  
21 those Hearing exhibits?

22                   (Hearing Exhibits Numbers One and Two  
23                   marked for identification.)

24                   ATTORNEY KOHLER:

25                   No objection.



1                   PRESIDING OFFICER:

2                   They will be entered into the record.  
3 We'll begin with your presentation.

4                   ATTORNEY KOHLER:

5                   Good morning, Director Lloyd, good  
6 morning, Chairman Fajt and Commissioner Angeli. My  
7 name is Alan Kohler, with Eckert and Seamans on behalf  
8 of Mohegan Sun of Pocono Downs. It's with great  
9 excitement and anticipation that we appear before you  
10 today, as we start moving towards the operation of  
11 table games at our facility. It's something that  
12 we've been working towards for some time.

13                   We particularly appreciate the attendance  
14 of Commissioner Angeli and Chairman Fajt today. We  
15 feel honored to have two Board Members that are here.  
16 I have three representatives from Downs Racing to my  
17 direct left. Starting with, directly to my left is  
18 Mike Bean, who's Vice President of Administration,  
19 next to Mike is Jeff Walker, who's Vice President of  
20 Table Games, and on the far left is Bobby Soper, who  
21 is President of Downs Racing. Also directly behind  
22 me, is David Ronald, from Mohegan Sun in Connecticut.  
23 My role this morning is just to start the proceeding  
24 and do the intros, and I'm going to turn it over to  
25 Mr. Bean for the actual PowerPoint presentation.

1                   MR. BEAN:

2                   It's actually going to start with Bobby  
3 followed by Jeff, then myself.

4                   MR. SOPER:

5                   Good morning. I would like to reiterate  
6 what Al said, you know, express our appreciation for  
7 this opportunity, and especially express our  
8 appreciation for the Commissioners and Chairman,  
9 Commissioner Angeli and Chairman Fajt, for coming  
10 today, and I know the road conditions weren't the best  
11 as well, so we much appreciate it. What I'm going to  
12 do is just start off with the agenda presentation.  
13 I'm going to talk about just the overview of our plan  
14 for expansion, how we're going to implement it through  
15 the number and type of table games we're going to  
16 allow. Jobs, you know, our plan regarding staff and  
17 training, the economic impact of the project, our  
18 specific experience as an organization, and our  
19 ability to actually implement this plan, some history  
20 on diversity and compulsive gambling and a little note  
21 about our involvement in this community.

22                   So here's just an overview, and I  
23 apologize, it's a little difficult to see on the  
24 screen, and hopefully it'll be a little clearer in  
25 front of you on the packet. But essentially what

1 we're going to do is we're going to take two sections  
2 of the existing gaming floor, where slot machines  
3 currently reside. One which we call the eleven  
4 o'clock, and the other which we call the five o'clock  
5 position. And we're going to relocate slot machines  
6 from these areas and create what we call two  
7 bar-shaped table game pits, which will be comprised of  
8 a mixture of games, which we'll touch upon in a minute  
9 or two. And a good portion of those slot machines  
10 that are going to be relocated from these areas will  
11 be designated in a new space that currently exists  
12 within the building footprint, but it was previously a  
13 backhouse space, office space, primarily office space.  
14 And so, a good portion of those will be moved into new  
15 gaming space, and we'll also include some games in our  
16 high limit area, which is up here (indicating).

17           We're going to include five games up  
18 there, and then we're also going to include some table  
19 games in our original facility in the downstairs.  
20 That downstairs area will have two components. One  
21 component will be a poker ring with 16 poker tables.  
22 And those, once opened, will be permanent tables. And  
23 then the other component, we'll start off with 11  
24 blackjack tables that will exist there for a period of  
25 time. And again, we'll touch upon that. And here's

1 actually a breakdown of that here. And in a certain  
2 period of time, those blackjack games will be removed  
3 once we open up the second pit. And again, I'll take  
4 you into how this is actually going to be staggered.  
5 And once those temporary blackjack games are removed,  
6 we will be inserting slot machines out there to  
7 compliment the poker ring.

8           Here's just some conceptual renderings of  
9 you know, what it will look like. The only thing I  
10 would note with these pictures is that the design  
11 concept is to build trellises above the table game  
12 pits. These trellises will sort of be floating from  
13 the ceiling. They will not be stood up with any  
14 particular post. And the purpose of that is to create  
15 sight lines throughout the facility. I think one of  
16 the positive attributes from a design standpoint, is a  
17 fact that you have great sightlines throughout the  
18 facility, and we wanted to maintain those sightlines  
19 around the parameter.

20           The trellises also, functionally, will  
21 accommodate more cameras and better lighting necessary  
22 to operate the table games. Here's just a view into  
23 the new gaming area, where the slots from the semi-  
24 floor will be relocated to; just a conceptual  
25 rendering of that. Again, as you enter the new gaming

1 area, you can see some of the aesthetic elements of  
2 the room. And this is just sort of, I guess you could  
3 say, a bird's eye of one of the table games, one of  
4 table game super pits, which is adjacent to the new  
5 slot area.

6           So as far as implementation, I'm not  
7 going to spend a lot of time on the detail here. This  
8 is what we submitted to supplement the OP-5 game plan.  
9 Obviously some of these dates are probably going to be  
10 changed. This is what, from an operational training  
11 and construction standpoint, we felt we could  
12 accomplish. And what I'll do is, I'll take you to the  
13 next slide, which I think better illustrates what the  
14 milestones are for implementation. Assuming we  
15 started when we had originally --- this is actually,  
16 again, will be submitted as part of the OP-5  
17 supplement, but our goal is in early May, to open our  
18 first table game pit on the Sunrise Floor, which  
19 included 30 tables. Open the high limit table games,  
20 which was five blackjack tables, as well as the poker  
21 room and the 11 temporary blackjack tables. So all of  
22 those would be incorporated into the first milestone.

23           And from a construction standpoint, we've  
24 probably lost about two weeks right now, just because  
25 in order to move forward, we need to take the slots

1 off the floor and we're awaiting approval for that.  
2 But it is still, from the timeline standpoint, you  
3 know, I think achievable. And in May, if we were able  
4 --- again, all this is contingent upon receiving the  
5 records of approvals.

6           The second milestone is opening up the  
7 new slot ring, which again, we actually continue to be  
8 on schedule to open that in mid-June, June 17th. And  
9 we'll continue with the same table count at that  
10 point. Which leads us to the third milestone, which  
11 is in early August, to add the --- open up the  
12 remaining super pit on the Sunrise Floor and then  
13 removing the 11 blackjack games, temporary blackjack  
14 games and install the slot machines in the bottom of  
15 the Phase I facility. Hence, when it's all said and  
16 done, the final results would be 83 table games, which  
17 include the 16 poker, with the slot count, which is in  
18 compliance with the statutory requirement that we have  
19 the same slot number as we did in October of last  
20 year.

21           I will now turn it over to our Vice  
22 President of Table Games, Jeff Walker, to tell you a  
23 little bit about the table games and slots.

24           MR. WALKER:

25           Good morning, everyone. We submitted to

1 implement 83 table games, total. Right here is a  
2 breakdown of the mix that we're going to plan on  
3 opening with. As you can see, it's 46 blackjack  
4 games, 4 craps, 4 roulettes, 4 three card poker, 4  
5 Spanish 21, 2 mini bac and 2 pai gow poker; for a  
6 total of 66 on the main floor.

7           In a lower level we're going to open up  
8 with 16 poker tables which are non-banking tables.  
9 And one fully automatic blackjack machine. Those  
10 table games mix could change, based on our customer  
11 demand. And we would submit changes to the PGCB,  
12 based on our demand from our customers.

13           Currently we plan on hiring approximately  
14 596 full-time employees. 471 of those will be table  
15 games personnel, 125 will be support personnel. We  
16 are looking at hiring --- obviously I'm the Vice  
17 President. We have hired a Table Games Manager, three  
18 Shift Managers, we plan on hiring approximately 86  
19 Supervisors, about 400 Table Games Dealers, Poker  
20 Supervisors and Poker Dealers. To support the  
21 addition of the table games to our property, we will  
22 also be including 125 Support Personnel, which are  
23 Poker Host, Count Room Clerks, Beverage Supervisors,  
24 Marketing Representatives, Bus Marketing  
25 Representatives, Executive Host and Casino Host.

1           The jobs created, the growth of existing  
2 organization, these are some of the departments we  
3 will be backfilling jobs from. Approximately half of  
4 the dealers we have enrolled in school, which is 350  
5 dealers, currently. We believe that will be about 75  
6 percent of our workforce to open up on Phase I. But  
7 we will also be backfilling approximately 175 of those  
8 jobs in these various departments, which is finance,  
9 security, surveillance, transportation, human  
10 resources, food and beverage, transportation, cage and  
11 count, revenue audit and marketing.

12           We have currently hired table games  
13 manager, and three shift managers. And a couple  
14 supervisors that will help us and assist us in the  
15 training. There's 350 future dealers selected and  
16 ready to go into school, pending approval. Ninety-  
17 seven (97) percent of those are local residents, and  
18 three percent will come from our Connecticut property.  
19 The training will be provided at Mohegan Sun at Pocono  
20 Downs. Our training facility is completed and ready  
21 to begin training. Table games training plan summary  
22 has been submitted to PGBC. I'm going to turn this  
23 over to Mike.

24           MR. BEAN:

25           Thank you very much, Jeff, I appreciate



1 that. I'm going to talk about several items. The  
2 first thing that I'd like to point out is, that's  
3 submitted with our petition, is the economic impact  
4 that the expansion of table games will have. We  
5 listed the primary and most impactful items here. A  
6 licensing fee, of course, of \$16.5 million. We  
7 anticipate table game taxes of approximately \$6.6  
8 million, the annual wages, as a result of the jobs  
9 that Jeff has described will be about \$16.7 million,  
10 and of course due to our increased volumes that we  
11 will experience due to the growth of our customer  
12 base, we will have more purchasing going on at the  
13 amount of about \$4 million. And our anticipated  
14 construction spent, hard costs, soft costs, this is a  
15 rough, will be close to \$18 million, and as a side  
16 note, that's about 75 to 100 construction jobs for the  
17 period of construction.

18           One of the items that we submitted  
19 through our petition is with regard to our business  
20 experience and ability to carry out and provide table  
21 games within the Commonwealth. And so what we've done  
22 here is provided a summary of our combined experiences  
23 with both Mohegan Sun at Pocono Downs property, and  
24 Mohegan Sun at Connecticut property. The Mohegan Sun  
25 at Connecticut property's been in operation for

1 approximately 14 years and provides virtually all of  
2 the types of traditional table games that are out  
3 there. We have over 2,400 experienced table games  
4 personnel working in Connecticut. We have a 42-table  
5 poker room. I think that it's important to note that  
6 our table game operation in Connecticut is one of the  
7 largest in the country.

8           We have had the rare experience in  
9 hosting table game tournaments and special events.  
10 We've hosted the North American Poker Tour. We have  
11 listed our win per day per table is roughly between  
12 \$2,500 and \$3,500. We continue to have experience in  
13 other areas, particularly in slot gaming. In our  
14 combined properties, we operate 9,200 slot machines.  
15 Just some general other experience as operators. We  
16 operate large hotel with meeting conference space,  
17 from a combined standpoint we have over 50 restaurants  
18 with 5,000 seats. We own and operate a 10,000 seat  
19 arena in Connecticut, and we also are name rights  
20 sponsor here in Pennsylvania with the arena. And we  
21 own numerous retail shops, and combined we have  
22 approximately 10,000 team members between the two  
23 properties.

24           I'd like to next touch upon some of our  
25 diversity highlights. I'd like to point out that

1 Mohegan Sun at Pocono Downs is a minority business  
2 itself. It's directly and wholly owned and operated  
3 by the Mohegan Tribe. Our President is a tribal  
4 member, as are all the members of the governing body.  
5 And it's important to point out that our chairperson  
6 is Native American, and a woman, and we have diversity  
7 at the very top of our organization. And as such, we  
8 have an integral commitment to diversity as  
9 represented by how we're comprised, how we operate.

10           Here in Pennsylvania we started out with  
11 a 1.5 percent diverse workforce when we purchased the  
12 property in 2005. We built that to current 8.9  
13 percent of workforce. And the statistical area is  
14 about 3.9 percent. So we far exceeded the benchmark.  
15 And we have about 8.3 percent of our management or  
16 professional jobs are minority. And then we exceed  
17 the Local MSA with regard to our female workforce. We  
18 have a 42.1 percent professional female workforce.

19           Just some highlights with regard to what  
20 we've done and participated in. We're a lifetime  
21 member of the NAACP Wilkes-Barre. We are a member of  
22 the Diversity Committee of the Wilkes-Barre Chamber of  
23 Commerce. We're a member of the Board of Diversity  
24 Institute, College of Misericordia. We also have a  
25 diversity committee that meets quarterly to make sure

1 that we comply with our existing diversity plan.

2           Next I'd like to touch on our compulsive  
3 and problem gambling highlights. We have a compulsive  
4 problem gambling plan that was submitted with the  
5 Board. We work hard to meet the requirements of the  
6 plan. Some highlights, we're members of the National  
7 Council on Problem Gambling, we contribute to National  
8 Problem Gambling Awareness Week every year. We've  
9 worked with the CCGP and Carl Robertson to establish  
10 our training program. We have worked with the  
11 Director of the Office of Compulsive and Problem  
12 Gambling to ensure compliance with the new  
13 requirements of Gaming Act. We're going to be  
14 training all of our table game team members in  
15 compulsive and problem gambling as part of their  
16 new-hire orientation, as we do with all existing team  
17 members. And again, we contribute, also, to the CCGP  
18 on an annual basis.

19           The last thing that I'd like to note from  
20 a community involvement standpoint, is that we  
21 regularly and annually donate to numerous charitable  
22 entities. We have a list of about 386 --- and I'd  
23 like to also point out with regard to the list is  
24 that, many of these are --- it's not just an  
25 aggregation of those that we have contributed to in

1 the past. But also, a lot of these entities are those  
2 that we have contributed to regularly. Meaning, you  
3 know, on an annual basis, or more than just one time.  
4 So we have a tremendous commitment to the local  
5 community. Members of our executive team serve on a  
6 number of non-profit Boards of Directors. I don't  
7 have that listed here. There are a number of the ---.  
8 So they've become an integral part of the community,  
9 not just from a monetary standpoint but also from an  
10 active participation standpoint. That concludes my  
11 remarks, and I think I'll turn it back to Bobby,  
12 perhaps, for some closing comments. Thank you.

13 MR. SOPER:

14 Thank you. Thank you, Mike. That's our  
15 presentation, I think that we're right up against the  
16 20-minute mark, so with that, we would like to answer  
17 any questions, or whatever the next step the Director  
18 would choose to proceed with.

19 PRESIDING OFFICER:

20 Well, I'll turn it over to the  
21 Commissioner and Chairman for any questions they might  
22 have.

23 COMMISSIONER ANGELI:

24 I'm just wondering, what is your turnover  
25 rate for people who work there right now?

1                   MR. SOPER:

2                   For the past year we've been running ---  
3 last year we ran 29 percent. And right now for this  
4 current fiscal year for us, which started October 1,  
5 so if normalize it, we're running an annual rate of  
6 about 24 percent. And legally those are well below  
7 industry averages.

8                   COMMISSIONER ANGELI:

9                   Will you keep your school open all the  
10 time to continue to train people or is that just a  
11 short-time ---?

12                   MR. SOPER:

13                   We have not finalized our plans for  
14 ongoing training. We actually have talked with some  
15 educational institutions. The real question is, does  
16 it make sense to maintain a staff of trainers if the  
17 --- and your question about turnovers are irrelevant  
18 in that regard, because that's going to dictate  
19 whether it makes sense to team up with an educational  
20 institution or just to do it ourselves. And so we  
21 haven't worked out the definitive plan with that.  
22 What we have decided to do is we're keeping the  
23 infrastructure in place. So we'll have the --- we'll  
24 be able to create a modular training facility, so that  
25 we can literally take off modules and create a small

1 space. We do have plans to keep that space on-site  
2 with the security measures in place and everything  
3 that's necessary to keep it going. And of course, we  
4 always have those Connecticut resources that are now  
5 licensed to train. So it gives us the flexibility,  
6 and probably in the next several weeks we're going to  
7 have a more definitive decision on that.

8 COMMISSIONER ANGELI:

9 Maybe I misunderstood, but 97 percent of  
10 the people you hired for the future table games are  
11 from northeastern Pennsylvania?

12 MR. SOPER:

13 As of right now. What we've done is  
14 we've hired --- we've accepted 350 individuals into  
15 the training school. Almost all of those are local.  
16 Either maybe there's a 140, 150 from our current  
17 property, and then others are all from the local  
18 community. So that is correct. I will say this.  
19 It's likely that there will be a number of floor  
20 supervisors that reside outside of Pennsylvania. So  
21 that percentage is probably going to go down a little  
22 bit. But our goal is to hire as much locally as  
23 possible, provided it doesn't require specific  
24 experience, such as supervisory jobs and table games  
25 in that. That's our overall goal.

1                   COMMISSIONER ANGELI:

2                   Are you at all concerned that the  
3 experience level of all the people you are training  
4 right now, or people you are training right now,  
5 you're opening a casino, it's a new business in  
6 Pennsylvania, there is a danger for a lot of concern  
7 --- a lot of problems that might come up early on?

8                   MR. SOPER:

9                   I think it should be a concern for any  
10 operator who's opening up a new table games operation,  
11 especially in a new jurisdiction. We had had that  
12 experience in 1996, we opened up a much larger table  
13 games operation, and at that time, Connecticut was a  
14 fairly new jurisdiction, Foxwoods was only open a year  
15 or two, so almost every dealer was trained by us; some  
16 of them had no experience. We actually did a  
17 comparison of --- and Jeff has this, Jeff came from  
18 the operation. He was part of that opening team, and  
19 he's had 14 years just at Mohegan Sun, and many years  
20 before that. But we actually are going to have more  
21 experience, at least at the supervisory level, with  
22 some experienced dealers in there. We actually do  
23 have some dealers that either work for us or live here  
24 that have had some previous dealer experience. But  
25 we're fortunate position of having some resources in



1 Connecticut. Our game plan is obviously subject to  
2 ensuring there's appropriate licensing. When we open,  
3 having that experience on-site --- we did this with  
4 the slot operation, where we brought them on-site to  
5 make sure that we had an extra set of eyes for  
6 opening, and then, making sure there's appropriate  
7 assimilation of the newer, inexperienced employees.

8 COMMISSIONER ANGELI:

9 We've been looking at some of the table  
10 games, ourselves, and the setups. Are you considering  
11 using --- some of them are electronically controlled,  
12 are you looking into that, or is any of that going to  
13 happen?

14 MR. SOPER:

15 Yeah, a couple of things. One is, we're  
16 probably going to do less of the electronic table  
17 games themselves. We're going to start of with the  
18 more traditional dealer, you know, chips and some of  
19 the products have a mix of things. One, where they  
20 don't use cars, or don't use chips, or don't use a  
21 dealer. Our layout is really going to be more  
22 traditionally based. And then we're going to play it  
23 by ear. We will have one pure electronic table game.

24 We will use, however, a technology in  
25 regards to the administration of the games. So the

1 Bally TableView, which allows you to be more efficient  
2 in processing chips and feels, allows the floor  
3 supervisors to spend more time watching the tables,  
4 versus filling out paperwork and doing all those other  
5 things that traditionally you had to do at the central  
6 pit stand. So we're definitely going to use a lot of  
7 technology in order to administrate the games. In  
8 regards to the actual operation of the games, we're  
9 going to have more traditional based games.

10 COMMISSIONER ANGELI:

11 Thank you.

12 CHAIRMAN FAJT:

13 I have a couple of questions. First,  
14 generic questions, then a couple dealing with  
15 diversity and horse racing. You have mentioned, I  
16 guess, Michael, the first few for you, the cash  
17 donated to local charities, there was a long list  
18 there. Do you have a dollar value of how much money  
19 you've donated to those local charities?

20 MR. BEAN:

21 Mr. Chairman, I did not bring that with  
22 me. I can certainly get that to you. But I can  
23 provide that, the number of that.

24 CHAIRMAN FAJT:

25 I would be interested in seeing that. On

1 the job fronts, in this economy, it's all about jobs,  
2 jobs and jobs. And as I read your job count now, I  
3 think you're somewhere around 979 employees. I think  
4 your percentage is about 99 percent Pennsylvania  
5 residents, probably the highest in the state, quite  
6 frankly. With the 596, you're looking at somewhere in  
7 the neighborhood of 1,600 employees at the casino,  
8 once table games are up and running.

9 MR. BEAN:

10 That's correct. Roughly 1,500 to 1,600,  
11 yes.

12 CHAIRMAN FAJT:

13 Let me switch over to a couple of issues  
14 dealing with --- before I get to the diversity and  
15 racing, you had mentioned also, Michael, the annual  
16 purchases; you anticipate that they'll be about \$4  
17 million more in annual purchases. One of the issues  
18 that we hear about, and I know we're concerned about  
19 on the Board, is kind of support for the local  
20 community. Obviously you do a great job with the jobs  
21 themselves. Can you give us a feel for what you spend  
22 in the local community? In other words, you know, do  
23 you send your vests and uniforms out to the local  
24 drycleaners? Do you buy bread from the local bread  
25 maker? Do you hire the local plumber to come in and

1 repair the bathrooms? Give us a little feel for that.

2 MR. BEAN:

3 Sure, I can speak to that. Our  
4 purchasing team tries to work as much as possible with  
5 our local vendors. And we do, in fact, actually buy  
6 local bread. We try to get as many --- spend as many  
7 dollars locally as we can. Of course, there are some  
8 instances where certainly those goods are not  
9 available locally. But to the extent that we can, we  
10 go out and canvas the local area, we try and provide  
11 as much of that revenue stream to the local folks as  
12 possible. And to the extent that there are  
13 specialized things that can't be brought in locally, a  
14 lot of that might be computer equipment, cash counting  
15 equipment, things of that nature that are specialty  
16 items, we certainly would have to go outside of that  
17 area. And we have a process that does include bidding  
18 to local folks.

19 We also have a commitment to try to find  
20 many of these as well, and we're close to that  
21 benchmark as well.

22 CHAIRMAN FAJT:

23 I would be interested --- and again, I  
24 don't want to make a big deal out of this. But I  
25 would be interested, if you could give us some data on

1 what you spend locally. You know, monthly, annually,  
2 whatever works easiest for you, and you can define  
3 what local means. But if you could just break that  
4 down, locally. And then, on Pennsylvania businesses I  
5 suspect most of your purchases would be done locally  
6 to the extent that they're done in the state. But I  
7 would also be interested in what's done in  
8 Pennsylvania. And just give us an idea of what those  
9 dollars are spent on. And again, this is important to  
10 us. It's important to have you here, it's important  
11 that you are providing jobs, but it's also important  
12 that we do as much as we can for the local small  
13 businesses. And those are the things that we pay  
14 attention to. Let me switch now to other areas we  
15 paid attention to. Diversity, which I think you  
16 answered a number of questions on that, and also the  
17 horse racing.

18           Horse racing, as I remind all the casinos  
19 that come before us, they brought you to the dance.  
20 And we have Board Members who pay particular attention  
21 to horse racing, and we all get the fact that  
22 gambling's sexy. The slots, the table games, that's  
23 what everyone wants to talk about. The horse racing  
24 is what brought you to the dance. And we will, as  
25 long as I'm the Chairman of the Board, make that point

1 anytime we can. And so let me ask you some questions  
2 specifically about horse racing. What are your future  
3 plans for the improvements to the backside of the  
4 facility, and what have you done to date regarding  
5 horse racing?

6 MR. SOPER:

7 Chairman, I'll take that. Just to give  
8 you a quick history, when we purchased the property in  
9 2005, there was a little delay in, I think, the  
10 issuance of the licenses due to, the Supreme Court  
11 challenges things out of the control, obviously, of  
12 the Gaming Control Board. It was legal challenges.  
13 We, at that point, met with the horsemen, and made a  
14 commitment that we were going to increase purchases  
15 out of our own organization's dollars, without waiting  
16 for the slots. Because they were expecting it, and it  
17 appeared that it was going to be a year, a year and a  
18 half longer than they had anticipated. Again, due to  
19 the legal challenges. And I think that set off a  
20 pretty good relationship, and ever since then, we've  
21 had great relationships.

22 You know, there's no long negotiations on  
23 the horseman's agreement. We always reach it very  
24 quickly. We collaborate on marketing efforts. We  
25 share marketing dollars. A great example --- very

1 recent example is five minutes down the road you see  
2 the Mohegan Sun Arena. We purchased the naming rights  
3 --- obtained the name rights there. They actually are  
4 contributing almost half the cost of doing that,  
5 because they understand the value of bringing people  
6 to this facility. We obviously are committed to  
7 cross-marketing our gaming product. And we have done  
8 promotions for that. And so there's an operational  
9 commitment to improvement.

10                   Just some other examples. We made a  
11 large effort to capture what is harness racing. It's  
12 probably the biggest day of racing, the Breeders  
13 Crown, you know, really the first time outside of  
14 Woodbine and Meadowlands it's gone anywhere, and it's  
15 coming here; Mohegan Sun at Pocono Downs. And that's  
16 going to be October 2010. We not only made a  
17 commitment by advancing purses before the slots came  
18 online, but the first improvement we made to this  
19 property. Again, we didn't have to. It wasn't even  
20 related to the backside. We built a brand new side  
21 simulcast facility; before the casino opened. You  
22 know, state of art simulcast facility, that's well  
23 received and continues to be well received.

24                   We made improvements to the backside,  
25 well before we even got a slots license. Again, took

1 these risks, made these commitments to show that it's  
2 not just about the casino. We understand the spirit  
3 and intent of the law. And we built a \$6 million  
4 paddock that's one of the best paddocks you'll ever  
5 see, and again, very well received. That opened last  
6 year. You know, we had a \$5 million commitment to  
7 make improvements to the backside, but we spent well  
8 more than that. We surpassed our statutory  
9 obligations, and I think that has a lot to do with the  
10 relationship that we have with the horsemen, and you  
11 don't always see that relationship in many tracks.  
12 And I think this relationship is probably as good as  
13 you're going to see anywhere. So those are some of  
14 our previous commitments.

15                   I told you, we have the Breeders Crown  
16 coming up this upcoming year. We do have some capital  
17 dollars spent to refurbishing the infield with some  
18 landscaping. We also intend --- and in fact,  
19 hopefully in the next eight weeks we'll actually have  
20 executed, a purchase of a beautiful, big LCD  
21 television to go on the tote board in the infield.  
22 It's huge, 30 feet wide, 20 feet tall, which will  
23 certainly make a mark on our racing site. It's made  
24 for in anticipation of the Breeders Crown, but it will  
25 also, I think, benefit throughout the whole racing



1 need. And that's just another example of what we're  
2 willing to do.

3           We continue to operationally find ways to  
4 try to improve the racing product on the front of the  
5 house, and drive people here, and generate new  
6 business. We also will continue to make sure that we  
7 keep the back of house up-to-date, and make  
8 improvements on that end, as well.

9           CHAIRMAN FAJT:

10           Have you seen an increase in patron count  
11 in the horse racing side with the advent of gaming, or  
12 a decrease? Has it had any impact on the patron count  
13 on the racing side?

14           MR. SOPER:

15           You know, that's a very interesting  
16 question. And what we like to do is benchmark it  
17 based on the industry. So what has happened in the  
18 industry as a whole? And what has happened at our  
19 place?

20           After we opened the casino, we've  
21 actually had --- we actually generated greater handle,  
22 live handle, which is the most important thing;  
23 contract handle. And then part of that was the fact  
24 that we made improvements, and we also improved the  
25 clubhouse and some other ancillaries that will draw

1 racing. This past year's been challenging, as it has  
2 been for the industry, generally; partly due to the  
3 economy, partly due to some unfortunate disputes among  
4 some of the other popular tracks, the Magna tracks,  
5 the Churchill tracks, where they wanted greater  
6 dollars. And whether the track is closed, or they  
7 just won't send their signal out, you know, has  
8 impacted tracks since simulcast facilities such as  
9 ours, who aren't able to import that signal, and  
10 therefore there's no product in there.

11           There's a combination of various things.  
12 So this past year, we have seen a pretty substantial  
13 decline, about eight percent, which is about three or  
14 four percent less than the industry. But I think the  
15 good news is, once we opened the slots --- our first  
16 slots facility, we actually saw improvement in our  
17 live handle, which I think is great. Philosophically,  
18 and I think this was stated at the Pennsylvania Gaming  
19 Conference yesterday, by one panel. Slots is not  
20 going to be the long-term solution. Gaming is not  
21 going to be the long-term solution. I think it has  
22 saved racing in the short term. I think we, as  
23 operators, and the horsemen, and the breeders, all  
24 have an obligation to find a way to reposition the  
25 product, to draw demand, a new generation of

1 customers. That's ultimately going to be the  
2 solution, whatever that is. I think that the model is  
3 working. But you know, at least in the short term,  
4 the increase in purses certainly has increased the  
5 quality of racing, it has increased or improved the  
6 quality of the racing amenities, and I think at least  
7 in the near term, we're going to be okay. But it's  
8 going to require a more radical solution. And the  
9 industry's going to have to find that solution.

10 COMMISSIONER ANGELI:

11 Just a question. I see all your  
12 advertising and television, and billboards, and all  
13 that great stuff, it's all focused on slots. You have  
14 a joint marketing plan that you also bring forth on  
15 the racing side of the house, as opposed to just the  
16 slots that I see?

17 MR. SOPER:

18 Commissioner, that's very good question.  
19 The answer is yes. We do spend and allocate certain  
20 dollars just for our racing product. Right now for  
21 both our on-site simulcast, and our off-track wagering  
22 facilities, we have a television campaign that  
23 literally just rolled out three weeks ago, in all  
24 those markets that we have the off-track wagering  
25 facilities, including this market, as well. We do

1 have, for example --- or we can utilize all forms of  
2 advertising. We have a couple of billboards that we  
3 dedicate just for racing. We do, do some print  
4 advertising, as well. And then, I think, most  
5 importantly, we do focus a lot on the direct mail. So  
6 we send offers, whether it's free bed offers to drive  
7 people in, or various promotions that we do giveaways,  
8 and things of that nature. So we do allocate certain  
9 dollars. And in fact, the horsemen helped subsidize  
10 that. So we jointly do it. We commit a certain  
11 amount and they commit a certain amount. You know,  
12 it's had some success. And we plan to do more, and we  
13 believe there is a risk, where table games  
14 cannibalizes some of that. But we want to leverage  
15 it, to make it actually a positive benefit. And one  
16 of the concepts that we plan on rolling out is, as  
17 people are introduced to table games, to bring them to  
18 the racing side. If you wager so much on tables, you  
19 know, you're going to get a free wager at the horse  
20 track. So there are things like that we plan on  
21 rolling out. But we have been doing things with our  
22 current slots facility.

23 COMMISSIONER ANGELI:

24 With the table games coming on, I think  
25 there's an awful lot on your plate at this particular

1 moment, but for the site itself, do you have any  
2 future plans for what you're going to do there?

3 MR. SOPER:

4 Yeah, we've actually been in the process  
5 for the last six to eight months of obtaining permits  
6 for a future hotel convention center expansion here,  
7 on site. We have the master plan completed, we have  
8 conceptualls all completed. A lot of design work has  
9 been done. Our organization, like most gaming  
10 companies right now, don't have much cash right now to  
11 spend on capital, and frankly don't have access to  
12 credit markets, unless you're able to actually raise  
13 equity, which we cannot.

14 There's really not much opportunity, so  
15 we think it's a valuable opportunity, and accordingly,  
16 we've actually pursued --- we draw up a balance sheet  
17 --- opportunities with third-party developers to  
18 finance and build hotels. So we're in the process now  
19 in negotiating an agreement with a third-party  
20 developer to proceed with that hotel development. In  
21 the meantime we're just going to finish up the  
22 permitting process, and if the stars line up,  
23 hopefully in the near future we'll able to break  
24 ground on that hotel, and whenever that does happen,  
25 there is no definitive plan at this point. And no

1 timeline at this point, but when it does happen, it  
2 will be a 16 to 18-month process to build that hotel.

3 COMMISSIONER ANGELI:

4 Thank you.

5 CHAIRMAN FAJT:

6 Just one quick follow-up, and again, you  
7 know more about marketing than I'll ever know, but it  
8 would seem to me if you're looking at cross-marketing  
9 opportunities with the advent of table games, that  
10 typically is a younger demographic. And you're also  
11 looking at, you know, introducing horse racing to a  
12 younger demographic, those two things can converge  
13 with the right market. So I just would encourage you  
14 to do that; think about that. And again, great  
15 presentation. I'll end with where I started, it's all  
16 about jobs, and to have somebody like you hiring 1,600  
17 people in this area, most of them are Pennsylvania  
18 residents, spending the amount of construction money  
19 is a great thing for this area, so thank you.

20 PRESIDING OFFICER:

21 The questions that the Commissioner had  
22 for you; if you have Attorney Kohler file those with  
23 the Office of Hearings and Appeals ---

24 MR. SOPER:

25 We will.

1                   PRESIDING OFFICER:

2                   --- we'll make sure they get into the  
3 record and to the Board Members.

4                   MR. SOPER:

5                   Please.

6                   PRESIDING OFFICER:

7                   We will now begin with the public comment  
8 portion of this hearing. As I call your name please  
9 come forward to the podium, to the microphone here.

10                  As a reminder, each speaker, if you could  
11 please begin your remarks by stating your name and  
12 spelling your name for the court reporter. Our first  
13 speaker registered today is State Representative Eddie  
14 Day Pashinski.

15                  REPRESENTATIVE PASHINKSI:

16                  Thank you very much. Good morning, I'm  
17 State Representative Eddie Day Pashinski. Last name  
18 spelled P, as in Pittsburgh, A-S-H-I-N-S-K-I. I would  
19 like to thank Chairman Fajt and Commissioner Angeli,  
20 Hearing Officer Linda Lloyd, and members of the Board  
21 for providing the opportunity to receive public  
22 comment regarding the authorization of conducting  
23 table games by Mohegan Sun operation located here in  
24 Plains Township. I'm proud to say that Plains  
25 Township is part of the 121st District, which I

1 represent. And they are the host municipality of the  
2 Mohegan Sun Casino.

3 I am testifying today in complete support  
4 of the petition submitted by the Mohegan Sun at Pocono  
5 Downs to conduct table games for many reasons. To  
6 begin with, the Mohegan Sun operation has complied  
7 with all agreements and requirements during the  
8 construction and operation of the facility. They have  
9 demonstrated time and time again, their willingness to  
10 abide by the rules set forth in the law, and extended  
11 their hand in kindness and generosity to all parts of  
12 our community. In addition to provided economic  
13 development in the construction of Phase I and Phase  
14 II of the facility, nearly 1,000 jobs have been  
15 created for the direct operation of the casino. Many  
16 of these jobs are living-wage jobs with benefits  
17 including healthcare. With the authorization of table  
18 games, 200 new jobs will be filled within the next few  
19 months with the potential of 300 more jobs created as  
20 the table game sector expands their operation. Almost  
21 all of these jobs are people hired from our local  
22 communities, and a vast majority of these jobs will be  
23 full time. Approximately 350 jobs will be required  
24 for table game positions; which, with the tips,  
25 traditionally pay over \$20 per hour, generating



1 approximately \$40,000 per year.

2           Mohegan Sun also operates their own  
3 training school at no charge to the trainee, further  
4 providing added benefits for the employee. In  
5 addition to creating nearly 500 more jobs right hear  
6 in northeastern PA, approximately \$250 million will be  
7 generated from conducting table games, that will go  
8 back to the state through fees and taxes, levied on  
9 the gaming industry. This new money is critical to  
10 maintain a balanced budget, and reimburse the rainy  
11 day fund. Once the rainy day fund is restored, to  
12 pre-'09 budget levels, 100 percent of the table games  
13 portion will be directed to property tax relief. I'd  
14 like to point out that the homestead provision, as  
15 outlined in the original Gaming Bill, has provided  
16 over \$200 in property tax reduction to each --- I'm  
17 sorry, over \$200 in property tax reduction each year  
18 to every primary home-owner in my district. Once all  
19 casinos are operational, my constituents will see  
20 their property tax reduced an additional \$200 to \$400  
21 with the potential maximum reduction between \$400 and  
22 \$600. At the present time, Pennsylvania has 9 of the  
23 14 casinos operational, and the tenth will be up and  
24 running next year. The sooner we get these table  
25 games operational, the sooner we can provide relief to

1 the people of Pennsylvania.

2           In addition to reducing property taxes,  
3 stabilizing and revitalizing the horse race industry,  
4 which constitutes another \$35,000 to \$40,000 jobs, the  
5 industry enhanced tourism, our number two industry.  
6 And Luzerne County, the host municipality and  
7 surrounding communities will receive millions of  
8 dollars in development money. Nearly \$15 million has  
9 already been allocated from casino revenue to Plains  
10 Township and surrounding communities.

11           These economic development projects would  
12 never have been funded, especially now, during this  
13 extraordinary economic recession, without the gaming  
14 industry. These allocations of funding for our local  
15 communities will allow them to complete their  
16 projects, purchase their equipment and spur additional  
17 economic growth.

18           As I travel through my district and speak  
19 to my constituents, the request for table games at  
20 Mohegan Sun at Pocono downs is always a top priority.  
21 As we reflect upon this authorization request; if  
22 granted, the result will be nearly 500 more new jobs,  
23 the continued reduction of property taxes, millions of  
24 dollars to local communities for economic development,  
25 increased tourism, and improving the lives of the

1 people of northeastern PA.

2 I believe Mohegan Sun operation has  
3 consistently demonstrated strict enforcement of all  
4 the requirements, maintained the integrity of fair  
5 play, and enhanced the quality of life for the vast  
6 majority of our residents, and they are deserving of a  
7 favorable response to their request.

8 I thank you, once again, for providing me  
9 the opportunity to express my view, and appreciate  
10 your time. Thank you.

11 PRESIDING OFFICER:

12 Thank you. Our next speaker is County  
13 Commissioner Ronald Filippini.

14 COMMISSIONER FILIPPINI:

15 Township Commissioner.

16 PRESIDING OFFICER:

17 Township Commissioner, I am sorry.

18 COMMISSIONER FILIPPINI:

19 Gaming Control Board Members, Members of  
20 the State Legislature, local officials and others in  
21 attendance, welcome to Plains Township. I'm Ronald  
22 Filippini, that's F-I-L-I-P-P-I-N-I, Chairperson of  
23 the Plains Township Board of Commissioners. We are  
24 the host municipality of Mohegan Sun at Pocono Downs.  
25 The residents and Board Commissioners of Plains

1 Township thank you for giving us the opportunity to  
2 appear at your hearing today. It seems like just  
3 yesterday, when in April 2006, we had the first  
4 opportunity for public input into gambling in  
5 Pennsylvania. Since then there have been a lot of  
6 changes, favorable changes, for Plains Township and  
7 other municipalities in Luzerne County.

8           In November, 2006, Mohegan Sun opened its  
9 first casino, as the first casino in Pennsylvania and  
10 the remodeled facilities of Pocono Downs. Since then  
11 they've opened their main casino.

12           As expected, the casino has caused  
13 increased demands for our township services. But the  
14 revenue from the casino has enabled Plains Township to  
15 take steps to handle these increased demands, such as  
16 our emergency services. We have increased our police  
17 department and manpower approximately 25 percent, and  
18 updated a lot of our department's equipment. Our fire  
19 department responds not only to fire emergencies,  
20 they're the first responders for medical emergencies  
21 at the casino. We have also increased our fireman  
22 power, and updated equipment to meet these  
23 emergencies. And also, the demands on our  
24 infrastructure.

25           As the destination of the casino

1 visitors, we have made improvements to our  
2 infrastructure, including roads, sanitary and storm  
3 sewers. The township's biggest project to date was  
4 East Mountain Drive, a major route to Mohegan Sun.  
5 This past year, Plains Township completed \$1 million  
6 worth of construction, for much needed road and storm  
7 sewer improvements, which was done out of gaming  
8 funds.

9                   One factor which was mentioned that  
10 through the gaming legislation, as the hosting  
11 community, all this was done without additional taxing  
12 of the residents of Plains Township. But due to the  
13 development of Mohegan Sun, Plains Township stands  
14 ready to meet future demands and provide the proper  
15 services and improvements.

16                   Mohegan Sun and Plains Township continue  
17 an era of cooperation between us. A cooperative  
18 effort, which we're sure will find solutions for any  
19 future demands.

20                   In closing, as I have said in the past, I  
21 feel that Plains Township is fortunate to have a  
22 premiere casino management organization and the  
23 Mohegan Tribal Gaming Authority at Mohegan Sun at  
24 Pocono Downs. On behalf of the Plains Township Board  
25 of Commissioners, we urge the members of the

1 Pennsylvania Gaming Control Board to give their  
2 approval to the Application for Table Gaming at  
3 Mohegan Sun at Pocono Downs. Thank you.

4 PRESIDING OFFICER:

5 Do the Commissioner or Chairman have  
6 questions for you?

7 CHAIRMAN FAJT:

8 Commissioner, my records indicate that  
9 since Mohegan Sun has been in operation here in Plains  
10 Township of Luzerne County, that the County has  
11 received, give or take, \$36 million. But my question  
12 to you; my records show that Plains Township has  
13 received about \$7.5 million since Mohegan has been in  
14 operation since 2006. Does that sound about right?

15 COMMISSIONER FILIPPINI:

16 Yes.

17 CHAIRMAN FAJT:

18 Okay. Thank you.

19 PRESIDING OFFICER:

20 Our next speaker is Todd Vonderheid, who  
21 is the President and CEO of the Greater Wilkes-Barre  
22 Chamber of Business and Industry.

23 MR. VONDERHEID:

24 That wasn't that bad, it's been  
25 manhandled a lot worse. Nice to see you, it's good to

1 see you. Good morning Commissioners, Director Lloyd,  
2 Chairman Fajt and Commissioner Angeli. My name is  
3 Todd Vonderheid. Vonderheid is Spelled V, as in  
4 Victor, O-N-D-E-R-H-E-I-D, and I am the president and  
5 CEO of the Greater Wilkes-Barre Chamber of Business  
6 and Industry. And as the previous speaker said,  
7 welcome to Plains Township, and to Greater Wilkes-  
8 Barre. This morning I'll address three general areas  
9 related to the impact of Mohegan Sun at Pocono Downs.  
10 First, the direct economic impact, second, the amenity  
11 development, and third, their engagement in the  
12 Greater Wilkes-Barre community.

13                   Before Mohegan Sun opened in Plains  
14 Township, when gaming in Pennsylvania was still a very  
15 abstract concept, the new owners of Pocono Downs were  
16 an unknown quantity. And they were all, naturally,  
17 very wary of whom they would be. What would result?  
18 Would gaming be an improvement to our community or  
19 would it be an empty promise?

20                   Today, we can look back, examine  
21 Mohegan's record, and provide a confident answer to  
22 that question. As a result, I'd like to express ---  
23 or as a result, I would like to express the Greater  
24 Wilkes-Barre Chamber's unequivocal support of Mohegan  
25 Sun at Pocono Downs. With regard to their direct

1 economic impact to date, we've already heard the  
2 points there were received earlier. That they've  
3 added at least 1,000 new --- nearly 1,000 new jobs to  
4 the local community, over \$200 million in direct  
5 capital investment in construction of facilities, and  
6 \$216 million in gross terminal revenues generated  
7 during the most recent fiscal year, 55 percent of  
8 which went to the Commonwealth as tax revenue. Of  
9 that, four percent has gone back to Plains Township  
10 and the communities in Luzerne County, as we've just  
11 noted. The addition of table games will add an  
12 additional \$15 million in investment, and over 500 new  
13 employees in this very difficult economic time.

14                   This past March, Mohegan Sun's success  
15 permitted the Luzerne County local share account  
16 program to award nearly \$14 million to 20 worthy  
17 projects; results of this investment are becoming  
18 visible throughout our communities. Projects ranging  
19 from the Kingston's Hoyt Library to Wilkes-Barre  
20 Township's new police station, to a new College of  
21 Health Science of Misericordia and to the expansion of  
22 the Chamber's own incubator program in downtown  
23 Wilkes-Barre.

24                   Mohegan's contributions to amenity  
25 development are equally impressive. In an age when



1 investment and leisure dollars are more and more  
2 mobile than ever, quality of place matters more than  
3 ever to a community trying to remain competitive. The  
4 addition of Mohegan Sun at Pocono Downs to the local  
5 list of things to do has exponentially improved the  
6 quality of life and the offerings in northeastern  
7 Pennsylvania. In fact, it's an amazing addition to  
8 our local amenity package, not only the casino, but  
9 the well-rounded dining, shopping and entertainment  
10 destination. A fact most recently evidenced by the  
11 thousands of people attending Mohegan's new summer  
12 concert series right in the track, itself.

13           And rather than competing for static pool  
14 entertainment dollars within our marketplace,  
15 Mohegan's new complex has helped draw out-of-town  
16 visitors, to add to our store marketplace. Even  
17 against the backdrop of this very difficult national  
18 economy, Mohegan's presence has proven to be  
19 complimentary rather than competitive. In addition,  
20 we see great evidence of that, Mohegan's new  
21 partnership with Luzerne County's Civic Convention  
22 Center Authority has ensured the region's premiere  
23 band entertainment facility will remain competitive  
24 and strong in the future.

25           My final comments address the community

1 involvement. Mohegan's Sun as not simply paid lip  
2 service to the host community. Rather, starting with  
3 Bobby Soper, the Mohegan Sun team has become fully  
4 engaged in our community and its issues. Time and  
5 time again, they have willingly contributed to their  
6 resources, their time and their ideas. They have  
7 become fixtures, not only in public settings, but also  
8 in those unglamorous, tedious rooms of meeting with  
9 committees familiar to anyone, who's meaningfully  
10 committed to their community. It is difficult to  
11 think that another new corporate arrival in our  
12 region, that has so rapidly woven itself into the  
13 fabric of that community, or of our community.  
14 Whether it's the United Way, the Center for Domestic  
15 Violence, transportation, technology, community  
16 development initiatives, Mohegan Sun is now firmly  
17 embedded in our community. And to put it bluntly,  
18 when it comes to community involvement, Mohegan has  
19 set a very high bar for its peers.

20                   In closing, the Greater Wilkes-Barre  
21 Chamber --- or Greater Wilkes-Barre has benefited  
22 tremendously for the economic impact, new investment,  
23 and the new energy that Mohegan Sun has brought to our  
24 region. The Greater Wilkes-Barre Chambers firmly  
25 support Mohegan Sun and looks forward to the economic

1 benefits of table games, and urge the Board to approve  
2 the license request. Thank you very much. And if you  
3 have any questions I'd be glad to answer them.

4 CHAIRMAN FAJT:

5 Thank you very much. Good to see you.

6 PRESIDING OFFICER:

7 And since I seem to be batting 1,000  
8 today, let's see if I can mispronounce your last name.  
9 Pinky Stanseski.

10 MR. STANSESKI:

11 Yes, S-T-A-N-S-E-S-K-I. Good morning, my  
12 name is Pinky, P-I-N-K-Y, S-T-A-N-S-E-S-K-I. A few  
13 years ago I visited Mohegan Sun Connecticut Casino.  
14 After touring the facility, I checked out the table  
15 games area, only to observe, because I never played a  
16 table card game before. The dealers were nice and  
17 professional.

18 In closing, I know that if you grant  
19 Mohegan Sun Pocono Downs a Table Games Certificate,  
20 they will not only exceed expectations, but they will  
21 make Wilkes-Barre and northeastern Pennsylvania the  
22 number one destination for tourism all over.

23 PRESIDING OFFICER:

24 Thank you.

25 MR. STANSESKI:

1 I have written stuff for you, I have my  
2 name on it just for reference.

3 PRESIDING OFFICER:

4 Thank you.

5 MR. STANSESKI:

6 You're welcome. Have a nice day.

7 PRESIDING OFFICER:

8 Those were the people that were  
9 registered with the Board on my list. If someone here  
10 today believes they registered to speak and their name  
11 was not called, could they raise their hand? Seeing  
12 no one, a few housekeeping matters. First, the record  
13 created here today, including the transcript of the  
14 proceeding and all the exhibits and written comments,  
15 will be forwarded to the entire Board for its  
16 consideration. The Gaming Act requires that the Board  
17 act on Downs Racing petition within 60 days of this  
18 filing. So the Board will be taking up and  
19 considering the petition at a public board meeting in  
20 the very near future. I want to thank you all for  
21 coming today, and for your cooperation.

22 And one final announcement, the public  
23 input hearing tomorrow that was scheduled for Mount  
24 Airy is going to be postponed due to weather concerns.  
25 We understand there is about eight inches or more on

1 the ground there already, with another 15 or so on the  
2 way, so in order to keep everyone safe and off the  
3 roads in that area, we will postpone that. And look  
4 on our website for announcements for future dates.  
5 That concludes the public input hearing and the  
6 meeting is adjourned. Thank you.

7  
8 \* \* \* \* \*

9 HEARING CONCLUDED AT 11:05 A.M.

10 \* \* \* \* \*

11  
12 CERTIFICATE

13 I hereby certify that the foregoing  
14 proceedings, hearing held before Presiding Officer  
15 Lloyd, was reported by me on 02/24/2010 and that I  
16 Kenneth Dominic O'Hearn read this transcript and that  
17 I attest that this transcript is a true and accurate  
18 record of the proceeding.

19  
20   
21 \_\_\_\_\_  
22 Court Reporter  
23  
24  
25