

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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PUBLIC MEETING

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BEFORE: WILLIAM H. RYAN, JR., CHAIRMAN
Gregory C. Fajt, James B. Ginty, Keith R. McCall, Anthony C. Moscato, Gary A. Sojka, Kenneth I. Trujillo, via teleconference; Members Christopher Craig, Representing Robert M. McCord, State Treasurer Robert Coyne, Representing Daniel P. Meuser, Secretary of Agriculture Jorge Augusto, Representing George Greig, Secretary of Agriculture

HEARING: Wednesday, May 2, 2012, 10:01 a.m.

LOCATION: Office of Hearings and Appeals
Strawberry Square Complex
Second Floor
Harrisburg, PA 17101

WITNESSES: NONE

Reporter: Kayla Bolze

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CHAIRMAN:

Good morning, ladies and gentlemen. My name is Bill Ryan. I'm Chairman of the Pennsylvania Gaming Control Board (PGCB). Before we begin, I would please ask everyone to turn off cell phones, PDAs and other electronic devices. Thank you all. Joining us today is Chris Craig representing State Treasurer Robert McCord, Robert Coyne representing Daniel Meuser, Secretary of the Department of Revenue, and Jorge Augusto, who is Assistant Chief Counsel. That's correct this time; right, Jorge?

ATTORNEY AUGUSTO:

Assistant Counsel. Close.

CHAIRMAN:

Assistant Chief Counsel. Next time I'm going to get it right. Representing the Secretary of Agriculture, George Greig. Thank you all for being here. We have a quorum. All members are present except one, Ken Trujillo, who is present on the phone. Right, Ken?

MR. TRUJILLO:

I am. Thanks.

CHAIRMAN:

1 Thank you, Ken. I will call today's
2 meeting to order. First order of business is always I
3 would ask everyone to stand for the Pledge of
4 Allegiance.

5 PLEDGE OF ALLEGIANCE RECITED

6 CHAIRMAN:

7 Thank you. By way of announcements, the
8 Board held an Executive Session yesterday, May 1st.
9 The purpose of yesterday's Executive Session was to
10 discuss personnel matters, pending litigation, and to
11 conduct quasi-judicial deliberation related to matters
12 being considered by the Board today. Next, we will
13 have consideration of a motion to approve the
14 transcript and minutes of the Board's March 21st, 2012
15 meeting. May I have such a motion?

16 MR. FAJT:

17 Mr. Chairman, I move that the Board
18 approve the minutes and transcript of the March 21,
19 2012 meeting.

20 MR. GINTY:

21 Second.

22 CHAIRMAN:

23 All in favor?

24 AYES RESPOND

25 CHAIRMAN:

1 Opposed? The motion carries. Next will
2 be Kevin O'Toole, Executive Director, to provide his
3 report. Kevin?

4 MR. O'TOOLE:

5 Good morning, Chairman and members of the
6 Board. I have the pleasure this morning of talking
7 about the gentleman that is sitting to my left, Paul
8 Mauro, our Deputy Director of the Bureau of
9 Investigations and Enforcement (BIE). For the past
10 three and a half years, Paul has provided sound
11 guidance and direction to BIE in the absence of the
12 director. His leadership during that time period has
13 demonstrated his commitment to the Bureau and to the
14 Board, and he has worked tirelessly to ensure quality
15 background investigation done on a timely basis.

16 Paul was hired in January of 2006, over
17 six years ago. He was one of our early hirees. He
18 initially served as an Investigator Supervisor in BIE,
19 and was promoted to Deputy Director in the spring of
20 2007. Paul's unique understanding of the role and
21 function of BIE, as well as his proven leadership,
22 make him an ideal candidate to formally serve as the
23 Bureau's Director.

24 Therefore, in recognition of Paul's
25 leadership and guidance through his entire tenure with

1 the Board, I request that a motion be made and
2 approved to appoint Paul Mauro as the Agency's
3 Director of the BIE. Thank you.

4 CHAIRMAN:

5 Thank you, Kevin. Any questions or
6 comments from the Board? Ex-Officio Members? May I
7 have a motion?

8 MR. GINTY:

9 Mr. Chairman, it's my honor and pleasure
10 to move the Board appoint Paul Mauro to serve as the
11 Director of the BIE.

12 CHAIRMAN:

13 Second?

14 MR. SOJKA:

15 I am pleased to second that motion.

16 CHAIRMAN:

17 All in favor?

18 AYES RESPOND

19 CHAIRMAN:

20 Opposed? The motion carries.

21 Congratulations, Paul.

22 MR. MAURO:

23 Thank you.

24 CHAIRMAN:

25 A little anti-climatic after three and a

1 half years. Hey, we move a little slowly around here.

2 MR. MAURO:

3 Thank you very much, Chairman and
4 Commissioners. I'd like to thank all of you, and also
5 Kevin for your support over these past few years.
6 It's certainly for an interesting position. I'm very
7 honored by the appointment.

8 I would be remiss if I didn't point out
9 my excellent staff, which is the main reason why I'm
10 here. You have to know you have an excellent staff
11 with PGCB, and BIE is no exception with that. My
12 Regional Directors, Mike Rosenberry, Roger Greenbank
13 and Lee Torbin are all outstanding. I couldn't ask
14 for three better regional directors in my offices.
15 Rich O'Neill, our FIE Supervisor, as cantankerous as
16 he is, we would be lost without him. My Investigative
17 Intake Manager, Michelle Ceo, is just terrific as
18 well, and my assistant, Lori Bruno. So, the credit
19 goes to them for everything that BIE produces and you
20 see every month here, you know, as presented by OEC,
21 which also has a wonderful staff.

22 Lastly, I have to thank my wife. I don't
23 really know what I have to thank her for, really. But
24 since this is a public meeting that's broadcast over
25 the Web ---. She's been my wife for the past 20

1 years. That way I will not be in trouble when I get
2 home. Thank you all very much.

3 CHAIRMAN:

4 Thank you. David Rhen, Budget Manager.
5 David.

6 MR. RHEN:

7 Good morning. I'm here again --- once
8 again to present the monthly report of Board expenses.
9 My report today includes all expenses through this
10 past Monday, April 30th. Here today, the expenses now
11 total \$27.1 million, with 83 percent of all expenses,
12 or \$22.4 million, for personnel, and 17 percent, or
13 \$4.6 million for operations. Nearly 80 percent of
14 operating expenses have gone to rentals and leases at
15 \$1.7 million here to date, services at \$1.1 million,
16 and other operating expenses, including investigative
17 database services, at \$833,000.

18 For the month of April, expenses totaled
19 \$2.7 million, personnel expenses were \$2.1 million and
20 operating expenses were \$522,000. The largest
21 operating expenses for the month were \$204,000 for
22 other operating expenses, primarily database services,
23 \$176,000 for rentals and leases, \$67,000 for services,
24 \$27,000 for travel, and \$23,000 telecommunications.
25 That concludes my monthly report.

1 CHAIRMAN:

2 Thank you, David. Any questions or
3 comments from the Board? Ex-Officio Members? Thanks,
4 Dave.

5 MR. RHEN:

6 Thank you.

7 CHAIRMAN:

8 I appreciate it. Next will be Doug
9 Sherman and Steve Cook from Office of Chief Counsel
10 (OCC).

11 ATTORNEY SHERMAN:

12 Good morning, Chairman, members of the
13 Board. We have a very light agenda today. There are
14 no petitions. There are no regulations. I'm going to
15 turn everything over to Steve for Withdrawals and a
16 couple Reports and Recommendations.

17 ATTORNEY COOK:

18 Good morning. Relative to Withdrawals,
19 the Board has just one for today, the unopposed
20 Petition to Surrender the Principal License of Richard
21 Turner. Mr. Turner was an independent director on the
22 Board of Directors for Crown Limited, which has an
23 ownership interest in the Meadows Casino. Mr. Turner
24 resigned this position and no longer requires
25 licensure by the Board. The Office of Enforcement

1 Counsel (OEC) renewed the Withdrawal Petition. There
2 was no objection. Therefore, if the Board were
3 inclined to grant same, it would be doing so without
4 prejudice.

5 CHAIRMAN:

6 Questions or comments from the Board?
7 Ex-Officio Members? May I have a motion?

8 MR. FAJT:

9 Mr. Chairman, I move that the Board issue
10 an Order to approve the Withdrawals as described by
11 the OCC.

12 MR. MCCALL:

13 Second.

14 CHAIRMAN:

15 All in favor?

16 AYES RESPOND

17 CHAIRMAN:

18 Opposed? The motion carries.

19 ATTORNEY COOK:

20 Next, before the Board for consideration
21 are four Reports and Recommendations received in the
22 Office of Hearings and Appeals (OHA) relative to one
23 Petition to be withdrawn from the Prohibited Gaming
24 Service Provider List, two Gaming Permits, and one
25 Petition to be placed on the Board's Exclusion List.

1 All the Reports and Recommendations, along with the
2 evidentiary record of each hearing, have been provided
3 to the Board in advance of this meeting.

4 Additionally, I would note that the final
5 Report and Recommendation that I will be presenting
6 for action pertains to Vincent Procopio. In this
7 matter, he was heard at the Board's April 11th, 2012
8 meeting, at which time Mr. Procopio's Counsel appeared
9 and addressed the Board relative to exceptions filed
10 to that particular Report and Recommendation. Mr.
11 Procopio's Counsel has been notified that the Board
12 will be making a decision on the matter today, but
13 that because the record's been closed and he's been
14 heard from, that they will not be offered an
15 opportunity to address the Board today.

16 Relative to the remainder of the Reports
17 and Recommendation, the person or entities involved
18 have each been notified that the Board will be taking
19 the matter up today and that they have the opportunity
20 to come before the Board when the matter is called.
21 If any such people are in the room today, I ask them
22 to come forward when their particular matter is
23 called.

24 The first Report and Recommendation
25 pertains to Radio Communications Services, Inc. On

1 January 30th, 2007, Radio Communications filed its
2 Application with the Board to become a Gaming Service
3 Provider so they could provide communication hardware
4 and services to Licensed Gaming Entities in
5 Pennsylvania. Radio Communications was granted
6 interim authorization to operate in that capacity in
7 2007 and subsequently entered contract with Chester
8 Downs and SugarHouse Casino, where it worked for one
9 or both of these operators in 2007 through 2011,
10 earning in excess of \$460,000.

11 As part of its ongoing background
12 investigation of this Gaming Service Provider, on July
13 26th, 2011, the OEC requested one of its Principals
14 submit to a recorded interview under oath. Thirteen
15 (13) days later, Radio Communications filed a request
16 to withdraw its application, stating that the business
17 plans had changed and they would no longer be
18 providing sales and services to Pennsylvania casinos.
19 In fact, the record in this matter indicates that the
20 company received at least one payment at approximately
21 the same time as it filed the Petition to Withdraw,
22 payment from a Pennsylvania casino.

23 As a result, the OEC filed an Answer
24 requesting the Board order Radio Communications
25 withdrawal be with prejudice based primarily upon

1 Radio Communications' failure to complete the full
2 application process and comply with the investigation.
3 The hearing in this matter was held on February 16th,
4 2012. Despite receiving proper notice, no one from
5 Radio Communications attended the hearing. As a
6 result --- the hearing was held in absence of that
7 vendor. As a result of hearing and the evidence
8 presented by the OEC, a Report and Recommendation was
9 issued recommending that --- with the Hearing Officer
10 recommending that the application be withdrawn without
11 prejudice. Notwithstanding OEC's objections, this
12 Report and Recommendation is presently before the
13 Board for consideration.

14 CHAIRMAN:

15 Any questions or comments from the Board?
16 Ex-Officio Members? Do I have a motion?

17 MR. MCCALL:

18 Mr. Chairman, I move that the Board
19 reject the Report and Recommendation by the OHA
20 regarding the Withdrawal of Radio Communications
21 Services, Inc.'s Gaming Service Provider Application.
22 I further move that the Board issue an Adjudication
23 and Order on this matter requiring the Withdrawal to
24 be with prejudice and providing the Board's rationale
25 for coming to this conclusion.

1 CHAIRMAN:

2 Second?

3 MR. MOSCATO:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 AYES RESPOND

8 CHAIRMAN:

9 Opposed? Motion carries.

10 ATTORNEY COOK:

11 The next matter before the Board is a
12 Report and Recommendation pertaining to Duy Hoang
13 Nguyen. Mr. Nguyen submitted a Gaming Employee Permit
14 Application on August 17th, 2011 to work as a Table
15 Games Dealer at the Parx Casino. On January 6th,
16 2012, the OEC issued a Notice of Recommendation of
17 Denial of Mr. Nguyen's application based primarily on
18 the fact that Mr. Nguyen is technically ineligible to
19 hold a Gaming Permit under the Act, having been
20 convicted of gaming offenses in the State of Delaware
21 within the past 15 years. Additionally, Mr. Nguyen
22 failed to disclose his conviction and the fact that
23 his Delaware Gaming License --- he was a Delaware
24 casino employee --- had been revoked.

25 Mr. Nguyen requested a hearing, which was

1 held on March 7th, 2011 before the OHA. Both the OEC
2 and Mr. Nguyen appeared and offered testimony and
3 exhibits at the hearing. Subsequently, a Report and
4 Recommendation was issued recommending that Mr.
5 Nguyen's Gaming Application --- or Gaming Permit
6 Application be denied, as he was statutorily
7 ineligible. And that Report and Recommendation is
8 presently before the Board.

9 CHAIRMAN:

10 Any questions or comments from the Board?
11 Ex-Officio Members of the Board? May I have a motion?

12 MR. MOSCATO:

13 Yes, Mr. Chairman. I move that the Board
14 issue an Order to adopt the Report and Recommendation
15 of the OHA regarding the Gaming Employee Permit of Duy
16 Nguyen as described by the OCC.

17 MR. SOJKA:

18 Second.

19 CHAIRMAN:

20 All in favor?

21 AYES RESPOND

22 CHAIRMAN:

23 Opposed? The motion carries.

24 ATTORNEY COOK:

25 John Stavish is the next Report and

1 Recommendation before the Board today. Mr. Stavish
2 was issued a Gaming Permit on June 10th, 2010 to work
3 as a Table Games Dealer at the Rivers Casino. On
4 March 21st, 2011, he was issued a G2 Gaming Employee
5 Permit, which allowed him to act in a supervisory
6 position at that casino.

7 On June 3rd, 2011, Mr. Stavish was
8 working as a bouncer at a craps table. His job was to
9 supervise the play, control the actions of the dealer,
10 maintain integrity of the game, and place dealer tips
11 in the token box. A patron at Mr. Stavish's table
12 placed a bet for himself and a \$2 tip that is a tip
13 for the dealer by placing the \$2 tip wager beside his
14 own bet. Both bets won and were paid out. The
15 dealer's tip at that point was \$4.

16 The patron thereafter requested that the
17 \$4 tip be placed as another bet, a horn bet, to the
18 dealers. The dealer informed Mr. Stavish, who, again,
19 was a supervisor at the table, of this request, and
20 Mr. Stavish approved, moving the \$4 bet to a horn bet.
21 The horn bet won and paid \$27 for a total of \$31 ---
22 \$27 for now a total of \$31. At that point in time,
23 the total was removed from the table and placed into
24 the token box.

25 An investigation of this incident

1 subsequently occurred, both internal to the Rivers and
2 through the OEC. As a result of the internal
3 investigation, Mr. Stavish was terminated from the
4 Rivers on June 20th, 2011 for improper toke handling
5 and wagering. Additionally, this enforcement action
6 was filed by OEC for the same facts, in which the OEC
7 alleged this violates Section 525.12 of the Board's
8 regulations, which require all tips and gratuities
9 received by dealers to be immediately placed in the
10 table's tip box. In other words, the improper conduct
11 there was parlaying the wager into a second bet.

12 The OEC and Rivers personnel take the
13 position that the player wagering tips for dealers
14 when the chips are placed separate from a player's
15 wager rather than on top of the player's wager --- or
16 piggybacking on the player's chips is an indication
17 that the player relinquished control of the chips, and
18 as a result, if the wager wins, the tip must be
19 immediately collected.

20 A hearing was held in this matter on
21 January 25th, 2011. And after taking evidence, the
22 Hearing Officer issued a Report and Recommendation
23 recommending not that Mr. Stavish's Gaming Permit be
24 revoked, as OEC had requested, but rather, that a 60-
25 day suspension be placed, as the Hearing Officer

1 thinks this is a one-time lapse in judgment, possibly
2 a misunderstanding of the regulations.

3 CHAIRMAN:

4 Any questions or comments from the Board?

5 MR. SOJKA:

6 A few. First of all, Steve, is there any
7 way Mr. Stavish could have financially benefited from
8 this error?

9 ATTORNEY COOK:

10 No. As the box man or the supervisor at
11 the table, he did not share in the tip pool.

12 MR. SOJKA:

13 And there's no indication of any kind
14 that he was colluding with anyone at the table or
15 anything for their benefit?

16 ATTORNEY COOK:

17 It does not appear so. I think the bets
18 were being directed by the player.

19 MR. SOJKA:

20 And that raises the issue of what we call
21 piggybacking and about control. And if I understand
22 the piggybacking situation, control is relinquished
23 then by the player if his chips are on top --- if his
24 token bet is on top of his own regular bet?

25 ATTORNEY COOK:

1 Let me back up. The Board's regulations
2 are fairly broad and they simply prohibit --- or they
3 simply require an immediate collection of a tip bet
4 after the play, after the roll of the dice. In
5 practice in the casinos, what has happened is everyone
6 views a piggyback bet, the chips for the token bet are
7 placed on top of the players' chips as the player
8 maintaining control of chips, and therefore, they
9 would allow them to parlay those into future token bets
10 if the first bet wins, of course. And if the chips
11 are placed beside the player's own chips, they have to
12 be immediately collected because the player has
13 indicated he is giving up control of the chips.

14 MR. SOJKA:

15 Okay. So the placement of the token bet,
16 as to whether or not it's on top of or next to, really
17 is relevant in this case?

18 ATTORNEY COOK:

19 It's relevant as to how the regulation
20 and the policies of the casinos are enforced, but it's
21 not a creature of our regulations at this point.

22 MR. SOJKA:

23 Okay. That settles it. Thank you.

24 CHAIRMAN:

25 Any other questions? Ex-Officio Members?

1 May I have a motion?

2 MR. SOJKA:

3 Yes, Mr. Chairman. I'll move that the
4 Board adopt the Report and Recommendation of the OHA
5 in this matter. However, relative to that 60-day
6 suspension recommended therein, I would also move that
7 the period of suspension be suspended in light of the
8 fact that Mr. Stavish has been terminated from
9 employment with the Rivers Casino as a result of this
10 situation. Finally, I would move that the Board staff
11 review this situation and consider any amendments to
12 Board regulations in the area of toke or tip wagers,
13 which might alleviate the situation from arising in
14 the future.

15 MR. MCCALL:

16 Second.

17 CHAIRMAN:

18 All in favor?

19 AYES RESPOND

20 CHAIRMAN:

21 Opposed? That motion carries.

22 ATTORNEY COOK:

23 The last Report and Recommendation before
24 the Board today pertains to the OEC's request to place
25 Vincent Procopio on the Board's Exclusion List based

1 upon his conviction for a gaming offense in New Jersey
2 as well as the events and circumstances surrounding
3 that conviction. The Report and Recommendation filed
4 in this matter also recommends that the OEC request it
5 be granted. As I mentioned earlier, the Board heard
6 oral argument on the exceptions filed by Mr.
7 Procopio's Counsel at his last Board meeting on April
8 11th, 2012. As a result, the record here is now
9 closed and the matter is ripe for the Board's
10 consideration.

11 CHAIRMAN:

12 Any questions or comments from the Board?
13 Ex-Officio Members of the Board? May I have a motion?

14 MR. GINTY:

15 Mr. Chairman, I move that the Board adopt
16 in part and reject in part the Report and
17 Recommendation issued in this matter, that Mr.
18 Procopio be placed on the Board's List of Excluded
19 Persons, and that the Board issue an Adjudication and
20 Order outlining the rationale for reaching this
21 decision.

22 MR. FAJT:

23 Second.

24 CHAIRMAN:

25 All in favor?

1 AYES RESPOND

2 CHAIRMAN:

3 Opposed? Motion carries.

4 ATTORNEY SHERMAN:

5 That concludes all the matters from our
6 office.

7 CHAIRMAN:

8 Thank you, both. Next will be Susan
9 Hensel, Director of Licensing. Susan?

10 MS. HENSEL:

11 Thank you, Chairman Ryan and members of
12 the Board. Before the Board today will be two
13 Manufacturer Licenses, as well as motions regarding
14 818 Principal, Key, Gaming and Non-Gaming Employees.
15 In addition, there will be consideration of 12 Gaming
16 Service Provider Applications.

17 The first matter for your consideration
18 is the approval of an additional Slot Machine
19 Manufacturer License for Multimedia Gaming, Inc.
20 Multimedia Gaming, Inc. is a Texas-based maker of slot
21 machines and associated equipment. The BIE has
22 completed its investigation, and the Bureau of
23 Licensing has provided you with a Background
24 Investigation and Suitability Report for this
25 Licensee. I have provided you with a Draft Order and

1 ask that the Board consider the approval of Multimedia
2 Gaming, Inc. for a Slot Machine Manufacturer License.

3 CHAIRMAN:

4 Any comments from Enforcement Counsel?

5 ATTORNEY PITRE:

6 Enforcement Counsel has no objection.

7 CHAIRMAN:

8 Questions or comments from the Board?

9 MR. SOJKA:

10 Yes. If I may, I would have a question
11 for the OEC. I couldn't help but notice the
12 substantial number of references to civil litigation,
13 references to political situations that impinge on the
14 litigation and so on. And I just want to make sure
15 that I'm not missing something there. Your office has
16 looked over this and feels that the Pennsylvania Board
17 is not ignoring any signals or any concerns arriving
18 from that litigation?

19 ATTORNEY PITRE:

20 Yes, we're quite certain that you're not
21 ignoring any signals. As the Board has seen in the
22 past, we've had a couple of manufacturers who had
23 machines that have ended up in Alabama. And as a
24 result of that, there have been various lawsuits and
25 class action suits brought against those

1 manufacturers. There's also been another
2 interpretation in Alabama law. So there's a lot of
3 uncertainty with regard to the litigation and with
4 regard to Alabama law as it relates to some of these
5 machines. So we're watching the litigation closely.
6 We're tracking the litigation. Should we think that
7 it is a matter that may affect the suitability of any
8 of those manufacturers, we'll bring those matters
9 before the Board.

10 MR. SOJKA:

11 Thank you very much. That's very
12 helpful.

13 CHAIRMAN:

14 Any other questions or comments?
15 Ex-Officio Members? May I have a motion?

16 MR. MOSCATO:

17 Mr. Chairman, I move that the Board
18 approve Multimedia Gaming, Incorporated's Slot Machine
19 Manufacturer License as described by the Bureau of
20 Licensing.

21 MR. FAJT:

22 Second.

23 CHAIRMAN:

24 All in favor?

25 AYES RESPOND

1 CHAIRMAN:

2 Opposed? Motion carries.

3 MS. HENSEL:

4 Next for your consideration is the
5 renewal of the Slot Machine Manufacturer License for
6 MicroFirst Associates, Inc. MicroFirst is a New
7 Jersey-based company that performs a range of
8 functions, including programming, testing and
9 repairing slot machines and associated equipment,
10 related hardware and software. The BIE has completed
11 its investigation, and the Bureau of Licensing has
12 provided you with a Renewal Background Investigation
13 and Suitability Report for this Licensee. I have
14 provided you with a Draft Order and ask that the Board
15 consider the approval of MicroFirst Associates, Inc.
16 for a Slot Machine Manufacturer License.

17 CHAIRMAN:

18 Any comments from Enforcement Counsel?

19 ATTORNEY PITRE:

20 Enforcement Counsel has no objection.

21 CHAIRMAN:

22 Any questions or comments from the Board?

23 Ex-Officio Members of the Board? May I have a motion?

24 MR. FAJT:

25 Mr. Chairman, I move that the Board

1 approve MicroFirst Associates, Inc.'s Slot Machine
2 Manufacturer Renewal License as described by the
3 Bureau of Licensing.

4 MR. MCCALL:

5 Second.

6 CHAIRMAN:

7 All in favor?

8 AYES RESPOND

9 CHAIRMAN:

10 Opposed? Motion carries.

11 MS. HENSEL:

12 We also have for your consideration the
13 approval of Principal and Key Employee Licenses.
14 Prior to this meeting, the Bureau of Licensing
15 provided you with a Proposed Order for one Principal
16 and two Key Employee Licenses for Category 1 and
17 Category 2 Licenses. I ask that the Board consider
18 the Order approving these Licenses.

19 CHAIRMAN:

20 Any comments from Enforcement Counsel?

21 ATTORNEY PITRE:

22 Enforcement Counsel has no objection.

23 CHAIRMAN:

24 Questions or comments from the Board?

25 Ex-Officio Members of the Board? May I have a motion?

1 MR. MCCALL:

2 Mr. Chairman, I move that the Board
3 approve the issuance of Principal and Key Employee
4 Licenses as described by the Bureau of Licensing.

5 CHAIRMAN:

6 Second?

7 MR. MOSCATO:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 AYES RESPOND

12 CHAIRMAN:

13 Opposed? The motion carries.

14 MS. HENSEL:

15 Also for your consideration are Temporary
16 Key Employee Licenses. Prior to this meeting, the
17 Bureau of Licensing provided you with an Order
18 regarding the issuance of Temporary Licenses for 26
19 Key Employees. I ask that the Board consider the
20 Order approving these Licenses.

21 CHAIRMAN:

22 Any comments from Enforcement Counsel?

23 ATTORNEY PITRE:

24 Enforcement Counsel has no objection.

25 CHAIRMAN:

1 Any questions or comments from the Board?
2 Ex-Officio Members of the Board? May I have a motion?

3 MR. MOSCATO:

4 Mr. Chairman, I move that the Board
5 approve the issuance of Temporary Key Employee
6 Credentials as described by the Bureau of Licensing.

7 MR. SOJKA:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 AYES RESPOND

12 CHAIRMAN:

13 Opposed? The motion carries.

14 MS. HENSEL:

15 Next are Gaming Permits and Non-Gaming
16 Registrations. Prior to this meeting, the Bureau of
17 Licensing provided you with a list of 523 individuals
18 who the Bureau has granted Temporary or Full
19 Occupation Permits to and 219 individuals who the
20 Bureau has granted registrations to under the
21 authority delegated to the Bureau of Licensing. I ask
22 that the Board consider a motion approving the Order.

23 CHAIRMAN:

24 Any comments from Enforcement Counsel?

25 ATTORNEY PITRE:

1 Enforcement Counsel has no objection.

2 CHAIRMAN:

3 Any questions, comments from the Board?
4 Ex-Officio Members of the Board? May I have a motion?

5 MR. SOJKA:

6 Yes, Mr. Chairman. I move that the Board
7 approve the issuance of Gaming Employee Permits and
8 Non-Gaming Employee Registrations as described by the
9 Bureau of Licensing.

10 MR. FAJT:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 AYES RESPOND

15 CHAIRMAN:

16 Opposed? The motion carries.

17 MS. HENSEL:

18 In addition, we have Recommendations of
19 Denial of four Gaming Employee Applications. Prior
20 this meeting, the Bureau of Licensing provided you
21 with Orders addressing these Applicants who the OEC
22 has recommended for denial. In each case, the
23 Applicant failed to request a hearing within the
24 specified time period. I ask that the Board consider
25 the Orders denying the Gaming Employee Applicants.

1 CHAIRMAN:

2 Any comments from Enforcement Counsel?

3 ATTORNEY PITRE:

4 Enforcement Counsel requests denial in
5 each instance.

6 CHAIRMAN:

7 Any questions or comments from the Board?

8 Ex-Officio Members of the Board? May I have a motion?

9 MR. MCCALL:

10 Mr. Chairman, I move that the Board
11 approve the denial of Gaming Employee Applications as
12 described by the Bureau of Licensing.

13 MR. FAJT:

14 Second.

15 CHAIRMAN:

16 All in favor?

17 AYES RESPOND

18 CHAIRMAN:

19 Opposed? The motion carries.

20 MS. HENSEL:

21 We also have for your consideration
22 Withdrawal Requests for Key, Gaming and Non-Gaming
23 Employees. In each case, the License, Permit or
24 Registration is no long required due to such
25 circumstances as the employee failing to report to

1 work. For today's meeting, I've provided the Board
2 with a list of 3 Key, 37 Gaming and 3 Non-Gaming
3 Employee Withdrawals for Approval. I ask that the
4 Board consider the Orders approving this list of
5 Withdrawals.

6 CHAIRMAN:

7 Any comments from Enforcement Counsel?

8 ATTORNEY PITRE:

9 Enforcement Counsel has no objection.

10 CHAIRMAN:

11 Questions or comments from the Board?

12 Ex-Officio Members of the Board? May I have a motion?

13 MR. FAJT:

14 Mr. Chairman, I move that the Board
15 approve the Withdrawals as described by the Bureau of
16 Licensing.

17 MR. GINTY:

18 Second.

19 CHAIRMAN:

20 All in favor?

21 AYES RESPOND

22 CHAIRMAN:

23 Opposed? The motion carries.

24 MS. HENSEL:

25 In addition, we have an Order to certify

1 the following Gaming Service Providers: AgileCat, LLC,
2 Ashley Foods, Inc., Mandarine Enterprise, LLC and
3 Promotion Group Central, Inc. I ask that the Board
4 consider the Order approving these Gaming Service
5 Providers for certification.

6 CHAIRMAN:

7 Any comments from Enforcement Counsel?

8 ATTORNEY PITRE:

9 Enforcement Counsel has no objection.

10 CHAIRMAN:

11 Any questions, comments from the Board?

12 Ex-Officio Members? May I have a motion?

13 MR. GINTY:

14 Mr. Chairman, I move that the Board issue
15 an Order to approve the application for Gaming Service
16 Provider Certification as described by the Bureau of
17 Licensing.

18 MR. MCCALL:

19 Second.

20 CHAIRMAN:

21 All in favor?

22 AYES RESPOND

23 CHAIRMAN:

24 Opposed? The motion carries.

25 MS. HENSEL:

1 Next, we have Orders regarding Gaming
2 Service Provider Registrations. The Bureau of
3 Licensing provided you with Orders and an attached
4 list of seven registered Gaming Service Providers. I
5 ask that the Board consider a motion approving the
6 Orders registering these Gaming Service Providers.

7 CHAIRMAN:

8 Any comments from Enforcement Counsel?

9 ATTORNEY PITRE:

10 Enforcement Counsel has no objection.

11 CHAIRMAN:

12 Questions or comments from the Board?

13 Ex-Officio Members of the Board? May I have a motion?

14 MR. MCCALL:

15 Mr. Chairman, I move that the Board issue
16 an Order to approve the Applications for Gaming
17 Service Provider Registration as described by the
18 Bureau of Licensing.

19 CHAIRMAN:

20 Second?

21 MR. MOSCATO:

22 Second.

23 CHAIRMAN:

24 All in favor?

25 AYES RESPOND

1 CHAIRMAN:

2 Opposed? The motion carries.

3 MS. HENSEL:

4 Finally, the Gaming Service Provider
5 Application for Bar Code Specialties, Inc. is being
6 recommended for Abandonment. This company filed an
7 application with the Board but failed to complete the
8 application process. Under our regulations, the Board
9 has the authority to declare an application abandoned
10 if the applicant fails to complete the application
11 process. A company whose application is abandoned is
12 free to reapply at any time. I ask that the Board
13 consider the Order declaring Bar Code Specialties,
14 Inc.'s Application abandoned.

15 CHAIRMAN:

16 Any comments from Enforcement Counsel?

17 ATTORNEY PITRE:

18 Enforcement Counsel has no objection.

19 CHAIRMAN:

20 Questions or comments from the Board?

21 MR. SOJKA:

22 Just one quick one. Have they received
23 payment from casinos in the Commonwealth?

24 MS. HENSEL:

25 Yes, I believe they have.

1 MR. SOJKA:

2 So this is another example of someone ---

3 MS. HENSEL:

4 Yes.

5 MR. SOJKA:

6 --- receiving payment and then deciding
7 not to go through with it?

8 MS. HENSEL:

9 Yes, they've received payment. However,
10 the payment that they've received is under the
11 \$100,000 threshold that is in place today.

12 MR. SOJKA:

13 Excellent. Okay. Because it went back
14 before. Thank you.

15 CHAIRMAN:

16 Any other questions, comments from the
17 Board? Ex-Officio Members of the Board? May I have a
18 motion?

19 MR. MOSCATO:

20 Mr. Chairman, I move that the Board issue
21 an Order to approve the abandonment of a Gaming
22 Service Provider Application as described by the
23 Bureau of Licensing.

24 MR. SOJKA:

25 Second.

1 CHAIRMAN:

2 All in favor?

3 AYES RESPOND

4 CHAIRMAN:

5 Opposed? The motion carries.

6 MS. HENSEL:

7 That concludes the matters of the Bureau
8 of Licensing.

9 CHAIRMAN:

10 Thank you, Susan. Next will be Cyrus
11 Pitre, Chief Enforcement Counsel. Cyrus?

12 ATTORNEY PITRE:

13 We have 11 matters for the Board's
14 consideration today. Cassandra Fenstermaker will
15 present the first three matters for the Board's
16 consideration.

17 ATTORNEY FENSTERMAKER:

18 Thank you. Good morning, Chairman Ryan
19 and members of the Board. I am Cassandra
20 Fenstermaker, F-E-N-S-T-E-R-M-A-K-E-R, Assistant
21 Enforcement Counsel.

22 The first matter that I have today
23 involves the Revocation of Ikea Jennings' Non-Gaming
24 Employee Registration. On February 17th, 2012, the
25 OEC filed a Complaint for Revocation against Ikea

1 Jennings, a former food server at Harrah's Chester
2 after she admitted to taking blank gift card vouchers,
3 which she cashed in for \$450 in gift cards.

4 Service was effectuated by First-Class
5 Mail. Ms. Jennings did not respond to the Complaint
6 within 30 days. Therefore, pursuant to Board
7 regulations, all facts alleged in the Complaint are
8 deemed admitted. The OEC filed a Request for Default
9 Judgment on April 6, 2012 in this matter, and at this
10 time requests that Ikea Jennings' Non-Gaming
11 Registration be revoked.

12 CHAIRMAN:

13 Is Ikea Jennings present in the hearing
14 room? Any questions or comments from the Board?
15 Ex-Officio Members of the Board? May I have a motion?

16 MR. SOJKA:

17 Yes, Mr. Chairman. I move that the Board
18 issue an Order to approve the Revocation of Ikea
19 Jennings' Non-Gaming Employee Registration as
20 described by the OEC.

21 MR. FAJT:

22 Second.

23 CHAIRMAN:

24 All in favor?

25 AYES RESPOND

1 CHAIRMAN:

2 Opposed? The motion carries.

3 ATTORNEY FENSTERMAKER:

4 Then the second matter involves
5 Revocation of Antoinnette Johnson's Non-Gaming
6 Employee Registration. On March 2nd, 2012, the OEC
7 filed a Complaint for Revocation against Antoinnette
8 Johnson, a former food and beverage host at Harrah's
9 Chester, after she admitted to keeping money from food
10 orders that she processed.

11 Service was effectuated by First-Class
12 Mail. Ms. Johnson did not respond to the Complaint
13 within 30 days, and therefore pursuant to Board
14 regulations, all facts alleged in the Complaint are
15 deemed admitted. The OEC filed a Request for Default
16 Judgment on April 6, 2012 in this matter, and at this
17 time requests that Antoinnette Johnson's Non-Gaming
18 Registration be revoked.

19 CHAIRMAN:

20 Is Antoinnette Johnson in the hearing
21 room? Any questions or comments from the Board?
22 Ex-Officio Members of the Board? May I have a motion?

23 MR. MCCALL:

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

1 Johnson's Non-Gaming Employee Registration as
2 described by the OEC.

3 MR. FAJT:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 AYES RESPOND

8 CHAIRMAN:

9 Opposed? The motion carries.

10 ATTORNEY FENSTERMAKER:

11 The final matter I have today involves
12 the Revocation of Marquise Lane's Non-Gaming Employee
13 Registration. On February 17th, 2012, the OEC filed a
14 Complaint for Revocation against Marquise Lane, a
15 former cook at Harrah's Chester, after he admitted to
16 forging a signature on two gift card vouchers worth
17 \$125.

18 Service was effectuated by First-Class
19 and Certified Mail. Mr. Lane did not respond to the
20 Complaint within 30 days, and therefore, pursuant to
21 Board regulations, all facts alleged in the Complaint
22 are deemed admitted. The OEC filed a Request for
23 Default Judgment on April 6th, 2012 in this matter,
24 and at this time requests that Marquise Lane's Non-
25 Gaming Registration be revoked.

1 CHAIRMAN:

2 Is Marquise Lane in the hearing room?
3 Any questions or comments from the Board? Ex-Officio
4 Members of the Board? May I have a motion?

5 MR. FAJT:

6 Mr. Chairman, I move that the Board issue
7 an Order to approve the revocation of Marquise Lane's
8 Non-Gaming Employee Registration as described by the
9 OEC.

10 MR. GINTY:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 AYES RESPOND

15 CHAIRMAN:

16 Opposed? The motion carries.

17 ATTORNEY FENSTERMAKER:

18 Thank you.

19 CHAIRMAN:

20 Thank you.

21 ATTORNEY MATELEVICH-HOANG:

22 Good morning, Chairman Ryan and members
23 of the Board. I'm Billie Jo Matelevich-Hoang. And
24 although I've been recommended not to spell my name, I
25 notice we do have a new stenographer. It's

1 B-I-L-L-I-E, M-A-T-E-L-E-V-I-C-H, hyphen, H-O-A-N-G.

2 And I have the next three matters on the agenda.

3 The first matter is the OEC's request to
4 revoke Elvino Cagnardi's Gaming Permit. On March 2nd,
5 2012, the OEC filed a Complaint for Revocation of Mr.
6 Cagnardi's Gaming Permit due to his arrest for
7 attempted criminal homicide against an employee of
8 Mount Airy.

9 The Enforcement Complaint was properly
10 served upon Mr. Cagnardi by First-Class and Certified
11 Mail. Mr. Cagnardi did not respond to the Complaint
12 within 30 days. Therefore, pursuant to Board
13 regulations, all facts alleged in the Complaint are
14 deemed admitted. The OEC filed a request for default
15 judgment on April 6th, 2012, and at this time the OEC
16 asks that Mr. Cagnardi's Gaming Permit be revoked.

17 CHAIRMAN:

18 Any questions or comments from the Board?
19 Ex-Officio Members of the Board? It's my
20 understanding that Mr. Cagnardi is in custody; is that
21 correct?

22 ATTORNEY MATELEVICH-HOANG:

23 That is correct.

24 CHAIRMAN:

25 May I have a motion?

1 MR. GINTY:

2 Yes. Mr. Chairman, I move that the Board
3 issue an Order to approve the Revocation of Mr.
4 Cagnardi's Gaming Employee Permit as described by the
5 OEC.

6 MR. MCCALL:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 AYES RESPOND

11 CHAIRMAN:

12 Opposed? The motion carries.

13 ATTORNEY MATELEVICH-HOANG:

14 Thank you. The next request is the OEC's
15 request to revoke Lonna Johnson's Non-Gaming Employee
16 Registration. On February 29th, 2012, the OEC filed a
17 Complaint for Revocation of Ms. Johnson's Non-Gaming
18 Registration due to her arrest and conviction of a
19 theft charge that occurred at Mount Airy.

20 The Enforcement Complaint was properly
21 served upon Ms. Johnson by First-Class Mail. Ms.
22 Johnson did not respond to the complaint within 30
23 days. And therefore, pursuant to Board regulations,
24 all facts alleged in the Complaint are deemed
25 admitted. The OEC filed a Request for Default

1 Judgment on April 4th, 2012, and at this time the OEC
2 asks that Ms. Johnson's Non-Gaming Registration be
3 revoked.

4 CHAIRMAN:

5 Is Lonna Johnson in the hearing room?
6 Any questions or comments from the Board? Ex-Officio
7 Members of the Board? May I have a motion?

8 MR. MCCALL:

9 Mr. Chairman, I move that the Board issue
10 an Order to approve the Revocation of Lonna Johnson's
11 Non-Gaming Employee Registration as described by the
12 OEC.

13 CHAIRMAN:

14 Second?

15 MR. MOSCATO:

16 Second.

17 CHAIRMAN:

18 All in favor?

19 AYES RESPOND

20 CHAIRMAN:

21 Opposed? The motion carries.

22 ATTORNEY MATELEVICH-HOANG:

23 And finally, the OEC requests that James
24 Coughlin be added to the Board's Excluded Person List.
25 On February 14th, 2012, the OEC filed a Petition to

1 place Mr. Coughlin on the Board's Excluded Person List
2 due to his pending criminal charges that occurred
3 while he was a patron at Mount Airy.

4 The Enforcement Complaint was properly
5 served upon Mr. Coughlin by First-Class and Certified
6 Mail. Mr. Coughlin did not respond to the Complaint
7 within 30 days. Therefore, pursuant to Board
8 regulations, all facts alleged in the Complaint are
9 deemed admitted. The OEC filed a Request for Default
10 Judgment on April 5th, 2012, and at this time the OEC
11 asks that Mr. Coughlin be added to the Board's
12 Excluded Person List.

13 CHAIRMAN:

14 Questions or comments from the Board?

15 MR. SOJKA:

16 I have one small question. In reviewing
17 this pathetic but yet troubling case this morning
18 again, I came across something that I'd failed to note
19 before, and that is to some degree, this whole
20 business was enabled to a degree by the fact that this
21 person was able to lock a restroom door from the
22 inside. And I'm just curious as to what benefit
23 anyone has from being able to lock such a door from
24 the inside and if we might not, at some point, want to
25 look into the possibility --- because these things

1 have happened at other places other than in casinos,
2 and to not be able to lock the inside door might make
3 people safer. That's all I have to say unless you
4 find some error of fact.

5 ATTORNEY MATELEVICH-HOANG:

6 This is something that the OEC can look
7 into.

8 MR. SOJKA:

9 Good. I hope you do. Thank you.

10 CHAIRMAN:

11 Any other questions or comments from the
12 Board? Ex-Officio Members? May I have a motion?

13 MR. MOSCATO:

14 Yes, sir. Mr. Chairman, we were just
15 having a sidebar.

16 CHAIRMAN:

17 That's okay.

18 MR. MOSCATO:

19 Mr. Chairman, I move that the Board issue
20 an Order to approve the addition of James Coughlin to
21 the Pennsylvania Gaming Control Board Involuntary
22 Exclusion List as described by the OEC.

23 CHAIRMAN:

24 Second?

25 MR. SOJKA:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 AYES RESPOND

5 CHAIRMAN:

6 Opposed? The motion carries.

7 ATTORNEY MATELEVICH-HOANG:

8 Thank you.

9 ATTORNEY SACAVAGE:

10 Good morning, Chairman Ryan and members
11 of the Board. My name is Alexandra Sacavage,
12 S-A-C-A-V-A-G-E. The next matter we have on the
13 agenda is a request for placement on the Board's
14 Excluded Persons List today involving Jenni Truc
15 Trinh. On December 6th, 2011, the OEC filed a
16 Petition to place Ms. Trinh on the Exclusion List
17 because she was charged with disorderly conduct on
18 October 30th, 2011 for leaving her 11-year-old child
19 alone in her vehicle in the parking lot at Hollywood
20 Casino while she gamed for a little over an hour.

21 The Petition was properly served upon Ms.
22 Trinh at the address listed on the Criminal Complaint
23 filed against her by both Certified and First-Class
24 Mail. Ms. Trinh did not respond to the filing in any
25 way. Due to Ms. Trinh's failure to respond, the

1 averments in the Petition are deemed to be admitted as
2 fact, and her right to a hearing has been waived. On
3 April 2nd, 2012, the OEC filed a Request to Enter
4 Judgment upon Default. The matter is now before the
5 Board to consider the placement of Jenni Truc Trinh on
6 the Board's Excluded Persons List.

7 CHAIRMAN:

8 Is Jenni Truc Trinh in the hearing room?
9 Any questions or comments from the Board? Ex-Officio
10 Members of the Board?

11 MR. COYNE:

12 One. Is there an ancillary action at
13 Penn National?

14 ATTORNEY SACAVAGE:

15 Penn National has entered a Permanent
16 Eviction Notice.

17 MR. COYNE:

18 I mean in terms of at Penn National,
19 through Penn National.

20 ATTORNEY SACAVAGE:

21 No, there are no present actions against
22 Penn National related to that incident.

23 CHAIRMAN:

24 Any other questions or comments? May I
25 have a motion?

1 MR. SOJKA:

2 Yes, Mr. Chairman. I'll move that the
3 Board issue an Order to approve the addition of Jenni
4 Truc Trinh to the PGCB Involuntary Exclusion List as
5 described by the OEC.

6 CHAIRMAN:

7 Second?

8 MR. GINTY:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 AYES RESPOND

13 CHAIRMAN:

14 Opposed? The motion carries.

15 ATTORNEY ARMSTRONG:

16 Good morning, Chairman, Commissioners.
17 James Armstrong for the OEC. These last four items
18 are motions to consider Board Orders for the placement
19 of four individuals arrested at the SugarHouse Casino
20 for underage gambling as placed on the Board's
21 Exclusion List. All four have been served with
22 Petitions by Certified and regular mail. None of them
23 have requested a hearing or responded to the Petitions
24 in any way.

25 The first matter is Christopher Cavalli.

1 The OEC filed a Petition for placement of Mr. Cavalli
2 on the Board's Exclusion List on December 16, 2011.
3 The basis for the Petition was that on August 25th,
4 2011, an off-duty Philadelphia police officer reported
5 to the SugarHouse security and Philadelphia Police he
6 was missing a firearm. He also reported that he had
7 placed the weapon in the console of his vehicle, which
8 was parked in SugarHouse's parking lot.

9 The officer further reported that he
10 suspected three acquaintances he was with earlier in
11 the night had taken it, and located the three
12 individuals in the SugarHouse Casino. Philadelphia
13 Police and SugarHouse security stopped the
14 individuals. One of them was Mr. Cavalli, who was
15 discovered to be in possession of the handgun. It was
16 also discovered that Mr. Cavalli was 19 years old and
17 used another individual's identification in order to
18 gain admission to the SugarHouse Casino. Surveillance
19 evidence showed Mr. Cavalli play craps, roulette and
20 blackjack while he was in the SugarHouse Casino before
21 he was stopped by police. He was cited by the
22 Philadelphia Police for a violation of the Uniform
23 Firearms Act and by the State Police for gambling
24 underage.

25 Mr. Cavalli's conduct and charged meet

1 the requirements under the Gaming Act and the Board's
2 regulations for placement on the Exclusion List, and
3 the OEC would ask that the Board place him on the
4 Exclusion List at this time.

5 CHAIRMAN:

6 Is Christopher Cavalli present in the
7 hearing room? Any questions or comments from the
8 Board?

9 MR. SOJKA:

10 Just one quick one, and that is that Mr.
11 Cavalli is obviously already --- or is still underage,
12 so, he's not permitted in the casinos legally anyway.
13 So, anything we do should extend beyond his 21st
14 birthday; correct?

15 ATTORNEY ARMSTRONG:

16 That's correct. If he's placed on the
17 Exclusion List, he'll remain on the Exclusion List
18 until such time he successfully petitions the Board to
19 be removed from the Exclusion List.

20 CHAIRMAN:

21 Greg.

22 MR. FAJT:

23 Thank you, Mr. Chairman. Mr. Armstrong,
24 I thought that there was another individual who was in
25 possession of the handgun and that Cavalli was just

1 questioned initially and asked for ID and didn't have
2 it. I thought you said that Cavalli actually had the
3 handgun.

4 ATTORNEY ARMSTRONG:

5 Cavalli had the handgun in his
6 possession.

7 MR. FAJT:

8 Okay. Thank you for that clarification.

9 CHAIRMAN:

10 Any other questions or comments from the
11 Board or Ex-Officio Members? May I have a motion?

12 MR. SOJKA:

13 Yes, Mr. Chairman. I'll move that the
14 Board issue an Order to approve the addition of
15 Christopher Cavalli to the PGCB Involuntary Exclusion
16 List as described by the OEC.

17 MR. FAJT:

18 Second.

19 CHAIRMAN:

20 All in favor?

21 AYES RESPOND

22 CHAIRMAN:

23 Opposed? The motion carries.

24 ATTORNEY ARMSTRONG:

25 Chairman, Commissioners, the next matter

1 involves a Ms. Chau. The OEC filed a Petition for
2 placement of Ms. Chau on the Board's Exclusion List of
3 December 8th, 2011. The basis for our Petition was
4 that on October 12th of 2011, Ms. Chau was admitted
5 into the SugarHouse Casino after presenting a
6 Pennsylvania identification card to the SugarHouse
7 security officer that indicated she was only 20 years
8 old. The identification card should have alerted the
9 security officer that Ms. Chau was less than 21 years
10 old.

11 After gaining admittance on the
12 SugarHouse gaming floor, Ms. Chau proceeded to the
13 blackjack game, where she sat for an hour. She left
14 the game, but shortly returned back to the same
15 blackjack table. At 4:30 p.m. on the afternoon of
16 October 12th of last year, Ms. Chau bought in for \$100
17 and played blackjack for 30 minutes.

18 At five o'clock, Ms. Chau attempted to
19 buy into the game for \$50 more after losing her \$100,
20 at which time the dealer of the game asked her for
21 identification. Ms. Chau played a total of 23 hands
22 before being asked for identification. She presented
23 the Pennsylvania identification card that she
24 presented to the SugarHouse security officer that
25 indicated that she was only 20 years old. Ms. Chau

1 was subsequently cited by the Pennsylvania State
2 Police for underage gambling and escorted from the
3 SugarHouse Casino. Ms. Chau was also served with a
4 formal Eviction Notice.

5 Ms. Chau's conduct and charge of underage
6 gambling meet the requirements under the Gaming Act
7 and the Board's regulations for placement on the
8 Exclusion List, and the OEC asks the Board to do that
9 at this time. Thank you.

10 CHAIRMAN:

11 Is Ngoc Chau in the hearing room? Any
12 questions or comments from the Board? Ex-Officio
13 Members? May I have a motion?

14 MR. FAJT:

15 Mr. Chairman, I move that the Board issue
16 an Order to approve the addition of Ngoc Bich Chau to
17 the PGCB Involuntary Exclusion List as described by
18 the OEC, but that Ms. Chau be allowed to petition for
19 removal from the list after one year.

20 CHAIRMAN:

21 Second?

22 MR. GINTY:

23 Second.

24 CHAIRMAN:

25 All in favor?

1 AYES RESPOND

2 CHAIRMAN:

3 Opposed? The motion carries.

4 ATTORNEY ARMSTRONG:

5 Chairman and Commissioners, the third
6 item is Mr. Joseph Curtis. The OEC filed a Petition
7 for placement of Mr. Curtis on the Board's Exclusion
8 List on December 16th, 2011. The basis for our
9 Petition was that on September 23rd, 2011, Mr. Curtis
10 was permitted entry into the SugarHouse Casino by a
11 security officer after another security officer had
12 denied him admission moments earlier.

13 Mr. Curtis was initially denied entry by
14 SugarHouse security at the casino's main entrance
15 after he presented identification that showed he was
16 only 20 years old. After being turned away, Mr.
17 Curtis immediately tried to enter through the valet
18 entrance. The second security officer asked Mr.
19 Curtis for identification but allowed him to enter the
20 SugarHouse Casino nonetheless.

21 Surveillance evidence showed that after
22 being admitted into the casino, Mr. Curtis bought into
23 a blackjack game and was able to play 14 hands of
24 blackjack before a security officer --- the first
25 security officer observed him and removed him from the

1 game. Surveillance evidence showed that he won ten
2 games and lost four. The Casino Compliance
3 Representative involved in the investigation,
4 confiscated \$300 in chips from Mr. Curtis, who was
5 cited by the Pennsylvania State Police for defiant
6 trespassing and escorted off the SugarHouse Casino
7 property.

8 Mr. Curtis' conduct and the charge meet
9 the requirements under the Gaming Act and the Board's
10 regulations for placement on the Board's Exclusion
11 List, and the OEC would ask the Board to do so at this
12 time. Thank you.

13 CHAIRMAN:

14 Is Joseph Curtis present in the hearing
15 room? Any questions or comments from the Board?
16 Ex-Officio Members? May I have a motion?

17 MR. GINTY:

18 Mr. Chairman, I move that the Board issue
19 an Order to approve the addition of Joseph Curtis to
20 the PGCB Involuntary Exclusion List as described by
21 the OEC, and that Mr. Curtis be allowed to petition
22 for removal from the list any time after one year.

23 MR. MCCALL:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 AYES RESPOND

3 CHAIRMAN:

4 Opposed? The motion carries.

5 ATTORNEY ARMSTRONG:

6 Last item, Chairman and Commissioners, is
7 Mr. Tan Minh Huynh. The OEC filed a Petition for
8 placement of Mr. Huynh on the Board's Exclusion List
9 on December 8th of 2011. The basis for our Petition
10 was that on July 23rd, 2011, Mr. Huynh was admitted
11 into the SugarHouse Casino by a security officer after
12 presenting a relative's identification. After playing
13 a number of hands of blackjack, Mr. Huynh was
14 confronted by a different security officer and
15 determined to be underage. Mr. Huynh admitted that he
16 was only 20 years old and used his relative's
17 identification to gain admittance into SugarHouse.
18 Mr. Huynh was cited by the Pennsylvania State Police
19 and escorted off the property of SugarHouse casino.

20 Mr. Huynh's conduct and charge meet the
21 requirements under the Gaming Act and the Board's
22 regulations for placement on the Exclusion List, and
23 the OEC would ask the Board to do so at this time.
24 Thank you.

25 CHAIRMAN:

1 Is Tan Huynh in the hearing room? Any
2 questions or comments from the Board? Ex-Officio
3 Members of the Board? May I have a motion?

4 MR. MCCALL:

5 Mr. Chairman, I move that the Board issue
6 an Order to approve the admission of Tan Minh Huynh to
7 the PGCB's Involuntary Exclusion List as described by
8 the OEC, and that Mr. Tan Minh Huynh be allowed to
9 petition for removal from the list any time after one
10 year.

11 CHAIRMAN:

12 Second?

13 MR. MOSCATO:

14 Second.

15 CHAIRMAN:

16 All in favor?

17 AYES RESPOND

18 CHAIRMAN:

19 Opposed? The motion carries.

20 ATTORNEY ARMSTRONG:

21 Thank you, Chairman.

22 CHAIRMAN:

23 Thank you. Mr. Ginty?

24 MR. GINTY:

25 Cyrus, there's been a number of articles

1 out of Pittsburgh with respect to some litigation that
2 the Rivers is involved in, and those articles at least
3 indicate that Rivers is, in my words, claiming some
4 form of financial hardship or what have you, you know,
5 notwithstanding that our data would show Rivers is
6 among the most successful casinos in terms of gross
7 revenues. I'm puzzled and disturbed by their claims
8 of financial difficulties. And I would just ask you
9 to look into it and report back to us whether you have
10 any concerns.

11 ATTORNEY PITRE:

12 I assume you're referring to the articles
13 that were in the tax assessment, ---

14 MR. GINTY:

15 Yes.

16 ATTORNEY PITRE:

17 --- tax appeals. We have been tracking
18 that matter. I guess you have to consider the forum
19 that Rivers is in. We do track Rivers' financial
20 viability, as we do with all our casino Licensees
21 pursuant to 1313 of the Act. If we discovered at any
22 time or we suspected that Rivers was not financially
23 viable or that the owners were not financially
24 suitable, we would bring those matters before the
25 Board. But we are aware of the tax case. Rivers has

1 provided us information with regard to that.

2 So, at this time, I can assure the Board
3 that we are looking --- constantly looking at all our
4 Licensees and we are paying particular attention to
5 the Rivers' matter. And should something arise that
6 we think that leads us to suspect that they're not
7 financially viable or suitable, we'd bring that matter
8 immediately to the Board.

9 MR. GINTY:

10 I never suspected that you weren't on top
11 of this issue, Cyrus, but thank you. I think that at
12 least puts me at rest.

13 CHAIRMAN:

14 And the rest of the Board certainly
15 agrees with those sentiments, and we appreciate it,
16 Cyrus. And we know you're going to be on top of it.
17 Greg?

18 MR. FAJT:

19 Yeah. Can I just ask one clarifying
20 question, Cyrus? So, again, I don't want to put words
21 in your mouth, but is it fair to say that what you've
22 seen so far from the Rivers' financial statements that
23 have been issued and your ongoing review of
24 suitability of the Principals there, that you don't
25 have any concerns vis-à-vis what's being stated by the

1 Principals of Rivers at this property tax year?

2 ATTORNEY PITRE:

3 Not at this time. I mean, this is a
4 highly leveraged business as far as the casinos are
5 concerned. I think some Principals may expect certain
6 returns, and when they don't see those returns,
7 they're upset. But as far as the Commonwealth and the
8 viability of the casinos and the tax revenue that the
9 Commonwealth was receiving, I've seen no instance
10 where that cannot be --- that revenue will not
11 continue to come into the Commonwealth and the
12 Commonwealth revenue will not continue to grow, at
13 least in the short term as far as Rivers is concerned.
14 So, no, I don't have any concerns about the
15 operational and financial viability of Rivers at this
16 time.

17 MR. FAJT:

18 Thank you.

19 ATTORNEY PITRE:

20 And once again, consider the forum.

21 CHAIRMAN:

22 Some Principals might want to pour it out
23 when they want their taxes cut; right?

24 ATTORNEY PITRE:

25 I would say that would be a logical

1 conclusion.

2 CHAIRMAN:

3 Thank you, Cyrus. I appreciate it.

4 MR. CRAIG:

5 Excuse me, Mr. Chairman.

6 CHAIRMAN:

7 Yes?

8 MR. CRAIG:

9 Just for my edification, the Act provides
10 that the Board shall require and request the audited
11 financial statements about 90 days after each venue's
12 fiscal year comes to a conclusion. Are those audited
13 financial statements submitted to you?

14 ATTORNEY PITRE:

15 Sometimes they come into the Bureau of
16 Licensing, and the Bureau of Licensing will send them
17 to us directly. Sometimes they come in directly to
18 BIE.

19 MR. CRAIG:

20 Okay.

21 ATTORNEY PITRE:

22 So once we get those, we will include
23 them.

24 MR. CRAIG:

25 You are the ultimate repository of the

1 statements?

2 ATTORNEY PITRE:

3 Yes.

4 MR. CRAIG:

5 When a license comes up for renewal, any
6 particular license, are the audited financial
7 statements submitted to the members of the Board?

8 ATTORNEY PITRE:

9 The audited financial statements are
10 submitted to the members of the Board through the
11 renewal process as an attachment to the Financial
12 Investigations Unit report. Now, if it's not
13 submitted, then it's summarized with highlights from
14 that audited financial report.

15 MR. CRAIG:

16 So, I can't speak for any of the other
17 members, but I would certainly like that and
18 appreciate being given a copy of the actual one at
19 such time that it's submitted to the Board for the
20 proper request approval process, as opposed to a
21 summary.

22 ATTORNEY PITRE:

23 Once we submit the information to the
24 Board, I assume that you will receive a copy of the
25 suitability report. If you have any questions with

1 regard to that, the appropriate time would be, to ask
2 those questions, at the renewal hearing of that
3 particular Licensee. But we will submit all the
4 information, as we always do, to the Board at that
5 time.

6 MR. CRAIG:

7 I appreciate it. I guess my little
8 logistical problem is that I try to read these matters
9 before the Licensee hearings so I can ask the
10 appropriate questions, et cetera, so I'm just --- only
11 on my behalf, not on behalf of anybody else. But if
12 there's a choice between a summary or the actual
13 audited financial statement, I would personally prefer
14 to get a copy of the audited financial statement if
15 that's available.

16 ATTORNEY PITRE:

17 We'll take that into consideration.

18 CHAIRMAN:

19 Okay, Chris?

20 MR. CRAIG:

21 Thank you, Mr. Chairman.

22 CHAIRMAN:

23 No problem. Any other questions,
24 comments? Thank you, Cyrus. I believe that, ladies
25 and gentlemen, concludes today's meeting. Our next

1 scheduled public meeting will be held here on
2 Wednesday, May 23rd at 10:00 a.m. Any final comments
3 from the Board or Ex-Officio Members? May I have a
4 motion to adjourn?

5 MR. MOSCATO:

6 Mr. Chairman, I move adjournment.

7 MR. SOJKA:

8 Second.

9 CHAIRMAN:

10 This meeting is adjourned. Thank you.

11 * * * * *

12 MEETING CONCLUDED AT 11:00 A.M.

13 * * * * *

14

15 CERTIFICATE

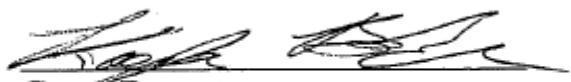
16 I hereby certify that the foregoing
17 proceedings, meeting held before Chairman Ryan, was
18 reported by me on 05/02/2012 and that I Kayla Bolze
19 read this transcript and that I attest that this
20 transcript is a true and accurate record of the
21 proceeding.

22

23

24

25


Court Reporter