

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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PUBLIC MEETING

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BEFORE: DAVID M. BARASCH, CHAIRMAN  
Gregory C. Fajt; Richard G. Jewell; Keith  
R. McCall; Anthony C. Moscato; William H.  
Ryan, Jr.; David W. Woods, Members  
Fred Strathmeyer, representing Russell C.  
Redding, Secretary of Agriculture  
Jennifer Langan, representing Timothy  
Reese, State Treasurer  
Robert Coyne, representing Eileen H.  
McNulty, Secretary of Revenue  
MEETING: Wednesday, December 9, 2015, 10:03 a.m.  
LOCATION: Pennsylvania Gaming Control Board  
Strawberry Square Complex, Second Floor  
303 Walnut Street  
Harrisburg, PA 17106

Reporter: Seth Baier

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CHAIRMAN:

Good morning. I'm David Barasch, Chairman of the Gaming Control Board. Before we begin, I'd like to ask everybody to turn off or put on silent your cell phones and other devices. Joining us today is Fred Strathmeyer representing Russell Redding, Secretary of Agriculture, Jennifer Langan representing Tim Reese, the State Treasurer and Robert Coyne representing Revenue Secretary Eileen McNulty. Thank you all for coming. A quorum of the Board being present, as such, I'll call today's meeting to order. First, if we could stand for the Pledge of Allegiance.  
PLEDGE OF ALLEGIANCE RECITED

CHAIRMAN:

Before we get started, we have several presentations of service awards to gaming employees to be given by our Executive Director. Kevin.

MR. O'TOOLE:

Good morning, Chairman Barasch. Good morning, members of the Board. Director of Human Resources, Claire Yantis, and I are very pleased to continue the process of expressing our appreciation and the Board's appreciation for employees who have

1 reached the milestone of ten years of service with the  
2 Pennsylvania Gaming Control Board. Can I have Liz,  
3 Jackie, and Patrick come up to the front, please?

4           Okay. So, our first honoree this  
5 morning is Liz Lanza. Liz was hired by the Gaming  
6 Control Board on October 8th of 2005 as a Support  
7 Specialist in the Communications Department. She was  
8 later assigned to the Office of Compulsive and Problem  
9 Gambling as a Program Coordinator in 2007, soon after  
10 that office was first established by the Board. Liz  
11 was promoted to Director of the Office of Compulsive  
12 and Problem Gambling in June of 2010.

13 Congratulations, Liz.

14           MS. LANZA:

15           Thank you.

16           MR. O'TOOLE:

17           Our second honoree this morning is  
18 Jacqueline Atterbury. Jackie was also hired on  
19 October the 8th of 2005 as a Licensing Analyst with  
20 the Bureau of Licensing. In 2008, Jackie took the  
21 opportunity to become a Casino Compliance  
22 Representative assigned to the Hollywood Casino. Her  
23 experience as a CCR has served her well, as she served  
24 on the opening teams for CCRs at both Sugarhouse  
25 Casino and Valley Forge Casino where Jackie is

1 currently assigned. Congratulations and thank you,  
2 Jackie.

3                   Our next honoree is Patrick Williams.  
4 Patrick was hired on October 15th of 2005 as a  
5 Licensing Analyst in the Bureau of Licensing.  
6 Patrick's leadership potential was recognized early,  
7 and in May of 2006, Patrick was promoted to Licensing  
8 Manager, the position that he currently holds today.  
9 Patrick, thank you very much. Congratulations. Can I  
10 have Donna and Lydia please come forward?

11                   Our next honoree is Donna Sykes. Donna  
12 was hired on December the 12th, 2005 as an  
13 Investigative Supervisor in the Bureau of  
14 Investigations and Enforcement (BIE). Donna continues  
15 to be an outstanding Investigative Supervisor  
16 overseeing a team of BIE agents in our Conshohocken  
17 office. Congratulations, Donna.

18                   MS. SYKES:

19                   Thank you.

20                   MR. O'TOOLE:

21                   Our final honoree this morning is Lydia  
22 Andrews. Lydia began her employment with the Gaming  
23 Control Board on December 12th, 2015 as an Auditor.  
24 Today, Lydia is one of our Senior Auditors who is  
25 counted on to lead audits at the casino facilities

1 that helps the Board ensure accountability of Gaming  
2 operations in the Commonwealth. Congratulations,  
3 Lydia. Thank you.

4 MS. ANDREWS:

5 Thanks.

6 MR. O'TOOLE:

7 We have one honoree who was unable to  
8 make it today, William Kunkle. Bill has been a ten-  
9 year employee in our Bureau of Casino Compliance.  
10 He's been assigned to the Meadows Casino, and he does  
11 a great job, especially in mentoring the new CCRs when  
12 they come on board. So, that's our presentations for  
13 today. Thank you very much.

14 CHAIRMAN:

15 New business --- old business, excuse  
16 me. By way of announcements, yesterday the Board held  
17 an Executive Session for the purpose of discussing  
18 personnel matters and to conduct some quasi-judicial  
19 deliberations relating to matters being considered by  
20 the Board today. As to new matters, Doug.

21 ATTORNEY SHERMAN:

22 Good morning, Chairman and members of  
23 the Board. Our first agenda item relates to a Local  
24 Law Enforcement Grant, which Assistant Chief Counsel  
25 Denise Miller-Tshudy is here to present.

1                   ATTORNEY MILLER:

2                   Good morning. The grant that I have for  
3 you is with the City of Philadelphia, their police  
4 department. If awarded, this will be their third  
5 Local Law Enforcement Grant. The award will fund  
6 their citywide Vice Unit to combat illegal gambling in  
7 the city, and they're requesting a two-year grant.  
8 The first year, they're requesting \$75,006.84. And  
9 the second year, they're requesting \$70,806.84. This  
10 grant will go towards their overtime and investigative  
11 expenses, as well as rental vehicles.

12                   CHAIRMAN:

13                   Thank you. Are there any questions from  
14 the Board --- and from now on, what I'm going to try  
15 to do, when I say questions from the Board, assume  
16 it's the ex-officio members as well. So, just speak  
17 up if you have questions. Are there any questions  
18 from any Board members? May I have a motion?

19                   MR. FAJT:

20                   Mr. Chairman, I move that the Board  
21 issue an Order to approve the Local Law Enforcement  
22 Grant for the City of Philadelphia Police Department  
23 as described by the Office of Chief Counsel (OCC).

24                   MR. JEWELL:

25                   Second.

1                   CHAIRMAN:

2                   All in favor?

3 ALL RESPOND AYE

4                   CHAIRMAN:

5                   All opposed? The motion carries.

6                   ATTORNEY MILLER:

7                   Thank you.

8                   ATTORNEY SHERMAN:

9                   We have no petitions for the Board's  
10 consideration today, so we'll move right into  
11 Withdrawals and Reports of Recommendation, which  
12 Deputy Chief Counsel Steve Cook is here to present.

13                   ATTORNEY COOK:

14                   Morning.

15                   CHAIRMAN:

16                   Morning, Steve.

17                   ATTORNEY COOK:

18                   The Board has received several unopposed  
19 Petitions to withdraw the applications or surrender  
20 the Credentials of individuals or businesses. The  
21 persons and entities subject to these Petitions are:  
22 Robert Becker, John Sarno, Dean Ehrlich, Floyd Clarke,  
23 Debra Perelman, Bob Lanier Enterprises, Inc., GTECH  
24 Holdings Corporation, Invest Games S.a.r.L., IGT  
25 Canada Solutions ULC, GTECH USA, LLC, and Genesis

1 Gaming Solutions, Inc.

2                   The Office of Enforcement Counsel (OEC)  
3 has reviewed each of these Petitions, has no  
4 objections to any of them. As a result, if the Board  
5 were inclined to grant the same it would be doing so  
6 without prejudice to the requestors.

7                   CHAIRMAN:

8                   Thank you. Any questions or comments  
9 from the Board? May I have a motion?

10                  MR. RYAN:

11                  Mr. Chairman, I move that the Board  
12 issue Orders to approve the Withdrawals and Surrenders  
13 as described by the OCC.

14                  MR. WOODS:

15                  Second.

16                  CHAIRMAN:

17                  All in favor?

18 ALL RESPOND AYE

19                  CHAIRMAN:

20                  All opposed? Motion is granted.

21                  ATTORNEY COOK:

22                  Next before the Board for consideration  
23 are two Reports and Recommendations received from the  
24 Office of Hearings and Appeals (OHA). I would note  
25 for the record that there is a third Report and

1 Recommendation on the agenda for a Mr. Sebastian  
2 Doelue. Mr. Doelue called this morning indicating  
3 that he wished to appear in front of the Board,  
4 however he had car problems, so we'll push this matter  
5 off until the January meeting.

6           Of the two Reports and Recommendations  
7 that are before the Board today, the evidentiary  
8 record has been provided to the Board in advance of  
9 this meeting. And additionally, in both cases, the  
10 persons of interest have been told that the Board was  
11 taking the matter up and that they could be present to  
12 briefly address the Board. If either of these people  
13 are present, I'd ask them to come forward when their  
14 matter is called. The first Report and Recommendation  
15 pertains to Mackendy Calixte.

16           Mr. Calixte was issued a Gaming Permit  
17 on October 22nd, 2014 and worked as a Security Officer  
18 at Parx Casino. On May 20th, 2015, the OEC filed a  
19 request for an emergency suspension of Mr. Calixte's  
20 Gaming Permit after receiving notification that two  
21 days earlier, Mr. Calixte was arrested and charged  
22 with several criminal offenses after it was alleged  
23 that Mr. Calixte broke into a bank after business  
24 hours, and actually was found on the premises upon the  
25 police's arrival at the scene when an alarm was

1 triggered.

2 The Board's Executive Director issued an  
3 emergency suspension of Mr. Calixte's permit.

4 Pursuant to the Board regulations, a full evidentiary  
5 hearing was thereafter held. Mr. Calixte received  
6 notice, chose not to participate, nor did he ask for a  
7 continuance. As a result, the OEC was the lone party  
8 at the hearing and presented the evidence about the  
9 bank robbery, and subsequently a Report and  
10 Recommendation was issued recommending that the  
11 emergency suspension remain in place. And that's the  
12 Recommendation before the Board today.

13 CHAIRMAN:

14 Thank you. Are there any questions or  
15 comments from Board members? May I have a motion?

16 MR. JEWELL:

17 Mr. Chairman, I move that the Board  
18 adopt the Report and Recommendation issued by the OHA  
19 regarding the emergency suspension of Mackendy  
20 Calixte's Gaming Employee Occupation Permit as  
21 described by the OCC, and that Mr. Calixte's  
22 suspension remain in place.

23 MR. MCCALL:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 ALL RESPOND AYE

3 CHAIRMAN:

4 All opposed? Motion carries.

5 ATTORNEY COOK:

6 The second Report and Recommendation  
7 before the Board today pertains to Myron Wheatley. In  
8 2014, Mr. Wheatley submitted a Gaming Employee Permit  
9 Application seeking work as a Table Games Dealer at  
10 the Presque Isle Casino. On December 22nd, 2014, the  
11 casino filed a request to withdraw the application,  
12 and in February of 2015, the OEC filed a response to  
13 the withdrawal request indicating that it objected to  
14 the withdrawal unless it was granted with prejudice.

15 OEC took this position based upon  
16 several issues indicated in Mr. Wheatley's background  
17 including the filing of three separate tax liens by  
18 the States of Utah and Ohio as well as the federal  
19 government, a 2009 civil suit in Ohio where Mr.  
20 Wheatley was a practicing attorney, alleging that he  
21 breached his fiduciary responsibilities in  
22 administering a trust, and as a result, a default  
23 judgment was entered against him in an amount just shy  
24 of \$800,000.

25 As well as the fact that in 2010, Mr.

1 Wheatley voluntarily surrendered his law license in  
2 Ohio in the midst of disciplinary proceedings relating  
3 largely due to the trust issue I previously mentioned  
4 but as well as some other allegations. This matter  
5 was referred to the OHA for a hearing, which was held  
6 on May 6, 2015. Both the OEC and Mr. Wheatley  
7 appeared at that hearing offering evidence.

8           Mr. Wheatley did not dispute any of the  
9 allegations raised by OEC, but more or less took the  
10 position that he was attempting to get his affairs  
11 back in order, and in doing that also filed  
12 bankruptcies in 2006 and 2015.

13           In the Report and Recommendation  
14 subsequently issued by the hearing officer in this  
15 matter, it was recommended that the application be  
16 denied with prejudice, however the hearing officer  
17 based this position solely on inferences which could  
18 be drawn from the disciplinary proceedings in Ohio and  
19 the fact that Mr. Wheatley withdrew his application in  
20 the midst of those proceedings and essentially did not  
21 take into account or did not rely upon the other  
22 allegations raised by Enforcement Counsel. So, the  
23 recommendation before the Board today from the hearing  
24 officer is that this gentleman's application be  
25 withdrawn with prejudice but based on that sole

1 reason.

2 CHAIRMAN:

3 Any questions or comments from the  
4 Board? Do I have a motion?

5 MR. MOSCATO:

6 Mr. Chairman, I move that the Board  
7 adopt the Recommendation of the OHA regarding the  
8 Gaming Employee Occupation Permit withdrawal of Myron  
9 Wheatley. However, I move that the Board reject the  
10 limited basis upon which the hearing officer relies,  
11 and instead hold that Mr. Wheatley's application be  
12 withdrawn with prejudice based upon the totality of  
13 the evidence presented.

14 MR. RYAN:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL RESPOND AYE

19 CHAIRMAN:

20 All opposed? Motion's adopted.

21 ATTORNEY COOK:

22 That concludes the matters of the OCC.

23 CHAIRMAN:

24 Thanks, Steve. Sue, Director of  
25 Licensing.

1                   MS. HENSEL:

2                   Thank you, Chairman Barasch and members  
3 of the Board. Before the Board today will be motions  
4 regarding one manufacturer designee, one Conditional  
5 Gaming Junket Enterprise, and 581 Principal Key Gaming  
6 and Non-Gaming Employees. In addition, there will be  
7 the consideration of 22 Gaming Service Provider  
8 Applicants. The first matter for your consideration  
9 is the renewal of the Slot Machine Manufacturer  
10 Designee License for NRT Technologies, Inc.

11                   NRT Technologies, Inc. is a Nevada-based  
12 company that provides sales and technical support to  
13 Slot Machine Manufacturer Licensee NRT Corporation.  
14 The BIE has completed its investigation, and the  
15 Bureau of Licensing has provided you with a background  
16 investigation and suitability report. I have provided  
17 you with a draft Order for this entity, and ask that  
18 the Board consider the Order to renew the Slot Machine  
19 Manufacturer Designee License for NRT Technologies,  
20 Inc.

21                   CHAIRMAN:

22                   Any comments from Enforcement Counsel?

23                   ATTORNEY PITRE:

24                   Enforcement Counsel has no objection.

25                   CHAIRMAN:

1 Thank you. Questions or comments from  
2 the Board? May I have a motion?

3 MR. RYAN:

4 Mr. Chairman, I move that the Board  
5 approve the Manufacturer Designee License of NRT  
6 Technologies Inc. as described by the Bureau of  
7 Licensing.

8 MR. WOODS:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 ALL RESPOND AYE

13 CHAIRMAN:

14 All opposed? Motion's adopted.

15 MS. HENSEL:

16 Next is the application for Conditional  
17 Gaming Junket Enterprise License for Chi Ho Leung.  
18 Chi Ho Leung is a Connecticut based Junket business.  
19 Pursuant to the Board's Statement of Policy, the Board  
20 may issue a Conditional Gaming Junket Enterprise  
21 License provided the Applicant meet certain criteria,  
22 including submitting a completed application and  
23 passing a preliminary review.

24 This company was previously licensed by  
25 the Board and satisfies the criteria for a Conditional

1 License. The Bureau of Licensing has provided you  
2 with a conditional background investigation and  
3 suitability report, and I've also provided you with a  
4 draft Order. I ask that the Board consider the  
5 approval of the Conditional Junket License for Chi Ho  
6 Leung.

7 CHAIRMAN:

8 Comments from Enforcement Counsel?

9 ATTORNEY PITRE:

10 Enforcement Counsel has no objection.

11 CHAIRMAN:

12 Thank you. Questions or comments from  
13 the Board? May I have a motion?

14 MR. WOODS:

15 Mr. Chairman, I move that the Board  
16 approve the Conditional Gaming Junket Enterprise  
17 License for Chi Ho Lueng as described by the Bureau of  
18 Licensing.

19 MR. FAJT:

20 Second.

21 CHAIRMAN:

22 All in favor?

23 ALL RESPOND AYE

24 CHAIRMAN:

25 All opposed? Motion's adopted.

1                   MS. HENSEL:

2                   Also for your consideration is the  
3 approval of Principal and Key Employee Licenses.  
4 Prior to this meeting, the Bureau of Licensing  
5 provided me with a Proposed Order for two Principal  
6 and one Key Employee Applicant. I ask that the Board  
7 consider the Order approving these licenses.

8                   ATTORNEY PITRE:

9                   Enforcement Counsel has no objection.

10                  CHAIRMAN:

11                  Questions and comments from the Board?  
12 May I have a motion?

13                  MR. FAJT:

14                  Mr. Chairman, I move that the Board  
15 approve the issuance of Principal and Key Employee  
16 Licenses as described by the Bureau of Licensing.

17                  MR. JEWELL:

18                  Second.

19                  CHAIRMAN:

20                  All in favor?

21 ALL RESPOND AYE

22                  CHAIRMAN:

23                  All opposed? Motion's adopted.

24                  MS. HENSEL:

25                  Next are Temporary Principal and Key

1 Employee Licenses. Prior to this meeting, the Bureau  
2 of Licensing provided you with an Order regarding the  
3 issuance of temporary licenses for two Principal and  
4 eight Key Employees. I ask that the Board consider  
5 the Order approving these licenses.

6 ATTORNEY PITRE

7 Enforcement Counsel has no objection.

8 CHAIRMAN:

9 Thank you. Comments from the Board?  
10 Questions? May I have a motion?

11 MR. JEWELL:

12 Mr. Chairman, I move that the Board  
13 approve the issuance of Temporary Principal and Key  
14 Employee Credentials as described by the Bureau of  
15 Licensing.

16 MR. MCCALL:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 ALL RESPOND AYE

21 CHAIRMAN:

22 All opposed? Motion's adopted.

23 MS. HENSEL:

24 There are also Gaming Permits and Non-  
25 Gaming Registrations for your consideration. Prior to

1 this meeting, the Bureau of Licensing provided you  
2 with a list of 415 individuals to whom the Bureau has  
3 granted temporary or full occupation permits, and 115  
4 individuals to whom the Bureau has granted  
5 registrations under the authority delegated to the  
6 Bureau of Licensing. I ask that the Board consider  
7 the Order approving these permits and registrations.

8 ATTORNEY PITRE:

9 Enforcement Counsel has no objection.

10 CHAIRMAN:

11 Thank you. Questions or comments from  
12 the Board? May I have a motion?

13 MR. MCCALL:

14 Mr. Chairman, I move that the Board  
15 approve the Issuance of Gaming Employee Permits and  
16 Non-Gaming Employee Registrations as described by the  
17 Bureau of Licensing.

18 MR. MOSCATO:

19 Second.

20 CHAIRMAN:

21 All in favor?

22 ALL RESPOND AYE

23 CHAIRMAN:

24 All opposed? Motion is adopted.

25 MS. HENSEL:

1                   Also for your consideration are  
2 withdrawal requests for Gaming and Non-Gaming Employee  
3 Applicants. In each case, the permit or registration  
4 is no longer required. For today's meeting, I have  
5 provided the Board with a list of 29 Gaming and 9  
6 Non-Gaming Employee withdrawals for approval. I ask  
7 that the Board consider the Orders approving the list  
8 of withdrawals.

9                   ATTORNEY PITRE:

10                   Enforcement Counsel has no objection.

11                   CHAIRMAN:

12                   Questions or comments from the Board?

13 May I have a motion?

14                   MR. MOSCATO:

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

18                   MR. RYAN:

19                   Second.

20                   CHAIRMAN:

21                   All in favor?

22 ALL RESPOND AYE

23                   CHAIRMAN:

24                   All opposed? Motion's granted.

25                   MS. HENSEL:

1                   Next, we have an Order to certify the  
2 following Gaming Service Providers: Brucelli  
3 Advertising Company Inc., Keystone Outdoor Advertising  
4 Company Inc., and McKella 2-8-0 Inc. I ask that the  
5 Board consider the Order approving these Gaming  
6 Service Providers for certification.

7                   ATTORNEY PITRE:

8                   Enforcement Counsel has no objection.

9                   CHAIRMAN:

10                  Thank you. Questions or comments from  
11 the Board? May I have a motion?

12                  MR. RYAN:

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

17                  MR. WOODS:

18                  Second.

19                  CHAIRMAN:

20                  All in favor?

21 ALL RESPOND AYE

22                  CHAIRMAN:

23                  All opposed? Motion is granted.

24                  MS. HENSEL:

25                  Finally, for your consideration are

1 Gaming Service Provider Registrations. The Bureau of  
2 Licensing provided you with an Order and an attached  
3 list of 22 registered Gaming Service Provider  
4 Applicants. I ask that the Board consider the Order  
5 registering these Gaming Service Providers.

6 ATTORNEY PITRE:

7 Enforcement Counsel has no objection.

8 CHAIRMAN:

9 Questions or comments from the Board?

10 May I have a motion?

11 MR. WOODS:

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

16 MR. FAJT:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 ALL RESPOND AYE

21 CHAIRMAN:

22 All opposed? Motion is granted.

23 MS. HENSEL:

24 That concludes the matters of the Bureau  
25 of Licensing.

1                   CHAIRMAN:

2                   Thank you, Susan. Enforcement Counsel?

3                   ATTORNEY PITRE:

4                   The OEC will present 15 matters for the  
5 Board's consideration today consisting of two Consent  
6 Agreements, three revocations, and ten involuntary  
7 exclusions. The first two OEC matters on the agenda  
8 are Consent Agreements. The first one will be  
9 presented by Assistant Enforcement Counsel  
10 James Armstrong.

11                   ATTORNEY ARMSTRONG:

12                   Good morning, Chairman and  
13 Commissioners, James Armstrong of the OEC. The next  
14 matter on the agenda for the Board's consideration is  
15 a Consent Agreement reached between the OEC and FJW  
16 with regard to FJW's Petition to recover funds  
17 confiscated from him for gaming at Sugarhouse Casino  
18 while on the Board's self-exclusion list.

19 Commissioners, on August 20th of 2015, FJW was  
20 discovered by Sugarhouse Casino personnel gambling  
21 while on the Board's Self-Exclusion List. He was  
22 arrested for trespassing by the Pennsylvania State  
23 Police and had \$10,500 confiscated.

24                   On September 11th, FJW filed a Petition  
25 seeking the return of \$9,000 of the money confiscated

1 from him claiming he only won \$1,500 conceding he was  
2 not entitled to the remaining money. On October 13th,  
3 the OEC filed an Answer in Objection to the Petition.  
4 Chairman and Commissioners, further investigation of  
5 the matter by the Bureaus of Casino Compliance and  
6 Investigations and Enforcement at the request of OEC  
7 revealed that FJW went to Sugarhouse Casino three  
8 times on August 20th. He lost all his money in his  
9 first two trips.

10 For his third trip, FJW withdrew \$5,000  
11 from the bank near the casino and went back to  
12 Sugarhouse Casino where he bought in twice for \$4,000  
13 total. FJW played Blackjack for approximately 45  
14 minutes. After winning a number of hands, FJW stopped  
15 playing Blackjack and went to the main cage and  
16 attempted to cash in \$10,500 in chips. FJW was told  
17 by the cashier that he needed to present  
18 identification. He retrieved his identification from  
19 his vehicle and gave it to the cashier.

20 While his chips were being processed,  
21 FJW was identified as someone on the Board's Self-  
22 Exclusion List. FJW was taken into custody by  
23 Sugarhouse Casino security personnel and subsequently  
24 turned over to the Pennsylvania State Police who  
25 charged him with defiant trespass. FJW's \$10,500 in

1 chips and cash were confiscated from him by Sugarhouse  
2 Casino security personnel. Based on his combined buy-  
3 in amount, FJW won at a minimum of \$6,500 on his third  
4 trip to Sugarhouse Casino.

5 FJW is not entitled to any of these  
6 winnings. FJW agreed that he should not be entitled  
7 to a refund of more than \$4,000 that he bought in with  
8 on his third trip to Sugarhouse Casino on August 20th.  
9 Chairman and Commissioners, the OEC and FJW  
10 respectfully request the Board approve the proposed  
11 Consent Agreement and Stipulation of Settlement which  
12 requires FJW to recover \$4,000 from the \$10,500 that  
13 was confiscated from him on August 20. FJW agrees to  
14 abide by not gambling at any Pennsylvania casino and  
15 remains on the Board's Self-Exclusion List. Glad to  
16 answer any questions you may have. I was informed by  
17 my office in Conshohocken that FJW appeared there this  
18 morning instead of Harrisburg where he was told.

19 CHAIRMAN:

20 Thank you. Questions or comments from  
21 the Board? May I have a motion?

22 MR. FAJT:

23 Mr. Chairman, I move that the Board  
24 issue an Order to approve the Consent Agreement  
25 between the OEC and FJW as described by the OEC.

1                   MR. JEWELL:

2                   Second.

3                   CHAIRMAN:

4                   All in favor.

5 ALL RESPOND AYE

6                   CHAIRMAN:

7                   All opposed? Motion is granted.

8                   ATTORNEY PITRE:

9                   Next matter on the agenda is a Consent  
10 Agreement between the OEC and Holdings Acquisition  
11 Co., LP, doing business as Rivers Casino. Assistant  
12 Enforcement Counsel Kim Adams will present the matter  
13 for the Board's consideration.

14                   ATTORNEY ADAMS:

15                   Good morning Mr. Chairman, members of  
16 the Board. Kim Adams, OEC. The next Consent  
17 Agreement for your consideration is between the OEC  
18 and Rivers Casino, in which two individuals on the  
19 Self-Excluded List wagered while on the gaming floor.  
20 Additionally, one of these individuals was able to  
21 conduct three cash advance transactions, and the other  
22 individual was able to receive a New Player's Club  
23 account and was issued a New Player's Club card.

24                   The first incident involved a self-  
25 excluded individual obtaining three cash advances

1 while gaming at Rivers. On November 12, 2012, Rivers  
2 began offering cash advance services through a third-  
3 party Certified Gaming Service Provider DiTronics  
4 Financial Services. DiTronics was subsequently  
5 licensed by the Board in February of 2014 as a Slot  
6 Machine Manufacturer. Rivers has established  
7 procedures for the verification of the identification  
8 of guests who are requesting cash advance services to  
9 insure these individuals are not on the Pennsylvania  
10 Exclusion List, Self-Exclusion List, or otherwise  
11 banned from the services at Rivers.

12                   These procedures allow for an  
13 individual's driver's license to be swiped or for a  
14 DiTronics' employee to manually enter an individual's  
15 first and last names and date of birth into an  
16 electronic device to compare the individual's  
17 information to Rivers' players tracking system without  
18 revealing the contents of the Rivers' player tracking  
19 system to the DiTronics' employee. On December 23rd,  
20 2014, MM successfully requested placement on the Self-  
21 Exclusion List for a lifetime ban.

22                   The Office of Compulsive and Problem  
23 Gambling notified all the licensed facilities of MM's  
24 placement on the list on December 30th of 2014. On  
25 March 27th of this year, at approximately 12:33 a.m.,

1 MM entered Rivers Casino. Over the next seven hours  
2 and 23 minutes while in the licensed facility, MM  
3 actively gamed at Craps Table 401 and successfully  
4 obtained three cash advance transactions at the  
5 DiTronics' booth.

6 At approximately 12:36 a.m., MM gamed at  
7 Craps Table 401 until approximately 5:03 a.m. when MM  
8 stopped gaming and proceeded to the DiTronics' booth  
9 on the second floor of Rivers Casino. MM successfully  
10 completed the first cash advance transaction at  
11 approximately 5:05 a.m. After the DiTronics' employee  
12 manually entered the patron's name into the system and  
13 the system displayed a green light indicating the  
14 individual was cleared for a cash transaction.

15 MM then returned to Rivers gaming floor  
16 and actually gamed at Craps Table 401 from  
17 approximately 5:09 a.m. until 6:00 a.m. MM stopped  
18 gaming and proceeded to the DiTronics' booth once  
19 again for another cash advance transaction. MM's  
20 second cash advance transaction occurred at  
21 approximately 6:02 a.m. after the same DiTronics'  
22 employee recognized MM from the first transaction and  
23 conducted this transaction without running the  
24 patron's name through the system.

25 MM then returned to Rivers gaming floor

1 and actively gamed at Craps Table 401 from  
2 approximately 6:04 a.m. until 7:40 a.m. MM stopped  
3 gaming and proceeded the DiTronics' booth once again  
4 for another cash advance transaction. MM's third cash  
5 advance transaction occurred at approximately 7:41  
6 a.m., when a different employee entered MM's  
7 information into the system. The DiTronics' employee  
8 checked the patron's player transaction history before  
9 checking the results of the system search and  
10 authorized MM's cash advance based upon the  
11 transaction history.

12                   However, the results of the system  
13 search resulted in a red light appearing on the screen  
14 indicating that MM was not cleared for a cash  
15 transaction. After MM left the DiTronics' booth at  
16 approximately 7:47 a.m., MM returned to engage at play  
17 at Craps Table 401. During this time, the DiTronics'  
18 employee reentered MM's name into the system, and when  
19 a red light appeared a second time, the employee  
20 contacted a security officer notifying security that a  
21 not cleared person received a cash advance  
22 transaction.

23                   Security approached MM at Craps Table  
24 401 at approximately 8:01 a.m., escorted the patron to  
25 the security operation center for processing. \$231

1 was confiscated from MM and forfeited to the Board,  
2 and MM was charged with summary defiant trespass by  
3 the Pennsylvania State Police.

4           The second incident involved a self-  
5 excluded individual who has opened a new New Players  
6 Club account and was issued a New Players Club card,  
7 despite having a current flagged account.

8           On December 3rd, 2009, BV successfully  
9 requested placement on the Self-Exclusion List for a  
10 lifetime ban. The Board's Office of Compulsive and  
11 Problem Gambling notified all of the licensed  
12 facilities of this on December 7th, 2009. On April  
13 27th, 2015, Rivers Vice President of Compliance  
14 notified the Bureau of Casino Compliance that BV had  
15 been issued a New Players Club card on April 24th,  
16 2015. On April 24th, a Players Club representative  
17 bypassed BV's flagged account and opened a second  
18 account in BV's name and issued BV a New Players Club  
19 card.

20           It was determined that BV gamed at six  
21 slot machines for approximately a half hour, and had  
22 received \$20 in free play. The free play was removed  
23 from BV's account, no money was confiscated from BV,  
24 and BV was charged with the summary defiant trespass  
25 by the Pennsylvania State Police. The Players Club

1 representative was initially issued a final written  
2 warning for this incident, but ultimately was  
3 terminated.

4           The parties have entered into this  
5 Consent Agreement that within ten days of the date of  
6 the Board Order adopting the agreement, Rivers shall  
7 pay a civil penalty in the amount of \$20,000. Parties  
8 have also agreed that within ten days of the Board's  
9 Order, Rivers shall pay \$2,500 for the costs incurred  
10 by the OEC and other staff in connection with this  
11 matter. The OEC recommends that the Board approve the  
12 Consent Agreement. If you have any questions, we'll  
13 be happy to answer them at this time.

14           CHAIRMAN:

15           Any comments or presentation?

16           ATTORNEY DONNELLY:

17           Yes, John Donnelly, D-O-N-N-E-L-L-Y,  
18 appearing on behalf of Rivers. I'll be brief, I just  
19 want to make three points. One, both of these  
20 incidents were self-reported by the casino. Two, the  
21 first incident was an obvious error by a DiTronics'  
22 employee. The person must have miskeyed the first  
23 time they keyed it in the system, because when it was  
24 keyed in later on, and in the subsequent test by the  
25 property, the person came up on the self-excluded list

1 and a red flag came up. So, the first key-in had to  
2 be wrong.

3                   The second incident that occurred was a  
4 human error by one of our employees who was ultimately  
5 terminated and given a final warning. Rivers is  
6 extremely concerned about all of --- any attempts of  
7 people on the Self-Exclusion List that come in.  
8 Sometimes human errors happen, and there are  
9 consequences to it. The consequence in the second  
10 case was that employee's no longer with us. DiTronics  
11 and Rivers have had some serious discussions over this  
12 matter, and hopefully it won't happen again. Thank  
13 you.

14                   CHAIRMAN:

15                   Thank you. Any questions, comments from  
16 the Board?

17                   MR. WOODS:

18                   Mr. Donnelly, would you or --- I'm sorry  
19 you didn't identify yourself.

20                   MS. GILCHRIST:

21                   Rhonda Gilchrist, R-H-O-N-D-A,  
22 G-I-L-C-H-R-I-S-T. I'm the Vice President of  
23 Compliance at Rivers.

24                   MR. WOODS:

25                   Thank you. Just wanted that on the

1 record. Could you tell me a little bit about the  
2 relationship with DiTronics? How long have you had  
3 them as a vendor at the casino?

4 ATTORNEY DONNELLY:

5 Do you know?

6 MS. GILCHRIST:

7 I believe their services started in  
8 2012.

9 MR. WOODS:

10 And contractual relationship that you  
11 have with them, do you hold ---?

12 CHAIRMAN:

13 Excuse me, Dave, little technical error.  
14 We should've sworn you in.

15 -----

16 RHONDA GILCHRIST, CALLED AND SWORN:

17 -----

18 MR. WOODS:

19 In your relationship --- contractual  
20 relationship with DiTronics, is there any  
21 reimbursement for fines that you're required to pay as  
22 a casino from them for problems that may have  
23 occurred?

24 ATTORNEY DONNELLY:

25 Can I have that one, Commissioner?

1                   MR. WOODS:

2                   Sure.

3                   ATTORNEY DONNELLY:

4                   I don't want to offer a legal opinion on  
5 that. The property has had discussions with  
6 DiTronics, and we have reached a tentative agreement  
7 that DiTronics will be responsible for a portion of  
8 this fine. So, the two entities never had to go into  
9 a legal battle as to whether there is indemnification  
10 in there or not. So, I'd rather not have an opinion  
11 on that until we have to.

12                   MR. WOODS:

13                   Okay. Enforcement Counsel, could I ask  
14 you a question? DiTronics is duly licensed to perform  
15 these services; correct?

16                   ATTORNEY ADAMS:

17                   Yes.

18                   ATTORNEY PITRE:

19                   They're licensed as a manufacturer.  
20 DiTronics performs those services off the casino  
21 floor. They've received approval through Rivers, who  
22 Rivers wanted to offer this service because they can't  
23 legally give cash advances themselves on credit cards  
24 and debit cards. So, they submitted procedures ---  
25 when I say they, Rivers --- submitted procedures that

1 were to be followed during these transactions to  
2 ensure that there was an avenue to check whether or  
3 not the individual was underage or excluded from the  
4 property. So, DiTronics is licensed as a  
5 manufacturer, yes.

6 MR. WOODS:

7 I'm fully supportive of holding casinos  
8 accountable for any violation that takes place on the  
9 property. I want to know what thinking might go into  
10 a Consent Agreement that does not hold the third party  
11 liable in any way, shape or form.

12 ATTORNEY PITRE:

13 There's an issue presently with regard  
14 to that. The casinos are required under 1516 to  
15 establish procedures to ensure that self-excluded  
16 patrons cannot access any privileges at the licensed  
17 facility. That onus is on the casinos. The casinos  
18 can't offer cash advances. 1504 13(a)27 forbids them  
19 from offering cash advances on credit cards and debit  
20 cards. So, what the casinos have done, they've  
21 entered into contracts with companies that can offer  
22 that service.

23 Those companies don't have access, nor  
24 do they have procedures with regard to self-excluded  
25 patrons, nor do we require them to do that. Only the

1 casinos have those procedures in place, and those  
2 procedures are procedures of the casino. If we were  
3 to go down the avenue --- and I'm prepared to go down  
4 that avenue if the Board wants to take that avenue ---  
5 we would have to first establish --- let these  
6 companies know that they're going to be held  
7 responsible, and to establish internal control  
8 procedures that they agree with the casinos will be  
9 followed.

10                   And when something goes wrong, then we  
11 can hold them accountable for violating those  
12 procedures that they agreed to follow with us. The  
13 caveat to that is that these companies that offer  
14 these services may say it's not worth their trouble.  
15 And they pull out altogether because it's not worth  
16 the liability that's involved. So, because this is a  
17 business arrangement between the casinos and the  
18 companies that offer these services, we've been  
19 letting the casinos handle their relationship with  
20 those companies as opposed to holding those companies  
21 accountable.

22                   But, you know, I just want to caution  
23 the Board that we need to take everything into  
24 consideration. That if we go after these companies  
25 then they decide, look, it's not worth the liability,

1 it's going to put our casinos at a competitive  
2 disadvantage because in the surrounding states, if I'm  
3 not mistaken, the casinos can accept wages on a ---  
4 give cash on credit cards and debit cards where our  
5 casinos can't. So, you take with one hand and give  
6 with the other. So, it's a balancing act. So, if the  
7 Board wants to go --- proceed in that fashion, I'm  
8 more than willing to do so but there may be a cost  
9 associated with that. And I'm not sure that the  
10 industry would view that as something as positive for  
11 them.

12 MR. WOODS:

13 Mr. Donnelly, could you speak on behalf  
14 of the casino or ---?

15 ATTORNEY DONNELLY:

16 No, not on that issue. But I think it's  
17 a very valid question, and I'd like the opportunity to  
18 go back to our property, both properties, and discuss  
19 and --- I'll talk with the other casinos as well.  
20 Cyrus raises a valid point. I don't know what --- I  
21 have no clue what DiTronics and the other companies'  
22 opinion on that would be. This particular one, we  
23 were able to reach an accord. But still, I will say  
24 it's a black mark against the casino. And we recently  
25 went through the renewal, as you know those are

1 brought up every time we enter into a consent and we  
2 take it very seriously. So, we'll definitely explore  
3 that, and I think it's also worth exploring. And  
4 again, I discussed this with OEC. It's worth it if  
5 the casino bill gets open --- reopened in a way it's  
6 something that probably should be on the legislatures  
7 agenda as well.

8 MR. WOODS:

9 I would just --- I'd like to say as one  
10 Commissioner I'd like to explore that avenue. I'm not  
11 saying we go down that path but I would like some  
12 additional thinking in that area, because I do not in  
13 any way, shape, or form want to lift any liability off  
14 the casino. But it does seem to me that if the other  
15 parties are involved we may want to explore what  
16 ramifications should be put upon them for violating.

17 ATTORNEY PITRE:

18 I can tell you that we did issue warning  
19 letters. We have issued a warning letter to DiTronics  
20 on a previous matter, and we've issued one to another  
21 company that offers the same service. They both  
22 vehemently question whether or not there was any  
23 jurisdiction, because it was off the casino floor, and  
24 that even if there was jurisdiction, that the casino  
25 is ultimately responsible because they are the keeper

1 of the Self-Excluded List and it's their procedures.

2 Another said that they weren't aware  
3 that they were under that jurisdiction in question and  
4 would like to at least receive notice and some sort of  
5 regulatory oversight --- regulatory response to  
6 explain to them what the ramifications were and what's  
7 expected of them. So, we can move in that direction  
8 if that's something the Board would like. And like I  
9 said, I'm prepared to do that, but there may be costs  
10 associated with that.

11 MR. WOODS:

12 I appreciate you're thinking on the  
13 matter. Thank you.

14 MR. RYAN:

15 Cyrus, I get what you're telling the  
16 Board about perhaps protecting a company that may not  
17 otherwise do business here in Pennsylvania because of  
18 the statute that we have that apparently other states  
19 in our region don't have; is that correct?

20 ATTORNEY PITRE:

21 Yes. They'll do business, they just  
22 won't offer this particular service. They'll continue  
23 to do business, they'll just say okay, well, we're not  
24 going to offer the cash advance service anymore at  
25 these booths or we'll be held liable.

1                   MR. RYAN:

2                   Mr. Donnelly, to your knowledge, was  
3 this issue ever discussed between the casino and  
4 DiTronics before the contract was signed? Did they  
5 ever discuss what they were going to do if this  
6 happened?

7                   ATTORNEY DONNELLY:

8                   I don't have that knowledge. I'm aware  
9 of one of the other incidents with another vendor that  
10 Mr. Pitre was talking about. We had some discussions  
11 with that vendor and they took the position as Cyrus  
12 outlined that it's not their problem. I don't feel  
13 that way. And frankly, I'm not sure what --- I just  
14 don't know what the businesses will do. I think it's  
15 worth exploring and we'll go back to them and see.

16                   We do have procedures, and they do  
17 contractually agree to follow our procedures. And  
18 procedures work if the human beings work. So, I'm not  
19 sure I --- if I were talking on behalf of one of these  
20 companies, I might well say, look if you're going to  
21 do business in a regulated area you're going to have  
22 to be cognizant of this. Now, but I don't know what  
23 they're ---.

24                   MR. RYAN:

25                   Cyrus, would you agree that it doesn't

1 appear here that Rivers did anything wrong or violated  
2 the statute or our regulations in any way in this  
3 situation? Would that be an accurate statement, sir?

4 ATTORNEY PITRE:

5 No, I'd have to disagree with you.  
6 There was a self-excluded person on the floor gambling  
7 for roughly seven hours, having face-to-face contact  
8 with Rivers employees. Now granted, in that  
9 situation, it would be hard to identify that  
10 individual out of 5,000, 7,000 people. But that's  
11 Rivers' obligation to identify that individual. So,  
12 even if you take away the cash advance the argument  
13 can still be made that a violation occurred because a  
14 self-excluded person was on the floor gambling for a  
15 roughly seven-hour period.

16 MR. RYAN:

17 Is there anything from what you know  
18 that they should've done, they did not do to identify  
19 this person as excluded?

20 ATTORNEY PITRE:

21 Other than recognize him? No. Look,  
22 it's clear that a DiTronics' employee failed in every  
23 regard to do what that employee was responsible to do.  
24 Like I said, I could easily go after DiTronics, I  
25 could easily put procedures in place for all of these

1 businesses. That's something the Board wants me to  
2 do, I have no problem doing it, and I'll go down that  
3 road.

4 MR. RYAN:

5 All other things being equal, Cyrus, I'm  
6 sure you would agree that if DiTronics were --- or a  
7 company in a similar situation licensed by the Board  
8 were to have some sanction imposed, it probably would  
9 increase the chances that they would be more careful  
10 about incidents such as this one. Would you agree  
11 with that?

12 ATTORNEY PITRE:

13 They would be more careful. They would  
14 be more careful. The cost associated with that  
15 service would probably go up. Or they might, like I  
16 said, they may say it's not worth our time. The other  
17 thing too is that, these procedures in place are  
18 Rivers' procedures. DiTronics has an agreement with  
19 Rivers to follow those procedures. We need regulatory  
20 procedures on our own even if --- even from the  
21 standpoint of if it would just simply be to have  
22 internal controls in place to ensure that they agree  
23 that they are equally liable.

24 I would have no problem saying okay,  
25 Rivers is \$6,000 responsible, DiTronics is \$6,000

1 responsible, let's split it in half and go our ways.  
2 We tried that before previously on another Consent  
3 Agreement, and the other company was absolutely ---  
4 said that they would just rather not do business in  
5 that regard if that was the case, because they didn't  
6 think that they were responsible for this.

7 MR. RYAN:

8 Thank you, Cyrus.

9 MR. FAJT:

10 Thank you, Mr. Chairman. Having  
11 listened to both sides of this argument, I mean my  
12 personal opinion is that this is, as you said Cyrus, a  
13 business arrangement. And I think it is incumbent  
14 upon the Rivers or any other casino to discuss  
15 subrogation or something along those lines with these  
16 third-party vendors. And based on whatever --- you  
17 know, you pay them or they pay you, that's a cost of  
18 doing business whichever way that transaction falls.  
19 And if there is a violation on their part, you know,  
20 you are going to assume that risk and they're going to  
21 build that into your contract. I do fear, because  
22 we've down this road before where there are a limited  
23 number of vendors who provide certain services in this  
24 Commonwealth.

25 And if we start saying to them, you

1 know, you're going to be strictly liable for your  
2 employees, they may say you know what, we're not going  
3 to do business. And that's going to hurt all of the  
4 casinos in Pennsylvania. So, again, just speaking for  
5 one person, you know, I look at this as a business  
6 arrangement. And if Rivers is going to be held liable  
7 for third-party vendors, then they need to assess that  
8 cost on a going-forward basis and build that in the  
9 price of their contract. Ms. Gilchrist, I have  
10 another question on another matter relating to  
11 Sugarhouse but I'll wait until this is done. I'd like  
12 you to just stick around and answer that. Thank you.

13 CHAIRMAN:

14 Commissioner Jewell.

15 MR. JEWELL:

16 Mr. Donnelly, let me go back to your  
17 comments on your agreement with the vendor here.  
18 Obviously, some type of sharing and you didn't say  
19 that that was necessarily contractual, some type of  
20 equity maybe was worked out in fairness. My question  
21 is about pattern and practice. And that is, in  
22 similar circumstances previous thereto, have you  
23 worked out agreements even absent contractual language  
24 to have some type of sharing?

25 ATTORNEY DONNELLY:

1 I've been involved in two of these, and  
2 I was involved in the other one that Cyrus talked  
3 about. That vendor would not agree to pay. I have an  
4 opinion about that, but that matter is not done yet.  
5 This vendor took a different approach and kind of  
6 stepped up to the plate. And I'm not certain --- I  
7 haven't read the contract to be perfectly frank, so  
8 I'm not sure what indemnification clauses are in  
9 there. I do know that they agreed to follow our  
10 procedures. So, for me, that would be sufficient if  
11 there would be a lawsuit. But that issue didn't ripen  
12 in this particular case. It is ripe in the other case  
13 and that's, to my knowledge, not done yet.

14 MR. JEWELL:

15 Thank you, Counsel.

16 CHAIRMAN:

17 Any other questions? I do have one but  
18 I was going to wait until everybody else has had their  
19 chance. Nothing? I guess I have a question, I'm not  
20 sure who I'm posing it to. Either Enforcement Counsel  
21 or you, Mr. Donnelly. There's a logical problem I'm  
22 having here, which is following your line of thinking,  
23 Cyrus. By the same logic it suggests that if Rivers  
24 pursues reimbursement, they could be confronted by the  
25 same notion of saying, well, this isn't worth it,

1 we're pulling out.

2                   Which leaves us in an odd situation  
3 where Rivers is rightfully being held to a high  
4 standard here, but whether it's by Enforcement or by  
5 us independently or by you, asserting some contractual  
6 rights there may be no way to make sure these third-  
7 parties are complying with our regulations or with  
8 Rivers' regulations.

9                   ATTORNEY PITRE:

10                   There is no way to make sure they're  
11 complying. However, they may choose to say well,  
12 okay, well, because I have to do all of these things,  
13 it's not worth me providing this service.

14                   CHAIRMAN:

15                   Right. And what I'm saying is, whether  
16 you do it or the Board does it through insisting these  
17 cases be resolved in a certain way. Even if you tried  
18 to do it your own way, by the same logic, we could end  
19 up in the same place.

20                   ATTORNEY PITRE:

21                   I think Mr. Donnelly tried to do it in  
22 the previous case, and I don't think that vendor's  
23 there anymore if I'm not mistaken.

24                   ATTORNEY DONNELLY:

25                   No, they're gone. But their rationale

1 is interesting. Their rationale was --- and I'm hope  
2 I'm not telling tale out of school --- it wasn't so  
3 much the money, it was that they didn't want a  
4 regulatory fine, interestingly. And of course that's  
5 the problem we have, is we get a regulatory fine and  
6 we've got to report it in jurisdictions all over the  
7 place and it's hard to then drill down and say, well,  
8 what most ---.

9 CHAIRMAN:

10 I think is going to need a lot more  
11 thought, because what you're really exposing here is  
12 whether by private contractual arrangement or by  
13 regulation, it may be very difficult to successfully  
14 enforce the restrictions we're trying to enforce. I  
15 just make that as an observation. You had another  
16 question?

17 MR. FAJT:

18 Can we vote us on this and finish this  
19 one and then I'll ---?

20 CHAIRMAN:

21 Yeah, that's a good idea.

22 ATTORNEY DONNELLY:

23 Can I suggest one thing? I really think  
24 the solution --- it's a legislative solution --- is  
25 that I think legislature should --- it's a licensed

1 vendor, they should have --- make third parties  
2 vendors such as this have access to the self-exclusion  
3 list. Then there's no who struck John and pointing  
4 fingers and so on. That would be --- go a long way.  
5 And I think that would also give more accountability  
6 to the vendor because the vendor could no longer kind  
7 of hide behind what ---.

8 CHAIRMAN:

9 I hear you. That's an interesting view.  
10 On this matter, can I have a motion?

11 MR. JEWELL:

12 Mr. Chairman, I move that the Board  
13 issue an Order to approve the Consent Agreement  
14 between the OEC and Holding Acquisition Company, LP as  
15 described by the OEC.

16 MR. MCCALL:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 ALL RESPOND AYE

21 CHAIRMAN:

22 All opposed? Motion's adopted. Oh, yes  
23 before you leave I think Commissioner Fajt had a  
24 question.

25 MR. FAJT:

1                   Thank you, Mr. Chairman. Real quick  
2 question. I've heard two conflicting dates --- I'm  
3 going to ask you to put your Sugarhouse hat on for a  
4 second --- on the opening of the new part of the  
5 casino. I've heard December 23rd and then some date  
6 later maybe right before New Year's. Do you have any  
7 update on that? And if you can't, that's fine.

8                   ATTORNEY DONNELLY:

9                   I'm not --- Rhonda I don't think has a  
10 Sugarhouse hat. I'll have to get back to you. But  
11 the last I heard was there was some talk of a soft  
12 opening --- partial soft opening before the 31st and  
13 still a grand opening on the 31st. But I'm not  
14 positive, it changes.

15                  MR. FAJT:

16                  If you can get back to us, I'd  
17 appreciate that. Thank you.

18                  ATTORNEY DONNELLY:

19                  Thank you.

20                  ATTORNEY PITRE:

21                  The next three matters on the agenda  
22 consist of enforcement actions in which the OEC has  
23 filed a complaint seeking the revocation of  
24 registrations or permits of individuals licensed by  
25 the Board. Each complaint has been filed with the

1 Board's OHA and properly served upon the individual  
2 named in the complaint. The individual named in the  
3 complaint failed to respond within 30 days, as  
4 required by Board regulation.

5 As a result, the OEC filed a properly  
6 served --- OEC filed a Request for Default Judgment  
7 and properly served the same upon each individual  
8 named in the complaint. All filed documents have been  
9 provided to the Board, and all matters are ripe for  
10 Board's consideration. In each matter, we will read a  
11 brief summation of the facts involved and request  
12 appropriate Board action.

13 ATTORNEY CROHE:

14 Good morning. John Crohe, C-R-O-H-E,  
15 for the OEC. The next matter before the Board is a  
16 complaint to revoke the Non-Gaming Registration of  
17 Brienna DuBorgel who was arrested and charged with  
18 five felony counts after breaking into the home of her  
19 grandparents and stealing approximately \$4,199 in  
20 cash. The OEC now requests that Board revoke the Non-  
21 Gaming Registration held by Brienna DuBorgels.

22 CHAIRMAN:

23 Any questions, comments from the Board?  
24 May I have a motion?

25 MR. MOSCATO:

1                   Mr. Chairman, I move that the Board  
2 issue an Order to approve the revocation of Brienna  
3 DuBorgel's Non-Gaming Employee Registration as  
4 described by the OEC.

5                   MR. RYAN:

6                   Second.

7                   CHAIRMAN:

8                   All in favor?

9 ALL RESPOND AYE

10                  CHAIRMAN:

11                  All opposed? Motion is adopted.

12                  ATTORNEY TEPPER:

13                  Good morning Chairman Barasch, members  
14 of the Board. David Tepper, T-E-P-P-E-R, Assistant  
15 Enforcement Counsel with the OEC. Today for your  
16 consideration, I have a complaint to revoke the Gaming  
17 Employee Permit of Tad Hamilton. Mr. Hamilton has  
18 been charged with crimes related to the downloading  
19 and dissemination of child pornography, and he has  
20 subsequently pled guilty. At this point the OEC  
21 requests that the Board revoke Ted Hamilton's Gaming  
22 Employee Permit.

23                  CHAIRMAN:

24                  Questions and comments from the Board?

25                  May I have a motion?

1                   MR. RYAN:

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

6                   MR. WOODS:

7                   Second.

8                   CHAIRMAN:

9                   All in favor?

10 ALL RESPOND AYE

11                   CHAIRMAN:

12                   All opposed? Motion is granted.

13                   ATTORNEY STUART:

14                   Glenn Stuart, for the OEC, S-T-U-A-R-T.  
15 Next for the Board's consideration is the revocation  
16 of Angela Lucci's Gaming Employee Permit. Ms. Lucci  
17 was previously employed as a Dealer at the Meadows  
18 Racetrack and Casino. Ms. Lucci was arrested on four  
19 separate occasions between June 9th, 2015 and June  
20 16th, 2015, and charged with numerous crimes including  
21 theft-related crimes and heroin possession. Based on  
22 Ms. Lucci's failure to abide by the provisions in her  
23 Statement of Conditions and her failure to maintain  
24 her suitability, the OEC requests the Board revoke the  
25 Gaming Employee Permit of Angela Lucci.

1                   CHAIRMAN:

2                   Questions or comments from the Board?

3                   May I have a motion?

4                   MR. WOODS:

5                   Mr. Chairman, I move that the Board  
6                   issue an Order to approve the revocation of Angela  
7                   Lucci's Gaming Employee Occupation Permit as described  
8                   by the OEC.

9                   MR. FAJT:

10                  Second.

11                  CHAIRMAN:

12                  All in favor?

13                  ALL RESPOND AYE

14                  CHAIRMAN:

15                  All opposed? Motion is granted.

16                  ATTORNEY PITRE:

17                  The remaining matters on the agenda  
18                  consist of enforcement actions in which the OEC have  
19                  filed petitions seeking the involuntary exclusion of  
20                  individuals whose presence in a licensed facility are  
21                  inimical to the interests of the Commonwealth and/or  
22                  licensed gaming therein. In each instance, the  
23                  Petition for exclusion has been served upon the  
24                  individual named in the Petition, as well as filed  
25                  with the Board's OHA.

1           The individual named in the Petition  
2 failed to respond to within 30 days as required by  
3 Board regulation. As a result, the OEC has filed a  
4 Request for Default Judgment in each instance and  
5 properly served the same upon each individual. Again,  
6 we'll read a brief summation of the facts, all facts  
7 in each Petition are deemed admitted and would request  
8 appropriate Board action.

9                           ATTORNEY STUART:

10           Next for the Board's consideration is  
11 the placement of Xiulong Wang on the Board's  
12 involuntary exclusion list. On or about May 29th,  
13 2015, Mr. Wang was caught marking Pai Gow tiles with  
14 his fingernails while gaming at the Valley Forge  
15 Casino Resort. A review of Mr. Wang's wagering  
16 activity revealed he also marked Pai Gow tiles on two  
17 previous occasions. The Pennsylvania State Police  
18 cited Mr. Wang with ten counts of prohibited acts  
19 under the Gaming Act. And on November 10th, 2015, Mr.  
20 Wang was admitted into the Montgomery County  
21 Accelerated Rehabilitative Disposition program for a  
22 12-month period in relation to these charges. As  
23 such, the OEC requests the Board places Xiulong Wang  
24 on the Board's Involuntary Exclusion List.

25                           CHAIRMAN:

1 Questions or comments from the Board?

2 May I have a motion?

3 MR. FAJT:

4 Mr. Chairman, I move that the Board  
5 issue an Order to approve the addition of Xiulong Wang  
6 to the PGCB Involuntary Exclusion List as described by  
7 the OEC.

8 MR. MCCALL:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 ALL RESPOND AYE

13 CHAIRMAN:

14 All opposed? Motion's adopted.

15 ATTORNEY ADAMS:

16 The next matter for the Board's  
17 consideration is the placement of Rashod Clark on the  
18 Board's Involuntary Exclusion List. It was discovered  
19 Mr. Clark was cheating and/or occluding with the  
20 Blackjack Dealer while gaming at Rivers. The  
21 Pennsylvania State Police filed criminal charges  
22 against Mr. Clark charging him with felony theft by  
23 unlawful taking, felony fraudulent schemes, and two  
24 counts of conspiracy.

25 It is alleged as a result of the

1 cheating and/or occluding Mr. Clark won approximately  
2 \$42,675, had approximately \$6,050 in insurance payouts  
3 and had approximately \$1,650 in surrender savings.  
4 These charges are still pending. The OEC's requesting  
5 Mr. Clark be placed on the Board's Involuntary  
6 Exclusion List.

7 CHAIRMAN:

8 Questions or comments from the Board?  
9 May I have a motion?

10 MR. MCCALL:

11 Mr. Chairman, I move the Board issue an  
12 Order to approve the addition of Rashod Clark to the  
13 Pennsylvania Gaming Control Board Involuntary  
14 Exclusion List as described by the OEC.

15 MR. MOSCATO:

16 Second.

17 CHAIRMAN:

18 All in favor?

19 ALL RESPOND AYE

20 CHAIRMAN:

21 All opposed? Motion's adopted.

22 ATTORNEY ADAMS:

23 The next matter for the Board's  
24 consideration is the placement of Charles Thomas  
25 Sensenich, Junior on the Board's Involuntary Exclusion

1 List. While gaming at Blackjack at Rivers Casino, Mr.  
2 Sensenich removed two \$50 chips from a table after he  
3 lost two hands of Blackjack. Mr. Sensenich was  
4 charged with two counts of theft by unlawful taking  
5 and disorderly conduct. He pled guilty to disorderly  
6 conduct and we're requesting that he be placed on the  
7 Board's Involuntary Exclusion List.

8 CHAIRMAN:

9 Questions or comments from the Board?

10 May I have a motion?

11 MR. MOSCATO:

12 Mr. Chairman, I move that the Board  
13 issue an Order to approve the addition of Charles  
14 Thomas Sensenich, Junior to the PGCB Involuntary  
15 Exclusion List as described by the OEC.

16 MR. RYAN:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 ALL RESPOND AYE

21 CHAIRMAN:

22 All opposed? Motion's adopted.

23 ATTORNEY FENSTERMAKER:

24 Good morning, Chairman Barasch, members  
25 of the Board. My name is Cassandra Fenstermaker,

1 F-E-N-S-T-E-R-M-A-K-E-R, Assistant Enforcement  
2 Counsel. We have for your consideration today a  
3 Petition requesting the placement of John O. Frink on  
4 the Board's Involuntary Exclusion List. Mr. Frink was  
5 observed past-posting wagers at Harrah's Philadelphia  
6 Casino and Racetrack on two separate occasions. As a  
7 result, the OEC requests that John Frink be placed on  
8 the Board's Involuntary Exclusion List.

9 CHAIRMAN:

10 Questions or comments from the Board?  
11 May I have a motion?

12 MR. RYAN:

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

17 MR. WOODS:

18 Second.

19 CHAIRMAN:

20 All in favor?

21 ALL RESPOND AYE

22 CHAIRMAN:

23 All opposed? Motion's adopted.

24 ATTORNEY FENSTERMAKER:

25 Next, we have for your consideration a

1 Petition ---. We have for your consideration a  
2 Petition requesting the placement of Franklin Johnson,  
3 also known as Omar Johnson on the Board's Involuntary  
4 Exclusion List. Mr. Johnson has been evicted from  
5 multiple Commonwealth casinos and convicted of one  
6 count of theft as a result of his activities while  
7 patronizing those facilities. He is also on New  
8 Jersey's Involuntary Exclusion List for numerous  
9 counts of similar conduct. As a result, the OEC  
10 requests that Franklin Johnson be placed on the  
11 Board's Involuntary Exclusion List.

12 CHAIRMAN:

13 Questions or comments from the Board?  
14 May I have a motion?

15 MR. WOODS:

16 Mr. Chairman, I move that the Board  
17 issue an Order to approve the addition of Franklin  
18 Johnson on the PGCB Involuntary Exclusion List as  
19 described by the OEC.

20 MR. FAJT:

21 Second.

22 CHAIRMAN:

23 All in favor?

24 ALL RESPOND AYE

25 CHAIRMAN:

1 All opposed? Motion's adopted.

2 ATTORNEY MILLER:

3 Good morning, Chairman Barasch, members  
4 of the Board. Dustin Miller on behalf of the OEC.  
5 The next matter today is a request for placement on  
6 the Board's excluded persons list involving Bryan  
7 Bolds. The OEC filed a Petition to place Mr. Bolds on  
8 the exclusion list for leaving his seven-year-old son  
9 unattended in his vehicle in the parking lot of Parx  
10 Casino on March 10, 2015, while he went inside Parx  
11 Casino and played Blackjack for approximately three  
12 hours. Based upon the forgoing, the OEC asks that the  
13 Board place Bryan Bolds on the Board's excluded  
14 persons list.

15 CHAIRMAN:

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

18 MR. FAJT:

19 Mr. Chairman, I move that the Board  
20 issue an Order to approve the addition of Bryan Bonds  
21 --- Bryan Bolds to the PGCB Involuntary Exclusion List  
22 as described by the OEC.

23 MR. JEWELL:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 ALL RESPOND AYE

3 CHAIRMAN:

4 All opposed? Motion's adopted.

5 ATTORNEY MILLER:

6 The next matter is a request for  
7 placement on the Board's excluded persons list  
8 involving Alexander Gutman. The OEC filed a Petition  
9 to place Mr. Gutman on the exclusion list for refusing  
10 to leave Parx Casino and assaulting Pennsylvania State  
11 Police escorting him from the building after becoming  
12 intoxicated at the casino on January 11th, 2015.  
13 Based upon the foregoing, the OEC asks that the Board  
14 place Alexander Gutman on the Board's excluded persons  
15 list.

16 CHAIRMAN:

17 Questions or comments from the Board?

18 May I have a motion?

19 MR. JEWELL:

20 Mr. Chairman, I move that the Board  
21 issue an Order to approve the addition of Alexander  
22 Gutman to the PGCB Involuntary Exclusion List as  
23 described by the OEC.

24 MR. MCCALL:

25 Second.

1                   CHAIRMAN:

2                   All in favor?

3 ALL RESPOND AYE

4                   CHAIRMAN:

5                   All opposed? Motion's adopted.

6                   ATTORNEY MILLER:

7                   The next matter is a request for  
8 placement on the Board's excluded person list  
9 involving Myranda Jennings. The OEC filed a Petition  
10 to place Ms. Jennings on the excluded list after she  
11 had been found selling heroin and crack-cocaine from  
12 her vehicle in the parking lot at Parx Casino on  
13 September 9th, 2014.

14                   It should be noted that Ms. Jennings'  
15 one-year-old son was in the backseat of the vehicle  
16 when Ms. Jennings' illegal activities were discovered  
17 by Ben Salem Township Police. Parx Casino records  
18 show that Ms. Jennings was a frequent patron of Parx  
19 Casino, even though she did not enter the casino on  
20 the date of her arrest. Based upon the foregoing, the  
21 OEC asks that the Board place Myranda Jennings on the  
22 Board's excluded persons list.

23                   CHAIRMAN:

24                   Questions or comments from the Board?

25 May I have a motion?

1                   MR. MCCALL:

2                   Mr. Chairman, I move that the Board  
3 issue an Order to approve the addition of Myranda  
4 Jennings to the Pennsylvania Gaming Control Board's  
5 Involuntary Exclusion List as described by the OEC.

6                   MR. MOSCATO:

7                   Second.

8                   CHAIRMAN:

9                   All in favor?

10 ALL RESPOND AYE

11                   CHAIRMAN:

12                   All opposed? Motion's adopted.

13                   ATTORNEY ROLAND:

14                   Good morning, Mr. Chairman and members  
15 of the Board. Michael Roland, R-O-L-A-N-D, with the  
16 OEC. Next, we have a request to place Chang Ming Liu  
17 on the Involuntary Exclusion List. Mr. Liu was  
18 observed trying to pickpocket patrons while on the  
19 gaming floor at Sands Casino. Mr. Liu was charged by  
20 the Pennsylvania State Police with attempted theft by  
21 unlawful taking, and Mr. Liu entered a guilty plea to  
22 that charge. The matter is now before the Board to  
23 consider the placement of Chang Ming Liu on the  
24 Board's Involuntary Exclusion List.

25                   CHAIRMAN:

1 Questions or comments from the Board?

2 May I have a motion?

3 MR. MOSCATO:

4 Mr. Chairman, I move that the Board  
5 issue an Order to approve the addition of Chang Ming  
6 Liu to the PGCB Involuntary Exclusion List as  
7 described by the OEC.

8 MR. RYAN:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 ALL RESPOND AYE

13 CHAIRMAN:

14 All opposed? The motion is adopted.

15 ATTORNEY ROLAND:

16 And last is a request to place Vimal  
17 Patel on the Involuntary Exclusion List. Mr. Patel  
18 assisted a 20-year-old patron with gaining access to  
19 the gaming floor at Sands Casino by allowing that  
20 underage patron to borrow his legitimate  
21 identification. Mr. Patel was not criminally charged,  
22 however, he was permanently evicted from the Sands  
23 property. The matter is now before the Board to  
24 consider the placement of Vimal Patel on the Board's  
25 Involuntary Exclusion List.

1                   CHAIRMAN:

2                   Any questions or comments from the  
3 Board? May I have a motion?

4                   MR. RYAN:

5                   Mr. Chairman, I move that the Board  
6 issue an Order to approve the addition of Vimal Patel  
7 to the PGCB Involuntary Exclusion List as described by  
8 the OEC. I would further move that Mr. Patel may  
9 petition for removal from the list after one year.

10                  MR. WOODS:

11                  Second.

12                  CHAIRMAN:

13                  All in favor?

14 ALL RESPOND AYE

15                  CHAIRMAN:

16                  All opposed? Motion's adopted.

17                  ATTORNEY PITRE:

18                  That concludes our business. Happy  
19 holidays. Thank you.

20                  CHAIRMAN:

21                  That appears to conclude the business of  
22 the Gaming Control Board for this morning. Our next  
23 scheduled public meeting is January 13th. The hearing  
24 will begin at 10:00 a.m. Any final comments from any  
25 members of the Board?

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MR. WOODS:

Motion to be adjourned?

MR. FAJT:

Second.

CHAIRMAN:

All in favor?

ALL RESPOND AYE

CHAIRMAN:

All opposed? Motion's adopted.

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MEETING CONCLUDED AT 11:08 A.M.

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CERTIFICATE

I hereby certify that the foregoing proceedings,  
hearing held before Chairman Barasch was reported by  
me on 12/9/15 and that I, Seth R. Baier, read this  
transcript, and that I attest that this transcript is  
a true and accurate record of the proceeding.

  
Court Reporter  
Seth R. Baier