

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
Jennifer Langan, representing Timothy
Reese, State Treasurer; Frederick
Strathmeyer, representing Russell Redding,
Secretary of Agriculture; Robert Coyne,
representing Eileen H. McNulty, Secretary
of Revenue

HEARING: Wednesday, July 13, 2016, 12:53 p.m.

LOCATION: PA Gaming Control Board
Strawberry Square Complex
Second Floor
Harrisburg, PA 17101

Reporter: Danielle Obert

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25

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CHAIRMAN BARASCH:

Good morning, everyone. I'm David Barasch, Chairman of the Pennsylvania Gaming Control Board. Before we begin, once again, I'd ask everyone to silence their cell phones and other electronic equipment. Today with us is Fred Strathmeyer representing Russell Redding at the Department of Agriculture. Jennifer Langan representing Tim Reese, the State Treasurer and Bob Coyne representing Eileen McNulty of the Revenue Department. Thank you all for coming. A quorum of the members being present, I'll call this meeting to order. First order of business is the pledge of allegiance.

PLEDGE OF ALLEGIANCE RECITED

CHAIRMAN:

On today's agenda we have a public hearing scheduled regarding the Office of Enforcement Counsel's Recommendation of Denial or Abandonment of the Endeka Entertainment's Category 1 Application, and Oral Argument regarding GPI USA Joint Petition for relief. Because we're expecting the Endeka hearing to be rather lengthy we're going to do things a little bit differently today, and are moving that item to the

1 last item on the agenda. That being said, we'll begin
2 the meeting with the Oral Argument regarding GPI USA
3 and GPI Mexicana's Joint Relief Petition.

4 HEARING HELD

5 CHAIRMAN:

6 What's next on the agenda? I think it
7 was something we're taking out of order.

8 MR. RYAN:

9 Yeah. Can we bring up the Consent
10 Agreement with Harrah's?

11 CHAIRMAN:

12 Yeah, that's what it was on. Yes.
13 Thank you. I like to keep you on your toes by
14 changing the order from time to time. Any non-
15 attorney who might be speaking at this time should
16 please stand, spell their name to the court reporter
17 and be sworn.

18 MR. BAUMANN:

19 Ron Baumann. R-O-N, B-A-U-M-A-N-N.
20 Senior Vice President, General Manager of Harrah's
21 Philadelphia.

22 CHAIRMAN:

23 Thank you.

24 -----

25 RON BAUMANN, HAVING FIRST BEEN DULY SWORN, TESTIFIED

1 AS FOLLOWS:

2 -----

3 CHAIRMAN:

4 Okay. Representatives from Chester
5 please identify themselves.

6 MR. DOWNEY:

7 Thank you, Mr. Chairman. Bill Downey,
8 D-O-W-N-E-Y. I'm representing Chester Downs and
9 Marina, LLC, doing business as Harrah's Philly. Also
10 with us today, next to Mr. Baumann, is N, as in
11 Napoleonic, Lynne Hughes, H-U-G-H-E-S. She is Vice
12 President and Chief Legal Officer for the property.

13 CHAIRMAN:

14 Thank you.

15 MR. STUART:

16 Glen Stuart with the OEC, S-T-U-A-R-T.

17 CHAIRMAN:

18 Would you please proceed?

19 MR. STUART:

20 Thank you. Next for the Board's
21 consideration is a Consent Agreement entered into
22 between the OEC and Chester Downs and Marina, LLC
23 doing business as Harrah's Philadelphia Casino and
24 Racetrack, regarding Harrah's failure to abide by
25 Board regulations and Harrah's own internal controls

1 in relation to jackpot payouts, procedures for
2 replenishing slot attendant imprest funds and its
3 procedures for reconciling those funds.

4 Harrah's approved internal controls
5 include slot attendants to obtain funds from the cage
6 when their imprest funds need replenished or when they
7 are required to pay jackpot payouts of more than
8 \$5,000. In return for those funds the slot attendant
9 would provide the cage with appropriate documentation.
10 After receiving the documentation from the slot
11 attendant, the cage would then provide the cash to the
12 slot attendant and surveillance would have the ability
13 to closely monitor the transaction.

14 However, for approximately a three-month
15 period beginning in April of 2015, Harrah's
16 implemented a procedure before the procedure was
17 reviewed and approved by the Board. Specifically, the
18 procedure called for a slot host supervisor and/or a
19 slot manager to be issued \$30,000 in funds from the
20 cage to replenish slot attendant's imprest funds or to
21 pay jackpot payouts greater than \$5,000. In return
22 for the funds the slot attendant provided the slot
23 host supervisor and/or slot manager with the
24 appropriate documentation. The slot host supervisor
25 and/or manager then turned all documentation collected

1 from the slot attendants into the cage prior to the
2 end of their shift. In short, the slot host
3 supervisor and slot managers were allowed to replace
4 the cage's function for these types of transactions.
5 Moreover, Harrah's surveillance department was not
6 notified of this new procedure, so transactions of
7 this nature were not monitored as closely as they
8 would have had they been made at the cage.

9 The terms of the Consent Agreement
10 require Harrah's to pay a civil penalty in the amount
11 of \$20,000 for implementing a slot attendant payout
12 procedure before the procedure was approved by the
13 Board. Harrah's would also be required to remit
14 \$2,500 to the Board for costs associated with the
15 Consent Agreement. As such, the OEC and Harrah's
16 respectfully request the Board approve the terms of
17 this Consent Agreement.

18 CHAIRMAN:

19 Thank you. Any comments or response?

20 ATTORNEY DOWNEY:

21 Yes. Thank you, Mr. Chairman. First we
22 join in the recitation of facts offered by Mr. Stuart,
23 and we want to thank the Board for accommodating some
24 travel schedule that's in play for us today. You'll
25 recall, Mr. Chairman, members of the Board, that at

1 our last meeting we went through the material and
2 received a number of questions relating to some
3 activity at the property on the enforcement side. And
4 in the context of that conversation, Mr. Baumann
5 represented to the Board that the property was in the
6 process of doing a periodic review. We've asked Mr.
7 Baumann to make a brief presentation to the Board on
8 the substance and results of that review.

9 CHAIRMAN:

10 We appreciate that. Thank you.

11 MR. BAUMANN:

12 Good morning, Mr. Chairman. Good morning members of
13 the Board. And I would like to thank you for moving
14 us up in agenda. It's my flight schedule you're
15 accommodating, and I appreciate it. The last time we
16 were here with this Consent Agreement, the Board, and
17 specifically Commissioner Woods, challenged us on the
18 record, and rightfully so. We haven't had the best
19 record over the past 12 months, and he asked what are
20 you going to do to get better, and certainly a fair
21 question. And something that we took seriously, and
22 were taking seriously before we even appeared before
23 the Board.

24 So, this past 90 days we have absolutely
25 sat down and reviewed every one of our 129 internals

1 and regulations in excruciating detail. And we have
2 done some of that before, but not like we did this
3 time. So, yes, I think the last time --- what'll be
4 different, this time we actually had every member or
5 every vertical layer of the organization, so the
6 supervisor was there, the employee was there, the
7 manager and the director, whereas last time our
8 reviews consisted of the regulatory --- our regulatory
9 officer and its department. And quite honestly its
10 department head is not the one doing drop, somebody
11 else is doing drop. So we've changed that. Two is we
12 also changed who runs the meetings. This is --- these
13 are meetings now that are lead and held by our AGM,
14 our VP of finance, the regulatory officer and our
15 security officer. So there's four people now charged
16 and incentivized to get us better from a compliance
17 standpoint.

18 So the results of that, where are we at,
19 again we went through, we reviewed 129 IC Regs, 50 of
20 them required some form of revision. As to what type
21 of revisions, there are generally three categories.
22 One is updating or correcting an approved exhibit.
23 There are a lot of exhibits in our internals. An
24 example of that would be Harrah's Chester versus
25 Harrah's Philadelphia, a wrong note on a particular

1 form or exhibit.

2 Another example of that would be 603.13
3 says exhibit needs to be corrected for to reflect the
4 inspection process for Pai Gow tiles. The reg
5 actually says we need to put on the form, needs to be
6 inspected under infrared light. We don't have that on
7 the form. Those are the type of things we're finding
8 in that category. Two would be updating internals in
9 order to approve our match to the current process.
10 One is we still have internal sitting out there for
11 three dice football, we don't have three dice
12 football. Been gone a long time. Two, we have an
13 internal out there that says when we do slot
14 tournaments everybody starts at 2,500. The system,
15 the game, you have to start at 10,000. It's not
16 money, but it's points. So again, those are the type
17 of things that we're finding.

18 And then, you know, lastly is updating
19 our own process to match the internals. Sometimes
20 we're quite honestly over-compliant. An example of
21 that would be 465a.37 has to do with opening up table
22 games. Regulation IC require the dealer to complete
23 the new table slip inventory, we actually have the
24 supervisor doing it. So, again, we're finding things
25 like that as we go through it.

1 And then lastly, as an example of what
2 we changed or what we did, we just actually spent
3 \$30,000, almost \$40,000, to move our card and dice
4 room. Our card and dice room was built from the
5 beginning, and it was actually attached to the same
6 mantrap that allows you access to the cage. And when
7 you read through the internals, you can't do that.
8 Nothing can be attached to a mantrap. Now, mind you,
9 built approved by the Board and by us. We now moved
10 it and we now have a new card and dice room that is
11 outside of that, and now compliant with the mantrap.
12 So we --- I have taken seriously your --- the Board's
13 challenge and the Commissioner's challenge to get
14 better, and I can assure you we are. I appreciate the
15 chance to come back and speak to it.

16 I'm more than willing to speak to this
17 particular Consent Agreement. We did that last time,
18 so if you want to go through that again I'm more than
19 happy to do that. But know that we're on the game and
20 know that we will absolutely --- you will absolutely
21 see that level of improvement. With that, I open up
22 any questions you might have.

23 CHAIRMAN:

24 Thank you very much. Board members,
25 questions for Counsel of either Chester and --- go

1 ahead.

2 MR. FAJT:

3 Thank you, Mr. Chairman. Mr. Baumann,
4 thank you for being here, and my only caveat is ---
5 and I said this before. I mean, there is a
6 significant amount of turnover in the Gaming industry.
7 And so we have had you, and other GMs and other folks
8 in the casinos come to us before, and we're going to
9 get better, we're going to change the rules, this
10 isn't going to happen again. And then, you know, two
11 years later you have five new people that were in
12 these meetings that you had this past month, and
13 they're gone. And so I just caution you that this
14 diligence is required here. And the fact you had this
15 meeting is acceptable to me, vote to approve the
16 Consent Agreement. But it can't be a once and done,
17 and I fear that that happens a lot in the casino
18 industry just because there is so much turnover. And
19 so, I just ask that you be diligent on these new
20 rules.

21 MR. BAUMANN:

22 And that's absolutely fair, Commissioner
23 Fajt. And this is an annual process, and we also have
24 --- I didn't go into it, but this team also has a
25 standard audit process in place. So, we audit things

1 from one perspective end. We don't necessarily do it
2 from a process matching internal end sometimes. So
3 that process is absolutely in place. and the
4 memorialization of this and getting it out into the
5 workforce is also in place.

6 MR. FAJT:

7 Thank you.

8 CHAIRMAN:

9 Any other questions, comments?

10 Commissioner Woods?

11 MR. WOODS:

12 Ron, if you --- I appreciate your
13 comments and the sincerity in which you bring them and
14 the work that's going over these. I guess it was
15 March that you appeared before us. It's been a while.

16 MR. BAUMANN:

17 Uh-huh (yes).

18 MR. WOODS:

19 But specifically, could you give me the
20 background of your Director of Compliance?

21 MR. BAUMANN:

22 Our regulatory officer is Michelle
23 Yarrow. Michelle, off the top of my head has been ---
24 she's been with us since I've been there, so 2010,
25 '11, and was in a regulatory arena in Atlantic City

1 before she came here. So a very, very seasoned
2 individual. And she's been with us, again, off the
3 top of my head, 2010, 2011.

4 MR. WOODS:

5 At our last meeting we had a discussion
6 about two sides of the issue of disciplinary actions,
7 I guess, and also incentives. Is her compensation
8 incentivized on achieving compliance on these types of
9 issues?

10 MR. BAUMANN:

11 Yeah. The way it works --- the answer
12 is yes. It's a bit indirect for all, but her
13 performance review is based upon our compliance
14 record. And the rating on her performance review
15 impacts her compensation, as it does mine, as it does
16 these other individuals.

17 MR. WOODS:

18 And I'm generally familiar with each of
19 the casino's process with security guards for allowing
20 an underage individual on the floor. Kind of a three-
21 step process to --- for many for being fired, you
22 know, from their position. On regulatory matters or
23 compliance issues, what is the process of someone who
24 might not comply with a regulation that's internally
25 discovered and a supervisor or one of the employees?

1 Do you have a step process for them? Is it a record
2 issue? How do you deal with that?

3 MR. BAUMANN:

4 Yes, it's a bit subjective, to be honest
5 with you. So in the area of, let's say, AML and those
6 internals, there is a very strict process in place and
7 there's no, let's call it, wiggle room. In other
8 areas, it depends on the severity of the situation, so
9 your example with a security officer would be if
10 somebody sat there, ID'd the person and absolutely
11 made the wrong decision, didn't look at the license,
12 in the wrong way they would be disciplined. If, in
13 fact, somebody distracted the individual and he got
14 gamed and he missed that individual on the way in, I'm
15 not going to terminate that individual. So, there is
16 some subjectivity depending on the circumstance that
17 surrounds the issue and the severity of what we might
18 encounter. But on the most significant one, it's
19 pretty much zero tolerance. Again, specifically when
20 you look at AML, and money laundering procedures and
21 know your customers that we have in place, it's
22 spelled out in detail, Commissioner.

23 MR. WOODS:

24 I understand in your presentation how
25 you've looked at all the regulations and so forth.

1 Has the disciplinary process changed at all to try to
2 gain greater adherence to the regulatory issues that
3 you face? Has any of the processes themselves for
4 disciplining an employee been enhanced or been put in
5 a position to, I guess, encourage greater compliance?

6 MR. BAUMANN:

7 Yes. And again, it's not something
8 that's in writing. But an example would be in table
9 games where we've struggled to get people, when the
10 light comes on, to stop the game. The supervisors are
11 now terminated because you're not coaching, you're not
12 training and you're not teaching.

13 MR. WOODS:

14 Are there other examples of that?

15 MR. BAUMANN:

16 Again, I would go back to AML and our
17 struggles in the cage. We replaced our cage manager
18 six months ago because of a lack of compliance and
19 issues that we're having in the cage. That individual
20 was terminated, and we now have a new individual in
21 place. Thirdly, from an accountability standpoint on
22 the highest level, the individuals who are leading
23 these areas do get written up and do face termination
24 if their areas are one that is not improving. I can
25 assure you of that.

1 MR. WOODS:

2 Okay. Thank you for your response.
3 Thank you, Commission Chairman.

4 CHAIRMAN:

5 Commissioner Jewell?

6 MR. JEWELL:

7 Yes, I have a brief question. And that
8 is, although it's a very short time, have you seen a
9 reduction in matters requiring disciplinary
10 intervention?

11 MR. BAUMANN:

12 Disciplinary --- yes, I would say just
13 because of the --- and I'm assuming you mean with an
14 employee, not ---

15 MR. JEWELL:

16 Right.

17 MR. BAUMANN:

18 --- on our end? Yeah, because I think
19 there's a greater level of accountability. There's
20 visibility from the employee and into the internals,
21 which we have not provided before. Hey, here's
22 exactly what the internals say, are you following this
23 process. So, with great adherence with a reduction in
24 those types of issues. And there's far greater
25 adherence because there's far greater knowledge of

1 exactly what the internal or what the process speaks
2 to on the internal.

3 MR. JEWELL:

4 Thank you. And just a question for
5 Enforcement Counsel. In March when I asked this
6 question I was told there were no other issues being
7 negotiated with Harrah's. Are you familiar at this
8 time if there are any compliance issues, especially
9 dealing with internal regulations, before you?

10 ATTORNEY STUART:

11 Not that we are aware of right now. I'm
12 new to the Harrah's, after Ms. Fenstermaker left, so
13 I'm in the process of reviewing what's in their
14 database that we've been referred to from the Bureau
15 of Casino Compliance. My preliminary review has been
16 there's been no major issues with internal control
17 violations. That's not to say there might not be
18 something on my computer when I come back, but there
19 has not been a major outbreak of violations that I've
20 seen.

21 MR. WOODS:

22 Then I'd ask, are you familiar with ---?

23 MR. BAUMANN:

24 Nothing I'm aware of, Commissioner.

25 ATTORNEY STUART:

1 And it's usually around the middle,
2 employee arrests and things like that. But when we
3 see internal control violations, we do investigate
4 them seriously and ---.

5 MR. WOODS:

6 So you feel education has been the key?

7 MR. BAUMANN:

8 Education, visibility, greater emphasis,
9 changing out of individuals --- I think there's, you
10 know, four or five things that have been the key, to
11 be honest.

12 MR. WOODS:

13 Thank you.

14 CHAIRMAN:

15 Thank you very much. At this point, I'd
16 entertain a motion.

17 MR. FAJT:

18 Mr. Chairman, I move that the Board
19 issue an Order to approve the Consent Agreement
20 between the Office of Enforcement Counsel (OEC) and
21 Chester Downs and Marina, LLC, as described by the
22 OEC.

23 MR. JEWELL:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 ALL SAY AYE

3 CHAIRMAN:

4 All opposed? The motion's adopted.

5 MR. BAUMANN:

6 Thank you. I appreciate it, and again I
7 appreciate the accommodation of our travel schedule.
8 And actually, I look forward to being here in August
9 when we talk about our capital plans for the property.

10 CHAIRMAN:

11 Good. Fly safely. By way of
12 announcements, the Board held an executive session
13 yesterday on July 12th for the purpose of discussing
14 personnel matters and to conduct a quasi-judicial
15 deliberations related to the matters that are being
16 voted on today. I would entertain a motion to approve
17 the transcript and minutes of our May 25th meeting.

18 MR. MCCALL:

19 Mr. Chairman, I move the Board approve
20 the minutes and transcripts of the May 25th, 2016
21 meeting.

22 MR. MOSCATO:

23 Second.

24 CHAIRMAN:

25 All in favor?

1 ALL SAY AYE

2 CHAIRMAN:

3 All opposed? The motion's adopted.

4 Next --- there you are. Hi, Claire.

5 MS. YANTIS:

6 Good morning, Chairman and Board
7 members. The Office of Human Resources has one motion
8 for your consideration today relative to hiring of
9 three individuals, Mr. Chase Crosby, Ms. Kimberly
10 Kupniewski and Mr. Keivon Brown have been selected as
11 Casino Compliance Representatives. Mr. Crosby will be
12 assigned to Lady Luck Casino, Ms. Kupniewski will be
13 assigned to Presque Isle Downs, and Mr. Brown will be
14 assigned to the Meadows.

15 All three individuals have completed the
16 PGCB interview process, background investigation and
17 drug screening and are recommended for hire by
18 Director of Compliance --- Casino Compliance Gerry
19 Stoll. Unless you have any questions, I ask that the
20 Board consider a motion to hire Mr. Crosby, Ms.
21 Kupniewski and Mr. Brown as indicated.

22 CHAIRMAN:

23 Do we have a motion?

24 MR. MOSCATO:

25 Mr. Chairman, I move that the Board

1 approve the Applicants as proposed by the Director of
2 Human Resources.

3 MR. RYAN:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 ALL SAY AYE

8 CHAIRMAN:

9 All opposed? The motion is adopted.

10 Thank you, Claire. Before we proceed, I just, on a
11 personal note, wanted to make a comment. This is the
12 last Board meeting we're going to have before Dorthy
13 Theis leaves us, and she has served in various roles
14 here for a long time in every capacity, as far as I
15 know, she's exceeded expectations. She's been the
16 Board's Secretary for quite a while. And I've been
17 here for nine months, and she's been the person who's
18 kept me on schedule and kept me out of trouble, to the
19 extent that I can be kept out of trouble. So I would
20 just like to acknowledge her contribution to the Board
21 and wish her well where she's proceeding.

22 And if you would convey a message, Mr.
23 Coyne, to Ms. McNulty, we don't like this. Okay?
24 She's moving over to be Administrative Assistant to
25 Revenue Secretary McNulty. We wish her well, and I

1 don't know if anybody has anything to say on that.
2 I'll proceed to other things on the agenda. Anybody
3 else? Okay.

4 MR. RYAN:

5 I suppose if I can, just a minute,
6 because I work with Dorthy, also, very close. She has
7 assisted me and has been outstanding in every facet of
8 everything we ask her to do. She's always willing to
9 do more, and she always does it with good humor and
10 with a cool demeanor. She's truly an exemplary
11 employee.

12 And I couldn't agree with the Chairman
13 more that we're going to miss you, Dorthy. We
14 certainly wish you the best, but the Agency's a little
15 bit poorer without you. So all I can say to you is
16 good luck.

17 CHAIRMAN:

18 I guess next we have Doug.

19 ATTORNEY SHERMAN:

20 Good morning, Chairman and members of
21 the Board. Our first agenda item is a Statement of
22 Policy. And since Susan Yocum is not here to present
23 it as typical, I'll take a shot. Statement of Policy
24 125-201 is presented for your consideration. It has
25 two aspects. The first revises the rules of the game

1 for Seven Card Stud Poker, and it allows up to nine
2 positions at the Seven Card Stud table instead of the
3 present eight. This is to make it consistent with
4 other games of poker.

5 Second, the Statement of Policy creates
6 a side wager for the games of Pai Gow, Sic Bo and Pai
7 Gow poker, which allows a player to wager on the
8 outcome of shaking of three dice, which traditionally
9 is used to determine the start position of dealing the
10 game. This allows a side wager on the outcome of
11 those dice. I think it's pretty self-explanatory, but
12 if anybody has any questions I'll give it a shot to
13 answer.

14 MR. JEWELL:

15 Could you explain for the record, in the
16 first rule change, why we don't run out of cards
17 adding an additional player?

18 ATTORNEY SHERMAN:

19 Sure. We addressed that in another
20 provision of the regulations of the game. Typically,
21 if it looks as though the game is going to be running
22 out of cards, there would be a community card that
23 would be dealt, which would be used by all, up to
24 nine, players. If, for some reason some players fold
25 but not everybody and you would still be running out

1 of cards, those folded cards would be taken, shuffled
2 and then re-dealt. But it's addressed in the
3 regulation.

4 MR. JEWELL:

5 Very helpful. Thank you.

6 CHAIRMAN:

7 If there are no other questions, may I
8 have a motion?

9 MR. RYAN:

10 Mr. Chairman, I move that the Board
11 issue an Order to adopt the Statement of Policy Number
12 125-201 as described by the Office of Chief Counsel
13 (OCC).

14 MR. WOODS:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 All opposed? The motion's adopted.

21 ATTORNEY SHERMAN:

22 At the present time, we have just one
23 Petition to be considered by the Board. Although the
24 agenda reflects three, the Endeka matter is being
25 pushed off to the end of the meeting and we gave

1 already disposed of the GPI Petition. The one
2 Petition that's been filed is --- based on the
3 documents, it's uncontested, and the Board's been
4 provided with all relevant documents. And that's the
5 Petition of Ryan McCauley to be removed from the
6 Involuntary Exclusion List.

7 On November 22nd, 2010, the OEC filed a
8 Petition to place Mr. McCauley on the Exclusion List
9 for what was an incident at Harrah's, when he engaged
10 in pass posting bets. Harrah's surveillance confirmed
11 that he had pass posted on two occasions while playing
12 roulette, resulting in him winning a total of \$4,000.

13 He was arrested and charged with a felony under the
14 Gaming Act, as well as a felony count of theft by
15 deception.

16 The violation of the Gaming Act was
17 dismissed during the court proceedings, and Mr.
18 McCauley then entered in an ARD program, which he has
19 successfully completed, as to the remaining theft
20 count. The Board placed him on the Exclusion List on
21 April 14th, 2011. It's now been over five years since
22 he was placed on the list. As I stated, he's
23 completed the ARD program, his criminal record has
24 been expunged and he has also placed into the record
25 evidence of his good character. The OEC has not

1 objected to his removal from the List, and therefore
2 it's appropriate for this Board's consideration.

3 CHAIRMAN:

4 Questions or comments from the Board?
5 May I have a motion?

6 MR. JEWELL:

7 Mr. Chairman, I move the Board issue an
8 Order to grant Ryan McCauley's Petition to be removed
9 from the Involuntary Exclusion List as described by
10 the OCC.

11 MR. MCCALL:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 ALL SAY AYE

16 CHAIRMAN:

17 All opposed? The motion's adopted.

18 ATTORNEY SHERMAN:

19 Next, presenting the reports and
20 recommendations is Deputy Chief Counsel, Steve Cook.

21 ATTORNEY COOK:

22 Morning. Next, before the Board for
23 consideration are five Reports and Recommendations
24 received from the Office of Hearings and Appeals.
25 These Reports and Recommendations, along with the

1 complete evidentiary record in each matter, have been
2 provided to the Board in advance of this meeting. And
3 additionally, each person that is the subject of the
4 Reports has been notified that the Board is taking
5 their matter up today. If any of these persons are
6 present and wish to address the Board, they should
7 come forward when their matter is called.

8 The first Report and Recommendation
9 before the Board pertains to Sherelle Clausell. Ms.
10 Clausell was issued a Gaming Employee Permit on
11 November 21st, 2014 and worked as a Table Games Dealer
12 at the Rivers Casino. On March 22nd, 2016, the BIE
13 was notified by the Pennsylvania State Police that Ms.
14 Clausell had been arrested and charged with several
15 drug and weapons offenses, including three felony
16 offenses.

17 Specifically, it is alleged that during
18 a field interview of Ms. Clausell's boyfriend at their
19 shared residence, a State Parole Agent saw firearms
20 and heroin in plain sight. He, in turn, called the
21 Pittsburgh Police Department, who investigated, found
22 additional heroin, handguns, prescription tablets and
23 bulletproof vests. As a result of this, both Ms.
24 Clausell and her boyfriend were charged criminally.
25 Those charges remain pending. When brought to the

1 attention of our Executive Director, he issued an
2 Emergency Suspension, and the matter was sent to the
3 Office of Hearings and Appeals (OHA) for the hearing,
4 which led to this Report and Recommendation.

5 Basically, that hearing --- or the
6 recommendation of the Hearing Officer is, since the
7 felony charges against Ms. Clausell remain pending,
8 the suspension should remain in place. And that's the
9 recommendation before the Board.

10 CHAIRMAN:

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

13 MR. MCCALL:

14 Mr. Chairman, I move that the Board
15 adopt the Report and Recommendation issued by the OHA
16 regarding the suspension of Sherelle Clausell's Gaming
17 Employee Occupation Permit, as described by the OCC.

18 MR. MOSCATO:

19 Second.

20 CHAIRMAN:

21 All in favor?

22 ALL SAY AYE

23 CHAIRMAN:

24 All opposed? The motion's adopted.

25 ATTORNEY COOK:

1 Darnell Michael Ellis's Report and
2 Recommendation is the next matter before the Board
3 today. Mr. Ellis holds a Non-Gaming Registration and
4 is employed as a cook at the SugarHouse Casino. On
5 December 7th, 2015 the OEC filed a complaint to
6 suspend Mr. Ellis's Non-Gaming Registration. The
7 complaint alleges that on October 5th of last year,
8 Mr. Ellis --- I'm sorry, October 5th of 2014. Mr.
9 Ellis was charged with fleeing or attempting to elude
10 officers, DUI and being involved in an accident
11 involving damage.

12 Specifically, Mr. Ellis, while
13 intoxicated and driving, got into an accident, failed
14 to stop at the scene of the accident and then fled
15 from police. Ultimately, in early 2016, this
16 gentleman was convicted of misdemeanor charges related
17 to this incident. A hearing on OEC's request for
18 suspension was held on March 17th, 2016. Mr. Ellis
19 appeared at the hearing and offered evidence,
20 essentially testifying that he had made a mistake in
21 this particular incident --- instance. He has no
22 prior criminal history. He, in fact, put in evidence
23 that he is an exemplary employee at SugarHouse for six
24 years, and in fact manages the kitchen at that
25 property. Additionally, Mr. Ellis indicated and OEC

1 concurred that this was his first involvement with
2 criminal law enforcement.

3 After hearing all of the evidence
4 presented, the Hearing Officer issued a Report and
5 Recommendation recommending that OEC's request for a
6 suspension be denied, and in fact he be allowed to
7 continue to hold his Non-Gaming Registration free of
8 any suspension. And that is the recommendation before
9 the Board.

10 CHAIRMAN:

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

13 MR. MOSCATO:

14 Mr. Chairman, I move that the Board
15 adopt the Report and Recommendation issued by the OHA
16 regarding the suspension of Darnell Michael Ellis's
17 Non-Gaming Employee Registration as described by the
18 OCC.

19 MR. RYAN:

20 Second.

21 CHAIRMAN:

22 All in favor?

23 ALL SAY AYE

24 CHAIRMAN:

25 All opposed? The motion's adopted.

1 ATTORNEY COOK:

2 Robert Guest's Report and Recommendation
3 is the next matter before the Board today. Mr. Guest
4 was issued a Gaming Permit in August of 2015 and
5 worked as a security guard at the Hollywood Casino.
6 This past March, the OEC filed a request for an
7 Emergency Suspension of Mr. Guest's Gaming Permit
8 after learning that he'd been charged with sex-related
9 crimes, including several felony offenses.
10 Specifically, it was alleged that Mr. Guest sexually
11 assaulted his ex-girlfriend.

12 A hearing on the validity of the
13 Emergency Suspension put in place by the Executive
14 Director was held on April 6th, 2016. Mr. Guest
15 appeared at the hearing, essentially alleging that the
16 story --- or the allegations of the ex-girlfriend were
17 not true. Notwithstanding that fact, the Hearing
18 Officer recommends that the Emergency Suspension
19 remain in place, as the felony criminal charges --- or
20 certain felony criminal charges remain pending against
21 Mr. Guest. And that is the recommendation before the
22 Board.

23 CHAIRMAN:

24 Questions or comments from the Board?
25 May I have a motion?

1 MR. RYAN:

2 Mr. Chairman, I move that the Board
3 adopt the Report and Recommendation issued by the OHA
4 regarding the suspension of Robert Guest's Gaming
5 Employee Occupation Permit as described by the OCC.

6 MR. WOODS:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 ALL SAY AYE

11 CHAIRMAN:

12 All opposed? The motion's adopted.

13 ATTORNEY COOK:

14 The next matter to be heard by the Board
15 is a Report and Recommendation pertaining to Daniel
16 Lancellotti. In March of 2014, the OEC filed a
17 complaint requesting Mr. Lancellotti be placed on the
18 Board's Exclusion List for leaving his two children,
19 aged 14 and 7, unattended in the concourse lobby at
20 Harrah's Philadelphia while he gamed for approximately
21 15 minutes. Mr. Lancellotti was ultimately placed on
22 the Exclusion List on September 19th, 2014. However,
23 in placing him on the list, the Board indicated that
24 after six months, he could request or petition the
25 Board for a removal from the list. Now, approximately

1 two years later, Mr. Lancellotti is requesting to be
2 removed from the list.

3 A hearing in this matter was held on
4 April 14th. Both OEC and Mr. Lancellotti appeared and
5 offered tense testimony. Essentially, Mr. Lancellotti
6 indicated that his prior conduct was a mistake. He
7 continues to be active in his children's lives, and he
8 further put objective character evidence into the
9 record. Ultimately, after hearing all of the
10 evidence, the Hearing Officer recommends that he, in
11 fact, be removed from the list and --- the Exclusion
12 List. And that is the recommendation before the
13 Board.

14 CHAIRMAN:

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

17 MR. WOODS:

18 Mr. Chairman, I move that the Board
19 adopt the Report and Recommendation issued by the OHA
20 regarding Daniel Lancellotti's Petition to be Removed
21 from the Involuntary Exclusion List as described by
22 the OCC.

23 MR. FAJT:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 ALL SAY AYE

3 CHAIRMAN:

4 All opposed? The motion's adopted.

5 ATTORNEY COOK:

6 The final Report and Recommendation
7 before the Board today is that of Xavier Wells. Mr.
8 Wells was issued a Non-Gaming Registration in 2014 and
9 worked as a bar back at the Lady Luck Casino at
10 Nemacolin. On February 6th of this year, the Bureau
11 of Casino Compliance was notified by the State Police
12 that Mr. Wells had been arrested and charged with
13 numerous criminal offenses, including four felonies.
14 Alleging, basically, that he was involved in the
15 robbery of another individual in which that individual
16 was severely beaten. Upon learning of this matter,
17 the OEC filed a request for an Emergency Order of
18 Suspension, which the Executive Director entered on
19 February 17th, 2016.

20 The hearing on the Emergency Suspension
21 was held on March 3rd. Both OEC and Mr. Wells
22 appeared at that hearing, and Mr. Wells indicated
23 that, in fact, he was not involved in this incident.
24 Notwithstanding that fact, based upon the pending
25 felony charges, the Hearing Officer recommends that

1 the suspension remain in place.

2 CHAIRMAN:

3 Questions or comments from the Board?

4 May I have a motion?

5 MR. FAJT:

6 Mr. Chairman, I move that the Board
7 adopt the Report and Recommendation issued by the OHA
8 regarding the Suspension of Xavier Wells's Non-Gaming
9 Employee Registration as described by the OCC.

10 MR. JEWELL:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 ALL SAY AYE

15 CHAIRMAN:

16 And all opposed? The motion's adopted.

17 ATTORNEY SHERMAN:

18 And that concludes all our matters at
19 this time.

20 CHAIRMAN:

21 Thank you. Thank you very much. Sue
22 Hensel?

23 MS. HENSEL:

24 Thank you, Chairman Barasch and members
25 of the Board. Before the Board today will be three

1 manufacturer-related license applicants and 715
2 Principal Key Gaming and Non-Gaming Employee
3 applicants. In addition, there will be the
4 consideration of 11 Gaming Service Provider
5 applicants.

6 The first matter for your consideration
7 is the approval of a Table Game Manufacturer License
8 for TOTALUP, Inc. TOTALUP is an Ontario, Canada-based
9 company that manufactures player activated Sic Bo dice
10 shaker. TOTALUP, Inc. has asked the Board to grant it
11 a reduced licensing fee. The initial licensing fee
12 for a manufacturer is \$50,000 for a one-year license.

13 Under the Gaming Act, the Board may modify the fee
14 for a Table Game Manufacturer if it determines that
15 the fee will unreasonably limit table game devices or
16 associated equipment. Consistent with this provision
17 of the Act, the Bureau of Licensing has adopted a
18 reduced licensing fee policy, which has previously
19 been presented to the Board. TOTALUP, Inc. has
20 requested a reduced fee of \$5,000, which is consistent
21 with the Bureau of Licensing's policy.

22 The Bureau of Licensing recommends that
23 the Board grant the reduced licensing fee. The Bureau
24 of Investigations and Enforcement (BIE) has completed
25 its investigation, and the Bureau of Licensing has

1 provided you with a background investigation and
2 suitability report for TOTALUP. I have provided you
3 with a draft Order and ask that you consider the Order
4 approving a Table Game Manufacturer License for
5 TOTALUP, Inc., including the reduced licensing fee.

6 CHAIRMAN:

7 Thank you. Enforcement Counsel?

8 ATTORNEY PITRE:

9 Enforcement Counsel has no objection.

10 CHAIRMAN:

11 Questions or comments from the Board?

12 May I have a motion?

13 MR. JEWELL:

14 Mr. Chairman, I move that the Board
15 approve the Table Game Manufacturer License of
16 TOTALUP, Inc., as described by the Bureau of
17 Licensing.

18 MR. MCCALL:

19 Second.

20 CHAIRMAN:

21 All in favor?

22 ALL SAY AYE

23 CHAIRMAN:

24 All opposed? The motion's adopted.

25 MS. HENSEL:

1 Next for your consideration is the
2 approval of Slot Machine and Table Game Manufacturer
3 Licenses for NOVOMATIC Gaming Industries GmbH.
4 NOVOMATIC is an Austria-based company that
5 manufactures slot machines, table games and other
6 gaming-related equipment. The BIE has completed its
7 investigation, and the Bureau of Licensing has
8 provided you with the background investigation and
9 suitability report. I have also provided you with a
10 draft Order and ask that the Board consider the Order
11 to approve the Slot Machine and Table Game
12 Manufacturer Licenses for NOVOMATIC.

13 CHAIRMAN:

14 Any comments from Enforcement Counsel?

15 ATTORNEY PITRE:

16 Enforcement Counsel has no objection.

17 CHAIRMAN:

18 Questions or comments from the Board?

19 May I have a motion?

20 MR. MCCALL:

21 Mr. Chairman, I move that the Board
22 approve the Slot Machine and Table Game Manufacturer
23 Licenses of NOVOMATIC Gaming Industries GmbH, as
24 described by the Bureau of Licensing.

25 MR. MOSCATO:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 ALL SAY AYE

5 CHAIRMAN:

6 All opposed? The motion's adopted.

7 MS. HENSEL:

8 Also for your consideration is the
9 approval of a Slot Machine and Table Game Manufacturer
10 Designee License for NOVOMATIC Americas Sales, LLC.
11 NOVOMATIC Americas Sales is an Illinois-based company
12 that is responsible for the sale and distribution of
13 NOVOMATIC Gaming Industries' products in the United
14 States and Canada.

15 The Bureau of Investigations and
16 Enforcement has completed its investigation, and the
17 Bureau of Licensing has provided you with the
18 background investigation report. I have also provided
19 you with a draft Order and ask that the Board consider
20 the Order to approve the Slot Machine and Table Game
21 Manufacturer Designee Licenses for NOVOMATIC Americas
22 Sales, LLC.

23 CHAIRMAN:

24 Enforcement Counsel?

25 ATTORNEY PITRE:

1 Enforcement Counsel has no objection.

2 CHAIRMAN:

3 Questions or comments from the Board?

4 May I have a motion?

5 MR. MOSCATO:

6 Mr. Chairman, I move that the Board
7 approve the Slot Machine and Table Game Manufacturer
8 Designee Licenses of NOVOMATIC Americas Sales, LLC as
9 described by the Bureau of Licensing.

10 MR. RYAN:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 ALL SAY AYE

15 CHAIRMAN:

16 All opposed? The motion's adopted.

17 MS. HENSEL:

18 Next is the renewal of the Tech Art,
19 Inc. Table Game Manufacturer License. Tech Art is a
20 Las Vegas, Nevada-based company that manufactures the
21 hole card reader that is used in blackjack. Tech Art
22 has asked the Board to grant it a reduced licensing
23 fee for its Table Game Manufacturer License. The
24 renewal fee for a manufacturer is \$90,000 for a three
25 year license.

1 As previously discussed, the Board may
2 modify the fee for a table game manufacturer if it
3 determines that the fee will unreasonably limit table
4 game devices or associated equipment. Tech Art has
5 requested a reduced fee of 0, which is consistent with
6 the Bureau's policy. The Bureau of Licensing
7 recommends that the Board grant the reduced fee.

8 The BIE has completed its investigation
9 of the company, and you have been provided with a
10 background investigation and suitability report. I've
11 also provided you with a draft Order and ask that you
12 consider the Order approving the Table Game
13 Manufacturer License for Tech Art, Inc., including the
14 reduced licensing fee.

15 CHAIRMAN:

16 Enforcement Counsel?

17 ATTORNEY PITRE:

18 Enforcement Counsel has no objection.

19 CHAIRMAN:

20 Questions or comments from the Board?

21 May I have a motion?

22 MR. RYAN:

23 Mr. Chairman, I move that the Board
24 approve the renewal of Tech Art, Inc.'s Table Game
25 Manufacturer License, as described by the Bureau of

1 Licensing.

2 MR. WOODS:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 ALL SAY AYE

7 CHAIRMAN:

8 All opposed? The motion's adopted.

9 MS. HENSEL:

10 Also for your consideration is the
11 approval of Principal and Key Employee Licenses.
12 Prior to this meeting, the Bureau of Licensing
13 provided you with a proposed Order for four Principal
14 and one Key Employee Licenses. I ask that the Board
15 consider the Order approving these licenses.

16 CHAIRMAN:

17 Enforcement Counsel?

18 ATTORNEY PITRE:

19 Enforcement Counsel has no objection.

20 CHAIRMAN:

21 Questions or comments from the Board?

22 May I have a motion?

23 MR. WOODS:

24 Mr. Chairman, I move that the Board
25 approve the issuance of Principal and Key Employee

1 Licenses, as described by the Bureau of Licensing.

2 MR. FAJT:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 ALL SAY AYE

7 CHAIRMAN:

8 All opposed? The motion's adopted.

9 MS. HENSEL:

10 There are also Temporary Key Employee
11 Licenses. Prior to this meeting, the Bureau of
12 Licensing provided you with an Order regarding the
13 issuance of temporary licenses for six Key Employees.
14 I ask that the Board consider the Order approving
15 these licenses.

16 CHAIRMAN:

17 Enforcement Counsel?

18 ATTORNEY PITRE:

19 Enforcement Counsel has no objection.

20 CHAIRMAN:

21 Questions or comments from the Board?

22 May I have a motion?

23 MR. FAJT:

24 Mr. Chairman, I move that the Board
25 approve the issuance of Temporary Key Employee

1 Credentials, as described by the Bureau of Licensing.

2 MR. JEWELL:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 ALL SAY AYE

7 CHAIRMAN:

8 All opposed? The motion's adopted.

9 MS. HENSEL:

10 Next, there are Gaming Permits and Non-
11 Gaming Registrations. Prior to this meeting, the
12 Bureau of Licensing provided you with a list of 462
13 individuals to whom the Bureau has granted temporary
14 or full occupation permits, and 193 individuals to
15 whom the Bureau has granted registrations under the
16 authority delegated to the Bureau of Licensing. I ask
17 that the Board consider a motion approving the Order.

18 CHAIRMAN:

19 Comments from Enforcement Counsel?

20 ATTORNEY PITRE:

21 Enforcement Counsel has no objection.

22 CHAIRMAN:

23 Comments from the Board? May I have a
24 motion?

25 MR. JEWELL:

1 Mr. Chairman, I move that the Board
2 approve the issuance of Gaming Employee Permits and
3 Non-Gaming Employee Registrations as described by the
4 Bureau of Licensing.

5 MR. MCCALL:

6 Second.

7 CHAIRMAN:

8 All in favor?

9 ALL SAY AYE

10 CHAIRMAN:

11 All opposed? The motion's adopted.

12 MS. HENSEL:

13 Also, there are Recommendations of
14 Denial for three Gaming and one Non-Gaming Employee
15 Applicants. In each case, the Applicant failed to
16 request a hearing within the specified timeframe. The
17 Bureau of Licensing has provided you with Orders
18 addressing the Applicants, who the OEC has recommended
19 for denial. I ask that the Board consider a motion
20 approving the denials.

21 CHAIRMAN:

22 Enforcement Counsel?

23 ATTORNEY PITRE:

24 Enforcement Counsel continues to request
25 denial in each instance.

1 CHAIRMAN:

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

4 MR. MCCALL:

5 Mr. Chairman, I move that the Board deny
6 the Gaming and Non-Gaming Employee Applications, as
7 described by the Bureau of Licensing.

8 MR. MOSCATO:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 ALL SAY AYE

13 CHAIRMAN:

14 All opposed? The motion's adopted.

15 MS. HENSEL:

16 Next for your consideration are
17 withdrawal requests for Gaming and Non-Gaming
18 Employees. In each case, the Permit or Registration
19 is no longer required. For today's meeting, I have
20 provided the Board with a list of 38 Gaming and 7 Non-
21 Gaming Employee Withdrawals for approval. I ask that
22 the Board consider the Orders approving the
23 Withdrawals.

24 CHAIRMAN:

25 Enforcement Counsel?

1 ATTORNEY PITRE:

2 Enforcement Counsel has no objection.

3 CHAIRMAN:

4 Comments or questions from the Board?

5 May I have a motion?

6 MR. MOSCATO:

7 Mr. Chairman, I move that the Board
8 approve the Withdrawals as described by the Bureau of
9 Licensing.

10 MR. RYAN:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 ALL SAY AYE

15 CHAIRMAN:

16 All opposed? The motion's adopted.

17 MS. HENSEL:

18 Next, we have an Order to Certify the
19 following Gaming Service Providers. Carnegie Deli
20 Products, Inc. and Sun Rustic, LLC, doing business as
21 Rustic Kitchen. I ask that the Board consider the
22 Order approving these Gaming Service Providers for
23 certification.

24 CHAIRMAN:

25 Enforcement Counsel?

1 ATTORNEY PITRE:

2 Enforcement Counsel has no objection.

3 CHAIRMAN:

4 Questions or comments from the Board?

5 May I have a motion?

6 MR. RYAN:

7 Mr. Chairman, I move that the Board
8 issue an Order to approve the Applications for Gaming
9 Service Provider Certification, as described by the
10 Bureau of Licensing.

11 MR. WOODS:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 ALL SAY AYE

16 CHAIRMAN:

17 All opposed? The motion's adopted.

18 MS. HENSEL:

19 Finally, for your consideration are
20 Gaming Service Provider Registrations. The Bureau of
21 Licensing provided you with an Order and an attached
22 list of nine registered Gaming Service Provider
23 Applicants. I ask that the Board consider the Order
24 registering these Gaming Service Providers.

25 CHAIRMAN:

1 Questions or comments from the Board?

2 ATTORNEY PITRE:

3 Enforcement Counsel has no objection.

4 CHAIRMAN:

5 Thank you. May I have a motion?

6 MR. WOODS:

7 Mr. Chairman, I move that the Board
8 issue an Order to Approve the Applications for Gaming
9 Service Provider Registration, as described by the
10 Bureau of Licensing.

11 MR. FAJT:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 ALL SAY AYE

16 CHAIRMAN:

17 All opposed? The motion's adopted.

18 MS. HENSEL:

19 That concludes the matters of the Bureau
20 of Licensing. Thank you.

21 CHAIRMAN:

22 Thank you.

23 MR. JEWELL:

24 Mr. Chairman, I have a question for Ms.
25 Hensel, please.

1 CHAIRMAN:

2 Yes.

3 MR. JEWELL:

4 I'd like to go back to the top of the
5 list where we're talking about reduction in fees,
6 either for initial registration or continuing
7 registration. And while I have seen the rationale, I
8 think it would be helpful for the record, and you
9 haven't done this for a good while, just in a
10 nutshell, for you to describe the analysis that you
11 --- that's applied to those reductions.

12 MS. HENSEL:

13 Sure. And what we look at is the
14 availability of the product. So we have a chart that
15 we've developed and a policy that we've developed that
16 weighs how many manufacturers there are of a
17 particular product and also look at the amount of
18 money that that company will be making over a rolling
19 12-month period. And we look at --- for instance,
20 with the TOTALUP product, it is a Sic Bo dice shaker.
21 We have other companies that make that product, so it
22 is not eligible for zero license fee, it's eligible
23 for a reduced license fee. In this case, based on the
24 amount of money that it would be making and the fact
25 that other manufacturers produce the product, it

1 qualified for the \$5,000 fee.

2 If you look at the second company that
3 we talked about today, Tech Art, that company makes
4 the hole card reader for blackjack. It's the only
5 company that makes that product. Therefore, when you
6 look at the amount of money that it's going to make
7 and weigh that against the number of other
8 manufacturers that produce the product, it qualified
9 under our policy for a zero licensing fee. And that
10 analysis is conducted each time we receive a request
11 for a reduced license, looking at the amount of money
12 that will be generated and the number of manufacturers
13 that are capable of producing that particular product
14 and offered for sale in Pennsylvania.

15 MR. JEWELL:

16 So the term making --- money making, is
17 revenue?

18 MS. HENSEL:

19 It's revenue, correct

20 MR. JEWELL:

21 The total revenue that you would ---?

22 MS. HENSEL:

23 Correct. The company is required to
24 fill out a form, basically it's an application, with
25 us projecting its income. Now, the Bureau of

1 Licensing monitors that income over the course of the
2 Licensee's tenure. And if they exceed the dollar
3 threshold that they have represented to us, then we go
4 back and we will bill them for an additional licensing
5 fee. And we have had that happen in the past.

6 MR. JEWELL:

7 It would be an estimation only, and if
8 you're able to make it, what percentage of these ---
9 this classification of Licensees are --- have reduced
10 numbers, instead of the full thrust of what we charge?

11 MS. HENSEL:

12 It's the minority of our Licensees would
13 qualify for the reduced licensing fee.

14 MR. JEWELL:

15 Thank you very much, Mr. Chairman.

16 CHAIRMAN:

17 Thank you.

18 MS. HENSEL:

19 Thank you.

20 CHAIRMAN:

21 And next --- nothing else? Next, Valley
22 --- we have a --- let's see, it's a ---

23 MR. MCCALL:

24 Yeah, Valley Forge.

25 CHAIRMAN:

1 --- Consent Decree for Valley Forge
2 Convention Center Partnership.

3 ATTORNEY STUART:

4 Thank you. Glen Stuart for the OEC.
5 Again it's, S-T-U-A-R-T. Next for the Board's
6 consideration is a Consent Agreement entered into
7 between the OEC and Category 3 Slot Machine Licensee,
8 Valley Forge Convention Center Partners, LP doing
9 business as Valley ---.

10 CHAIRMAN:

11 One second.

12 ATTORNEY STUART:

13 I'm sorry.

14 CHAIRMAN:

15 I'd like Counsel, or whoever's appearing
16 on behalf of Valley Forge, to identify themselves for
17 the record, as well.

18 ATTORNEY FABIUS:

19 Good morning, Chairman. This is Michael
20 Fabius, F-A-B-I-U-S, from the Law Firm Ballard Spahr
21 representing Valley Forge Casino. To my left is Gib
22 Morrissey, Executive Director of Security.

23 CHAIRMAN:

24 I think you need to stand to be sworn,
25 in case you might be ask a question.

1 MR. MORRISSEY:

2 Yes, sir.

3 -----
4 GIB MORRISSEY, HAVING FIRST BEEN DULY SWORN, TESTIFIED
5 AS FOLLOWS:
6 -----

7 CHAIRMAN:

8 Thank you.

9 ATTORNEY FABIUS:

10 Mr. Chairman, if I may. Also, in the
11 room with me is our Director of Food and Beverage,
12 Scott Osborne, in case the Commissioners have any
13 questions he might be appropriate for.

14 CHAIRMAN:

15 We'll swear him if that happens.

16 ATTORNEY FABIUS:

17 Sure.

18 CHAIRMAN:

19 Thank you.

20 ATTORNEY FABIUS:

21 Thank you.

22 CHAIRMAN:

23 Go ahead, Glen.

24 ATTORNEY STUART:

25 Okay. Again as I said, a Consent

1 Agreement is now pending before the Board with
2 relation to OEC and Valley Forge Convention Center
3 Partners, LP doing business as Valley Forge Casino
4 Resort. On February 24th, 2016 an 18-year-old
5 individual was afforded access to Valley Forge's
6 gaming floor as the guest of a seasonal dining club
7 member. Prior to accessing the gaming floor, the
8 underage individual presented, to a Valley Forge
9 security officer, a valid Pennsylvania driver's
10 license belonging to another individual whose age was
11 over 21. The security officer ran the identification
12 through Valley Forge's electronic ID scanner, which
13 confirmed the identification's authenticity. The
14 security officer then visually examined the
15 identification and allowed the underage individual to
16 access the gaming floor.

17 While on the gaming floor, Valley Forge
18 beverage servers and bartenders served the underage
19 individual approximately nine alcoholic beverages
20 during a two-and-a-half hour period. There is no
21 evidence to suggest or illustrate that any bartender
22 or beverage server requested identification from the
23 underage individual prior to serving her alcohol. The
24 underage individual also withdrew cash in an automated
25 teller machine while on the gaming floor. However,

1 there is no evidence to suggest or illustrate that the
2 underage individual wagered at any slot machine or
3 table game while on the gaming floor. After
4 approximately two-and-a-half hours, the underage
5 individual and the membership holder exited the gaming
6 floor and proceeded to the Radisson Hotel portion of
7 the licensed facility.

8 Approximately 30 minutes later, the
9 underage individual attempted to reenter the gaming
10 floor as the guest of a different membership holder.
11 The security officer at the gaming floor's main
12 entrance requested the underage individual provide
13 identification to show proof of age. The underage
14 individual provided the same Pennsylvania driver's
15 license she used earlier in the evening. The security
16 officer ran the identification through Valley Forge's
17 electronic ID scanner, which again confirmed the
18 identification's validity. However, the security
19 officer questioned whether the underage individual was
20 the person depicted in the driver's license
21 photograph. The security officer notified a security
22 supervisor to examine the identification.

23 The security supervisor asked the
24 underage individual questions relating to the
25 information on the identification, such as the name,

1 address and date of birth. The underage individual
2 was unable to correctly answer the date of birth
3 question. As a result, the security supervisor
4 escorted the underage individual to the Security
5 Administration Office. While walking to the Security
6 Administration Office, the underage individual
7 admitted to Valley Forge security that the driver's
8 license belonged to a friend. She acknowledged her
9 true identity and she admitted that she was not 21
10 years of age.

11 The underage individual was on Valley
12 Forge's gaming floor for approximately two-and-a-half
13 hours and consumed alcoholic beverages while on the
14 gaming floor. However, there is no evidence to
15 suggest or illustrate that the underage individual
16 placed any wagers at any slot machine or table game
17 while on Valley Forge's gaming floor. Valley Forge
18 permanently evicted the underage individual and the
19 membership holder from its licensed facility on
20 February 25th, 2016. And on March 2nd, 2016 the
21 Pennsylvania State Police cited the underage
22 individual with one count of carrying a false
23 identification card and one count of purchasing an
24 alcoholic beverage by a minor. The underage
25 individual pled guilty to both of these charges on

1 March 18th, 2016.

2 The terms of the Consent Agreement would
3 require Valley Forge to pay a civil penalty in the
4 amount of \$10,000 for allowing one individual under
5 the age of 21 to gain access to its gaming floor and
6 for allowing one individual under the age of 21 to
7 consume alcoholic beverages while on the gaming floor.
8 Valley Forge would also be required to remit \$2,500 to
9 the Board for expenses incurred during the
10 investigation relating to this Consent Agreement. As
11 such, this Consent Agreement is now ripe for the
12 Board's consideration.

13 CHAIRMAN:

14 Any comments from Valley Forge?

15 ATTORNEY FABIOUS:

16 Briefly, Chairman. Michael Fabius
17 again, on behalf of Valley Forge. We concur in the
18 recitation of facts by Mr. Stuart. While it's not a
19 defense, I'd like to take a moment to report on the
20 discipline doled out to the employees involved. The
21 security officer that missed the borrowed ID, that
22 failed to recognize that the individual was presenting
23 somebody else's ID, was terminated on account of this
24 incident.

25 Four beverage servers were responsible

1 for failing to request ID during the two-and-a-half
2 hours, all four of those were on clean disciplinary
3 records. They were given sort of written warnings on
4 steroids, so technically it's a written warning as an
5 intermediary disciplinary measure. But the written
6 warning noted that if they had another alcohol-related
7 incident like this one, they would skip final written
8 and go right to termination. So if there's something
9 not alcohol related, they get one more strike. If
10 it's something like this, they're terminated. With
11 that, I give Gib a moment to talk briefly about the
12 measures at the security gate.

13 MR. MORRISSEY:

14 Good morning, Chairman, members of the
15 Board. First, I want to thank you for the opportunity
16 to speak on behalf of the Valley Forge Casino Resort.

17 I'd like to assure you, the Board, that employees at
18 Valley Forge Casino Resort take the matter of underage
19 gaming and its prevention seriously. The Valley Forge
20 Casino Resort has been able to reduce the amount of
21 underage patrons accessing the casino floor year over
22 year.

23 The reason for this is the technology that we
24 have implemented, along with the training that
25 security officers receive. Because of the technology

1 that we have implemented, there are only two ways a
2 security officer can fail in preventing an underage
3 from accessing the casino. One, if the security
4 officer does not ask for the identification, and two,
5 if the security officer fails to compare the
6 identification to the person presenting it. In the
7 case before you today, the security officer failed to
8 compare the identification to the person presenting
9 it. For this, we accept full responsibility. As Mr.
10 Fabius has stated prior, the security officer was
11 terminated for his actions on that day.

12 In order to reduce the number of
13 failures occurring within security staff, random
14 audits are being conducted by security supervisors and
15 managers for security officers posted at the entrance
16 to the casino. It is our hope that this will help to
17 reduce or eliminate any incidents such as this from
18 occurring in the future. Thank you very much.

19 CHAIRMAN:

20 Thank you. Any questions or comments
21 from the Board?

22 MR. JEWELL:

23 Yes, I do have one, Mr. Chairman, and
24 that is the termination of the security officer. Was
25 that a result of progressive discipline, or was that a

1 result of zero tolerance first time offense, you're
2 gone?

3 ATTORNEY FABIOUS:

4 Go ahead.

5 MR. MORRISSEY:

6 That was a result of progressive
7 discipline, sir.

8 MR. FAJT:

9 Mr. Chairman?

10 CHAIRMAN:

11 Yes.

12 MR. FAJT:

13 Thank you. Just a quick question, Mr.
14 Morrissey. I know that your Beach Club there is
15 immensely popular, obviously. We're in the middle of
16 summer. Any issues there with alcohol, fighting or
17 access to the gaming floor that we should be aware of?

18 MR. MORRISSEY:

19 Speaking specifically to that, knock on
20 wood, sir. Not to date.

21 MR. FAJT:

22 Good. Thank you.

23 CHAIRMAN:

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

1 MR. JEWELL:

2 Mr. Chairman, I move that the Board
3 issue an Order to approve the Consent Agreement
4 between the OEC and Valley Forge Convention Center
5 Partners, LP, as described by the OEC.

6 MR. MCCALL:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 ALL SAY AYE

11 CHAIRMAN:

12 All opposed? The motion's adopted.

13 ATTORNEY FABIUS:

14 Thank you.

15 ATTORNEY STUART:

16 Thank you.

17 ATTORNEY PITRE:

18 The next matter we have on the agenda is
19 a Consent Agreement between the OEC and the Sands
20 Bethworks. My assistant has informed me that Sands is
21 not here today, so I'll leave it to the Board's
22 discretion as to whether or not they would like this
23 matter tabled until ---.

24 CHAIRMAN:

25 Yeah, we'll pass over it until next

1 time. That's what we're going to do.

2 ATTORNEY PITRE:

3 The next nine matters on the agenda
4 consist of enforcement actions in which the OEC have
5 filed complaints seeking the revocation of three
6 Gaming Permits and four Non-Gaming Registrations, as
7 well as the Suspension of two Non-Gaming Registrations
8 issued to individuals by the Board. Each complaint
9 has been filed with the Board's OHA and properly
10 served upon the individual named in the complaint.

11 The individual named in each complaint
12 failed to respond within 30 days, as required by Board
13 regulation. As a result, the OEC filed a Request for
14 Default Judgment and properly served the same upon
15 each named individual. Thereby, the facts in each
16 complaint are deemed admitted. All filed documents
17 have been provided to the Board, and the matters are
18 presently ripe for Board consideration. In each
19 instance, we will provide a brief summary of the facts
20 and request the appropriate Board action.

21 ATTORNEY ARMSTRONG:

22 Chairman and Commissioners, James
23 Armstrong for the OEC. The first matter is a motion
24 to consider the Revocation of Randy Johnson's Gaming
25 Employee Permit. On March 14th, the OEC filed a

1 complaint to revoke Mr. Johnson's gaming permit. The
2 basis for the complaint was Mr. Johnson's conduct
3 amounting to theft while employed as a security
4 officer at SugarHouse Casino.

5 Mr. Johnson, while on duty, was recorded
6 on surveillance talking --- taking patron's lost cell
7 phones from the Lost and Found bin in the security
8 dispatch room. He admitted the theft to the
9 Pennsylvania State Police. Mr. Johnson was not
10 criminally charged, but he was terminated from
11 SugarHouse for theft and violating the Lost and Found
12 Policy. Mr. Johnson did not request a hearing. OEC
13 asks that you declare judgment by default and revoke
14 his credential.

15 CHAIRMAN:

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

18 MR. RYAN:

19 Mr. Chairman, I move that the Board
20 issue an Order to approve the revocation of Randy
21 Johnson's Gaming Employee Occupation Permit as
22 described by the OEC.

23 MR. WOODS:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 ALL SAY AYE

3 CHAIRMAN:

4 All opposed? The motion's adopted.

5 ATTORNEY ARMSTRONG:

6 Chairman and Commissioners, the next
7 matter is a motion to consider the Revocation of Mark
8 Stewart's Non-Gaming Employee Registration. On March
9 8th, the OEC filed a complaint to revoke Mr. Stewart's
10 Non-Gaming Employee Registration. The basis for the
11 complaint was Mr. Stewart's conduct amounting to theft
12 while employed as an EVS attendant at SugarHouse
13 Casino. Mr. Stewart, while on duty, was recorded on
14 surveillance sweeping up a \$100 bill reported lost by
15 a patron. He denied taking it to security, and the
16 lost money was never returned to the patron.

17 Mr. Stewart was not criminally charged,
18 but he was terminated from SugarHouse Casino for theft
19 and violation of the Lost and Found Policy. Mr.
20 Stewart did not request a hearing, and the OEC
21 requests that the Board enter judgment upon default
22 and revoke his credential.

23 CHAIRMAN:

24 Questions or comments? May I have a
25 motion?

1 MR. WOODS:

2 Mr. Chairman, I move that the Board
3 issue an Order to approve the Revocation of Mark
4 Stewart's Non-Gaming Employee Registration as
5 described by the OEC.

6 MR. FAJT:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 ALL SAY AYE

11 CHAIRMAN:

12 All opposed? The motion's adopted.

13 ATTORNEY ARMSTRONG:

14 Thank you. The next matter is the
15 motion to consider the Revocation of Brandon
16 Williams's Non-Gaming Employee Registration. On March
17 4th, OEC filed a complaint to revoke Mr. Williams's
18 Non-Gaming Employee Registration. The basis for the
19 complaint was Mr. Williams's conduct amounting to
20 theft by deception while employed as a security
21 officer of SugarHouse Casino. Mr. Williams, while on
22 duty at an off-site employee parking lot, was observed
23 on surveillance coverage accepting money from non-
24 employees who had parked in the lot.

25 After security confronted him, Mr.

1 Williams admitted that he knew he was not authorized
2 to allow non-employees to park at the off-site
3 employee parking lot, and he was not authorized to
4 accept money from the non-employees for allowing it.
5 Mr. Williams was not criminally charged, but he was
6 terminated from SugarHouse Casino. He has not
7 requested a hearing, and we'd ask that you would enter
8 judgment upon default.

9 CHAIRMAN:

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

12 MR. FAJT:

13 Mr. Chairman, I move that the Board
14 issue an Order to approve the revocation of Brandon
15 Williams's Non-Gaming Employee Registration as
16 described by the OEC.

17 MR. JEWELL:

18 Second.

19 CHAIRMAN:

20 All in favor?

21 ALL SAY AYE

22 CHAIRMAN:

23 All opposed? The motion's adopted.

24 ATTORNEY FERRELL:

25 Chairman, members of the Board, Benjamin

1 Ferrell, F-E-R-R-E-L-L. The next matter for your
2 consideration is that of Cady Dowlen. On March 2nd,
3 2016, Ms. Dowlen engaged in slot and table game play
4 at Presque Isle Downs and Casino while still employed
5 by that facility. At this time, OEC would request
6 that the Board suspend Cady Dowlen's Non-Gaming
7 Employee Registration for a period of 30 days.

8 CHAIRMAN:

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

11 MR. JEWELL:

12 Mr. Chairman, I move that the Board
13 issue an Order to approve the Suspension of Cady
14 Dowlen's Non-Gaming Employee Registration for 30 days,
15 based upon the information presented by the OEC.

16 MR. MCCALL:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 ALL SAY AYE

21 CHAIRMAN:

22 All opposed? The motion's adopted.

23 ATTORNEY FERRELL:

24 The next matter for your consideration
25 is that of Jennifer Goho. On April 7th, 2016 Ms.

1 Goho, while employed with Presque Isle Downs Casino,
2 took a patron's voucher and left the facility without
3 returning the voucher to the patron. At this time,
4 OEC requests that the Board revoke Ms. Goho's Non-
5 Gaming Employee Registration.

6 CHAIRMAN:

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

9 MR. MCCALL:

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

14 MR. MOSCATO:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 All opposed? The motion's adopted.

21 ATTORNEY ADAMS:

22 Mr. Chairman and members of the Board,
23 good morning. Kim Adams for the OEC. The next matter
24 for the Board's consideration is the Revocation of
25 Heather Kolessar's Gaming Employee Permit. Ms.

1 Kolessar stole \$2,500 from a cash drawer while working
2 as a cage cashier at Mohegan Sun Pocono and was
3 charged with felony theft by unlawful taking and
4 receiving stolen property. The OEC is requesting that
5 Ms. Kolessar's Gaming Employee Permit be revoked.

6 CHAIRMAN:

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

9 MR. MOSCATO:

10 Mr. Chairman, I move that the Board
11 issue an Order to approve the Revocation of Heather
12 Kolessar's Gaming Employee Occupation Permit as
13 described by the OEC.

14 MR. RYAN:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 All opposed? The motion's adopted.

21 ATTORNEY STUART:

22 Glen Stuart, again, for the OEC. Next
23 for the Board's consideration is a complaint to
24 suspend Todd Davis's Non-Gaming Registration. Mr.
25 Davis was most recently employed as a cook at Lady

1 Luck Casino in Nemaocolin. On or about March 25th,
2 2016, Board Staff was notified that Mr. Davis was
3 arrested and charged with one count of forgery, one
4 count of theft by deception and one count of theft by
5 unlawful taking.

6 These charges are the result of Mr.
7 Davis admitting to taking checks belonging to his
8 mother without her knowledge or permission, signing
9 his mother's name to the checks without her knowledge
10 or permission, cashing said checks without her --- his
11 mother's knowledge or permission and retaining the
12 cash for himself. These charges remain pending
13 against Mr. Davis at this time. As such, the OEC
14 respectfully requests the Board suspend the Non-Gaming
15 Registration of Todd Davis, pending the outcome of his
16 criminal matter.

17 CHAIRMAN:

18 Questions or comments from the Board?
19 Can I have a motion?

20 MR. RYAN:

21 Mr. Chairman, I move that the Board
22 issue an Order to approve the Suspension of Todd
23 Davis's Non-Gaming Employee Registration until at
24 least disposition of his criminal charges, at which
25 time he may petition the Board to have his suspension

1 lifted.

2 MR. WOODS:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 ALL SAY AYE

7 CHAIRMAN:

8 All opposed? The motion's adopted.

9 ATTORNEY TEPPER:

10 Good afternoon, Chairman Barasch,
11 members of the Board. David Tepper, T-E-P-P-E-R, the
12 Assistant Enforcement Counsel with the OEC. I have
13 for your consideration today a complaint to revoke the
14 Non-Gaming Employee Registration of Taieff Hall. Mr.
15 Hall was involved in a domestic dispute, subsequent to
16 which he was charged with assault, reckless
17 endangerment and possession of instrument of a crime.
18 These charges are still pending. At this point, the
19 OEC requests that the Board revoke Taieff Hall's Non-
20 Gaming Employee Registration.

21 CHAIRMAN:

22 Questions or comments from the Board?

23 May I have a motion?

24 MR. WOODS:

25 Mr. Chairman, I move that the Board

1 issue an Order to approve the Revocation of Taieff
2 Hall's Non-Gaming Employee Registration, as described
3 by the OEC.

4 MR. FAJT:

5 Second.

6 CHAIRMAN:

7 All in favor?

8 ALL SAY AYE

9 CHAIRMAN:

10 All opposed? The motion's adopted.

11 ATTORNEY TEPPER:

12 The next matter is a complaint to revoke
13 the Gaming Employee Permit of Michael Tafuri. Mr.
14 Tafuri pled guilty to felony level theft after
15 defrauding his elderly neighbor out of approximately
16 \$31,000. At this point, the OEC requests that the
17 Board revoke the Gaming Employee Permit of Michael
18 Tafuri.

19 CHAIRMAN:

20 Questions or comments from the Board?

21 May I have a motion?

22 MR. FAJT:

23 Mr. Chairman, I move that the Board
24 issue an Order to approve the Revocation of Michael
25 Tafuri's Gaming Employee Occupation Permit as

1 described by the OEC.

2 MR. JEWELL:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 ALL SAY AYE

7 CHAIRMAN:

8 All opposed? The motion's adopted.

9 ATTORNEY PITRE:

10 The remaining 11 matters on the agenda
11 consist of enforcement actions in which the OEC has
12 filed petitions seeking the Involuntary Exclusion of
13 individuals whose presence in a licensed facility are
14 inimical to the interests of the Commonwealth and/or
15 licensed gaming therein. In each instance, a Petition
16 for Exclusion has been filed with the Board's OHA and
17 properly served upon the individual named in the
18 petition.

19 The individual named in the petition
20 failed to respond within 30 days, as required by Board
21 regulation. As a result, the OEC filed a request for
22 default judgment in each instance and properly served
23 the same upon each individual. Thereby all facts in
24 each petition are deemed admitted. All filed
25 documents have been provided to the Board, and the

1 matters are presently ripe for the Board's
2 consideration. In each instance, we once again will
3 read a brief summary of the facts and request the
4 appropriate Board action.

5 CHAIRMAN:

6 Thank you.

7 ATTORNEY ARMSTRONG:

8 And Chairman, Commissioners, James
9 Armstrong again for the OEC. The first motion here is
10 a motion to consider a Board Order to add Victor
11 Tirado to the Board's Involuntary Exclusion List.
12 Commissioners, on March 4th, the OEC filed a petition
13 seeking to place Mr. Tirado on the Board's Excluded
14 Persons List as a result of his conduct while a patron
15 at SugarHouse Casino. Mr. Tirado was investigated by
16 the Pennsylvania State Police for allegedly attempting
17 to pass a counterfeit \$20 bill while attempting to
18 play at an Ultimate Texas Hold 'Em game.

19 Mr. Tirado was also investigated by the
20 Philadelphia Police at SugarHouse Casino for leaving
21 his children, an eight year old and a nine year old,
22 unattended in his vehicle in the parking lot at the
23 casino while he was in the casino for approximately
24 one hour. Mr. Tirado was not charged with any
25 criminal offenses regarding the counterfeit \$20 bill

1 and was allowed to return to his vehicle and children.
2 The Philadelphia Police investigated Mr.
3 Tirado for leaving his children in the vehicle, but
4 did not charge him with any criminal offenses. Mr.
5 Tirado was formally evicted from SugarHouse Casino.
6 Mr. Tirado did not request a hearing. Accordingly,
7 the OEC asks that you enter judgment upon default and
8 put him on the Board's Involuntary State Exclusion
9 List. Thank you.

10 CHAIRMAN:

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

13 MR. JEWELL:

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

18 MR. MCCALL:

19 Second.

20 CHAIRMAN:

21 All in favor?

22 ALL SAY AYE

23 CHAIRMAN:

24 All opposed? The motion's adopted.

25 ATTORNEY TEPPER:

1 Again, David Tepper with the OEC. The
2 next three matters arise out of the same fact pattern,
3 and with your permission I would like to address the
4 fact pattern as one and pin each default individually.
5 Jason Mitchell, Andrew Turner and Michael Turner
6 engaged in a conspiracy to pass approximately \$8,600
7 worth of counterfeit currency at Mount Airy and
8 Mohegan Sun Casinos.

9 Each individual was charged by the US
10 Attorney's Office. Jason Mitchell has pled guilty to
11 federal counterfeiting charges, and charges against
12 Andrew and Michael Turner remain pending in the Middle
13 District. With regards to Jason Mitchell, the OEC
14 requests that the Board add Jason Mitchell to the
15 Board's Involuntary Exclusion List.

16 CHAIRMAN:

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

19 MR. MCCALL:

20 Mr. Chairman, I move that the Board
21 issue an order to approve the addition of Jason
22 Mitchell to the Pennsylvania Gaming Control Board
23 Involuntary Exclusion List as described by the OEC.

24 MR. MOSCATO:

25 Second.

1 CHAIRMAN:

2 All in favor?

3 ALL SAY AYE

4 CHAIRMAN:

5 All opposed? The motion's adopted.

6 ATTORNEY TEPPER:

7 With regards to Andrew Turner, the OEC
8 requests that the Board add Andrew Turner to the
9 Board's Involuntary Exclusion List.

10 CHAIRMAN:

11 Questions or comments from the Board?

12 May I have a motion?

13 MR. MOSCATO:

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

18 MR. RYAN:

19 Second.

20 CHAIRMAN:

21 All in favor?

22 ALL SAY AYE

23 CHAIRMAN:

24 All opposed? The motion's adopted.

25 ATTORNEY TEPPER:

1 And with regards to Michael Turner, the
2 OEC requests that the Board add Michael Turner to the
3 Board's Involuntary Exclusion List.

4 CHAIRMAN:

5 Questions or comments from the Board?
6 May I have a motion?

7 MR. RYAN:

8 Mr. Chairman, I move that the Board
9 issue an Order to approve the addition of Michael
10 Turner to the PGCB Involuntary Exclusion List, as
11 described by the OEC.

12 MR. WOODS:

13 Second.

14 CHAIRMAN:

15 All in favor?

16 ALL SAY AYE

17 CHAIRMAN:

18 All opposed? The motion's adopted.

19 ATTORNEY ADAMS:

20 The next matter for the Board's
21 consideration is the placement of Heather Kolessar on
22 the Board's Involuntary Excluded Persons List. Ms.
23 Kolessar stole \$2,500 from a cash drawer while working
24 as a cage cashier at Mohegan Sun Pocono, was charged
25 with felony theft by unlawful taking and receiving

1 stolen property. The OEC's requesting Ms. Kolessar be
2 placed on the Excluded Persons List.

3 CHAIRMAN:

4 Questions or comments from the Board?
5 May I have a motion?

6 MR. WOODS:

7 Mr. Chairman, I move that the Board
8 issue an Order to approve the addition of Heather
9 Kolessar to the PGCB Involuntary Exclusion List, as
10 described by the OEC.

11 MR. FAJT:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 ALL SAY AYE

16 CHAIRMAN:

17 All opposed? The motion's adopted.

18 ATTORNEY ADAMS:

19 The next matter for the Board's
20 consideration is the placement of Scott Long on the
21 Board's Involuntary Excluded Persons List. While at
22 Mohegan Sun Pocono Mr. Long stole a \$500 chip from
23 another patron while playing Let It Ride Poker. Mr.
24 Long was criminally charged, and his charges are still
25 pending. The OEC's requesting Mr. Long be placed on

1 the Excluded Persons List.

2 CHAIRMAN:

3 Questions or comments from the Board?

4 May I have a motion?

5 MR. FAJT:

6 Mr. Chairman, I move that the Board
7 issue an Order to approve the addition of Scott Long
8 to the PGCB Involuntary Exclusion List as described by
9 the OEC.

10 MR. JEWELL:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 ALL SAY AYE

15 CHAIRMAN:

16 All opposed? The motion's adopted.

17 ATTORNEY STUART:

18 Glen Stuart again for the OEC. The next
19 two matters have the same fact pattern, so if it's all
20 right I'll just read one fact pattern. Next for the
21 Board's consideration are petitions to place Kelly
22 Weir and Hung Nguyen on the Board's Exclusion List.
23 On February the 22nd, 2016, as part of a negotiated
24 plea deal, Ms. Weir was --- Ms. Weir pled guilty to
25 theft by deception and conspiracy charges for her role

1 in stealing approximately \$40,000 from the Valley
2 Forge Casino Resort while she was employed as a hotel
3 credit manager.

4 Also on February 22nd, 2016, as part of
5 a negotiated plea agreement, Mr. Nguyen pled guilty to
6 one count of conspiracy for his role in the theft
7 while he was employed as a convention center services
8 manager at Valley Forge. Specifically, Ms. Weir and
9 Mr. Nguyen would underestimate the anticipated revenue
10 for a particular event or vendor, then collect the
11 actual cost and remove the difference in cash and take
12 it.

13 By way of a negotiated plea deal, again
14 Ms. Weir pled guilty to theft by deception and
15 conspiracy charges, and she was placed on probation
16 for seven years. She was required to pay restitution
17 to Valley Forge in the amount of \$25,000. She was
18 required to testify truthfully against her co-
19 Defendant. She was required to pay court costs and
20 complete 72 hours of community service, and she's also
21 required to have no contact with Valley Forge.

22 Mr. Nguyen's negotiated plea deal
23 required him to plead guilty to conspiracy charges.
24 He also was placed on probation for seven years. He
25 is required to pay restitution to Valley Forge in the

1 amount of \$15,000. He is required to testify
2 truthfully against his co-defendant and pay court
3 costs, and he's also required to stay away from Valley
4 Forge. The OEC now requests that Hung Nguyen be
5 placed on the Board's Exclusion List.

6 CHAIRMAN:

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

9 MR. JEWELL:

10 Mr. Chairman, I move that the Board
11 issue an Order to approve the addition of Hung Nguyen
12 to the PGCB Involuntary Exclusion List, as described
13 by the OEC.

14 MR. MCCALL:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 All opposed? The motion's adopted.

21 ATTORNEY STUART:

22 The OEC now requests that the Board
23 place Kelly Weir on the Exclusion List.

24 CHAIRMAN:

25 Questions or comments from the Board?

1 May I have a motion?

2 MR. MCCALL:

3 Mr. Chairman, I move that the Board
4 issue an order to approve the addition of Kelly Weir
5 to the Pennsylvania Gaming Control Board Involuntary
6 Exclusion List as described by the OEC.

7 MR. MOSCATO:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 ALL SAY AYE

12 CHAIRMAN:

13 All opposed? The motion's adopted.

14 ATTORNEY STUART:

15 Next for the Board's consideration is a
16 petition to place Caree Dodson on the Board's
17 Exclusion List. Ms. Dodson used false identification
18 to try to access the gaming floor at the Valley Forge
19 Casino Resort while Ms. Dodson was under the age of
20 21. Valley Forge evicted Ms. Dodson from its facility
21 as a result of her actions. As such, the OEC requests
22 that the Board place Caree Dodson on the Exclusion
23 List.

24 CHAIRMAN:

25 Questions or comments from the Board?

1 May I have a motion?

2 MR. MOSCATO:

3 Mr. Chairman, I move that the Board
4 issue an Order to approve the addition of Caree Dodson
5 to the PGCB Involuntary Exclusion List, as described
6 by the OEC. I further move that Ms. Dodson may
7 petition for removal from the exclusion list after one
8 year.

9 MR. RYAN:

10 Second.

11 CHAIRMAN:

12 All in favor?

13 ALL SAY AYE

14 CHAIRMAN:

15 All opposed? The motion's adopted.

16 ATTORNEY ROLAND:

17 Michael Roland with Enforcement Counsel,
18 and this is a request to place Kyrayaha Fort on the
19 Involuntary Exclusion List. Ms. Fort, who's age 20,
20 gained access to the gaming floor at Sands Casino by
21 providing a false identification, and then she played
22 slot machines. Ms. Fort was permanently evicted by
23 Sands security and was charged by Pennsylvania State
24 Police with carrying a false identification card. The
25 matter is now before the Board to consider the

1 placement of Kyrayaha Fort on the Board's Involuntary
2 Exclusion List.

3 CHAIRMAN:

4 Questions or comments from the Board?
5 May I have a motion?

6 MR. RYAN:

7 Mr. Chairman, I move that the Board
8 issue an Order to approve the addition of Kyrayaha
9 Fort to the PGCB Involuntary Exclusion List until at
10 least her 22nd birthday, at which time she may
11 petition for removal from the list.

12 CHAIRMAN:

13 Is there a second?

14 MR. WOODS:

15 Yes, second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 All opposed? The motion's adopted.

21 ATTORNEY ROLAND:

22 And next is a request to place Michael
23 Roane on the Involuntary Exclusion List. Mr. Roane,
24 age 18, was unchallenged by security and gained access
25 to the gaming floor at Sands. He did not game,

1 however, he consumed two alcoholic beverages. Mr.
2 Roane was in possession of a fake identification and
3 was charged by the Pennsylvania State Police with
4 carrying a false identification card and purchase and
5 consumption of alcohol by an underage. He entered a
6 guilty plea to both of those charges, and the matter
7 is now before the Board to consider the placement of
8 Michael Roane on the Board's Involuntary Exclusion
9 List.

10 CHAIRMAN:

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

13 MR. WOODS:

14 Mr. Chairman, I move the Board issue an
15 Order to approve the addition of Michael Roane to the
16 PGCB Involuntary Exclusion List until at least his
17 22nd birthday, at which time he may petition for
18 removal from the list.

19 MR. FAJT:

20 Second.

21 CHAIRMAN:

22 All in favor?

23 ALL SAY AYE

24 CHAIRMAN:

25 All opposed? The motion's adopted.

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ATTORNEY ROLAND:

Thank you.

ATTORNEY PITRE:

That concludes our regularly scheduled business.

CHAIRMAN:

Thank you very much. Public comment. As I mentioned in the beginning, the final item of the agenda is going to be a public hearing regarding OEC's Recommendation of Denial and Abandonment or Abandonment of Endeka Entertainment's Category 1 License. But before we start that hearing, we're going to take a short break to get something to eat. I'd say a quarter until 1:00 would be a good time. That's 30 minutes from now. Thank you very much.

HEARING HELD

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PUBLIC MEETING CONCLUDED AT 12:15 P.M.

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CERTIFICATE

I hereby certify that the foregoing proceedings,
hearing held before Chairman Barasch was reported by
me on 7/13/16 and that I, Danielle Obert, read this
transcript, and that I attest that this transcript is
a true and accurate record of the proceeding.



Danielle Obert,

Court Reporter