

PENNSYLVANIA GAMING CONTROL BOARD

PHILADELPHIA MARRIOTT HOTEL
SALON H
PHILADELPHIA, PENNSYLVANIA

TUESDAY, MARCH 15, 2005, 3:03 P.M.

BEFORE:

THOMAS DECKER, CHAIRMAN
MARY DiGIACOMO COLINS
WILLIAM P. CONABOY
JEFFREY W. COY
KENNETH T. McCABE
JOSEPH W. MARSHALL, III
SANFORD RIVERS
GREGORY C. FAJT, SECRETARY OF REVENUE
DENNIS WOLFF, SECRETARY OF AGRICULTURE

HILLARY M. HAZLETT, REPORTER
NOTARY PUBLIC

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1 CHAIRMAN DECKER: Good afternoon, everyone.
2 Thank you for coming to the meeting. I'm Tad Decker.
3 I'm Chairman of the Pennsylvania Gaming Control
4 Board. I would like to welcome the Board and all of
5 you to this meeting of the Board.

6 We do not have a quorum yet. Chip Marshall
7 is running a little late. We can do some of the
8 meeting and then we'll have a quorum.

9 I'm noting for the record, you can read the
10 signs as well as I can, that each of the Board
11 members are here and Chip will be here shortly.

12 The minutes for the last meeting are
13 available on our website; and you will note, as
14 usual, this meeting is also being recorded by a
15 stenographer.

16 Let's start with the Pledge of Allegiance.
17 Thank you.

18 (Pledge of Allegiance.)

19 CHAIRMAN DECKER: Thank you. Our first
20 item of business today is going to be an update on
21 the regulations and the report on the Legislative
22 Working Group.

23 I want to thank a number of people -- Mary
24 is going to cover that in detail -- who have
25 volunteered their time in addition to our own massive

1 staff to help us on this project.

2 At the last meeting, Commissioner Colins
3 discussed the work that had been done on our initial
4 set of general regs and, again, it was an initial
5 set, relating to manufacturer and licensing
6 applications. I have asked Mary to update us on this
7 process since that last meeting.

8 Mary?

9 COMMISSIONER DiGIACOMO COLINS: Okay.
10 Thank you very much, Chairman Decker.

11 I'm going to be brief today because I'm
12 just going to update you on the process that we are
13 engaged in which will result in the publication of
14 the regulations.

15 As you know at the last meeting, I
16 discussed a work plan, basically a footprint that the
17 Board was going to follow in the drafting of
18 regulations, publishing them, receiving public
19 comment, reviewing that comment, submitting the
20 finished draft to the Attorney General for the
21 Attorney General's review, and then revamping based
22 on whatever comment was received by the Attorney
23 General resulting in a final work product, which
24 would be temporary regulations, which would govern us
25 for the next three years until such time the

1 regulations are required by Statute to be made
2 public.

3 In order to do this, we have completed a
4 number of drafts, just myself and Michelle Afragola,
5 Susan Hensel, who is secretary to the Board. We have
6 been engaged in our own endeavor regarding this.

7 We have been able to enlist and receive the
8 help of, what is now, a working group, which consists
9 of different attorneys with experience and expertise
10 in not only drafting regulations, because they are
11 people who work for different legislative caucuses
12 and have had extensive experience in drafting
13 regulations; for example, the PUC, the Liquor Control
14 Board, other regulatory agencies, but also because
15 these are the people who basically have been most
16 involved for the last four or five years in the
17 legislation itself.

18 They have agreed to assist us, and we've
19 had our first working meeting and we're going to try
20 to meet hopefully once a week, if possible, as a
21 group and go through and create a body of regulations
22 to address each of the phases that I outlined in our
23 previous meeting.

24 We're going to be working with Fran

25 Cleaver, an attorney and Chief of Staff from Senator

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1 Thompson's office; Kathy Akin, who is an assistant to
2 Steve McNett and has volunteered to assist us; Chris
3 Craig, who is counsel from Senator Fumo's office and
4 has also agreed to lend his expertise in our
5 endeavor; George Bedwick, an attorney from
6 Representative Veon's office; Edgar Powell, who is a
7 staff member for Representative Deweese; Michael
8 Sawyer, who is staff counsel for the House Judiciary
9 Committee.

10 All of these attorneys who I have been
11 meeting with and talking with have precise experience
12 in not just the legislative process but the
13 regulatory process.

14 One of the reasons I'm grateful for us to
15 be going this route is that we can fashion our
16 regulations in such a way that when they become
17 permanent in three years, the process is done. We
18 don't have to reinvent them.

19 So after our first meeting, we received a
20 lot of input, which helped us augment that which we
21 had already done.

22 We had a framework based on the statutory
23 provisions. We added to it in terms of what the
24 thinking through and adding elements to what the

25 process of the Board will be, very practical things.

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1 These regulations that we're looking at to
2 adopt for the Board are patterned on the PUC
3 regulations, the LCB regulations. They're very
4 basic, administrative regulations.

5 We're working with these individuals, and I
6 think we've been able to enhance the product that we
7 started out with. I look forward to it.

8 Now, I'm anticipating that the next meeting
9 we have will be sometime in mid-April. I'm very
10 hopeful to be able to get this body to move so that
11 we can have completed by that time general
12 regulations that I spoke about, manufacturer/supplier
13 regulations and we can then fit in the next group of
14 regulations into our process thereafter.

15 That's a basic update. We're going to meet
16 next week again. That's where we're going with this.
17 Thank you.

18 CHAIRMAN DECKER: Thank you, Commissioner.

19 Let me just add something to this. Our
20 group, the seven here and the seven out in the
21 audience, I think that's our total right now, no one
22 here has expertise, maybe other than Jeff Coy to some
23 degree, in drafting regulations.

24 Our point in trying to put this together
25 was to get two types of expertise. The first is

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1 expertise in helping us prepare these formal
2 regulations, you know, the process, the formality.

3 To Mary's point, our concept was we don't
4 want to have to do this -- was it three years, Mary?

5 COMMISSIONER DIGIACOMO COLINS: Yes.

6 CHAIRMAN DECKER: Second, every one of the
7 individuals who have volunteered had a vested
8 interest. I know you might think this in a negative
9 way but had an interest in seeing that this Statute
10 comes to life. For them to volunteer their time here
11 is greatly appreciated.

12 At the end of the day, these regulations
13 are going to be our regulations and not the Drafting
14 Committee's regulations. So I want to make sure
15 everyone understands that. There is no issue about
16 independence on this.

17 This is a very, very helpful group of
18 individuals, very knowledgable. I don't know how
19 many years of drafting experience. It's probably
20 100, isn't it, Mary? While our group is going to be
21 preparing initial drafts, we're going to get a lot of
22 help and a lot of valuable input as to how you get
23 this done. We very much appreciate that.

24 Ultimately, I think we want to offer all
25 seven of them jobs. I'm joking when I say that. But

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1 we need people like this in the long term. We hope
2 to hire individuals, who will ultimately develop this
3 expertise themselves.

4 Any questions from the Board members on
5 this?

6 Okay. All right. Thank you. Again, we
7 hope to get drafts of those resolutions. What did
8 you say, Mary? We hope to get looks at those at our
9 April 12th meeting.

10 COMMISSIONER DiGIACOMO COLINS: I'm hoping
11 we'll have a very complete set that gets us up
12 through manufacturers and suppliers up to that time.

13 CHAIRMAN DECKER: It's a guide.

14 COMMISSIONER DiGIACOMO COLINS: Right.

15 CHAIRMAN DECKER: Thank you.

16 In December, the Board selected
17 Pricewaterhouse Coopers to assist the Board with a
18 variety of issues, including licensing application
19 forms for manufacturers and suppliers.

20 With respect to these forms, we asked PWC
21 to evaluate best practices for forms used in other
22 jurisdictions.

23 Mike French is here today to report to us
24 on these applications and to provide a status report
25 on PWC's activities.

10

1 Mike?

2 MR. FRENCH: Thanks, Chairman Decker, and
3 good afternoon.

4 PWC has two projects that are currently
5 under way. The first is the application process and
6 the review of the documents, many of which were put
7 together and assembled by the staff members and Lynn
8 Stelle.

9 We, over the past few weeks, have reviewed
10 the method that Lynn and the team took -- went
11 through to develop these forms. They took a number
12 of jurisdictions. They looked in New Jersey, New
13 Mexico, West Virginia, Delaware, and South Dakota and
14 assembled these applications.

15 We tested them in house for some of the
16 data that we had. We edited them. We provided some
17 cosmetic changes and for the forms associated with
18 key employees, manufacturer/supplier application, and
19 disclosure information forms, the
20 manufacturer/supplier employee application, and
21 disclosure forms, the manufacturers and suppliers
22 affirmative action statement, and the instructions

23 for filing an application for a manufacturer or
24 supplier license.

25 We've reviewed them in total and we believe

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1 they're comprehensive and essentially complete. That
2 was the first issue we addressed and we completed
3 that review for the Board.

4 I'll speak a little bit about where we
5 stand with the best practices analysis. We have met
6 with the Board, discussed the areas where we thought
7 we should focus. There are essentially six areas
8 where we are going to be analyzing best practices.

9 The first one being, Gaming Control Board
10 organizational structure. The second one being the
11 background investigation processes. The third one
12 being the best practices as it relates to security.
13 The fourth, best practices as it relates to
14 enforcement; and the fifth best practice as it
15 relates to internal controls.

16 We have solicited input from Board members,
17 and we have also been assisted by the Pennsylvania
18 State Police in gathering this information.

19 What we have done in the first phases is we
20 have developed, what I would call, a discussion
21 document, which is a detailed questionnaire, which we

22 are using as a basis for, you know, collecting all of
23 this information.

24 We identified nine jurisdictions, and they
25 will become the basis for this best practices

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1 research.

2 We selected New Jersey, Delaware, and West
3 Virginia primarily due to their proximity to the
4 State of Pennsylvania, as well as the fact that
5 Delaware and West Virginia have central computer
6 systems.

7 We selected Iowa and Missouri based on some
8 information received from the Pennsylvania State
9 Police. We suggested -- we selected Ontario and
10 Michigan based on PWC's history with those
11 jurisdictions and the fact that we have a lot of
12 information already on hand.

13 We selected Mississippi because of the
14 geographical locations of the casinos, somewhat
15 similar to the situation we have here in the
16 Commonwealth. We selected Nevada because it's the
17 largest, most extensive gaming in North America.

18 This research has been ongoing, and we have
19 worked with the staff and with Lynn Stelle to collect
20 the names of the people that we needed to meet with
21 either face to face or via telephone in these

22 jurisdictions.

23 Today, we have met with the New Jersey
24 Division of Gaming Enforcement. We met with a number
25 of people there. Extensively, we spent the better

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1 part of the day there talking to them and going
2 through this discussion document in detail.

3 We have also met out in Las Vegas face to
4 face with the Investigations Division of the Nevada
5 Gaming Control Board.

6 We have conducted telephone interviews with
7 the West Virginia lottery, with various people there.
8 On the 17th, which is Thursday, we'll be traveling
9 down to Dover, Delaware, to meet with the director,
10 deputy director and principal deputy of the Delaware
11 lottery. These are all under way.

12 On the 22nd, we'll be meeting with the
13 superintendent of Investigations and the Enforcement
14 Bureau for the Province of Ontario. This will be by
15 telephone. We'll be discussing best practices with
16 the executive director of the Alcohol and Gaming
17 Commission for the Province of Ontario. These are
18 people we have dealt with in the past.

19 We have calls in to Iowa, Missouri,
20 Michigan, and Mississippi. We are in the process of

21 scheduling those meetings. They'll probably be via
22 telephone to go through our discussion document with
23 them.

24 Concurrently, we're also developing a
25 template to assimilate all of this data and

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1 consolidate it with what we feel are the best
2 practices.

3 We have had significant, 100 percent
4 cooperation from all of the jurisdictions to date.
5 We believe that we're going to come up with a fairly
6 comprehensive document with what those best practices
7 are.

8 Our plan is to -- and it's dependent
9 largely on the response we get from the last six
10 jurisdictions that we have to interview.

11 Our plan is to, hopefully, in a month, be
12 able to, you know, assimilate this data in some kind
13 of a deliverable and draft form, which we would then
14 prepare and provide to the Board for their comment,
15 review, and questions. That's where we stand.

16 CHAIRMAN DECKER: Any questions of Mike?

17 COMMISSIONER COY: I do -- go ahead, Ken.

18 CHAIRMAN DECKER: Please.

19 COMMISSIONER McCABE: How do you foresee
20 the package you put together? What do you see it

21 looking like when you present it to us?

22 MR. FRENCH: Well, to be honest, we haven't
23 finished the template yet. We are going to have six
24 different categories. We're going to subcategories
25 in those six, like where we see there are common

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1 approaches in these jurisdictions -- some being more
2 mature than others -- have followed and where they
3 have in many cases in confidence told us this is the
4 way we think it should be done, we will summarize
5 those comments and say, this is what we believe is
6 the best practice for this category or subcategory.

7 COMMISSIONER McCABE: Are we then also
8 going to be able to see -- is it going to be a part
9 of this project where we'll see what each state does
10 too? They'll be best practices, but you'll also have
11 then the way Nevada does it, the way Jersey does it,
12 the way Dover does it so we can look for that?

13 MR. FRENCH: No.

14 COMMISSIONER McCABE: Why not?

15 MR. FRENCH: The reason for that is we
16 discussed at length with everybody we have talked to
17 so far, and their biggest concern is they do not want
18 what we feel their individual best practices or their
19 opinions, in many cases their opinions, conveyed

20 unless they are conveyed, you know, in total, in a
21 consolidated format.

22 So in order to get people to give us their
23 candid opinions in what they do, we have taken the
24 position that we will consolidate those. In some
25 instances, there may not be a conclusive best

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1 practice.

2 COMMISSIONER McCABE: So are you going to
3 consolidate what is best practice for Pennsylvania?

4 MR. FRENCH: Yes. We're asking them not
5 only what their best practices are, but we'll also
6 ask them what they think if they were put in the
7 position in Pennsylvania, how they think Pennsylvania
8 might differ and what might be the best road to take.

9 CHAIRMAN DECKER: Mike, what we could do --
10 I'll make a suggestion. What we could do in some
11 situations is have a grid and have a topic and show
12 Nevada does it this way without getting into
13 comments.

14 MR. FRENCH: Yeah, we can develop
15 something, that eight of the nine jurisdictions do it
16 this way --

17 CHAIRMAN DECKER: Without getting into the
18 underlying comments.

19 MR. FRENCH: Right.

20 CHAIRMAN DECKER: Necessarily form the
21 recommendation.

22 MR. FRENCH: I believe there's going to be
23 some information, you know, that is consistent and
24 some that will be inconsistent. We will say that the
25 data that we collected was not consistent upon all

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1 jurisdictions. Some do it this way. Some do it that
2 way.

3 COMMISSIONER COY: Mr. Chairman?

4 CHAIRMAN DECKER: Please, go ahead, Jeff.

5 COMMISSIONER COY: That was the direction
6 of my question. I guess the reason for asking it
7 was, my question was going to be are all of the
8 states forthcoming and willing to share information?
9 I guess I hear your response.

10 So if indeed it's best to -- in a report to
11 us give us consensus information or information as a
12 total sum, if that's going to help you elicit better
13 information from those jurisdictions, then I think
14 that's probably better, too, if it's guaranteeing
15 some sort of generality and response as opposed to
16 this is the way each state does it, especially if
17 they consider some of it proprietary in a way. I
18 guess as long as we're getting a response through you

19 and if it's answered in general terms, I would rather
20 have it that way than them being concerned about
21 giving information that they shouldn't, if that makes
22 sense.

23 MR. FRENCH: Yeah. They made it clear in
24 every meeting we had to date they wanted this
25 information to be held in confidence.

18

1 COMMISSIONER COY: Thank you.

2 COMMISSIONER CONABOY: Yes, I have a
3 question. I want to go back to the first part of
4 your presentation, the first task that you were
5 charged with.

6 MR. FRENCH: Sure.

7 COMMISSIONER CONABOY: Because I think it's
8 important that the public is aware that -- of the
9 tasks that are being completed. So could you just
10 tell me again the documents that you reviewed?

11 MR. FRENCH: Yes. I probably went too
12 fast.

13 CHAIRMAN DECKER: This is on the
14 application?

15 COMMISSIONER CONABOY: Yes.

16 MR. FRENCH: The applications, yes.
17 Essentially, there's five applications that have been
18 prepared by the staff and, you know, we've reviewed

19 them in total. We believe them to be comprehensive
20 and complete based on our testing, based on the five
21 markets that they used on their benchmark.

22 Those applications are the key employee
23 qualifier form, the manufacturer/supplier application
24 and disclosure information form for the companies and
25 vendors, the supplier/manufacturer employee

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1 application and disclosure information form for the
2 individuals, the manufacturer/suppliers affirmative
3 action statement, which we have reviewed, and the
4 instructions for filing an application for a
5 manufacturer/supplier license.

6 COMMISSIONER CONABOY: So again, because I
7 think it's important for the public to be aware of
8 that so you -- your Pricewaterhouse has reviewed the
9 work that was done by Lynn Stelle and other staff
10 members of the Board and those five key documents.
11 Your observations were a very comprehensive and
12 complete and so they are ready to go.

13 MR. FRENCH: Yes. They were very well done
14 when we got them. In many cases, you know, changes
15 were editorial, were cosmetic; but from what you need
16 in response and what we have seen in the past,
17 they're complete and they're done.

18 COMMISSIONER CONABOY: Thank you very much.
19 Obviously, we're pleased with that. I want to thank
20 also Lynn and others at the -- other employees that
21 worked on this document.

22 I think it's very important that each
23 meeting we make the public aware of the amount of
24 work that is being done and what is complete and
25 ready to go. Thank you very much.

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1 COMMISSIONER COY: Mr. Chairman?

2 CHAIRMAN DECKER: Please.

3 COMMISSIONER COY: One more item. If you
4 said it in a peripheral manner, that's fine; but I
5 want to ask directly, are you attempting to elicit
6 from the other jurisdictions what they do about
7 minority participation in every aspect?

8 MR. FRENCH: We have not done that.

9 COMMISSIONER COY: Is it possible to add
10 that to your areas of concern?

11 MR. FRENCH: Sure.

12 COMMISSIONER COY: I think it would be
13 interesting for me, at least, to know what other
14 jurisdictions are doing.

15 The Statute directly points to it and calls
16 for it. I think if we attempt in an affirmative
17 manner to do that, we would be good.

18 MR. FRENCH: That's fine.

19 COMMISSIONER DIGIACOMO COLINS: Would you
20 repeat what you said, please?

21 CHAIRMAN DECKER: Do you want to repeat
22 that one more time?

23 COMMISSIONER COY: I don't know if I can.

24 CHAIRMAN DECKER: I think what --

25 COMMISSIONER COY: That's what she's for.

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1 CHAIRMAN DECKER: I think what Commissioner
2 Coy is saying is we should ask PWC to take on another
3 assignment in addition to the two and take on a third
4 one with the internal IT operations.

5 Coming back to what Commissioner Coy said
6 is we should take a look at some of the best
7 practices in other jurisdictions as to what they do
8 about implementing their EO opportunities and also
9 underlying -- am I saying this right, Jeff?

10 COMMISSIONER COY: Yes.

11 CHAIRMAN DECKER: The underlying activities
12 that each of these Commissions have taken to comply
13 with their statutory requirements.

14 We've seen firsthand both in New Jersey and
15 we'll see it more tomorrow when we visit but also in
16 Nevada. I think it would be worth it to go back to a

17 couple of those. I'm sorry we didn't think of that
18 ahead of time.

19 MR. FRENCH: That will be easy to
20 accomplish.

21 COMMISSIONER COY: It will, Mr. Chairman,
22 I'm sure, be a work in progress for us, but I think
23 the more assistance we have in seeing what happens
24 and has happened in other jurisdictions, it will give
25 us another idea about how we can be helpful.

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1 CHAIRMAN DECKER: It's a very good idea.
2 Are there any other questions for Mike?

3 One thing I might note, because
4 Commissioner Colins and I have talked about this
5 earlier, as we move forward with these regulations on
6 manufacturers and suppliers to the extent that there
7 are some changes in the basic draft, we may have to
8 come back to Lynn Stelle and Mike and PWC to make
9 sure that the application form is consistent with the
10 final regs.

11 We'll keep that in mind that as we work
12 through it to make sure that if we make some changes
13 there, we might have to make some changes in the
14 application.

15 Okay. Any other questions?

16 Thank you very much.

17 MR. FRENCH: Thank you.

18 CHAIRMAN DECKER: Our next item today is on
19 testing and certification standards. In addition to
20 PWC looking at other jurisdictions best practices for
21 forms and other procedures and processes, we have
22 asked Lynn Stelle to study how other jurisdictions
23 deal with testing and certification standards for
24 slot machines.

25 As you know, this is an important area that

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1 the Board will have to address as we bring gaming to
2 Pennsylvania.

3 Lynn will provide us with an overview of
4 what he has learned to date. Lynn?

5 MR. STELLE: Thank you very much. Before I
6 begin, I would like to amplify Michael's comments by
7 thanking specifically Captain Ron Petyak and
8 Lieutenant Michael Rudolph for their great help. The
9 State Police have been invaluable in getting the
10 application forms done correctly and presented to the
11 Board.

12 CHAIRMAN DECKER: Thank you.

13 MR. STELLE: As we move forward discussing
14 the manufacturers and suppliers and considering the
15 licensing of manufacturers and suppliers, it's

16 important that we provide guidelines and standards
17 that will be required for the gaming machines and the
18 related equipment that will be sold and installed
19 within the state.

20 These standards and guidelines will be
21 divided into two very broad categories,
22 communications and operations. To do this, we need
23 to establish a way to test and certify the equipment.

24 The purpose of establishing the standards
25 and guidelines is to establish in the Commonwealth

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1 that we will deliver and maintain all aspects of
2 gaming at the highest level of integrity and control
3 by providing to every manufacturer and every supplier
4 very specific requirements of each and every piece of
5 equipment and software.

6 To enforce these standards and guidelines
7 and to measure compliance, the Commonwealth will
8 establish a laboratory. The laboratory will inspect,
9 test, certify, and establish compliance with these
10 standards.

11 In most jurisdictions of the United States,
12 we found that the regulatory body has been assisted
13 in the creation of these standards and guidelines by
14 one or more of several independent testing and
15 certification laboratories.

16 Additionally, the independent testing and
17 certification laboratory has assisted these
18 jurisdictions in the creation of their own gaming
19 laboratory.

20 Today, there are only three jurisdictions
21 that operate their own labs without the use of these
22 private laboratories for assistance. Most
23 jurisdictions have chosen to partner with the
24 independent laboratories to share the work.

25 Act 71 offers the Board specific direction

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1 as regards to certification and testing of all gaming
2 equipment employed in the Commonwealth.

3 To accomplish the requirements of the Act
4 and develop the standards to be implemented within
5 the state, it will be necessary to acquire assistance
6 for the Board.

7 We have researched the practices in other
8 jurisdictions. I would like to provide the Board
9 with a summary of overall testing and certification
10 as the first step in developing our own lab.

11 To start off, what do gaming laboratories
12 do? The backboard of any gaming activity is the
13 perception and reality of the level of integrity and
14 honesty offered by the games and facilities licensed

15 within the jurisdiction.

16 The foundation of that probity is the
17 machines and the games themselves. It's incumbent
18 upon the Commonwealth to ensure that the games that
19 are in play and the licensed entities perform as
20 advertised and that the players can trust that the
21 games provide fair and honest play. That's the first
22 role of the gaming laboratory.

23 The lab will provide a highly specialized
24 and technical interface between the Gaming Board and
25 the actual licensee and their selected gaming

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1 machines and manufacturers.

2 Based on the jurisdiction, the gaming test
3 laboratory will test every machine or sample those
4 machines; a decision will have to be established by
5 the Board.

6 Initially, the Gaming Board will have to
7 rely heavily on an outside vendor to supply the
8 expertise in fulfilling these requirements. Within
9 the scope of the Act, the Board is allowed three
10 years to establish its own laboratory.

11 This presentation is just the first step to
12 assist the Board in understanding the role of the
13 lab, the best practices in other jurisdictions, and
14 the steps necessary in creating our own testing

15 laboratory.

16 The establishment of a lab is a very
17 exacting science that requires specific knowledge,
18 training, and experience.

19 It is recommended that the Board move
20 forward to review the organizations capable of
21 providing these valuable services as quickly as
22 possible.

23 It should be noted that the industry
24 practice is the cost of the testing and certification
25 of the slot machines and the gambling related

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1 equipment is borne by the manufacturers directly, not
2 by the Commonwealth and not by the Board.

3 The BGCB testing certification capability
4 will need to be incorporated into three areas;
5 professional facility large enough for the
6 acquisition of new equipment and technology on a
7 regular basis with security and documentation
8 management capability.

9 Trained personnel, training is a constant
10 in gaming. Games are created daily. On a daily
11 basis, new challenges are found.

12 The technical expertise, expertise in
13 hardware, electronics, software, mathematics, network

14 conductivity, and communications, including gaming
15 equipment and associated equipment as well.

16 It also needs to be independent from the
17 operators, the manufacturers, and any other
18 pressures. It has to have high integrity or
19 integrity without question.

20 The laboratory will need to address the
21 following: Communication protocol testing. The
22 Department of Revenue has recently selected a Central
23 Control System vendor.

24 It is the responsibility of the laboratory
25 to make sure that all devices connected to the

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1 Central System communicate properly through to what
2 is referred to as a communication protocol.

3 You can relate a protocol to a foreign
4 language. The lab needs to confirm that all
5 equipment within the licensed facility speak the same
6 languages with all its nuisances.

7 I compare this to a visit I make in the
8 midwest. When I go to a restaurant and the waitress
9 asks, do you want a pop? I say, no, I have one. He
10 lives in Chicago. She replies, no, I mean, do you
11 want something to drink?

12 The nuisances of the protocol are just as
13 difficult. There are significant challenges in

14 making sure the protocols work correctly.

15 To determine the levels of security and
16 control of the machines based on the scope and
17 definition of the protocol, the communication
18 protocol allows the state's Centralized Computer
19 System to control the functions of each and every
20 machine, the constant monitoring of all activity and
21 reporting gaming results in a real-time environment,
22 mechanical, electrical, and software testing in each
23 game, testing at multiple levels including mechanism,
24 the gaming operating system and the game performance.

25 As each game is introduced to the lab, the

29

1 lab will test the machine in every aspect. This will
2 include the following: Mechanical and electrical
3 aspects of the gaming, including the coin/bill
4 acceptor, the ticket-in ticket-out mechanism.

5 Special care will be taken to make sure the
6 machines are not susceptible to any and all illegal
7 interventions.

8 Software testing, sometimes referred to as
9 EPROM, the actual encoded chip within the machine is
10 tested for its ability to perform as specified within
11 the game documentation.

12 It's also necessary to achieve the

13 statutory win/loss ratio that is achieved by every
14 machine.

15 Each machine is required to have its own
16 personal identity. That is encoded within the EPROM
17 and is required as a prerequisite to play.

18 This personal identity is what will allow
19 our Central System to control each individual machine
20 and make sure that every individual machine is
21 properly secure.

22 In essence, we'll have 61,000 potential
23 individual machines controlled through these
24 identifying traits.

25 What that brings us down to is, where are

30

1 we today? Well, in researching this, we found there
2 is really only three companies that provide these
3 services in the United States and, of course, are the
4 three states that I mentioned earlier that provide
5 their own.

6 I suggest that the Board goes to the next
7 step and does a complete evaluation of the three
8 companies providing these services. They include
9 Gaming Labs International, Inc., BMN Test Labs, and
10 Nick Farley and Associates.

11 At this point without going further into
12 their identity, I think that will give you a basic

13 update on of where we are in our research and what we
14 need to do is this next step.

15 CHAIRMAN DECKER: Any questions of Lynn?

16 COMMISSIONER McCABE: Lynn, do you know
17 what the three states that have the state labs, what
18 do they do when they have a backlog of work?

19 MR. STELLE: Well, actually, they call up
20 an independent laboratory for help. I can't tell you
21 exactly which state it was. I think it was
22 Mississippi. They got themselves in trouble with
23 their lab. They went back to one of these
24 companies -- I believe it was GLI -- to take over the
25 lab because they did have a backlog they couldn't

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1 clean up.

2 COMMISSIONER McCABE: Thank you.

3 CHAIRMAN DECKER: When you say outsourcing,
4 how does it work? I guess there's all different
5 levels. But when you're establishing your own and
6 when you're outsourcing, how does that work?

7 MR. STELLE: You'll find what I call the
8 newer generation gaming marketplaces or gaming
9 jurisdictions, the ones that are specifically similar
10 to ours in that they have Central Computer Systems,
11 every one of them has sole sourced the decision to

12 use an independent lab.

13 What happens is they will have their own
14 staff working in conjunction with the independent lab
15 at performing these tasks.

16 It allows you access to all of the
17 information traveling throughout the marketplace,
18 throughout the United States and the world, and stay
19 current on all activities. What they do is they do,
20 for lack of a better term, a joint venture with the
21 gambling lab, independent gaming lab.

22 COMMISSIONER DiGIACOMO COLINS: And in that
23 case, would the gaming lab more or less act as a
24 quality control type of entity?

25 MR. STELLE: Absolutely.

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1 COMMISSIONER DiGIACOMO COLINS: So then the
2 gaming lab would be more or less just an oversight
3 entity with respect to the work that the independent
4 --

5 MR. STELLE: They're doing oversight of the
6 independent lab. They're managing that contract or
7 that relationship.

8 CHAIRMAN DECKER: Ken?

9 COMMISSIONER McCABE: These independent
10 labs, who establishes the protocols used to test the
11 machines? Is it the lab or is it the state that is

12 asking them to do the work?

13 MR. STELLE: I think the standards for
14 testing certain aspects are an art. It's actually an
15 industry standard that is established to evaluate the
16 EPROMs.

17 What happens is the manufacturer writes
18 working papers that says, we're giving you a machine.
19 Here is what it is supposed to do. What the gaming
20 lab does is instead of believing that that is what
21 it's going to do from just reading the software that
22 is within this chip, they take the chip and they
23 actually drive that chip through the process of
24 testing its capabilities or performing to the
25 specifications of the working papers.

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1 They actually can crunch through a short
2 period of time the activity that that chip will
3 experience over a long period of time. That's the
4 whole extent of the gaming lab, to test that it does
5 what it says it's going to do.

6 COMMISSIONER McCABE: Aren't we supposed to
7 establish the protocols? It has to tie into the
8 centralized computer system. It cannot take
9 downloadable games.

10 MR. STELLE: You're absolutely right.

11 COMMISSIONER McCABE: Are we responsible --

12 CHAIRMAN DECKER: Could you elaborate on
13 that?

14 MR. STELLE: Okay. There's two separate
15 issues. One is the ability of the game to do what it
16 is supposed to do. You'll establish the win/loss
17 ratio. You may even establish what games will be in
18 play.

19 Once you establish that, then someone has
20 to make sure that every individual machine without
21 fail does exactly what it is supposed to do. That is
22 testing the machines themselves.

23 On the other side, it's communication
24 protocol. Because of the Central System, you'll have
25 the ability to be communicating constantly with all

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1 61,000 potential machines.

2 Every machine can have rules to live by.
3 There are 5,600 of these that are available. They
4 include if the door is open, do you shut the machine
5 down? Do you turn on an alarm? Do you send a camera
6 over to look at that machine? If a machine jams, how
7 do you handle that? Maybe you just call security,
8 call a person over to check it.

9 It establishes days it's allowed to work.
10 You may decide you only want a 20-hour day. You can

11 control that by establishing in that protocol the
12 hours that that machine is allowed to work.

13 You can set locks on it so can't download
14 data into that machine, that only it is reading data
15 out only.

16 So yes, the protocols for communication are
17 established with your Central System and through a
18 communications protocol. The machine is creating a
19 vast amount of data. It's just a matter of you
20 determining how you want that data presented back to
21 the state. That will have to be presented both
22 through -- we'll have to develop that with an outside
23 laboratory, how you want to handle each and every one
24 of these individual machines.

25 COMMISSIONER DIGIACOMO COLINS: And can

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1 that be developed by best practices analysis, what
2 other states with Central Computer Systems has?

3 MR. STELLE: I think that is a very good
4 place to start. We can certainly look at what the
5 newer states, New Mexico, West Virginia, Delaware,
6 how they use the protocols.

7 I think we'll also find that there's a lot
8 of new opportunities as the technology has grown even
9 since those states were installed.

10 COMMISSIONER COY: Lynn, could you comment
11 a little bit on the nuts and bolts of setting up a
12 lab in Pennsylvania?

13 In other words, if we were to start today,
14 if you were to start today, how long do you think it
15 would take to really set it up? How many personnel
16 are we talking about? What is the size of the
17 building and so on, just some things like this?

18 MR. STELLE: The ones that we're familiar
19 with, I think you can probably guess a facility about
20 the size of this room is what you're going to need.

21 A lot of the materials that you will need
22 you can acquire, especially through a relationship
23 with the independent testing lab.

24 The real difficulty is acquiring the talent
25 and the knowledge to do the job. The manufacturer

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1 has come on board and they will give you a lot of
2 what you need.

3 Then what you do, you actually
4 independently -- it's like having Pricewaterhouse
5 come in and do our audit, you hand them a financial
6 statement and then you prove the financial statement
7 is true. That is what happens here.

8 The equipment we need can easily be
9 acquired from the manufacturers, then we will take

10 the time to test that equipment to make sure the
11 equipment is, in fact, going to do what it is
12 supposed to do from a testing standpoint.

13 Our biggest challenge is to getting the
14 personnel who can actually run that lab. It takes a
15 lot of sophistication and experience to do that.

16 COMMISSIONER COY: My question, about how
17 many people?

18 MR. STELLE: You're probably -- again, this
19 is just a guess but I'm guessing we're in the
20 neighborhood of six to eight people.

21 COMMISSIONER CONABOY: If I could just
22 follow-up on that one observation I was going to ask
23 you about also.

24 It struck us when we were in Las Vegas, we
25 had the opportunity to go through their lab. What

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1 struck me, first of all, it wasn't that big. I think
2 Nevada has in excess of 200,000 slot machines. The
3 lab really wasn't that big, but they had a lot
4 crammed in a little space.

5 I think they had about eight people, but
6 what struck you was the expertise of the people
7 involved, particularly the individual that was
8 running the lab. It was a highly educated electrical

9 engineer. Before he came to Nevada, Ken, I think he
10 was involved with counterterrorism. I don't know if
11 it was the FBI or what was his last assignment with
12 the government. These are very sophisticated
13 individuals, pretty highly compensated because
14 they're doing very sophisticated work.

15 It struck that that's going to be our
16 biggest problem is establish the labs and the people
17 who run it, particularly when we have all of those
18 neighboring states that are either already in
19 business or getting into the business. It seems like
20 it's a small number of people who do this type of
21 work.

22 MR. STELLE: I think the statute is very
23 keenly aware of that. That's why they allow us to
24 partner with an outside organization to help us
25 either with a state or an independent lab.

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1 I think that would be a good move on our
2 part to do either of those things. I do think that
3 from talking to many other jurisdictions, instead of
4 trying to reinvent the wheel and partnering with an
5 independent gaming lab would certainly allow us to be
6 up and running, to provide both the operators and the
7 manufacturers and the general public the confidence
8 that the integrity was there from the Central System

9 out to the field and through the operating of these
10 61,000 potential devices.

11 COMMISSIONER COY: You're correct. The
12 Statute gave the particular amount of time and extra
13 amount of time in order to do just what you're saying
14 and that was the intent of the Statute.

15 I think the thing that the Board needs to
16 continue to be concerned about is the integrity of
17 the process and to make sure that whatever we do,
18 whether it is outside, inside, a combination of both,
19 all of the above, that it assures the folks who are
20 participating and the people of Pennsylvania that the
21 system has been tested and has integrity with it.

22 MR. STELLE: Absolutely.

23 CHAIRMAN DECKER: Do you have any other
24 questions for Lynn?

25 That was a very interesting report. It

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1 confirms a lot of the information we picked up in
2 Nevada as well. Okay. Thank you.

3 Okay. Well, I just want to announce we
4 have a quorum. Commissioner Marshall has joined us.
5 I also want to note that Secretary Wolff has joined
6 us as well. Thank you.

7 We have one housekeeping item that I would

8 like to discuss. I would like to suggest to the
9 Board that we pass a motion that formally approves
10 and adopts the transcripts or minutes of the meetings
11 that we have had previously; specifically, December
12 14th and 15th, 2004 meeting, January 25th, 2005
13 meeting, the February 8th and March 3rd, 2005
14 meetings.

15 COMMISSIONER DiGIACOMO COLINS: I move that
16 we adopt the minutes of the aforesaid meetings.

17 CHAIRMAN DECKER: May I have a second,
18 please?

19 COMMISSIONER CONABOY: Second.

20 CHAIRMAN DECKER: Any discussion? All in
21 favor, please indicate by saying aye.

22 COMMISSIONERS: Aye.

23 CHAIRMAN DECKER: Any nos? Motion passes
24 unanimously.

25 COMMISSIONER McCABE: And all of those

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1 transcripts are posted on our --

2 CHAIRMAN DECKER: Yes. All of those
3 transcripts, I think everyone knows, are on our
4 website.

5 We will now hear from Commissioner Rivers
6 and Mike Walsh, who are spearheading our
7 administrative and staffing matters for the Board. I

8 asked them to provide us with an update on their
9 efforts since our last meeting.

10 Commissioner Rivers?

11 COMMISSIONER RIVERS: Thank you,
12 Mr. Chairman.

13 Fellow Board Members, let me bring you up
14 to date as to where we are and what we've been doing.

15 At our last meeting, I gave you specific
16 information in terms of the number of the hirees that
17 need to be made in the next 45 days.

18 I can assure you that we've had a large
19 number of applications arrive. We've been doing
20 interviewing. I'm going to ask Mike Walsh to talk
21 very specifically about our manpower needs and where
22 we are.

23 I'll also add that the State Police are in
24 the process of doing background investigation on
25 these individuals, so that's an ongoing process.

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1 Mike, would you please enlighten us?

2 MR. WALSH: I'll do my best. Thank you,
3 Commissioner Rivers.

4 I would like to provide a brief update to
5 the Board in the efforts to create administrative
6 framework, which we have been discussing in the

7 meetings since December.

8 First, I would like to spend a few minutes
9 on the proposed staffing structure. That is the
10 packet we just handed out and then provide a quick
11 update on the process we have put in place to
12 identify potential candidates for key positions.

13 First, the proposed staffing plan. We have
14 included in that packet a draft staffing plan and
15 complement structure. This document, as Commissioner
16 Rivers said at the last meeting, is a work in
17 progress. It is just that. It is a draft.

18 It is literally updated each week,
19 sometimes many times each week as staff and Board
20 members hone in on a specific operational unit of the
21 organizational structure, as we learn more by looking
22 at other jurisdictions, about the needs of the
23 complement structure and about the -- as we just
24 discussed with labs, about the critical talent needs
25 that we have.

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1 Recruitment is a key point of that and
2 understanding what skill sets are needed for each
3 position is a key part of that. Again, this draft is
4 updated quite often.

5 With that being said, the draft structure's
6 most significant purpose is to align the core

7 business function of the organization to its
8 corresponding complement structure.

9 Not only does this help us better
10 understand the possible budget implementations but
11 also allows us, as an organization, to identify those
12 skill sets necessary for each position and go about
13 the business of recruiting and attracting the most
14 qualified candidates as possible.

15 As outlined by Commissioner Rivers at our
16 last meeting, Board members and staff have been
17 working together to identify the key positions that
18 need to be filled in the near term, as well as those
19 that we feel should be filled prior to the end of
20 this fiscal year, June 30th, 2005.

21 From the outset, I will add for the benefit
22 of our guests today that 3 of those 18 key positions
23 are currently in the recruitment process; executive
24 director, the director of Bureau of Investigation
25 Enforcement, and the chief counsel position. Those

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1 interviews have already been in an ongoing process.
2 So that leaves 15 more key positions that we need to
3 hire in the near term.

4 You will see an X that clearly marks those
5 18 positions in your packet, as well as proposed

6 salary structures.

7 As Commissioner Rivers mentioned at the
8 last meeting, we have done benchmarking to look at
9 other jurisdictions, as well as look internally
10 within the Commonwealth at Commonwealth agencies
11 under the Governor's jurisdiction and independent
12 agencies so that we have an attractive salary
13 structure for starting salaries, as well as something
14 that reflects the industry standards.

15 As you will notice on page 2 and 3 of your
16 packet, those 15 positions have been identified for
17 priority hiring, and the Bureau of Licensing and the
18 Bureau of Administration makes up 10 of those 15
19 positions.

20 I think this is obvious given the
21 discussions that we have had over the past couple of
22 months. We are a new agency. We are just getting
23 off the ground.

24 The positions within the Bureau of
25 Administration, HR, and Finance specifically are

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1 needed really to help us build the organization.

2 In licensing, given our discussions on the
3 rules and regulations, that expertise is needed, that
4 you'll notice that not only are the deputy positions
5 identified there but those middle management

6 positions are really key.

7 So each time we fill a position going
8 forward, it sort of creates a building block for us
9 as an organization. It will make this process become
10 more fluid for all of us.

11 In order to fill these priority positions,
12 the 15 plus the 3 that we said are currently
13 underway, we are in the process of identifying
14 potential candidates and scheduling Round 1
15 interviews.

16 In one case, the director of human
17 resources, for example, we are currently in the Round
18 1 process. We will begin shortly with the finance
19 director position.

20 As you know, we've received literally
21 hundreds of resumes. It's probably upwards of 700 so
22 far. We've been going through those to -- you know,
23 the first step is sorting them out and figuring based
24 on the person's talents and background and still
25 sense that they have identified for us what pile they

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1 go in, literally what operational unit are we going
2 to consider them for.

3 There's a whole sort of internal process
4 about how we'll acknowledge those resumes, and

5 contact the people for interviews, which I would be
6 happy to provide you with off line.

7 Identifying the positions has been the
8 biggest part of that complement structure that we
9 have given you.

10 I would just add one other thing, the
11 position descriptions that are being developed right
12 now, we will have drafts for you at the April 12th
13 meeting of those 18 key positions. This will get
14 easier, obviously, when we have an HR director
15 because some classes don't exist in other agencies.

16 We're creating entirely new positions given
17 that there isn't a similar agency to compare
18 ourselves with.

19 We're looking at other jurisdictions,
20 obviously, in other states; but we're trying to come
21 up with an entirely new set of class and pay
22 structures that don't exist anywhere currently within
23 the Commonwealth.

24 For those 18 positions, we're going to have
25 position descriptions and we're going to provide them

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1 for you at the April 12th meeting.

2 Between now and then, I also wanted to let
3 you know that there would be a schedule of
4 interviews, those Round 1 interviews. We'll provide

5 you with those via e-mail in the next couple of weeks
6 to let you know when each candidate will be
7 considered and who is in that first round.

8 That is an overview of the 18 -- just one
9 other thing beyond the 18 and the 3 that we talked
10 about to get us to June 30th, and the same process
11 will happen with them but we're focusing on the first
12 18.

13 CHAIRMAN DECKER: Sandy, anything else?

14 COMMISSIONER RIVERS: Mr. Chairman -- first
15 of all, Mike, thank you very much. You do an
16 outstanding job and I appreciate all of the help and
17 assistance you have afforded me.

18 I would also like to thank my fellow Board
19 members for their intelligence in helping with the
20 interviewing.

21 I can say that the quality of the
22 application makes us feel very good about being able
23 to hire a greater and professional oriented staff.

24 They are individuals that are coming from
25 all parts of the Commonwealth from cross gender, I

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1 mean, any particular subset that you can possibly
2 think of, we have quality applications coming from.

3 I think what you're going to see is the

4 final staff in the building of this process will, in
5 fact, represent that diversity, the quality, the
6 educational level, the skill set level so that we
7 will be able to do the type of job that we have been
8 asked to perform.

9 I just, again, say thank you to the Board
10 members for your continued participation and look
11 forward to seeing you at the next set of rounds of
12 interviewing. Thank you.

13 CHAIRMAN DECKER: Do any of the
14 Commissioners have any questions of either Sandy or
15 Mike?

16 Okay. Thank you very much.

17 I was remiss before. I didn't notice he
18 was here. I received a notification from Treasurer
19 Casey that he was unable to attend today in light of
20 his other duties; but he was kind enough to send one
21 of his chief deputies who has been helping us in a
22 number of ways, Terry Kostoff.

23 Thank you, Terry. I appreciate you being
24 here today. It's very important.

25 Are there any other questions from any of

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1 the Commissioners on what we have covered so far?

2 COMMISSIONER RIVERS: Mr. Chairman, the one
3 thing I would like to add and that is at all of our

4 Board meetings, I think you will get an update in
5 terms of where we are staff-wise so that you will be
6 able to see this is an ongoing process and be able to
7 watch us build this thing as we move down the road.

8 CHAIRMAN DECKER: I think that's a fair
9 comment. What we intend to do at each of these
10 meetings is provide a timeline. Commissioner Colins
11 did that a bit where we are on the licensing process.

12 We'll get a report from PWC on some of the
13 activities that we have asked them to undertake. We
14 have asked them to help us build the foundation.
15 Commissioner McCabe will be talking to us a little
16 bit on issues about our various activities in the BIE
17 area. I'm missing somebody.

18 Lynn Stelle and others will be making
19 periodic reports to us at these meetings, again, an
20 update of where we stand.

21 Again, I want to thank everyone for their
22 reports. The Board will now break for Executive
23 Session for the purpose of discussing personnel
24 vacancies and potential candidates.

25 The time is approximately 4:00. We will

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1 reconvene, my guess, which I've been wrong about all
2 along, will be within one hour. In fact, I believe

3 we're going to make it 45 minutes because we have
4 some additional things.

5 For those of you in the audience, I want to
6 let you know that then we will then report back on
7 these issues briefly and then we're going to adjourn
8 and go back and have -- go back into Executive
9 Session for the purpose of interviewing candidates.
10 So I just want to let you know so you can plan the
11 rest of your afternoon.

12 With that said, we're now adjourned
13 temporarily.

14 (Executive session.)

15 CHAIRMAN DECKER: All right. Thank you.
16 Sorry to be late. The Board will now go back into
17 regular session. The time for the record is 5:09.

18 As noted prior to the break, we went into
19 Executive Session to discuss personnel issues,
20 including vacancies and potential candidates.

21 As I mentioned to you, we have been doing a
22 lot of interviewing. We are very pleased at the
23 quality of interviews we have been getting through
24 the three positions; executive director, head of the
25 Bureau of Investigation and Enforcement, and chief

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1 counsel. However, we're not ready to make a decision
2 on those because we still have a number of interviews

3 to finish.

4 But today, we have two individuals that we
5 are going to offer employment to. I'm going to turn
6 it over to Commissioner Rivers to discuss that.

7 COMMISSIONER RIVERS: Thank you,
8 Mr. Chairman. Mr. Chairman, based on our meeting and
9 interviewing process, there are two names I would
10 like to bring forward for the opportunity to offer
11 them a position within our organization. Sheryl T.
12 Possavich, she would be an administrative assistant
13 to Commissioner Coy.

14 CHAIRMAN DECKER: Can I add something to
15 that? Just so everyone is clear, each of the
16 Commissioners may or may not, it depends on what
17 happens, hire someone; but each one of those
18 individuals that will be hired will also be helping
19 in another function, perhaps licensing, probably not
20 BIE but perhaps BIE -- I would say no to BIE because
21 of some other issues -- but in various of our
22 administrative functions. They won't just be 100
23 percent with the Commissioner. I wanted to make that
24 clear. Sorry.

25 COMMISSIONER RIVERS: Not a problem. Let

1 me also assure you that all of our job descriptions

2 talk very specifically about expanding job
3 responsibilities.

4 So as we are in the process of hiring
5 individuals, no one can say that their job
6 description is so finely defined that their areas do
7 not go outside their particular area. So I would
8 just like to make that a point.

9 There again, Sheryl Possavich as the
10 administrative assistant to Jeffrey Coy at a salary
11 of \$43,000, and Lamont J. Williams as deputy chief
12 counsel for administration at a salary of \$90,000.
13 Those are the only two recommendations I have at this
14 point. I ask for a motion.

15 COMMISSIONER CONABOY: I make a motion that
16 we proceed with those two hirings.

17 COMMISSIONER MARSHALL: Can I just ask a
18 question? Could you clarify Mr. Williams? What is
19 his position?

20 COMMISSIONER RIVERS: It's going to be
21 deputy chief counsel for administration.

22 CHAIRMAN DECKER: And included in that will
23 be the --

24 COMMISSIONER RIVERS: He will also be our
25 EEO officer. In light of the fact we don't have an

1 HR person, he will have some duties in that area

2 also.

3 COMMISSIONER MARSHALL: Thank you.

4 CHAIRMAN DECKER: In fact, like everyone
5 else, he will be helping to do drafts and regulations
6 as well.

7 COMMISSIONER RIVERS: Are there any other
8 questions from the Board members?

9 COMMISSIONER MARSHALL: I second.

10 COMMISSIONER McCABE: I would just like to
11 add to the motion, pending a successful background
12 check.

13 CHAIRMAN DECKER: Yes, that will go with
14 everyone. Thanks for reminding us. We're still not
15 sure about Mike Walsh.

16 COMMISSIONER RIVERS: We have a motion.
17 And do we have a second?

18 COMMISSIONER McCABE: Second.

19 CHAIRMAN DECKER: Any discussion?

20 All in favor?

21 COMMISSIONERS: Aye.

22 CHAIRMAN DECKER: Any against? Motion
23 carries unanimously.

24 Is there any other new business to come
25 before the Board?

1 All right. I have one more announcement
2 then before we adjourn. The Board will hold an
3 Executive Session for the purpose of discussing
4 personnel matters, but it's really for
5 interviewing -- I want to be direct about that -- 15
6 minutes ago here at the Marriott. No business will
7 be conducted at the Executive Session, which will be
8 closed to the media and the public.

9 The Board's next meeting is scheduled on
10 April 12th at 1:00 in Harrisburg. Beginning in May,
11 the Board will adopt a regular meeting schedule.
12 We're going to try to have regular meetings to be
13 held on the first and third Thursday of every month.

14 Okay. Do I have a motion to adjourn the
15 meeting?

16 COMMISSIONER MARSHALL: So moved.

17 COMMISSIONER CONABOY: Second.

18 CHAIRMAN DECKER: All in favor?

19 COMMISSIONERS: Aye.

20 CHAIRMAN DECKER: The meeting is adjourned.

21 Thank you.

22 (The meeting concluded at 5:07 p.m.)
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1 I hereby certify that the proceedings and
2 evidence are contained fully and accurately in the
3 notes taken by me on the within proceedings and that
4 this is a correct transcript of the same.

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Hillary M. Hazlett, Reporter
Notary Public

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