

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

* * * * *

PUBLIC MEETING

* * * * *

BEFORE: GREGORY C. FAJT, CHAIRMAN
Raymond S. Angeli, Jeffrey W. Coy,
Gary A. Sojka, Kenneth T. McCabe (via
telephone), James B. Ginty (via telephone),
Kenneth I. Trujillo (via telephone)
David Barasch, Representing
C. Daniel Hassell, Secretary of
Revenue, Ex-Officio Member; Jorge Augusto,
representing Russell Redding, Secretary of
Agriculture, Ex-Officio Member
HEARING: Thursday, August 19, 2010, 10:00 a.m.
LOCATION: North Office Building, Hearing Room 1
401 North Street
Harrisburg, PA 17120

Reporter: Kenneth D. O'Hearn

Any reproduction of this transcript is prohibited
without authorization by the certifying agency.

1 WITNESSES: Liz Lanza; Claire Yantis; David Rhen;
2 Susan Yocum, Esquire; Heather Rendon; Scott
3 Ringwood; Susan Hensel; Marie Jones,
4 Esquire; Mark Buterbaugh, Esquire; Thomas
5 Bonner, Esquire

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

OFFICE OF CHIEF COUNSEL

R. DOUGLAS SHERMAN, ESQUIRE

Chief Counsel

STEPHEN S. COOK, ESQUIRE

Deputy Chief Counsel

OFFICE OF ENFORCEMENT COUNSEL

CYRUS PITRE, ESQUIRE

Chief Enforcement Counsel

KATIE HIGGINS, ESQUIRE

Assistant Enforcement Counsel

DUSTIN MILLER, ESQUIRE

Assistant Enforcement Counsel

PA Gaming Control Board

P.O. Box 69060

Harrisburg, PA 17106-9060

Counsel for the Pennsylvania Gaming Control Board

MARIEL J. GILETTO, ESQUIRE

Fox Rothschild, LLP

2000 Market Street

Philadelphia, PA 19103

Counsel for XPEDIX

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S (cont.)

ALAN C. KOHLER, ESQUIRE
Eckert Seamans
213 Market Street
8th Floor
Harrisburg, PA 17101
Counsel for Greenwood Gaming and Entertainment

I N D E X

1			
2			
3	OPENING REMARKS		
4	By Chairman	6 -	8
5	PRESENTATION		
6	By Ms. Lanza	8 -	14
7	By Ms. Yantis	14 -	17
8	By Mr. Rhen	17 -	19
9	By Attorney Yocum	19 -	31
10	By Attorney Cook	32 -	39
11	By Attorney Miller	39 -	48
12	TESTIMONY		
13	By Ms. Rendon	48 -	58
14	PRESENTATION		
15	By Attorney Cook	58 -	60
16	TESTIMONY		
17	By Mr. Ringwood	60 -	74
18	PRESENTATION		
19	By Attorney Cook	75 -	81
20	By Ms. Hensel	81 -	89
21	By Attorney Jones	89 -	91
22	By Attorney Miller	92 -	94
23	By Attorney Buterbaugh	94 -	96
24	By Attorney Bonner	97 -	119
25	DISCUSSION AMONG PARTIES	119 -	120

P R O C E E D I N G S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CHAIRMAN:

Good morning, everyone. I'm Greg Fajt,
Chairman of the Pennsylvania Gaming Control Board.
And I'd like to ask everyone as is our normal practice
to please turn off your cell phones, Blackberries,
PDAs as they tend to interfere with our communication
system. Joining us today is David Barasch
representing the Secretary of Revenue. C. Dan Hassell
and Jorge Augusto representing Secretary of
Agriculture Russell Redding.

Thank you both for being here. Also I'd
like to note for the record that Commissioners Ginty,
McCabe and Trujillo are participating in these
proceedings by phone. Can you guys just let me know
that you're there?

MR. MCCABE:

McCabe here.

MR. GINTY:

Ginty here.

MR. TRUJILLO:

And Ken Trujillo here.

CHAIRMAN:

Great. Thank you. Full Board being

1 present I'll call today's meeting to order. The first
2 order of business, please join me in the Pledge of
3 Allegiance.

4 PLEDGE OF ALLEGIANCE RECITED

5 CHAIRMAN:

6 By way of announcements the Board held an
7 Executive Session on August 18th, the purpose of the
8 Executive Session was to discuss personnel matters,
9 pending litigation and to conduct quasi judicial
10 deliberations relating to matters pending before the
11 Board.

12 Additionally I would like to again,
13 announce that there will be public input hearings
14 relating to the four applications for the remaining
15 Category III license coming up in a few weeks.

16 Specifically the Penn Harris project
17 public hearing will be held on August 30th. The
18 Mason-Dixon project hearing will be held on August
19 31st. The Bushkill public hearing will be held on
20 September 2nd. And the Nemaquin public hearing will
21 be held on September the 8th. As required by the
22 Gaming Act each of these hearings will be held in the
23 municipality where the proposed project is situated.
24 The exact sites of the hearing as well as the start
25 times are posted on the Board's website.

1 Also posted on the website is detailed
2 information as to how a person wishing to speak at any
3 of the public input hearings can register to do just
4 that. In the event you don't have internet access you
5 can also get this information by calling our Board
6 Secretary Mickey Kane at 717-346-8300. Having made
7 all the announcements our next item of business is the
8 Executive Director's Report, Kevin?

9 MR. O'TOOLE:

10 Good morning, Chairman Fajt, members of
11 the Board. With me this morning is Acting Director
12 Liz Lanza of the Office of Compulsive and Problem
13 Gambling of the Pennsylvania Gaming Control Board.
14 Liz will provide an update on the work of the
15 Department this morning.

16 CHAIRMAN:

17 Welcome, Liz.

18 MS. LANZA:

19 Thank you. Good morning, Chairman and
20 members of the Board. Thank you for allowing me this
21 opportunity to update you on the Office of Compulsive
22 and Problem Gambling.

23 First I'd like to give you a little
24 background information on the Board's self-exclusion
25 program and an update on a number of self-exclusion

1 statistics. As you know, self exclusion is a process
2 that allows a person to voluntarily request to be
3 excluded from legalized gaming activities in
4 Pennsylvania. Self exclusion is a tool to assist
5 problem gamblers in avoiding the temptation to gamble.

6 As of this morning there have been a
7 total of 1,609 requests made for self exclusion. Self
8 exclusions do not simply expire, in order for an
9 individual to be removed from the self-exclusion list
10 he or she has to submit in person a request for
11 removal upon the conclusion of the period of self
12 exclusion. Individuals who sign up for lifetime bans
13 may not remove themselves from the list. There have
14 been 191 requests made for removal from self
15 exclusion.

16 Although this program has been a success
17 in Pennsylvania, there are some individuals who
18 violate the terms of self exclusion. The majority of
19 the individuals who violated were visually identified,
20 while others have been identified when a self-excluded
21 individual attempted to complete a transaction that
22 requires proof of identification such as obtaining a
23 players club card, receiving a jackpot, cashing a
24 check or simply by being carded.

25 To date there have been 205 known

1 violations of self exclusion. During the months of
2 May and June program coordinator Elizabeth Burch and I
3 traveled to each of the casinos to meet with the
4 Casino Compliance Supervisors and Representatives. In
5 these meetings we discussed the self exclusion and
6 exclusion lists, the facility's Compulsive and Problem
7 Gambling Plans or the CPG plans and underage gambling.
8 These visits allowed us to see how the procedures in
9 each facility's CPG plan are put into practice.

10 In June and July we worked diligently to
11 ensure that every CPG plan was reviewed and approved
12 by our office. Each facility had to amend their plans
13 to address stipulations mandated by Act I. Additions
14 to the plans include check cashing, signage and
15 underage gambling issues, the addition of sections for
16 table games and credit departments and reference to
17 the voluntary credit suspension program.

18 Currently the OCPG is developing new
19 problem gambling awareness brochures that include
20 information on problem gambling in family members,
21 older adults and youth to name a few. These newly
22 created brochures will be offered to the public on the
23 OCPG webpage and at public awareness events in which
24 the OCPG participates.

25 Finally, I would like to take this

1 opportunity to give my appreciation to all of our CCSs
2 and CCRs at each facility and also to the PGCB
3 employees at our four offices who conduct self-
4 exclusion intake and removal interviews. These
5 individuals are often the first line of contact for
6 individuals with gambling problems. These employees
7 conduct self-exclusion intake and removal interviews
8 on a daily basis and often lend support to problem
9 gamblers. Our office has received letters and calls
10 from those who have self excluded in Pennsylvania to
11 thank the OCPG and the Gaming Control Board employees
12 who gave them the guidance that they needed.

13 As always the Office of Compulsive and
14 Problem Gambling remains dedicated to protecting the
15 public by striving to understand and lessen the
16 effects of compulsive and problem gambling. Thank
17 you.

18 CHAIRMAN:

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

21 MR. COY:

22 Yeah, Mr. Chairman. Thank you.

23 CHAIRMAN:

24 Yes, Commissioner Coy?

25 MR. COY:

1 A couple of questions, Liz? The Notice
2 of Violations that were issued, are they issued by the
3 State Police that are on the scene inside of the
4 casino or who actually does that?

5 MS. LANZA:

6 The citations?

7 MR. COY:

8 Yes.

9 MS. LANZA:

10 The Pennsylvania State Police at each
11 facility will cite the individuals for trespass.

12 MR. COY:

13 And of the notice --- and maybe we're
14 just talking about a difference in words here, but of
15 the Notice of Violations that you said 160 or 70
16 something like that. How many actually resulted in
17 arrest or is the Notice of Violation in and of itself
18 an arrest?

19 MS. LANZA:

20 No, not all of them result in arrests.
21 I'm not sure specifically the number, I can get that
22 for you, however, it is a majority of them.

23 MR. COY:

24 I'd be interested to know how many
25 actually resulted in an arrest and what the average

1 fine or penalty was for those. If you could get that
2 to us, I'd appreciate it.

3 MS. LANZA:

4 Sure.

5 MR. COY:

6 And it is --- I wanted to clarify, it is
7 the State Police Force assigned to the casino that
8 handles these arrests?

9 MS. LANZA:

10 Yes, that is correct.

11 MR. COY:

12 And the last question, in terms of
13 compulsive gaming and reports of violations and
14 identification of problems, are you receiving support
15 from all of our facilities, all of the casinos, are
16 they supportive of this?

17 MS. LANZA:

18 Yes, absolutely.

19 MR. COY:

20 Some more than others or are they all
21 doing a good job?

22 MS. LANZA:

23 They all are doing a good job, they must
24 report any violations to our office within 24 hours of
25 that violation and they all have been keeping up with

1 that.

2 MR. COY:

3 Thank you.

4 CHAIRMAN:

5 Thank you, any other questions? Okay.

6 Kevin, Liz, thank you very much.

7 MS. LANZA:

8 Thank you.

9 CHAIRMAN:

10 Next up is Claire Yantis, our Director of
11 Human Resources. Welcome, Claire.

12 MS. YANTIS:

13 Good morning, Chairman and Board members.

14 The Office of Human Resources has two Motions before
15 you today relevant to the hiring of PGCB staff. First
16 we ask that you consider a Motion to hire three
17 individuals. Randolph Bonchack and Colin McNamara
18 have been selected for Casino Compliance
19 Representative positions in the Bureau of Casino
20 Compliance. And Kelsey Bugaile has been selected for
21 the position of Compliance Examiner in the Bureau of
22 Gaming Operations. Mr. Bonchack, Mr. McNamara and Ms.
23 Bugaile have completed the PGCB interview process,
24 background investigation and drug screening and are
25 being recommended for hire by their respective Bureau

1 Directors. As such, I ask you that you consider a
2 motion to hire these individuals as indicated.

3 CHAIRMAN:

4 Any questions or comments from the Board?
5 May I have a motion, please?

6 MR. COY:

7 Yes, Mr. Chairman I move the Board
8 approve the applicants as proposed on the condition
9 that they have completed the necessary background
10 investigations and drug testing.

11 CHAIRMAN:

12 Second?

13 MR. SOJKA:

14 Second.

15 CHAIRMAN:

16 All in favor?

17 ALL SAY AYE

18 CHAIRMAN:

19 Opposed? Motion passes.

20 MS. YANTIS:

21 Next pursuant to the Board Order of July
22 29th, 2010 the Personnel Committee was authorized to
23 hire individuals as they successfully completed their
24 background investigation in an effort to ensure
25 adequate staffing and training for the anticipated

1 opening of the SugarHouse Casino.

2 Since that Board meeting there were four
3 individuals that have been approved to commence
4 employment under this Motion. Aaron Zylo has been
5 approved by the Personnel Committee to begin
6 employment as a Technical Field Representative in the
7 Bureau of Gaming Laboratory Operations. Additionally
8 Dolores Cameron, Steve Bennett, Jr., and Bruce Price
9 have been approved by the Personnel Committee to begin
10 employment as Casino Compliance Representatives at
11 SugarHouse. All four individuals were recommended for
12 hire by their respective Bureau Directors and have
13 completed the necessary background screening and drug
14 testing. We would therefore ask the Board to ratify
15 the hiring of these individuals as required by the
16 July 29th, 2010 Order of the Board.

17 CHAIRMAN:

18 Thank you. Any questions or comments
19 from the Board? Seeing none, can I have a motion?

20 MR. SOJKA:

21 Yes, Mr. Chairman I move that the Board
22 ratify the previous hiring of applicants as just
23 described by the Director of Human Resources.

24 MR. ANGELI:

25 Second.

1 CHAIRMAN:

2 All in favor?

3 ALL SAY AYE

4 CHAIRMAN:

5 Opposed? Motion passes. Thank you very
6 much, Claire. Next up is our Budget Manager, Dave
7 Rhen. Welcome, Dave.

8 MR. RHEN:

9 Good morning. Today's budget report
10 includes the results for July the 1st, fiscal year
11 2010/11. It's worth noting that July expenses were
12 lower than for a typical month. Being the first month
13 of the fiscal year, there was only one payroll to post
14 to July. And operating activity that we would
15 normally see in a monthly report is occurring as we
16 will see in August, one month after it occurs.

17 For the month expenditures totaled
18 \$1,563,000. Personnel expenses were \$1.2 million and
19 operating expenses totaled \$375,000. Of the \$375,000
20 operating expenses the largest by type were \$282,000
21 July and August real estate and office equipment uses,
22 \$48,000 for utilities, \$16,000 for travel, and \$13,000
23 for professional and specialized services. That
24 concludes my remarks.

25 CHAIRMAN:

1 Okay. Any questions from the Board?
2 Commissioner Coy?

3 MR. COY:

4 Thank you, Mr. Chairman. David, can you
5 give the Board, and for that matter everybody else,
6 any idea of the expenses that you just read, what
7 percentage of those on a monthly basis are
8 reimbursable by casinos or people or companies that
9 are being investigated, do you have any idea? I would
10 imagine a lot of the travel expenses.

11 MR. RHEN:

12 A lot of the travel expenses. We also
13 get reimbursed for our database searches and PSP
14 fingerprinting charges and we bill back for direct
15 time related to investigations and proceedings. That
16 typically works out to be 20 to 25 percent of our
17 total budget.

18 MR. COY:

19 So you can assume the 20 or 25 of the
20 numbers you just read would be reimbursable?

21 MR. RHEN:

22 Right. Our budget is appropriated so
23 that we get all that is reimbursable, but the way it's
24 appropriated is that a portion is drawn down from
25 escrow accounts that the casinos fund. And then

1 another portion of approximately 25 percent is funded
2 directly by billings for investigation proceedings and
3 also the operations of the gaming lab goes back to
4 manufacturers.

5 MR. COY:

6 And those billings are not included in
7 the accounts that are developed by the casinos?

8 MR. RHEN:

9 They are to be billed separately.

10 MR. COY:

11 Thank you.

12 CHAIRMAN:

13 Any other questions? Thank you very
14 much, Dave. Next up is our Chief Counsel, Doug
15 Sherman.

16 ATTORNEY SHERMAN:

17 Good morning, Chairman and members of the
18 Board. Our first four agenda matters relate to
19 regulations today. They are a Proposed Regulation, a
20 Temporary Regulation, a Final-Form Regulation, and a
21 Final Omitted Regulation which Assistant Chief Counsel
22 Susan Yocum will present.

23 ATTORNEY YOCUM:

24 Good morning, Chairman Fajt and members
25 of the Board. You have today before you four

1 Regulation packages for your consideration, the first
2 being Regulation number 125-129. This is a proposed
3 rulemaking, which amends Chapter 439 on junkets. With
4 the passage of Act I in January junket enterprises are
5 now required to obtain a license. And those that
6 organize a junket to a licensed facility are now
7 required to obtain an occupation permit from the
8 Board. Those changes were made in this regulation
9 package and are in conformity with the statute.
10 Additionally an internal review was done to determine
11 what level of licensure was actually necessary for the
12 junket enterprise. The proposed regulation has
13 removed officers, directors and owners from the
14 principal licensing requirements which is where they
15 were before and put them in line with the Gaming
16 Service Providers. It was determined that junkets
17 provide a service just like any service providers do
18 to the Licensees. It was more appropriate to
19 credential them at the same level. I'd be
20 happy to answer any questions you may have. If there
21 are no questions I would ask for a motion to adopt
22 125-129?

23 CHAIRMAN:

24 Commissioner Sojka, question?

25 MR. SOJKA:

1 Yes, Susan one quick question, do we have
2 any junket providers at the moment that this would
3 affect?

4 ATTORNEY YOCUM:

5 We currently do not. There has been some
6 interest from several junkets now that table games are
7 operational.

8 MR. SOJKA:

9 Okay. So if we take action on this then
10 once we set the standard and everything will move from
11 that point?

12 ATTORNEY YOCUM:

13 Correct, yeah.

14 MR. SOJKA:

15 Good.

16 CHAIRMAN:

17 Any other questions? Yeah, Commissioner
18 Angeli?

19 MR. ANGELI:

20 An occupational permit and a Gaming
21 Service Provider, is this the same thing?

22 ATTORNEY YOCUM:

23 The Gaming Service Provider level, if a
24 person is going to be on the gaming floor they're
25 required to obtain an occupation permit. It's

1 essentially the same type of thing that would happen
2 with the junkets.

3 MR. ANGELI:

4 Okay. Thank you.

5 CHAIRMAN:

6 Any other questions? If not, can I have
7 a motion, please?

8 MR. ANGELI:

9 Yes, Mr. Chairman, I move that the Board
10 adopt the Proposed Regulation # 125-129 and that the
11 Board establish a public comment period of 30 days for
12 this Proposed Regulation and that the Proposed
13 Regulation be posted on the Board's website.

14 MR. COY:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed? Motion passes.

21 ATTORNEY YOCUM:

22 The next regulation is 125-131. This is
23 a temporary rulemaking which amends several of the
24 Table Game's Regulations in response to operator
25 comments received during the 30 day public comment

1 period established by the Board. One of the issues
2 brought to our attention was our current regulation
3 requires that when a damaged card or cards is found
4 during the course of play that an entire deck be
5 replaced. This regulation amends that, so just the
6 card or cards can be replaced with a replacement deck
7 that's controlled by the pit manager.

8 Additionally this regulation offers
9 certificate holders an additional side wager. It's
10 the 20 point bonus wager also known as the Lucky
11 Ladies bonus wager in the game of Blackjack. If there
12 are no questions I would ask for a motion to adopt
13 temporary rulemaking 125-131.

14 CHAIRMAN:

15 Any questions or comments from the Board?

16 MR. ANGELI:

17 Just one because it's like following the
18 bouncing ball here. If a card is damaged, okay, they
19 go and get another deck and take the card out of that
20 deck and put it ---.

21 ATTORNEY YOCUM:

22 What happens is they put it --- the
23 regulation is going to require that they put it face
24 up on the table so surveillance can get a shot of it.
25 They put the new card into the discard rack. They cut

1 the old one in half and stick it back in face up into
2 the deck. And that replacement deck gets put back
3 into the pit stand. So they can continue to take
4 replacement cards on an as needed basis. And at the
5 end of the gaming day that entire replacement deck is
6 taken with the rest of the decks.

7 MR. ANGELI:

8 Okay. So that one replacement deck is
9 there all day long and if there's another problem they
10 just keep taking it out of that replacement deck?

11 ATTORNEY YOCUM:

12 Correct.

13 MR. ANGELI:

14 Rather than just replacing the entire
15 deck, which I didn't understand?

16 ATTORNEY YOCUM:

17 Correct.

18 MR. ANGELI:

19 Okay. Thank you.

20 CHAIRMAN:

21 And just to follow-up on Commissioner
22 Angeli's point, that deck as you mentioned in your
23 comments is controlled by the pit manager, pit boss;
24 is that correct?

25 ATTORNEY YOCUM:

1 Yes. There are inventory control
2 procedures that we've written into the regulation to
3 assure that that deck is maintained by the pit
4 manager.

5 MR. SOJKA:

6 And then if by chance the rare
7 possibility that the same card is damaged twice then
8 they simply dump that deck and bring in a new?

9 ATTORNEY YOCUM:

10 Correct.

11 MR. SOJKA:

12 And it's all done under a surveillance
13 camera so everybody sees it and there can't be any
14 putting in an extra card or something in?

15 ATTORNEY YOCUM:

16 Absolutely.

17 MR. SOJKA:

18 Okay.

19 CHAIRMAN:

20 Any other questions or comments? If not
21 can I have a motion, please?

22 MR. COY:

23 Yes, Mr. Chairman, I move the Board adopt
24 Temporary Regulation 125-131, that the Board establish
25 a public comment period of 30 days for the Temporary

1 Regulation. And that the Temporary Regulation be
2 posted on the Board's website.

3 CHAIRMAN:

4 Can I have a second?

5 MR. SOJKA:

6 Second.

7 CHAIRMAN:

8 All in favor?

9 ALL SAY AYE

10 CHAIRMAN:

11 Opposed? Motion passes.

12 ATTORNEY YOCUM:

13 We also have a Final-Form Regulation
14 125-108; this will amend Chapter 433 on principal
15 licensure. Most of the current provisions were not
16 deleted from this amendment package, they were simply
17 reorganized for clarity and for consistency between
18 the sections. We did delete several of the
19 requirements, institutional investors are no longer
20 required to file an application but simply a notice
21 form. We also deleted junkets from the principal
22 regulations as I mentioned on 125-129.

23 There are two new provisions. We are
24 requiring that general partners of limited
25 partnerships that are our licensees are to be licensed

1 as principals. This was done because general partners
2 typically have --- although their ownership interest
3 is very small, they typically have the authority to
4 manage the limited partner, they carry the liability
5 for the decks and they have a right to bind the LP in
6 contracts, limited partner in contracts. Additionally
7 lenders to principal affiliates and slot machine
8 licensees are now going to be required to be licensed
9 if the lender is not in the business of providing debt
10 or equity or the loan is not in order in course of a
11 lender's business. This regulation is not referring
12 to banks or licensed lending institutions. It's a
13 very small segment of lenders. This regulation
14 actually codifies an internal policy. We did receive
15 comments from both the industry and from IRRC and have
16 included most of their suggestions into this
17 Final-Form Rulemaking. I'd be happy to answer any
18 questions you may have. If not I'd ask for a motion
19 to adopt 125-108.

20 CHAIRMAN:

21 Any questions or comments from the Board,
22 Commissioner Angeli?

23 MR. ANGELI:

24 So, if it's a lender who's not a bank or
25 normal lending institution they are required to be

1 licensed as a ---?

2 ATTORNEY YOCUM:

3 As a principal, correct.

4 MR. ANGELI:

5 There's no dollar amount --- is there a
6 dollar amount or a percentage tied to this?

7 ATTORNEY YOCUM:

8 No. The principal license, there would
9 be the application fee and the investigation costs,
10 but ---.

11 MR. ANGELI:

12 It doesn't matter how much they lend.

13 ATTORNEY YOCUM:

14 No.

15 MR. ANGELI:

16 So they're still going to have to be
17 licensed as a principal?

18 ATTORNEY YOCUM:

19 Yes, if they're a lender not in the
20 ordinary course and their loan is not --- they've
21 never lent before.

22 MR. ANGELI:

23 You mentioned it was in our current
24 policy, is this a change to what we've done or have we
25 always done it?

1 ATTORNEY YOCUM:

2 Well, this is a codification of what we
3 have already done. Currently of the number of years
4 we've been looking at lenders, this is the first year
5 we've had two lenders that have applied for principal
6 licensure and their applications are currently
7 pending.

8 MR. ANGELI:

9 Thank you.

10 CHAIRMAN:

11 And these were lenders out of the
12 ordinary course of banking?

13 ATTORNEY YOCUM:

14 That's correct.

15 CHAIRMAN:

16 And what was the magnitude of the loans
17 just generically?

18 ATTORNEY YOCUM:

19 I don't have the dollar figure for you,
20 but I can get it.

21 CHAIRMAN:

22 Okay. Tens of millions, 2 million, 20
23 million, any idea?

24 ATTORNEY YOCUM:

25 I'm not exactly sure.

1 CHAIRMAN:

2 All right. You can get that to us.

3 Okay. Any other questions?

4 MR. SOJKA:

5 No.

6 CHAIRMAN:

7 Can I have a motion, please?

8 MR. SOJKA:

9 Yes, Mr. Chairman, I move that the Board
10 adopt the Final-Form Regulation 125-108 and that the
11 Regulation be posted on the Board's website.

12 MR. ANGELI:

13 Second.

14 CHAIRMAN:

15 All in favor?

16 ALL SAY AYE

17 CHAIRMAN:

18 Opposed? Motion passes.

19 ATTORNEY YOCUM:

20 And the last regulation for you today, is
21 125-130. This is a Final-Omit rulemaking which does
22 two things. It changes the license renewal term from
23 one year to three years for all manufacturers,
24 manufacturer designees, suppliers and slot machine
25 licensee. It also renames vendors to gaming service

1 providers. These changes were statutorily mandated
2 with the passage of Act One. If there are no
3 questions I'd ask for a motion to adopt 125-130.

4 CHAIRMAN:

5 Any questions from the Board? Can I have
6 a motion, please?

7 MR. ANGELI:

8 Mr. Chairman, I move the Board adopt
9 Final-Omitted Regulation 125-130 and the Regulation be
10 posted on the Board's website.

11 MR. COY:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 ALL SAY AYE

16 CHAIRMAN:

17 Opposed? Motion passes. Thank you,
18 Susan.

19 ATTORNEY SHERMAN:

20 Chairman, we have no substantive
21 contested petitions to present today as we normally
22 do. So I'll be turning now to withdrawals, Reports
23 and Recommendations, Emergency Suspensions and a
24 Procedural Petition requesting reconsideration of a
25 prior Board Order. Deputy Chief Counsel Steve Cook

1 will present each of these matters.

2 CHAIRMAN:

3 Okay. Welcome, Steve.

4 ATTORNEY COOK:

5 Good morning. With respect to
6 withdrawals, the Board has received petitions seeking
7 the withdrawal of the applications of the following
8 five individuals or businesses. The Boyle Family
9 Trust, Bernard Boyle, Scott D. Gunn and the
10 manufacturer related applications of Keystone Gaming
11 Technologies, Inc. and Thomas Malek.

12 The Office of Enforcement Counsel (OEC)
13 has no objections to these petitions, therefore, if
14 the Board were to grant same they would be doing it,
15 granting the withdrawals without prejudice. We'd ask
16 for a motion to the effect.

17 CHAIRMAN:

18 Any questions or comments from the Board?
19 Can I have a motion, please?

20 MR. COY:

21 Mr. Chairman, I move the Board issue
22 Orders to approve the withdrawals as described by the
23 Office of Chief Counsel (OCC).

24 CHAIRMAN:

25 Second?

1 MR. SOJKA:

2 Second.

3 CHAIRMAN:

4 All in favor?

5 ALL SAY AYE

6 CHAIRMAN:

7 Opposed? Motion passes.

8 ATTORNEY COOK:

9 Next before the Board for consideration
10 are six Report and Recommendations received in the
11 Office of Hearings and Appeals (OHA) relative to two
12 Non-Gaming Employee Registrations, three Gaming
13 Employee Permits and one Petition for Removal from the
14 Voluntary Self-Exclusion List. These Reports and
15 Recommendations, along with the evidentiary record for
16 each hearing, have been filed with the Board.

17 Additionally, each of the persons
18 involved have been notified that the matter was being
19 called before the Board today and have the right to be
20 present to briefly address the Board. I would ask
21 that any of these individuals, if they're present
22 today, and wish to address the Board that they should
23 come forward when their matter is announced.

24 The first Report and Recommendation
25 before the Board pertains to David Clemens. Mr.

1 Clemens submitted an application for a non-gaming ---.

2 CHAIRMAN:

3 He is here. Please come up here, Mr.
4 Clemens.

5 ATTORNEY COOK:

6 While Mr. Clemens makes his way up I'll
7 provide the Board with some background. Mr. Clemens
8 submitted an application for a Non-Gaming Employee
9 Registration on May 13, 2010, seeking employment as a
10 carpenter at the Mt. Airy Casino.

11 On his application, Mr. Clemens disclosed
12 that in 1988, he was convicted of third degree murder
13 stemming from an incident in which his home was broken
14 into and he shot and killed one of the individual
15 intruders. As a result of this conviction, Mr.
16 Clemens was sentenced to prison for 6-15 years. He
17 was paroled after six years and released from parole
18 in 2004.

19 On May 27th, 2010 the OEC issued a Notice
20 of Recommendation of Denial based on Mr. Clemens
21 felony conviction. Mr. Clemens requested a hearing in
22 which both he and OEC appeared and offered testimony
23 and documentary evidence. Mr. Clemens presented
24 uncontradicted evidence that the 22-year-old
25 conviction in question was the sole extent of his

1 criminal history; that he was an exemplary prisoner
2 while incarcerated and that he has been continuously
3 employed since his parole and that he's also involved
4 in community activities. Based upon the evidence
5 presented, including a character reference by a
6 Pennsylvania State Trooper, as well as the Non-Gaming
7 related nature of the employment that he seeks, the
8 Report and Recommendation of the Hearing Officer was
9 that Mr. Clemens be granted Non-Gaming Status. That
10 matter is presently before the Board for
11 consideration. I see Mr. Clemens is present as well
12 as Katie Higgins from the OEC. I ask Mr. Clemens if
13 he has anything to say to the Board that he go right
14 ahead.

15 MR. CLEMENS:

16 Yes, I just hope you read over the Report
17 and Recommendation and grant me the license. And I
18 appreciate your time.

19 CHAIRMAN:

20 Katie, any comments from you?

21 ATTORNEY HIGGINS:

22 The OEC has no objection to Hearing
23 Officer's Report and Recommendation.

24 CHAIRMAN:

25 Thank you, any questions or comments from

1 the Board?

2 MR. SOJKA:

3 I think it might be worth a comment, and
4 that is due to the gravity of the issue I think you
5 should know that we spent considerable time carefully
6 going over all of the materials that you submitted
7 having to do with what I guess, we would have to call
8 rehabilitation and reentry into the community. And
9 obviously you've done an excellent job of putting all
10 that together and we appreciate that.

11 MR. CLEMENS:

12 Thank you very much.

13 CHAIRMAN:

14 Any other questions or comments? Seeing
15 none can I have a motion, please?

16 MR. SOJKA:

17 Yes, Mr. Chairman, I'll move that the
18 Board issue an Order to adopt the Report and
19 Recommendation of the OHA regarding the Non-Gaming
20 Employee Registration of David Clemens as described by
21 the OCC.

22 MR. ANGELI:

23 Second.

24 CHAIRMAN:

25 All in favor?

1 ALL SAY AYE

2 CHAIRMAN:

3 Opposed? Motion passes.

4 MR. CLEMENS:

5 Thank you very much.

6 CHAIRMAN:

7 Thank you.

8 ATTORNEY COOK:

9 Next for the Board's consideration is a
10 Report and Recommendation related to Anthony
11 Incollingo, who may also be present.

12 CHAIRMAN:

13 Is Mr. Incollingo here?

14 ATTORNEY COOK:

15 No, perhaps not. Mr. Incollingo
16 submitted a Non-Gaming Employee Registration
17 application to work as a valet parker at the Parx
18 Casino. On August 19, 2008, OEC issued a Notice of
19 Recommendation of Denial based on Mr. Incollingo's
20 failure to disclose a 2007 arrest for violation of the
21 Drug Act which is a felony offense, as well as due to
22 the nature of the offense itself, which involved the
23 sale of a small amount of marijuana to an undercover
24 police officer.

25 Mr. Incollingo requested a hearing;

1 however, the parties agreed to hold the matter in
2 abeyance until the criminal charges were resolved.
3 The matter was subsequently scheduled and heard before
4 a Hearing Officer on April 15th, 2010. At that
5 hearing both the OEC and Mr. Incollingo offered
6 testimony and documentary evidence. The OEC offered
7 evidence indicating that Mr. Incollingo did not
8 disclose the arrest on his application as well as the
9 fact that he was subsequently convicted of a felony
10 offense. Mr. Incollingo testified that he did not
11 disclose the arrest because the matter was pending at
12 the time and he didn't think he was obligated to do
13 so.

14 At the conclusion of the hearing the
15 Hearing Officer issued a Report and Recommendation to
16 the Board, recommending that Mr. Incollingo's
17 application be denied due to his non-disclosure of a
18 pending criminal charge, as well as his subsequent
19 conviction of a felony drug offense.

20 The Board may recall this matter was
21 previously called before the Board on June 21st, 2010,
22 and the Board at that time heard from Mr. Incollingo.
23 Thereafter, the matter was tabled and the OEC was
24 requested to reach out to Mr. Incollingo's probation
25 officer, his still being on probation, and get a

1 report. I believe Dustin may be able to speak to
2 that.

3 CHAIRMAN:

4 Welcome, Dustin.

5 ATTORNEY MILLER:

6 Good morning, Chairman Fajt and members
7 of the Board. Yes, as Steve indicated at the
8 conclusion of that Board meeting in June, you had
9 asked for some more information regarding Mr.
10 Incollingo's probation and parole and also some more
11 information regarding charges. We contacted the BIE
12 and they were able to provide us with that
13 information. The BIE contacted Gaile Livingston, who
14 is Mr. Incollingo's probation officer in Philadelphia.
15 She told the investigator that she had Mr.
16 Incollingo's case since March 30th of this year. And
17 that was transferred from Berks County where these
18 charges were filed. There are no restrictions against
19 Mr. Incollingo regarding his probation. He is
20 required to make payments to the Court regarding his
21 fines and costs and visit her one time per month. He
22 has not missed any appointments and is current on all
23 his payments as ordered. She had no derogatory
24 information to report regarding Mr. Incollingo's
25 probation. And also BIE did retrieve the arrests

1 documents from Berks County. I do have a copy of
2 those here, I didn't know if the Board would be
3 interested in a copy of those and I have a copy for
4 Mr. Incollingo as well, if he appears. Or I could
5 read into the record what the basis for the charges
6 were.

7 CHAIRMAN:

8 Why don't you read into the record what
9 the basis was?

10 ATTORNEY MILLER:

11 According to the Affidavit of Probable
12 Cause for Mr. Incollingo's arrest, on Thursday,
13 October 11th, 2007 a Berks County Detective was
14 working in an undercover capacity for the purpose of
15 attempting to purchase marijuana from a suspect known
16 as Antonio S. Incollingo. The drug transaction was
17 anticipated to take place at the suspect, Mr.
18 Incollingo's home in Kutztown, Berks County. At
19 approximately 11:16 p.m. the detective responded to
20 Mr. Incollingo's apartment with a confidential police
21 informant. Once in the apartment the detective met
22 with the suspect, Mr. Incollingo. Mr. Incollingo said
23 he had a quarter, the detective said we would take it.
24 Mr. Incollingo went back in a hallway while the
25 detective remained in the kitchen, Mr. Incollingo

1 returned. Mr. Incollingo handed a clear plastic bag
2 containing suspected marijuana to the confidential
3 police informant. The detective immediately retrieved
4 the clear plastic bag containing suspected marijuana
5 and asked Mr. Incollingo, how much do you want? Mr.
6 Incollingo replied \$80. The detective handed Mr.
7 Incollingo \$80 pre-recorded U.S. currency. The
8 confidential police informant and the detective left
9 the apartment. Later the material that was in the
10 clear plastic baggie was tested and tested positive
11 for marijuana. At that time the police filed charges
12 against Mr. Incollingo.

13 CHAIRMAN:

14 Thank you. Any questions or comments
15 from the Board?

16 MR. MCCABE:

17 Yes, I have a question.

18 CHAIRMAN:

19 Yes, Commissioner McCabe.

20 MR. MCCABE:

21 How long is his probation period and how
22 much time does he have left on that probation period?

23 ATTORNEY MILLER:

24 Mr. Incollingo was sentenced to five
25 years probation so that was in March of this year. So

1 we're very early into the probationary period.

2 MR. MCCABE:

3 Thank you.

4 CHAIRMAN:

5 Commissioner Sojka?

6 MR. SOJKA:

7 Yes, I want to make sure that I'm
8 understanding this correctly because I believe Mr.
9 Incollingo came into this room, was sworn and gave an
10 account substantially different from what you've just
11 read to us out of that arrest record. There was
12 reference to a large fraternity party, a random
13 contact with a person who turned out to be a police
14 woman, a sale of a quote, joint. And it sounds like a
15 very different scenario from what you've just read.
16 Am I understanding that correctly?

17 ATTORNEY MILLER:

18 Now, that's my recollection as well.

19 MR. SOJKA:

20 Thank you.

21 MR. ANGELI:

22 And I would agree with that, you know.
23 Having heard Mr. Incollingo's comments the last time I
24 would agree with Commissioner Sojka that it has
25 changed dramatically from what you read just now. It

1 appears from what you just read right now that
2 obviously his apartment was targeted as a place where
3 there might have been a sale of drugs.

4 ATTORNEY MILLER:

5 Yeah, that's correct.

6 MR. ANGELI:

7 Thank you.

8 CHAIRMAN:

9 Okay. Any other ---?

10 MR. GINTY:

11 This is Ginty. He pled guilty to these
12 charges?

13 ATTORNEY MILLER:

14 Excuse me. I didn't hear the question.

15 MR. GINTY:

16 And he pled guilty in these charges?

17 ATTORNEY MILLER:

18 Oh, that's correct. He did plead guilty.

19 CHAIRMAN:

20 Any other questions or comments? Yep,
21 I'm going to ask what is the Recommendation before the
22 Board?

23 ATTORNEY COOK:

24 A vote to adopt the Report and
25 Recommendation would result in Mr. Ingollingo's being

1 denied a permit. A vote against the Report and
2 Recommendation would grant him the Non-Gaming
3 Registration.

4 MR. COY:

5 And his intent is to be a valet parking
6 attendant.

7 ATTORNEY COOK:

8 He was previously employed as a valet
9 parker at the Parx Casino.

10 MR. COY:

11 And not in the casino itself?

12 ATTORNEY COOK:

13 Not in the casino itself, no. He would
14 be outside parking cars.

15 CHAIRMAN:

16 Any other questions or comments from the
17 Board? Seeing none, could I have a motion, please?

18 MR. ANGELI:

19 Yes, Mr. Chairman, I move that the Board
20 issue an Order to adopt the Report and Recommendation
21 of the OHA regarding the Non-Gaming Employee
22 Registration of Anthony Incollingo as described by the
23 OEC.

24 MR. COY:

25 Second.

1 CHAIRMAN:

2 All in favor?

3 ALL SAY AYE

4 CHAIRMAN:

5 Opposed? Motion passes.

6 ATTORNEY COOK:

7 Victor Giddins is the next Report and
8 Recommendation before the Board for consideration.
9 Mr. Giddins submitted an application for a Gaming
10 Employee Permit on April 14, 2010, seeking work as a
11 bench technician for Micro First Associates, a
12 manufacturer of slot machines.

13 On May 3, 2010, the OEC issued a Notice
14 of Recommendation of Denial based upon the fact that
15 Mr. Giddins was convicted of a felony within the last
16 15 years. Specifically, on February 4th, 2002 Mr.
17 Giddins was convicted in New Jersey of attempting to
18 elude police, which in that state is characterized as
19 a felony.

20 The OHA issued a Report and
21 Recommendation in this matter recommending that Mr.
22 Giddins' application for a Gaming Employee Permit be
23 denied based on his felony conviction and the Gaming
24 Act's prohibition against granting a gaming permit to
25 anybody convicted of a felony within the last 15

1 years. The OCC recommends that under the
2 circumstances the Board adopt the Report and
3 Recommendation.

4 CHAIRMAN:

5 Any questions, or comments from the
6 Board? Can I have a motion, please?

7 MR. COY:

8 Mr. Chairman, I move the Board issue an
9 Order adopting the Report and Recommendation of the
10 OHA regarding the Gaming Employee Permit of Victor
11 Giddins as described by the OCC.

12 CHAIRMAN:

13 Second?

14 MR. SOJKA:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed? Motion passes.

21 ATTORNEY COOK:

22 The next matter before the Board relates
23 to Heather Rendon. Ms. Rendon submitted an
24 application on May 17th, 2010 to work as a table games
25 dealer at the Parx Casino and Racetrack. I see Ms.

1 Rendon is present. Subsequently, on June 17th, 2010,
2 the OEC issued a Notice of Recommendation of Denial
3 based on Ms. Rendon's failure to disclose a July 2007
4 arrest, and ultimate conviction on a charge of theft
5 by deception, a misdemeanor.

6 Ms. Rendon requested a hearing which was
7 held on July 13th, 2010. Both the OEC and Ms. Rendon
8 offered testimony and documentary evidence. At the
9 hearing, Ms. Rendon testified that, because she was in
10 the process of getting her record expunged, she stated
11 on her application that she had never been arrested or
12 charged with any crime.

13 Thereafter, a Report and Recommendation
14 was issued, where in the Hearing Officer recommended
15 that Ms. Rendon be found unsuitable to hold a Gaming
16 Employee Permit.

17 After issuance of the Report and
18 Recommendation, on August 2nd, 2010, Ms. Rendon filed
19 Exceptions to the Hearing Officer's Report and
20 Recommendation. In her Exceptions, Ms. Rendon details
21 her rehabilitation and actions since her 2007 arrest
22 and conviction. Specifically, Ms. Rendon states that
23 she has been trained to be a dealer over a nine week
24 period of time; has learned game protection; the rules
25 and regulation of dealing card games and table games

1 in the casino; and she's also purchased all of her
2 uniforms for that activity. She further indicated
3 that she has paid her criminal fine in full; completed
4 all of her community service; and, was indeed in the
5 process of having her record expunged.

6 This matter is now ripe for the Board's
7 consideration. I've indicated Ms. Rendon is present.

8 CHAIRMAN:

9 Great. Ms. Rendon, will you please stand
10 to be sworn in?

11 -----

12 HEATHER RENDON, HAVING FIRST BEEN DULY SWORN,
13 TESTIFIED AS FOLLOWS:

14 -----

15 CHAIRMAN:

16 Do you have any comments to the Board?

17 MS. RENDON:

18 No, I just drove five hours and what was
19 said in my letter, I feel that I'm fully qualified and
20 that's it.

21 CHAIRMAN:

22 Any questions, from the Board? I have a
23 question. You know, and we've had this issue come to
24 us repeatedly and that is when people do not fill out
25 their applications correctly. It is my understanding

1 and you can correct me if I'm wrong.

2 MS. RENDON:

3 Yes.

4 CHAIRMAN:

5 That it says pretty clearly, on the
6 application that an expunged record, whether it's in
7 the process or completed, is still a record that must
8 be disclosed.

9 MS. RENDON:

10 You're correct.

11 CHAIRMAN:

12 And so my next question, is why then
13 whether you were in the process of expungement or not
14 did you not disclose your record?

15 MS. RENDON:

16 Just being irresponsible and trying to
17 --- I guess, lack of responsibility pretty much.

18 MR. COY:

19 What's the motion being recommended?

20 CHAIRMAN:

21 What is the recommendation again?

22 ATTORNEY COOK:

23 The recommendation of the Hearing Officer
24 is that her application be denied. So a vote to
25 uphold the Report and Recommendation would deny her

1 the application.

2 MR. COY:

3 I'll try one more time. Anything else
4 you want to say to us about this other than you were
5 simply irresponsible?

6 MS. RENDON:

7 You know, I mean, just lack of --- it was
8 a very juvenile decision. I should have been
9 truthful. It was just one of those things that I just
10 want to put in the past. And that's pretty much it.

11 MR. GINTY:

12 This is Ginty. What's the status of the
13 expungement attempt?

14 MS. RENDON:

15 Is that for me?

16 CHAIRMAN:

17 Yes.

18 MS. RENDON:

19 The first and second step is complete.
20 I'm just waiting to hear back from them for a court
21 date to see them and ---.

22 CHAIRMAN:

23 Jim, did you hear that?

24 MR. GINTY:

25 What I heard was they are waiting for a

1 court date?

2 CHAIRMAN:

3 Correct. Commissioner Sojka?

4 MR. SOJKA:

5 This whole thing then strikes me that
6 it's a little bit preliminary in that there's that
7 issue as well as the failure to truthfully fill out
8 the application. Even your argument having to do with
9 expungement is not yet complete.

10 MS. RENDON:

11 Not yet. It's a very lengthy process.

12 MR. TRUJILLO:

13 This is Ken Trujillo. Just following up
14 on Commission Coy's question, I just want to be clear
15 that when you filled out the application you
16 understood at that time you were supposed to disclose
17 the facts of the arrest?

18 MS. RENDON:

19 I was.

20 MR. MCCABE:

21 This is McCabe, can I ask a question?

22 CHAIRMAN:

23 Certainly.

24 MR. MCCABE:

25 Were you given the opportunity to amend

1 your application when you were re-interviewed by BIE
2 about this matter?

3 MS. RENDON:

4 I was and I did.

5 MR. MCCABE:

6 And you did?

7 MS. RENDON:

8 Yes.

9 MR. MCCABE:

10 Did you amend it or did you not amend it?

11 MS. RENDON:

12 I did amend it.

13 MR. COY:

14 She said that she did.

15 MR. MCCABE:

16 She did, but our records show --- says
17 that she did not amend her application to reflect
18 these discrepancies.

19 CHAIRMAN:

20 You are correct that --- Counselor, do
21 you want to weigh in? Ken, that's my recollection
22 also that she did not amend the application. And her
23 counsel, if you could please state your name for the
24 record?

25 ATTORNEY COOK:

1 That's Mark Buterbaugh from the OCC.

2 CHAIRMAN:

3 Okay. Thank you.

4 ATTORNEY BUTERBAUGH:

5 Mr. Chairman, she did amend the criminal
6 history part of her application but after several
7 attempts to have her amend her employment application,
8 in which she did not disclose the employer in which
9 her offense came from, she failed to do so.

10 CHAIRMAN:

11 I'm not sure I understand that. Can you
12 say that again?

13 ATTORNEY BUTERBAUGH:

14 Yeah, there were two non-disclosures.
15 She failed to disclose the crime and she failed to
16 disclose the employer she worked at where the crime
17 occurred. After being requested to render an
18 application she did amend the criminal part and listed
19 the offense, but she failed to amend the employment
20 part to put the employer where the criminal offense
21 occurred.

22 MR. MCCABE:

23 Who was the employer?

24 MS. RENDON:

25 Well, I didn't hear, I'm sorry.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CHAIRMAN:

Who was the employer?

MS. RENDON:

The Student Grill.

CHAIRMAN:

I'm sorry?

MS. RENDON:

The Student Grill, it's a restaurant. I thought I had put that in the first amendment of, you know, the restaurant.

CHAIRMAN:

Mr. Angeli?

MR. ANGELI:

Is the only objection I here is the failure to disclose, is that the objection here?

ATTORNEY BUTERBAUGH:

No, there's two objections. The objection is the failure to disclose and the nature of the crime.

MR. ANGELI:

Could you kind of go over the nature of the crime?

MS. RENDON:

Yes.

MR. ANGELI:

1 Bring that microphone a little closer
2 please.

3 MS. RENDON:

4 I was just influenced by someone else. I
5 mean, it was a stupid decision. I used somebody's
6 credit card number that was given to me but nothing
7 was purchased and nothing was used or anything,
8 everything was put back on the card. And I took full
9 responsibility for it. I didn't give anybody else's
10 name or anything.

11 MR. ANGELI:

12 You used the credit card?

13 MS. RENDON:

14 Well, it was used but nothing was
15 purchased.

16 MR. ANGELI:

17 Okay. Tell me about that. I mean, how
18 do you use it and not purchase?

19 MS. RENDON:

20 I'm saying like it --- when the credit
21 card number was given, thereafter everything was put
22 back onto the card. Nothing was ---.

23 CHAIRMAN:

24 So purchases were made, but restitution
25 was made, is that what you're going to say?

1 MS. RENDON:

2 It all went back. The company actually
3 called me and I talked to them, you know, told them
4 and everything. I went to the police department and
5 gave them a recorded statement and everything.

6 MR. ANGELI:

7 So you did use a credit card to purchase
8 items and the card was not yours?

9 MS. RENDON:

10 I did.

11 MR. SOJKA:

12 Who brought the charges? Did the proper
13 owner of the card complain, or did the credit card
14 complain?

15 MS. RENDON:

16 That I don't know. It never went as far
17 as to --- it never got that in depth, I'm not sure.

18 MR. SOJKA:

19 So you just ---.

20 MS. RENDON:

21 It was in the matter of like a day and a
22 half. It was kind of like what was done was done and
23 I just took ---.

24 MR. SOJKA:

25 But how did the police find out, I mean?

1 MS. RENDON:

2 I guess, they had called me actually, I
3 talked to them on the phone.

4 MR. SOJKA:

5 So they did know about it. Somebody must
6 have reported it.

7 MS. RENDON:

8 Maybe the credit card company, I'm not
9 exactly sure. And that's when everything --- you
10 know, I just took full responsibility and everything
11 was put back on the card and I went to the police
12 station and gave my fines and ---.

13 CHAIRMAN:

14 Any other questions or comments?

15 MR. COY:

16 So a vote to adopt is to deny the permit
17 for license?

18 ATTORNEY COOK:

19 That's correct.

20 CHAIRMAN:

21 Correct. Can I have a motion, please?

22 MR. SOJKA:

23 Yeah, I'll do that and if it's seconded
24 that opens additional discussion if people want;
25 right? So I'm going to say, Mr. Chairman, I will move

1 that the Board issue an Order to adopt the Report and
2 Recommendation of the OHA regarding the Gaming
3 Employee Permit of Heather Rendon and deny the
4 Exceptions filed by Ms. Rendon as described to the
5 OCC.

6 CHAIRMAN:
7 Is there a second?

8 MR. ANGELI:
9 Second.

10 CHAIRMAN:
11 All in favor?

12 ALL SAY AYE

13 CHAIRMAN:
14 Opposed? Motion passes.

15 ATTORNEY COOK:
16 The next Report and Recommendation before
17 the Board pertains to Scott Ringwood. On April 16th,
18 2010, Mr. Ringwood submitted his application for a
19 Gaming Employee Permit to work as a dealer at
20 Harrah's. In his application, Mr. Ringwood disclosed
21 a July 1999 and a December 1999 arrest for misdemeanor
22 assault as well an August 2005 arrest for promoting
23 prostitution. I believe Mr. Ringwood is present as
24 well.

25 The OEC issued a Notice of Recommendation

1 of Denial on June 8, 2010, due to the nature of Mr.
2 Ringwood's criminal history.

3 Mr. Ringwood requested a hearing, which
4 was held on July 22nd, 2010. Both the OEC and Mr.
5 Ringwood appeared and offered testimony at the
6 hearing. During the hearing, Mr. Ringwood presented a
7 variety of evidence in support of his suitability,
8 including a statement from the victim of his two
9 assault convictions indicating that she falsely
10 reported the matter. And I would note that his victim
11 I believe was Mr. Ringwood's ex-wife.

12 With regard to the prostitution related
13 charges, Mr. Ringwood testified that he and his wife
14 at the time were owners of a personal fitness facility
15 and unbeknownst to him, some of the masseuse
16 contractors, which were retained by his business, were
17 involved in prostitution. Mr. Ringwood testified that
18 despite being innocent of the crimes charged, he pled
19 no contest to each of these crimes to the lesser
20 offenses that he was charged with to avoid trial and
21 the risk of a felony conviction in each situation.

22 The Report and Recommendation issued by
23 the Hearing Officer recommends that Mr. Ringwood be
24 granted Gaming Employee status based in part on the
25 Hearing Officer's belief that the applicant had, in

1 all cases, adequately explained why he entered no
2 contest pleas to the offenses for which he was
3 claiming, in fact, to be innocent.

4 This matter is now ripe for the Board's
5 consideration. Mr. Ringwood is present and if he'd
6 like to address the Board, now would be the
7 appropriate time.

8 CHAIRMAN:

9 Mr. Ringwood, before you do that, could
10 you please stand and be sworn in?

11 -----
12 SCOTT RINGWOOD, HAVING FIRST BEEN DULY SWORN,
13 TESTIFIED AS FOLLOWS:

14 -----
15 CHAIRMAN:

16 Thank you, have a seat. Do you have a
17 statement or a comment to make before the Board?

18 MR. RINGWOOD:

19 I would just like to thank the Board for
20 hearing me today. And the situation that is presented
21 before you.

22 CHAIRMAN:

23 Thank you, questions or comments from the
24 Board? Commissioner Angeli?

25 MR. ANGELI:

1 Mr. Ringwood, what are you currently
2 doing? What's your current job?

3 MR. RINGWOOD:

4 I am a bartender at Harrah's Casino in
5 Chester.

6 CHAIRMAN:

7 Other questions? Mr. Ringwood, I --- Mr.
8 Sojka?

9 MR. SOJKA:

10 Well, again I'm concerned about the no
11 contest plea and the technical aspect of that.
12 Because you were charged and then you --- when you
13 essentially --- even though you say you're innocent,
14 when you take that no contest position, you
15 essentially are accepting the charge of what you did.
16 And that leaves us in a difficult situation. I mean,
17 you tell us you're innocent, but the record suggests
18 that you didn't contest the charge.

19 MR. RINGWOOD:

20 Yes, sir, as I stated prior in the
21 Conshohocken video conference to the Judge --- when I
22 had talked to my attorney what I was afraid of was ---
23 he had talked to the Judge, and if I may, the Judge
24 was not happy at the fact that I had an establishment;
25 I should have had better control over my employees.

1 In other words, known what was going on. I did not
2 have the opportunity to talk to those employees. I
3 had actually recruited employees --- I had worked ---
4 when I was down in Dallas, Texas, I had done the same
5 thing, I was a personnel trainer, and I had done
6 pretty much the same endeavors. It was successful. I
7 also bartended down there as well. The two employees
8 in question, the one I had got from reference from
9 Gold's Gym, they also had chiropractors in reference
10 ---. I had everything from a reflexologist. I had
11 sold nutritional supplements.

12 The people that I had underneath me that
13 were in question were subcontracted, as was everybody
14 else. Dustin had even asked me in video conference,
15 had you received any money or noticed any profitable
16 gain from that. Obviously if I would've --- I did not
17 know what these employees were doing. Apparently
18 these employees were meeting clientele inside the
19 establishment for meetings later outside. When I had
20 talked to my attorney, the biggest thing that he had
21 said to me is, he said, Scott, if this goes through
22 the Judge, this is going to a press list. I was
23 nervous due to the fact of a felony charge coming
24 through if I did fight it and things that would occur
25 with that. He had told me to take no contest it would

1 be a misdemeanor, that's a lot easier on the record,
2 and he would take care of that later.

3 When I had gone through the first time
4 with my Non-Gaming License I was concerned about that
5 because of the promoting prostitution charge, because
6 it's an ugly word. I'd even asked the Judge about
7 that and he was very adamant about pursuing it. As to
8 why I do not know. I think things happen for a
9 reason. I don't really know why that happened. But I
10 don't know how much of the record you've seen.
11 Basically if I was going to do --- and I do understand
12 what the Gaming Control Board is concerned about in
13 the matter. And you have every right. But if I was
14 going to do what was being charged, I had more of an
15 opportunity as a bartender than I would as a dealer.

16 MR. COY:

17 That is not hidden to us.

18 MR. RINGWOOD:

19 No, I mean no disrespect when I say that.
20 I do not. I know that the gaming license is a heavier
21 gaming license, with a lot of --- more credential and
22 responsibility. When I had gone to the casino ---
23 ever since that time it's left such scars, and like I
24 said I've always prided myself in the gym, now the
25 only thing that I do as far as the gym, is myself. I

1 train myself; I've let all that go. Because I'm ---
2 it left such a --- I really did not see that coming.
3 I really remember thinking that, you know, they would
4 reprimand me, maybe I would, you know --- I didn't
5 even think I'd get a fine to be honest, worst case
6 scenario. When all this transpired and being in fear,
7 and that's really what it was, when you hear felony,
8 you know, what that can do to you. And listening to
9 the advice of my attorney, who was a good attorney,
10 telling me to go no contest and saying that it was a
11 lot worded down, that is why I went that route.

12 If you look over the letters of
13 recommendations or if you would call anybody at the
14 casino, I just got done with leadership courses. I
15 consider myself a professional in the field. The
16 reason that I crossed over into the casino as I stated
17 was for a professional career, this is where I plan to
18 make my living, to move up through the company. If I
19 don't get the gaming license then that's going to put
20 a stop to a lot of things. As a matter of fact, since
21 this had transpired I've interviewed for a supervisor
22 position that has been put on hold. Even though it
23 only requires a non-gaming, for example, in the food
24 and beverage, the food and beverage director --- and
25 I'm very candid. I tell them this is --- I didn't say

1 oh, I have charges. I let them know what the charges
2 are. Everything on the table because I don't feel I
3 have anything to hide and I know that my intentions
4 weren't that.

5 There's a lot I guess is what I'm trying
6 to say is, hanging on the hinge, of getting this
7 gaming license, going to the table games to deal. But
8 my ultimate goal is to have a long and prosperous
9 career with the gaming industry. And I do feel this
10 is a situation of a grave misunderstanding. If I had
11 to go back and do it again, knowing what I know now, I
12 don't know. I mean, not with the business because I
13 really did not know that that was going on. But if
14 you said would you do the charges again, I don't know.
15 When you hear felony, that scared the heck out of me,
16 it really did.

17 MR. SOJKA:

18 Could I ask you --- and I don't want to
19 get into retrying your whole case, but I want to make
20 sure I understand a couple things. These supposed
21 acts of prostitution, did they occur on the premises
22 that you owned?

23 MR. RINGWOOD:

24 Sir, I really I hate to be vague, and I'm
25 not trying to do that. I wasn't allowed to have any

1 contact with the individuals. I don't know what was
2 stated. I know that I was going under the advice of
3 my attorney. I do know that --- what I do know is
4 that they were apparently getting these clients,
5 setting up meetings on the outside.

6 MR. SOJKA:

7 And so that's why you were charged ---
8 you had to be caught up in it somehow? Was the charge
9 that they were making their contacts from the work in
10 which you were employing them?

11 MR. RINGWOOD:

12 Yes, sir. But like I said, I had
13 credible reflexologists. I've had nutritional
14 therapists. I mean, people would come to me and see a
15 nutritionalist, chiropractors. And what would happen
16 if I was --- just as if you would have a --- and let
17 me remind you, if I may, that the one came from a
18 recommendation. I remember someone said that this one
19 particular individual she had cards all over the gym.
20 And that kind of disturbed me because I thought well,
21 if she was going through my establishment, was she
22 going with Golds, why are you not attacking Golds or
23 ---. But again, this is like an iron curtain goes up
24 and that's not your concern or --- so I don't know,
25 maybe they did talk to someone at Golds. I don't

1 know. But I just feel --- I remember thinking it was
2 unfair, I even said to my attorney, I said what if I
3 owned a McDonalds and I had employees in the back
4 doing drugs, are you going to go after the owner of
5 the McDonalds.

6 And the Judge, like I said, he was very
7 adamant. I don't know what his reason was. If you
8 look over my record there's nothing in relation to do
9 this. He was very adamant in filing the charges and,
10 quoting my attorney, the biggest thing with the Judge
11 was he should have taken more responsibility, but I
12 don't know how you can do that if sometimes you're at
13 the gym, sometimes you're in the facility. I can't go
14 into the room. I can't, you know, go ahead and meet
15 with the --- I don't know, maybe there were proper
16 steps I could have taken, but I don't see how other
17 than --- you know. And even with the chiropractor, I
18 don't know how you can control that. Maybe I'm naïve,
19 but like I said it opened my eyes.

20 MR. MCCABE:

21 Mr. Chair, may I ask a question?

22 CHAIRMAN:

23 Yes, Commissioner McCabe?

24 MR. MCCABE:

25 Yes, when did this offense happen?

1 MR. RINGWOOD:

2 I believe it was '05, sir.

3 MR. MCCABE:

4 And you pled no contest or nolo
5 contendere and what were you sentenced to?

6 MR. RINGWOOD:

7 Eighteen (18) months probation.

8 MR. MCCABE:

9 Okay. So that's not the --- between when
10 that happened in '05 and now, have there been any
11 other incidents or involvement with law enforcement?

12 MR. RINGWOOD:

13 No. No, sir.

14 MR. MCCABE:

15 How big of a facility did you have where
16 you had this gym, chiropractor business?

17 MR. RINGWOOD:

18 To answer your question, it was more or
19 less like a --- if you could imagine a medical
20 facility, it was similar to that with nutritional
21 products based throughout the front of the club and
22 exercise equipment. A place for the chiropractor in
23 his room whenever he'd get called in and a reception
24 area with employees in the front.

25 MR. MCCABE:

1 And the alleged prostitutes were the
2 chiropractor?

3 MR. RINGWOOD:

4 No. No, sir. They were certified ---
5 and that's another thing, they were certified
6 masseuse.

7 MR. MCCABE:

8 So they were a masseuse not
9 chiropractors?

10 MR. RINGWOOD:

11 Yes, sir.

12 MR. MCCABE:

13 Where did they perform their massages?

14 MR. RINGWOOD:

15 On the facility, onsite. And they were
16 through appointment.

17 MR. MCCABE:

18 Behind a closed door or behind a curtain?

19 MR. RINGWOOD:

20 No, like I said, it was like a doctor's
21 office.

22 MR. MCCABE:

23 So was it behind a closed door or behind
24 a curtain?

25 MR. RINGWOOD:

1 Yes, sir.

2 MR. MCCABE:

3 Out in the open?

4 MR. RINGWOOD:

5 No, it was behind a closed door. But I
6 can't stress enough the credentials --- first of all
7 and again, I don't mean to sound naive if you'd see
8 the facility you'd understand. It was very
9 professional in nature, from the appointments and
10 everything that was extracted down. Everybody was
11 subcontracted. It was an extension of a --- and I had
12 done this even before in Dallas. I even had doctors
13 that I would subcontract out, too. Texas is a lot
14 more lenient as far as that area, such as with Botox
15 injections and things of that nature. We didn't get
16 into that up here. But that was the furthest thing
17 from my mind. When this came down I was shocked. I
18 could see if it was, oh, I didn't know the background.
19 But these were, quote, unquote, professionals that
20 were certified. So when this had transpired it ---
21 and I know I sound like a broken record, I was in
22 shock.

23 MR. COY:

24 Mr. Chairman?

25 CHAIRMAN:

1 Commissioner Coy?

2 MR. COY:

3 A couple quick points. Number one, you
4 didn't happen to have surveillance equipment in these
5 rooms on your own, did you?

6 MR. RINGWOOD:

7 No. No, to be honest with you, I would
8 assume that that would be interfering with their
9 privacy. And that's another thing I talked to my
10 attorney about, how do you do that as far as ---.

11 MR. COY:

12 I want to tell you something regardless
13 of how this does turn out for you. But when you made
14 a comparison to being an employee of McDonalds
15 compared to a gaming industry, the truth is the gaming
16 industry is much more regulated and it's ---.

17 MR. RINGWOOD:

18 No, I didn't ---.

19 MR. COY:

20 Excuse me. It is much more regulated in
21 Pennsylvania than in other places, especially compared
22 to a restaurant employee or something like that. So
23 that's --- without trying to explain away your
24 statement I just wanted you to know how the Board does
25 feel about that. I guess I want somebody, Mr.

1 Sherman, to comment on why there is a difference
2 between a Recommendation of the Hearing Examiner and
3 your office?

4 ATTORNEY COOK:

5 Well, I can speak to that.

6 MR. COY:

7 For the record?

8 ATTORNEY COOK:

9 Yeah, I believe the OCC believes that we
10 really should not get into looking beyond the
11 conviction. The conviction is a conviction. A nolo
12 plea or a no contest plea under a statute is a
13 conviction. So I think from a legal perspective
14 perhaps this gentleman had plenty of good reasons to
15 plea to this offense, but at the end of the day he
16 pled guilty or pled nolo and a conviction was entered
17 against this offense. So we have to look at that on
18 its face. But whether he pled guilty or pled nolo to
19 a prostitution related offense, less than five years
20 ago or five years ago and we just have to look at that
21 on its face and not look at excuses as to why.

22 MR. COY:

23 Is there anything in the record which
24 would indicate why the Hearing Examiner came to a
25 different conclusion?

1 ATTORNEY COOK:

2 I think the Hearing Examiner was
3 diametrically opposed to what I just explained. He
4 thought there was a rational explanation as to why the
5 guilty plea or nolo was entered.

6 CHAIRMAN:

7 Any other questions or comments? Could
8 you summarize where they are on the motion, please?

9 ATTORNEY COOK:

10 The Report of Recommendation would be to
11 grant Mr. Ringwood his license. So a vote in favor of
12 the Report and Recommendation would grant his license,
13 oppose the report or to deny the Report and
14 Recommendation would result in his not receiving it.

15 CHAIRMAN:

16 Thank you. May I have a motion, please?

17 MR. ANGELI:

18 Mr. Chairman, I move that the Board be
19 willing to adopt the Report and Recommendation of the
20 OHA regarding the Gaming Employee Permit of Scott
21 Ringwood as described by the OCC.

22 MR. COY:

23 Second.

24 CHAIRMAN:

25 All in favor?

1 ALL SAY AYE

2 CHAIRMAN:

3 Opposed? I'm opposed.

4 MR. SOJKA:

5 You're opposed?

6 CHAIRMAN:

7 I am opposed.

8 MR. SOJKA:

9 Okay.

10 MR. TRUJILLO:

11 I'm opposed as well.

12 CHAIRMAN:

13 And Mr. Trujillo. Can you please explain
14 for the record what happens ---?

15 ATTORNEY COOK:

16 A majority would be needed to adopt the
17 Report and Recommendation, which would be the four
18 legislative appointees and at least one gubernatorial
19 appointee. Since two gubernatorial --- or the two
20 opposition are gubernatorial appointees, the qualified
21 majority has been met and the Report and
22 Recommendation would be adopted.

23 CHAIRMAN:

24 Thank you. Therefore, the motion passes.

25 Thank you.

1 ATTORNEY COOK:

2 The final Report and Recommendation
3 before the Board today is a request to be removed from
4 the Voluntary Self-Exclusion List.

5 On February 10, 2010, an individual with
6 the initials S.A.H. entered the Mohegan Sun Casino and
7 filed a Request for Voluntary Self-Exclusion from
8 Gaming Activities Form; thereby placing herself on the
9 self-exclusion list for a one year period. On that
10 date, a Casino Compliance Representative met with
11 S.A.H. for a period of 30 minutes, during which time
12 S.A.H. indicated that she believed she had a gambling
13 problem. The Casino Compliance Representative
14 informed S.A.H. that one may request removal from the
15 self-exclusion list only upon expiration of the term
16 selected.

17 S.A.H. is now requesting to be removed
18 from the self-exclusion list indicating that she has
19 made a mistake in requesting placement on the list and
20 she only placed herself on the list as a support
21 mechanism for a friend who had also completed the
22 Self-Exclusion Form on the same day.

23 A hearing in this matter was held on June
24 23rd, 2010. Both S.A.H. and the OEC attended and
25 offered testimony at that hearing. In the Report and

1 Recommendation subsequently issued, the Hearing
2 Officer found that, under the Board's regulations,
3 S.A.H. is not eligible for removal from the list until
4 the termination of the one year exclusion has expired.
5 As a result, the Hearing Officer concluded that the
6 petition should be denied. The OCC concurs in that
7 position. This matter is now ripe for the Board's
8 consideration.

9 CHAIRMAN:

10 Any questions or comments from the Board?
11 Can I have a motion, please?

12 MR. COY:

13 Mr. Chairman I move the Board issue an
14 Order to resolve the Report and Recommendation of the
15 OHA regarding the petition of S.A.H. as described by
16 the OCC.

17 CHAIRMAN:

18 Second?

19 MR. SOJKA:

20 Second.

21 CHAIRMAN:

22 All in favor?

23 ALL SAY AYE

24 CHAIRMAN:

25 Opposed? Motion passes.

1 ATTORNEY COOK:

2 Next for the Board's consideration is
3 Emergency Suspension. Orlando Sims was issued a
4 Gaming Employee Permit on October 30th, 2009, and was
5 employed as a dealer at the Rivers Casino.

6 On March 23, 2010, Mr. Sims was charged
7 with forgery, insurance fraud and perjury, all of
8 which are categorized as felonies. On July 16, 2010,
9 Mr. Sims entered a guilty plea to all of these
10 offenses. As a result, Mr. Sims is prohibited, by
11 statute, from possessing a Gaming Employee Permit.
12 As a result of these charges, the OEC filed a Request
13 for an Emergency Order of Suspension of Mr. Sims'
14 Gaming Employee Permit. The Order was signed by the
15 Executive Director on July 27th, 2010.

16 Board Regulations require that a
17 temporary Emergency Order be presented to the Board
18 for a full evidentiary hearing or, in the alternative,
19 the matter be referred to the OHA to conduct such a
20 hearing. In this case the OCC recommends that the
21 Emergency Suspension remain in place and the matter be
22 referred to the OHA for the evidentiary hearing.

23 CHAIRMAN:

24 Any questions or comments from the Board?
25 Can I have a motion, please?

1 MR. SOJKA:

2 Yes, Mr. Chairman, I'll move that the
3 Board issue an Order to extend the Emergency
4 Suspension of Orlando Sims Gaming Employment Permit
5 and that the matter be referred to the OHA for a
6 hearing to determine the validity of the Emergency
7 Suspension Order.

8 MR. ANGELI:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 ALL SAID AYE

13 CHAIRMAN:

14 Opposed? Motion passes.

15 ATTORNEY COOK:

16 The next matter before the Board is a
17 second Emergency Suspension. This suspension pertains
18 to Raymond Ball. Mr. Ball was issued a Non-Gaming
19 Registration on January 23rd, 2008, and was employed
20 by a certified Gaming Service Provider, Debo Moving
21 and Storage, Inc.

22 On July 28th, 2010, Mr. Ball was charged
23 with criminal homicide, a felony. As a result of
24 these charges, OEC filed a Request for an Emergency
25 Order of Suspension of Mr. Ball's Non-Gaming

1 Registration. The Order was signed by the Executive
2 Director on August 9th, 2010.

3 As with the last matter Board Regulations
4 now require the Board to either have an evidentiary
5 hearing on the matter or refer the matter to the OHA
6 for that hearing. Once again, we would recommend the
7 Emergency Suspension remain in place and that the
8 matter be referred to OHA for a hearing.

9 CHAIRMAN:

10 Any questions or comments from the Board?
11 Can I have a motion, please?

12 MR. ANGELI:

13 Mr. Chairman, I move that the Board issue
14 an Order to extend the Emergency Suspension of Raymond
15 Ball's Non-Gaming Employee Registration, that the
16 matter be referred to OHA for a hearing to determine
17 the validity of the Emergency Suspension Order.

18 MR. COY:

19 Second.

20 CHAIRMAN:

21 All in favor?

22 ALL SAY AYE

23 CHAIRMAN:

24 Opposed? Motion passes.

25 ATTORNEY COOK:

1 The final OCC matter before the Board
2 pertains to a Petition for Reconsideration filed by
3 XPEDX. The Board will recall that at its last
4 meeting, it granted XPEDX's Petition to be removed
5 from the Prohibited Gaming Service Provider List
6 contingent upon the payment of a \$1,500 civil penalty.
7 XPEDX seeks reconsideration of the civil penalty
8 imposed and avers that it was involved in no
9 wrongdoing deserving of such a penalty. The OCC
10 recommends that a Petition for Reconsideration be
11 granted and that the matter be referred to OHA for a
12 hearing on the matter.

13 CHAIRMAN:

14 Any questions or comments from the Board?
15 If none, could I have a motion, please?

16 MR. COY:

17 Yes, Mr. Chairman, I move that the Board
18 issue an Order to grant XPEDX Petition and that the
19 matter be referred to the OHA for a hearing as
20 described by the OCC.

21 CHAIRMAN:

22 Second?

23 MR. SOJKA:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 ALL SAY AYE

3 CHAIRMAN:

4 Opposed? Motion passes.

5 ATTORNEY SHERMAN:

6 That concludes the matters of Chief
7 Counsel.

8 CHAIRMAN:

9 Thank you, Doug and Steve. And I'd like
10 to have Susan Hensel our Director of Bureau of
11 Licensing. And I also see our Enforcement Counsel
12 Cyrus Pitre. Good morning, Susan.

13 MS. HENSEL:

14 Good morning, Chairman Fajt and members
15 of the Board. The first matter for your consideration
16 is a re-affirmation of the Delegation of Authority to
17 the Bureau of Licensing to grant various temporary
18 licenses, permits and registrations.

19 As in the past delegation enables
20 employees to be approved to begin working provided
21 neither the Bureau of Licensing nor the BIE determine
22 that there is any reason to deny the approval. As
23 always the delegation is subject to the requirement
24 that the Bureau of Licensing present to the Board at
25 periodic intervals a summary of the approvals granted.

1 I am requesting re-affirmation to consolidate previous
2 delegations and to update the delegation language. I
3 have provided you with a draft of the Delegation Order
4 and ask that the Board consider its approval.

5 CHAIRMAN:

6 Thank you, any questions or comments from
7 the Board? Could I have a motion, please?

8 MR. ANGELI:

9 Mr. Chairman I move that the Board
10 approve the Delegation of Authority to the Director of
11 the Bureau of Licensing for the approval and issuance
12 of licenses, permits, registrations and credentials as
13 described by the Bureau of Licensing.

14 MR. COY:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed? Motion passes.

21 MS. HENSEL:

22 The next item on the agenda is the
23 approval of Key Employee Licenses. Prior to this
24 meeting the Bureau of Licensing provided you with a
25 Proposed Order for two Key Employee Licenses for

1 Holdings Acquisitions Co. I ask that the Board
2 consider the Order approving these licenses.

3 ATTORNEY PITRE:

4 No objection.

5 CHAIRMAN:

6 Any questions or comments from the Board?

7 May I have a motion, please?

8 MR. COY:

9 So moved.

10 CHAIRMAN:

11 Second?

12 MR. SOJKA:

13 Second.

14 CHAIRMAN:

15 All in favor?

16 ALL SAY AYE

17 CHAIRMAN:

18 Opposed? Motion passes.

19 MS. HENSEL:

20 Next for your consideration is the
21 issuance of Temporary Key Employee Licenses. Prior to
22 this meeting the Bureau of Licensing provided me with
23 an Order regarding the issuance of Temporary Licenses
24 for 13 employees. I ask that the Board consider the
25 Order of approving these licenses?

1 ATTORNEY PITRE:

2 No objection.

3 CHAIRMAN:

4 Thank you, questions from the Board?

5 Seeing none can I have a motion, please?

6 MR. SOJKA:

7 So moved.

8 MR. ANGELI:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 ALL SAY AYE

13 CHAIRMAN:

14 Opposed? Motion passes.

15 MS. HENSEL:

16 Next are Gaming Permits and Non-Gaming
17 Registrations. Prior to this meeting the Bureau of
18 Licensing provided you with a list of 452 individuals
19 including 321 initial and 131 G-2 Temporary Permits
20 who the Bureau has granted Occupation Permits to. And
21 185 individuals who the Bureau has granted
22 registrations to under the authority delegated to the
23 Bureau of Licensing. I ask that the Board adopt a
24 motion approving the Order?

25 ATTORNEY PITRE:

1 No objection.

2 CHAIRMAN:

3 Thank you, questions from the Board? Can
4 I have a motion please?

5 MR. ANGELI:

6 So moved.

7 MR. COY:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 ALL SAY AYE

12 CHAIRMAN:

13 Opposed? Motion passes.

14 MS. HENSEL:

15 We also have withdrawal requests of Key
16 Employees. In each case the license is no longer
17 required due to such circumstances as the employee
18 failing to report to work. For today's meeting I have
19 provided the Board with a list of 24 Key Employee
20 withdrawals for approval and I ask that the Board
21 consider the Order approving the list of withdrawals.

22 ATTORNEY PITRE:

23 No objection.

24 CHAIRMAN:

25 Questions from the Board? Can I have a

1 motion please?

2 MR. COY:

3 So moved.

4 MR. SOJKA:

5 Second.

6 CHAIRMAN:

7 All in favor?

8 ALL SAY AYE

9 CHAIRMAN:

10 Opposed? Motion passes.

11 MS. HENSEL:

12 Finally we have a Board Order regarding
13 Gaming Service Provider Registrations. The Bureau of
14 Licensing provided you with an Order and an attached
15 list of 17 Registered Gaming Service Providers. I ask
16 that the Board adopt a motion approving the Order
17 registering these Gaming Service Providers.

18 ATTORNEY PITRE:

19 No objection.

20 CHAIRMAN:

21 Questions from the Board? Can I have a
22 motion, please?

23 MR. SOJKA:

24 So moved.

25 MR. ANGELI:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 ALL SAY AYE

5 CHAIRMAN:

6 Opposed? Motion passes.

7 MS. HENSEL:

8 That concludes the Bureau of Licensing's
9 presentation.

10 CHAIRMAN:

11 Thank you very much, Susan.

12 MR. COY:

13 Mr. Chairman?

14 CHAIRMAN:

15 Yes, Commissioner Coy?

16 MR. COY:

17 I have a question for the Director of the
18 Licensing. Susan, with regard to the application for
19 Licensure for Principal or Key Employees of the
20 Foxwood project, what is the status of applications
21 for licensure for those employees?

22 MS. HENSEL:

23 If you're referring to recent requests
24 for principal applications --- at Foxwoods?

25 MR. COY:

1 You go ahead and assume that's what I
2 asking.

3 MS. HENSEL:

4 Okay. We have recently requested
5 applications for a couple of individuals at Foxwoods
6 for principal licensure. That would Ron Ruben and
7 Melissa Silver and Lewis Katz. We have received
8 applications for both Ron Ruben and Melissa Silver.
9 And a request for application for Lewis Katz has been
10 appealed to the OHA.

11 MR. COY:

12 When do we expect the first two
13 applications to be completed by your Bureau?

14 MS. HENSEL:

15 We are currently in the process of curing
16 deficiencies on those applications, that's the normal
17 process that we go through with respect to any
18 application that comes into the Bureau. With respect
19 to Melissa Silver's application, we're just about
20 complete and we still have a ways to go on the other
21 application.

22 MR. COY:

23 And was there a reason given for the
24 appeal on the request on the last one?

25 MS. HENSEL:

1 The Petition lays out several reasons why
2 the determination by the Bureau of Licensing is being
3 appealed. Fundamentally they disagree with our
4 determination.

5 MR. COY:

6 Okay. Thank you.

7 CHAIRMAN:

8 Thank you, Susan. Next up is our
9 Enforcement Counsel, Cyrus Pitre.

10 ATTORNEY PITRE:

11 We have three matters for the Board to
12 consider this morning. The first matter involves a
13 Consent Agreement between OEC and Atronic Americas.
14 Marie Jones is here representing Atronics and Melissa
15 Powers will present the matter for OEC.

16 CHAIRMAN:

17 Welcome ladies.

18 ATTORNEY POWERS:

19 Good morning.

20 ATTORNEY JONES:

21 Good morning, Chairman and Board members,
22 Marie Jones from Fox Rothschild here on behalf of ---.

23 CHAIRMAN:

24 Can you speak up just a little bit and
25 make sure your microphones on?

1 ATTORNEY JONES:

2 Good morning, Chairman Fajt and members
3 of the Board. The agreement between the OEC and
4 Atronic Americas, LLC, involves an incident that
5 occurred in October of 2009, wherein Atronic
6 distributed a progressive controller containing
7 unapproved software to the Meadows Race Track and
8 Casino, in violation of Board Regulations 461-8.4A and
9 461-8.4C5. The unapproved software was discovered by
10 the Board's Bureau of Gaming Laboratory Operations
11 during a routine inspection on October 28th. The
12 unapproved software was confiscated immediately and an
13 investigation was conducted. It was determined that
14 Atronic failed to verify that the equipment being
15 shipped to the Meadows had been approved by the Board.

16 Following a series of discussions between
17 Atronic, the Bureau of Gaming Laboratory Operations
18 and OEC, Atronic has amended its procedures regarding
19 signoff and physical inspection of associated slot
20 machine equipment and peripheral software offered for
21 use in the Commonwealth. In addition the parties have
22 agreed that within five days of the Board's Order
23 Atronic shall pay a civil penalty in the amount of
24 \$5,000. If approved this will be the first fine
25 levied against Atronic and also the first fine of its

1 kind levied against a Slot Machine Manufacturer
2 Licensee. The OEC recommends that the Board approve
3 the Consent Agreement as presented.

4 CHAIRMAN:

5 Thank you, Melissa. Any questions from
6 the Board? If not, can I have a motion, please?

7 MR. ANGELI:

8 Mr. Chairman, I move that the Board
9 approve the Consent Agreement between the OEC and
10 Atronic Americas as described by the OCC.

11 MR. COY:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 ALL SAY AYE

16 CHAIRMAN:

17 Opposed? Motion passes.

18 ATTORNEY JONES:

19 Thank you.

20 CHAIRMAN:

21 Thank you.

22 ATTORNEY PITRE:

23 The next two matters are default judgment
24 requests. Dustin Miller and Mark Buterbaugh from the
25 OEC will present the matters.

1 ATTORNEY MILLER:

2 Good morning. There are two matters
3 related to revocation of a casino employee before the
4 Board today. The records pertinent to these matters
5 have been provided to the Board in advance of this
6 meeting. Upon notification of complaint filed to
7 revoke the registrations of the individuals named in
8 that complaint, the individuals chose not to respond
9 to that as set forth in the complaints. In addition,
10 the individuals have been notified that the Board is
11 considering their revocation today and they have a
12 right to be present to address the Board. If any of
13 the individuals are present today they should come
14 forward when their name is announced.

15 The first request for revocation to this
16 day involves GM. M. Alam. Mr. Alam had been employed
17 as a grab and go attendant at Parx Casino and
18 registered as a Non-Gaming Employee. The OEC filed an
19 enforcement complaint to remove Mr. Alam's Non-Gaming
20 Employee Registration for failing to abide by his
21 continual duty to inform the Board of an incident that
22 would render him unsuitable to hold a Non-Gaming
23 Employee Registration and for failure to abide by his
24 agreed upon statement of conditions. And we filed
25 that on May 6th, 2010.

1 The Enforcement Complaint was properly
2 served upon Mr. Alam to the address listed on his
3 application by both certified and First Class mail.
4 Mr. Alam did not respond to the filing in any way.
5 Due to Mr. Alam's failure to respond the averments in
6 the Enforcement Complaint are deemed to be admitted as
7 fact and his right to a hearing has been waived. On
8 July 21st, 2010 the OEC filed a request to enter
9 judgment upon default. The matter is now before the
10 Board to consider revocation of Mr. Alam's Non-Gaming
11 Employee Registration.

12 CHAIRMAN:

13 Thank you. Is Mr. Alam here today?
14 Okay. Any questions or comments from the Board?
15 Can I have a motion, please?

16 MR. COY:

17 I just want to make sure I understand,
18 the recommendation is that we approve ---.

19 ATTORNEY MILLER:

20 Revoke his license.

21 MR. SOJKA:

22 But that's an approval.

23 MR. COY:

24 That means that we would approve the
25 recommendation?

1 ATTORNEY MILLER:

2 Sure.

3 MR. COY:

4 I just want to make sure. Okay, I
5 understand. Mr. Chairman, I move the Board issue an
6 order to approve the revocation of the Non-Gaming
7 Employee Registration of GM M. Alam as described by
8 the OEC.

9 CHAIRMAN:

10 Second?

11 MR. SOJKA:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 ALL SAY AYE

16 CHAIRMAN:

17 Opposed? Motion passes. Next?

18 ATTORNEY BUTERBAUGH:

19 The second request for revocation today
20 involves Anil Bhasin. Mr. Bhasin has been employed as
21 an armed courier with ATM Acquisition, Incorporated,
22 d/b/a Pendum, Incorporated, and registered as a
23 Non-Gaming Employee. The OEC filed an Enforcement
24 Complaint to revoke Mr. Bhasin's Non-Gaming Employee
25 Registration for failing to abide by his continual

1 duty to inform the Board of an incident. The incident
2 involves six third degree felony accounts and two
3 second degree felony accounts, all involving in the
4 incident that included theft of over \$250,000 that
5 would render him unsuitable to hold a Non-Gaming
6 Employee Registration. The Complaint was filed on May
7 18th, 2010. The Enforcement Complaint was properly
8 served upon Mr. Bhasin to the address listed on his
9 application by both certified and First Class mail.
10 Mr. Bhasin failed to respond to the filing in any
11 manner. Due to Mr. Bhasin's failure to respond the
12 averment in the Enforcement Complaint are deemed to be
13 admitted as fact, and his right to a hearing was
14 waived. On June 22nd, 2010 the OEC filed a Request to
15 enter a judgement upon default. The matter is now
16 before the Board to consider the revocation of Mr.
17 Bhasin's Non-Gaming Employee Registration.

18 CHAIRMAN:

19 Thank you, Mark. Is Mr. Bhasin here?
20 Not seeing him, any questions or comments from the
21 Board? Can I have a motion, please?

22 MR. SOJKA:

23 Yes, Mr. Chairman, I'll move that the
24 Board issue an Order to approve the revocation of the
25 Non-Gaming Employee Registration of Anil Bhasin as

1 described by the OEC.

2 MR. ANGELI:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 ALL SAY AYE

7 CHAIRMAN:

8 Opposed? Motion passes. Thank you,
9 gentlemen. The last item on our agenda today pertains
10 to Greenwood Gaming. If I could have the
11 representatives from Greenwood, please come forward.
12 Just for the record we have asked Greenwood to come
13 here today and they've agreed to be here, to discuss a
14 recurring and troubling situation that has occurred at
15 their facility.

16 Specifically there have been several
17 circumstances over the past few months where patrons
18 of the Parx Casino have left children unattended in
19 the parking lot or some other non-gaming floor portion
20 of the facility. As recently as last week there was
21 an incident reported in the media where a young
22 teenager and a second younger child were left in a
23 car, in the parking lot of the casino for hours. I
24 think I speak for the Board when I say that I find
25 these instances incredibly troubling. And while none

1 of us believes that Greenwood Management condones this
2 behavior, we know better, it is nonetheless something
3 that we as a Board want to see take steps to deal with
4 because under the wrong circumstances it could truly
5 be a matter of life and death.

6 With that by way of background, I would
7 like to ask Counsel and the Representative from
8 Greenwood to open the Board meeting. And what I would
9 like to do is to start specifically with a detailing
10 of each of the incidents. Start with the date, with
11 the first date being first, and the most recent date
12 being last, including the number of unattended
13 children and the duration of the time that they were
14 left unattended. And then after you go through those
15 incidents if you could then, please, talk to the Board
16 about steps that you're taking and other comments you
17 have and then we'll open it up for Board questions.
18 So Mr. Bonner, if you could start with a detailed
19 explanation of the incidents starting with the first
20 incident?

21 ATTORNEY BONNER:

22 I'll do that, Mr. Chairman. Good
23 morning, Mr. Chairman and Board members. With me at
24 the table is Alan Kohler of Eckert and Seamans, who
25 represents us, as you know, in many matters.

1 I'll just say initially Mr. Chairman,
2 and it goes without saying we share the concern that
3 you've just expressed. We view it as a most serious
4 matter and we've taken significant and aggressive
5 steps we think are appropriate to address the issue.
6 I'll go over that after I detail the incidents as
7 you've requested.

8 I provided to the Board members a list of
9 five incidents that have occurred since June 15th.
10 This information was provided to us by the Bensalem
11 Township Police Department. So this is data that the
12 Enforcing Authority, Bensalem Police, has in its
13 records and has provided to us at my request, pursuant
14 to your request.

15 On June 15th, of this year there was an
16 incident involving one child, a 15-month-old child who
17 was left in a vehicle for a duration of approximately
18 one hour. That incident led to an arrest and charges
19 by the Bensalem Police Department. I don't know the
20 disposition of that case. I believe all these cases
21 are still pending because they're relatively new. On
22 June 27th, there was an incident involving three
23 children, a 14-year-old and two toddlers of
24 unspecified age. They were left in a vehicle for a
25 half hour. That did not result in charges at the

1 discretion of the Bensalem Police Department.

2 The third incident July 14, an 11-year-
3 old was left in a vehicle for half an hour, that
4 incident led to an arrest and charges by the Bensalem
5 Police Department. The fourth incident was on July
6 30, it involved three children of unknown ages and
7 were left in the car for an unknown duration because
8 after the information was reported to the police, and
9 before they responded to the scene, the vehicle had
10 left our property. The most recent incident, which is
11 the fifth, occurred on August 2nd, this involved two
12 children a 15-year-old and an 8-year-old. They were
13 left in the vehicle for six hours. And that incident
14 resulted in both an arrest and charges filed by
15 Bensalem Police Department.

16 In connection with these occurrences, Mr.
17 Chairman, as you know, Mr. O'Toole reached out to me
18 on Friday. We had a brief conversation about this and
19 he indicated that the Board wanted us to advise what
20 we do in these incidents. And I submitted that letter
21 to Mr. O'Toole on Tuesday. Mr. O'Toole then indicated
22 yesterday that the Board wanted us to be here today to
23 present it and we're pleased to be here to do so.

24 I think as I indicated it's important to
25 note that we do take these matters seriously and we

1 are proceeding aggressively with respect to these
2 incidents. I can speak a little more plainly here
3 than I did in my letter to you, but I do want to note
4 some of these items in our letter in the record.

5 We don't want these people at our
6 property. We don't want their business. We don't
7 want their money. We don't want their presence. We
8 don't want them on our property and to make it clear
9 that we don't want them on our property we take
10 aggressive action against them in full cooperation
11 with the local police authorities. If they have a
12 player card, we cancel it. We remove them from our
13 customer contact and mailing lists, and we permanently
14 evict them from our property. The result being, if
15 they reappear at our property they are subject to
16 arrest for criminal trespass by the State Police who
17 are on our property and who routinely handle those
18 enforcement matters for us. So we think we've made it
19 clear, certainly to the individuals involved. We'd
20 like to make it clear through this public proceeding
21 that that's what's going to happen to people who act
22 irresponsibly with respect to the care of children in
23 their custody.

24 As I noted in my letter there are things
25 that we have been doing, there are things that we are

1 now doing in response to these occurrences. We have
2 had security officers assigned on a 24/7 basis who
3 staff a security vehicle that roves through our many
4 parking lots. We have 6,000 parking spaces at Parx
5 Casino. We have acres and acres of parking. So we
6 have a vehicle assigned on full-time basis to rove the
7 parking lots for all security purposes.

8 In light of these experiences we've done
9 two things. We are adding a second vehicle to patrol
10 the parking lots during our busiest weekend times.
11 Clearly Friday, Saturday, Sunday, they're our busiest
12 periods. We're going to beef up our security patrols
13 by adding a second vehicle on those times. And we've
14 also retrained our security officers to make them
15 aware that their most important priority when they're
16 doing these vehicle patrols is to look for people in
17 cars. And when they see people in the cars their
18 instructions are to report it immediately to their
19 managers who then contact Bensalem Police for
20 immediate response.

21 I mentioned earlier we fully support the
22 efforts of Bensalem Police in pursuing these
23 individuals and then in assisting them with witnesses
24 and with documentation through the criminal process.
25 I think that if you were to check with Bensalem, they

1 will tell you we have been fully cooperative with them
2 in efforts to take these people through the proper
3 procedures.

4 The third item we've done, we have
5 recently met with the Bensalem Police Department in
6 light of these occurrences and they've agreed to
7 increase their presence in our parking lots. I
8 wouldn't want to create the impression that they're
9 going to provide routine patrols, but they are
10 increasing their presence in the parking lot. Cars
11 will be there more frequently than they have been.
12 When officers have to write reports they'll go to our
13 parking lot and write them to establish the police
14 presence and have an opportunity to be there more
15 frequently than they had been in the past.

16 And the fourth item is what I had
17 mentioned to you, preliminary, the sanctions that we
18 take against these customers who commit these
19 violations. And again, we make it clear that we don't
20 want you there and that there will be consequences if
21 in fact they do return.

22 Other than that I think that fully states
23 what we've been doing. We will continue to look for
24 ways to improve the procedure that we can have in
25 place to identify these situations if they occur and

1 eliminate them immediately.

2 One additional point, but related to all
3 this, our security department has recently --- this
4 week, written a new standard operating procedure with
5 respect to the parking lot patrols, with respect to
6 the procedures that we will follow in the event that
7 unattended children come to our attention. We are in
8 the process of disseminating that new training
9 material to the full security staff in an effort to
10 make sure that everyone is fully informed on how we
11 need to handle these matters.

12 CHAIRMAN:

13 Thank you, Mr. Bonner.

14 ATTORNEY BONNER:

15 I'd be happy to answer any questions any
16 of the Board members may have.

17 CHAIRMAN:

18 Commissioner Coy?

19 MR. COY:

20 Thank you, Mr. Chairman. Mr. Bonner,
21 thanks very much for coming up and I appreciate the
22 fact that you believe these situations to be very
23 serious and that your response is likewise serious. I
24 have two comments in particular because we are in a
25 public situation that needs to be reported.

1 I appreciate the fact that the Bensalem
2 Police Department is being helpful although, it sounds
3 like you may believe that there could be additional
4 patrols. For the record, municipalities that host
5 casinos in our state and for that matter, other
6 municipalities in the area, do receive literally
7 millions of tax dollars from casino profits and so on,
8 which are given to these municipalities because of
9 extra costs that might be incurred to them. I think
10 this is an excellent example of an area where extra
11 costs may need to be spent by the local police
12 department.

13 And I would encourage our folks and our
14 staff to be in contact with the local police
15 departments, also to certify to them that we expect
16 the revenues that they are getting from casino profits
17 and so on are utilized in any manner that they can be
18 to help protect the public, especially children from
19 this sort of, what is in my opinion really abuse. I
20 don't think there's any question that that's what
21 you'd --- this could be called, child abuse. And so I
22 would encourage our folks to be in touch with the
23 local police departments that are in municipalities
24 which contain casinos to certify --- recertify with
25 them, that we would expect that they would continue to

1 utilize these dollars in a way to protect the public.

2 And secondly, I would hope we could also
3 be in touch with the State Police. While their
4 primary purpose is to handle problems of a criminal
5 nature inside the casino, I think as they may have
6 time or ability they could help with this problem
7 also. Again, knowing full well that their primary
8 presence is for criminal activity inside the casino,
9 the fact that they are there may be able to be
10 helpful. I think this problem was exacerbated
11 especially in warmer months. I'm not saying it's
12 right to do it in a cold month but the fact of the
13 matter is this is exacerbated, I think especially
14 because of weather conditions and ---.

15 Once again, I appreciate the gravity of
16 the situation which you have demonstrated by your
17 presence and what you've already done. But I hope
18 that you would continue to realize that the Board
19 feels very strongly about this matter and that you'll
20 continue to find ways to deal with it.

21 ATTORNEY BONNER:

22 Mr. Chairman, may I respond?

23 CHAIRMAN:

24 Certainly.

25 ATTORNEY BONNER:

1 We certainly do appreciate it and we will
2 continue to respond appropriately and aggressively.
3 With respect to the two law enforcement agencies you
4 mentioned, which are the two we interact with on a
5 regular basis, I understand the comment and we know
6 full well the contribution that we make to Bensalem.
7 I just want the record to be clear that we ---.

8 MR. COY:

9 For the record, can you tell people what
10 that is this last year?

11 ATTORNEY BONNER:

12 Exactly, it's \$10 million. But I want
13 the record to be clear Chairman and Commissioners that
14 we are fully appreciative of what Bensalem PD does for
15 us and the entire township. We have an excellent
16 working relationship with the township, not only the
17 police department but the emergency medical services
18 unit of the township. They spend more time on our
19 property than we'd like them to and they'd like to,
20 quite frankly. But I just want the record to be clear
21 we're very pleased with the work that they do for us
22 and we think they do a fine job, more could be done,
23 to be sure.

24 Second, with respect to the State Police
25 I just wanted you to know, in one of these instances

1 the State Police actually were involved. Although,
2 technically you could say, well maybe it's not their
3 jurisdiction, but it came to their attention before it
4 came to township police. And they interacted and
5 kicked everything off so we got the township police
6 involved. So both agencies have been involved but I
7 certainly hear your comments and I think they're well
8 stated.

9 CHAIRMAN:
10 Commissioner Angeli?

11 MR. ANGELI:
12 Just one question, do you send out with
13 your normal mail outs and your customer things that
14 you put out there, do you send out any notification
15 that this could be a problem and then notify people
16 that this is a serious thing and they should be aware
17 that not only that they shouldn't do it but also they
18 should be aware of --- in the parking lots if they
19 recognize any of this, they should report it to you.
20 Is that something you do or could you do?

21 ATTORNEY BONNER:
22 We have not done that, Commissioner.
23 There's no reason that we can't. I'll take that
24 suggestion back to our management team.

25 MR. ANGELI:

1 Thank you.

2 MR. MCCABE:

3 Mr. Chair?

4 CHAIRMAN:

5 Yes, Commissioner McCabe?

6 MR. MCCABE:

7 Yes, first I wanted a second, and I agree
8 wholeheartedly with what Commissioner Coy said. He
9 said it eloquently and perfectly. I think that's the
10 feeling of all of us. I do have a question though, or
11 a concern or interest, Mr. Bonner. You say you're
12 going to increase your patrols to a second vehicle
13 during your busiest hours, did you take a look at the
14 incidents and see when they occurred to make sure that
15 you're actually addressing the appropriate time? It
16 may not be during the busiest hours when these
17 occurrences have happened. But maybe when it's not as
18 busy right after work, after they get picked up from
19 maybe a sports program, or after school program
20 parents go there for a little while and it's not your
21 busiest days on Friday or Saturday.

22 ATTORNEY BONNER:

23 We have looked at them, Commissioner
24 McCabe, and in the three cases that led to arrests two
25 of those three incidents occurred late, 10:00, 11:00

1 at night. The third incident occurred around 5:00
2 p.m. in the afternoon. And they would be the hours
3 typically where we would be beefing up the coverage on
4 Friday and Saturday evenings in particular from 5:00
5 or 6:00 until 2:00 or 3:00 in the morning.

6 MR. MCCABE:

7 Thank you and I also appreciate
8 everything you've been doing to try to help with this
9 problem.

10 CHAIRMAN:

11 Commissioner Sojka?

12 MR. SOJKA:

13 Yeah, and again I'd like to follow on
14 Commissioner Coy and also what Commissioner McCabe has
15 just said. And that is I don't want to lose sight of
16 the fact, that this is a horrific societal problem.
17 We are well aware of the fact that this happens in
18 restaurants. It happens in shopping centers. It
19 happens on city streets. It's a shocking act when it
20 occurs. And I think we have some opportunity here and
21 I'm pleased that you're taking these steps to attack
22 the problem in a variety of ways. One of which is to
23 very clearly state to the public, that you don't want
24 their business. I think that's a wonderful thing.
25 I'm not sure that's always done otherwise, to deal

1 with this problem. Your ability to patrol and your
2 ability to involve the police because of the extra
3 revenues provides an additional opportunity.

4 And so I would hope that this industry,
5 and this is a hope, that sometimes is given a black
6 eye for exactly this kind of situation, could work
7 toward becoming an exemplarily industry where you
8 would out perform shopping centers, supermarkets, city
9 streets and other places where irresponsible people
10 can abuse children in the way that Commissioner Coy
11 described.

12 ATTORNEY BONNER:

13 We hope to be able to do that,
14 Commissioner.

15 CHAIRMAN:

16 Thank you other comments from other
17 Commissioners, Commissioner Trujillo or Ginty?

18 MR. TRUJILLO:

19 Yes, Mr. Chairman, it's Ken Trujillo.
20 Mr. Bonner, I think you're well aware that our ---
21 under the Legislation, the Gaming Legislation the very
22 first of the primary objectives that the general
23 assembly recognized, and to which all other objectives
24 and purposes are secondary, is for our Board to
25 protect the public through the regulation and policing

1 of all activities involving gaming. So we've got, I
2 think, a unique responsibility to do that.

3 I will tell you that my concern and what
4 you've described, I appreciate that there's some
5 additional patrolling and some additional training,
6 but in my view, quite frankly, it's really inadequate.
7 The point here is not to react to irresponsible
8 behavior by the parents, it's to prevent them. And so
9 what I have not heard from you, and it's clear to me
10 that, one incident and perhaps two, in a period of
11 time are incidents that perhaps could be explained.
12 But in the course of less than three month to have
13 five incidents like this occur to me is really
14 shocking. And what I am not hearing is what you are
15 doing proactively, or what Parx is doing proactively,
16 to prevent it, not to respond to them, it's to prevent
17 it. And it seems to me that you stated that you're
18 making it clear to players that you don't want there
19 business. I don't know how you're doing that. If
20 you're not sending that information out with gaming
21 cards, with your mailing --- or you're trying to
22 attract customers to the facility. I can't imagine
23 --- it's a difficult thing for you to do to publicize
24 that fact within your facility to make it very clear
25 what the consequences are.

1 There's one facility, I believe it's the
2 one --- I can't remember which one it was but, put up
3 a billboard with respect to underage gaming. And it
4 seems to me that, you know, an additional one, two or
5 three cars, I don't --- in some respects it almost
6 doesn't matter because by the time the additional
7 patrol finds those children, it's out in the parking
8 lot, it's already happened.

9 So I'd be much more interested in what
10 Parx will do in order to prevent these incidents from
11 happening. The only other point I was going to make,
12 is the reason I'm so concerned about this is, you know
13 that as recently as in the last year there was a child
14 who was left by a grandfather in a parking lot and the
15 child died. And so I do think this is quite literally
16 a matter of life and death. And I, at this point ---
17 and really the belief that the response that I'm
18 hearing is inadequate to prevent these incidents from
19 occurring.

20 ATTORNEY BONNER:

21 Commissioner, I understand your comments.
22 I will take your concerns and actually inherent in
23 your comments are some suggestions about proactive
24 measures that we would take in notifying our customer
25 base of the existence of this problem. And I will

1 take that back to management for consideration.
2 Keeping in mind, of course, Commissioner Sojka's
3 comment that it's a societal problem and we maybe
4 aren't going to change conduct but we can perhaps
5 change it at Parx. So I appreciate your comments and
6 we will take them back and see if there are ways we
7 can implement some preventative measures as well as
8 the measures we've designed to try to identify if the
9 problem has arisen.

10 MR. TRUJILLO:

11 Thank you.

12 CHAIRMAN:

13 Commissioner Ginty, any comments?

14 MR. GINTY:

15 No, I don't have any comments.

16 CHAIRMAN:

17 Okay. I have a couple. As to the
18 security vehicles, what other duties do they embark on
19 at your facility? I thought I heard you say, Mr.
20 Bonner, that patrolling the parking lots is all they
21 do, but I've been around the block long enough to know
22 that often times when people are available to do other
23 things and somebody's not available inside the
24 facility, you know, you send the security vehicle, you
25 know, down to the police department or somewhere else

1 to run errands. And so I want to know specifically
2 what that security vehicle, in the past, has done
3 other than patrol parking lots?

4 ATTORNEY BONNER:

5 In the past, Mr. Chairman, the security
6 vehicle --- the officers have been assigned to
7 security vehicle detail for half of an eight hour
8 shift. They would work four hours on that and then be
9 relieved and go inside the building and bring a fresh
10 officer out to do the security patrol. Our security
11 patrol posts are not mandated posts per Gaming Board
12 regs, like the posts inside the building. So in all
13 candor, if somebody calls off sick for an inside
14 mandated post we may have brought a guy in from the
15 parking lot to staff that post until we could back
16 fill it with somebody we would call in. That changed
17 as of Tuesday this week after I met with the CEO. On
18 Tuesday afternoon the CEO told our security director,
19 treat them as mandated posts now, and you may not pull
20 somebody from the parking lot and move them inside to
21 the building, the parking lot guy has to stay. So
22 that's what we used to do, that's what we're doing
23 now, Mr. Chairman, with respect to the significance of
24 the staffing for those vehicles.

25 In response to your question what do they

1 do, when they're in the vehicles all they're doing is
2 patrolling the parking lots. If a customer is stuck
3 with a car, needs to have somebody called for a jump
4 or a tow truck or whatever, they would facilitate
5 that. But their main function is to rove through the
6 parking lots, not be stationary and look for people in
7 cars.

8 CHAIRMAN:

9 Why didn't they catch the first five
10 incidents?

11 ATTORNEY BONNER:

12 We did catch some of these incidents. At
13 least one of the incidents, I don't know which one,
14 Mr. Chairman, we caught, we notified. I think it was
15 the one where they didn't know because by the time the
16 police got here the car had taken off. In two of the
17 incidents where the children were 14 and 15 they went
18 into the casino seeking assistance and we provided
19 assistance in locating the parent or the guardian. We
20 obviously need to do a better job. And that's part of
21 the retraining we talked about of the officers who are
22 on these patrols to be more vigilant.

23 CHAIRMAN:

24 I know that you had mentioned about
25 Bensalem EMTs and the police doing a great job, but as

1 a follow up to Commissioner Coy's comment they do
2 receive \$10 million a year. And in my opinion, and we
3 will make this known to the Bensalem Police
4 Department, I think they could do a better job of
5 patrolling that parking lot also. \$10 million a year,
6 \$34.5 million that that township has received over the
7 last three and a half years, is a lot of money. And
8 again, I understand your relationship and, you know,
9 you feel it's a good relationship and I certainly
10 respect that, I'm sure it is. But we will make our
11 thoughts known to the Bensalem Police Department that
12 for that kind of money we expect them to step up a
13 little bit also.

14 As to my personal opinion, I appreciate
15 you being here and the timeliness of that, but I would
16 like to see more done also. And if it means adding a
17 second vehicle or adding a --- not a guard station per
18 se, but a hut at your --- I don't know how many entry
19 points you have into the casino parking lot. If you,
20 you know, have huts at those entry points and you see
21 a car come in with children in it, we certainly
22 understand that children are allowed to go on to the
23 backside and participate and watch the horse racing.
24 But, you know, maybe a notification to somebody on the
25 backside, you just saw a white Acura come in, two kids

1 inside, keep an eye on them. Those are the types of,
2 I think, proactive steps that could be taken to
3 prevent something like this. But it is only through
4 the grace of God, I think, that one of these children
5 were not harmed. And as Commissioner Coy said when it
6 gets hot out we all know of incidents where kids are
7 left in cars, buses and so forth and die because they
8 don't have proper ventilation. So again, I thank you
9 for being here. I appreciate your candor, but this is
10 an issue that we are going to stay on top of. And I
11 appreciate you taking our comments because, again, my
12 personal belief, not on behalf of the Board, but my
13 personal belief is that more could be done and I would
14 like to see you take our comments and hopefully more
15 will be done.

16 ATTORNEY BONNER:

17 I hear you loud and clear, Mr. Chairman.
18 And I would just comment that with respect to the
19 Bensalem Police Department we would be appreciative of
20 any contact you may have with them because we would
21 fully support whatever you might be able to convince
22 them to do, in terms of a greater presence in our
23 parking lot. We think that would make a significant
24 contribution to alleviate the problems.

25 MR. COY:

1 Mr. Chairman, just not to continue ad
2 infinitum, but to simply say that those dollars were
3 never meant to be an economic boom to the
4 municipality. They were meant to cover additional
5 costs that these municipalities have because that's
6 where the casino is. And it was never meant to be a
7 new savings account for a local government. It was
8 meant to do things just like this. And I wouldn't
9 mind even seeing a vehicle that had a sign on it,
10 child abuse prevention, or something very proactive
11 like that. Or signs that say patrons who leave
12 children in cars will be prosecuted.

13 MR. SOJKA:

14 I just made that sign.

15 ATTORNEY BONNER:

16 These are the types of suggestions I've
17 heard today that I will take back.

18 MR. COY:

19 And it would not be unreasonable to
20 expect a follow-up report from you at our future
21 meeting.

22 ATTORNEY BONNER:

23 We'll be happy to provide it.

24 MR. COY:

25 Thank you.

1 ATTORNEY BONNER:

2 Thank you again, Chairman and Board
3 members.

4 CHAIRMAN:

5 Thank you very much. That concludes
6 today's business. In closing our next scheduled
7 public meeting will be held on Thursday, September
8 16th in the North Office Building here in room one,
9 where we are today. The meeting will begin at 10:00
10 a.m. And to end on a positive note, I would like to
11 congratulate our Gaming Control Board softball team,
12 The One Arm Bandits, although we lost in the playoffs
13 last night, it was a great season. The first time
14 that we had qualified for the playoffs. I know that
15 there are many members here who play on the team and
16 again, from the Board congratulations.

17 Any final comments from the Board?

18 MR. COY:

19 Maybe if the Chairman would play the next
20 game it would be helpful.

21 CHAIRMAN:

22 Maybe, I don't know. You've never seen
23 me play softball that may hurt us. Can I have a
24 motion to adjourn, please?

25 MR. ANGELI:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

So moved.

MR. COY:

Second.

CHAIRMAN:

The meeting is adjourned. Thank you.


* * * * *

MEETING CONCLUDED AT 12:00 P.M.

* * * * *

CERTIFICATE

I hereby certify that the foregoing proceedings, hearing held before Chairman Fajt, was reported by me on 08/19/2010 and that I Kenneth Dominic O'Hearn read this transcript and that I attest that this transcript is a true and accurate record of the proceeding.



Court Reporter