

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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PUBLIC MEETING

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BEFORE: WILLIAM H. RYAN, JR., CHAIRMAN
Gregory C. Fajt, James B. Ginty, Annmarie
Kaiser, Anthony C. Moscato, Keith R.
McCall, Gary A. Sojka, Members;
Jennifer Langon representing Robert M.
McCord, Robert Coyne representing
Secretary to Department of Revenue Daniel
P. Meuser, Matthew Meals representing
Secretary of Agriculture George Greig

HEARING: Wednesday, February 20, 2013, 10:42 a.m.

LOCATION: Strawberry Square
2nd Floor
Harrisburg, PA 17101

WITNESSES: None

Reporter: Cynthia Piro Simpson

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P R O C E E D I N G S

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CHAIRMAN:

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Ladies and gentlemen, we will now begin our public meeting, which is a memorable one today. It's a bit of a downer for the members of the Board and all of the employees at our agency. Today will be Gary Sojka's last meeting. Gary will be leaving the Board after six very successful years of service. Gary came onto the Board in February 2007 back in the frontier days. There were only a few casinos open back then. Gary's background was definitely unique, I think remains unique today.

He was trained as a scientist with many years of experience in academia as a university professor and later president at his beloved Bucknell University. And Gary is also a farmer, a gentleman farmer, but a farmer nonetheless. I've only had the opportunity to serve with Gary for about a year and a half, but I have benefited more than I can express from his intellect, his good judgment, his integrity and his great sense of humor.

Gary, I know that I speak for everyone in our agency when I say that serving with you has been both a pleasure and a learning experience. You

1 are, indeed, a consummate educator and your
2 contributions to the success of this Board cannot be
3 overstated. We hate to see you go. We know that
4 we're all going to see you repeatedly, but we're going
5 to miss you and your massive presence on this Board.
6 I want to finally say thank you on behalf of the
7 people for everything you've done.

8 MR. SOJKA:

9 Thank you, Bill. And can I just have
10 one quick word, because again, this has been a
11 remarkable experience. Yes, it's a quick word. You
12 ought to hear me answer questions, but it has been a
13 genuine privilege, because you mentioned, I got to
14 come on during those wild west days when there was
15 really not a lot going on and --- in the sense of tax
16 revenue coming in and jobs being created.

17 But I was able to sit there and watch
18 this industry come alive and now generate well over a
19 billion dollars a year in tax revenue to this
20 Commonwealth and employ thousands of people who
21 otherwise would not have a job. So, think whatever
22 you want of gaming. The impact has been positive and
23 the ring side seat has been certainly an exceptional
24 privilege. And of course, finally it's the people you
25 get to work with.

1 Bill, you said you hope you're going to
2 see me. I'm very hard to get rid of and I --- if you
3 pardon the expression, I've collected people all my
4 life and I do not intend to lose track of any of you.
5 This has been the best experience, or the best part of
6 the experience and it's got a little bit of that sort
7 of siege mentality because when this organization
8 started it was under the gun. We were constantly
9 criticized, occasionally savaged by the press, by
10 others who didn't want this industry to succeed and
11 decided that they would attack this group in order to
12 maybe bring down the whole enterprise.

13 They did not succeed. The people who
14 were working here at that time probably had to explain
15 to their families, their friends and their neighbors
16 that they were not working for the evil empire, but
17 today it is a totally different situation, as you're
18 all aware. The Commonwealth understands that this
19 agency and this industry are making significant
20 contributions, that it's being very careful to make
21 sure that everything is done in a transparent and open
22 way, that criminal elements are kept out and that the
23 negative impacts of gaming are mitigated whenever
24 possible.

25 I think it's been a great success story

1 and that is due to the people of this agency who put
2 up with much, have persevered and have brought it to
3 this point. The story doesn't end. I think we're now
4 in the middle of this agency going from, again, that
5 wild west period when the big push was on to get
6 things open, get those jobs, get that tax money, and
7 obviously, there was some confusion. I think the goal
8 now is to develop the smoothest running, most
9 efficient agency imaginable providing the most
10 appropriate high integrity regulation available. And
11 I'm certain this agency's going to do it. It's been a
12 privilege to be with you and thank you all.

13 CHAIRMAN:

14 I will now open the floor for comments
15 by my colleagues.

16 MR. GINTY:

17 My academic experience I always avoided
18 university presidents, but I've enjoyed your company
19 tremendously over the past five years. I do, however,
20 want to clear the record and although I enjoyed a
21 number of cigars with you, I don't believe I ever had
22 a Havana cigar.

23 MR. MCCALL:

24 It's a law abiding group.

25 MR. GINTY:

1 Thank you. And I also learned more
2 about Bovines than I ever cared to learn in the
3 experience. I've enjoyed it, I've enjoyed your
4 company, Gary, and I hope I'll continue to do so.

5 MR. MCCALL:

6 If I may, Mr. Chairman. I don't know if
7 all of you have noticed or not, but we're all wearing
8 our bow ties. I think we all know the statement that
9 imitation is the sincerest form of flattery and
10 certainly that comes from the heart from all of the
11 Board members. That we all respect and admire the man
12 that's leaving this Board. I am one of the younger
13 members of only two years and Jim Ginty and Gary are
14 the senior members that have really, you know, carried
15 a lot of the burden for us newer Board members.

16 And as a Board member sitting and
17 watching and listening, I always felt that Jim Ginty
18 was the conscience of the Board and that Gary Sojka
19 was its heart and soul. He certainly has enlightened
20 me on a lot of subjects. When you talk about academia
21 and the things that this gentleman knows you really
22 need to sit around the table with him for hours on end
23 and just get into conversation with the man and truly
24 understand the intellect that he brings to this Board.
25 I would be remiss to say that he will be missed, but

1 he will be missed.

2 But as the staff knows and anyone that
3 follows this Board knows that Gary always asked the
4 right question. He always asked the tough question.
5 He always demanded accountability, but he did all of
6 that with compassion. So, I think, you know, with him
7 leaving this Board he has certainly set the bar very
8 high, but truly has set an example, I think, for all
9 future Board members that aspire to sit on this Board.
10 That he has certainly set the standard and the model
11 for all of us to follow in asking the tough questions
12 and making sure --- because this is the one thing that
13 he always made sure, making sure that we always keep
14 the eye on the ball.

15 Be very good regulators, stern
16 regulators, be a leader in the industry as far as
17 regulators are concerned, but also keeping in mind
18 that we have a mission to ensure that the taxpayers of
19 Pennsylvania realize that the dollars that we make
20 through gaming --- when I say we, the industry makes
21 through gaming, that it goes to that property tax
22 reduction that we all want to see as well as those
23 local shares that provide so many community
24 development opportunities across this Commonwealth.

25 Gary's never lost sight of that and I

1 hope that all of us don't lose sight of that as well,
2 but in conclusion I just want to say to Gary,
3 congratulations on I guess --- you'll never retire,
4 but retirement. I'm sure he goes back to Bucknell and
5 helps Bucknell again because he's such an asset. But
6 congratulations, but more importantly thank you for
7 your service to this Commonwealth and this Board.

8 CHAIRMAN:

9 Greg?

10 MR. FAJT:

11 Thank you, Mr. Chairman. Just quickly.
12 Gary, I don't know that there's anybody that I've
13 served with in any of my capacities in government and
14 I've had numerous jobs in state government, that I've
15 enjoyed serving with more than you. I think Bill said
16 it all, you know. You're intellectual, you're
17 thoughtful and you've got a wicked sense of humor.
18 And that's the part of you that I've enjoyed the most.

19 I think the horseracing industry will
20 lose a dear friend on this Board with your departure,
21 but I know that you'll stay in touch with us, and you
22 know, your beautiful wife, Sandy. I know you're
23 hoping to spend a little bit more time at your farm
24 with her, but you have been a credit to Pennsylvania
25 and you put a good name on public service. And that

1 doesn't always happen in today's world, so thank you
2 for your service, my friend, and I will miss you.

3 CHAIRMAN:

4 Tony?

5 MR. MOSCATO:

6 Thank you, Mr. Chairman. The New World
7 --- when Gary's forbearers came to the New World some
8 of them didn't like it here and they left.
9 Fortunately for us Gary's segment of the family or
10 branch of the family stayed. The part that left was
11 actually Antonin Dvorak and he started writing the New
12 World symphony here and he finished it in the Old
13 World. But we're very glad that Gary's branch of the
14 family stayed. Dr. Sojka, uncharacteristically I
15 wanted to be prepared for this, so I started writing
16 this several weeks ago.

17 And I say that you remind me a little
18 bit of an English professor I had in college, Dr.
19 Hazlin (phonetic) and I'd come in and he would always
20 look at me and say, Mr. Moscato, are you prepared?
21 And I just kind of put my head down. But my first
22 draft incorporated a lot of stories and trying to get
23 some input I ran it past Doug. And these were stories
24 of, you know, that we would tell after dinner and he
25 said, you can't say that. It's a public meeting.

1 So I rewrote it and my second draft had
2 stories that you had told to us from IU and from
3 Bucknell and I ran it past the guys in the legislative
4 office and they said, you can't tell those, it's a
5 public meeting. So I rewrote it and I ran it past by
6 Chief Counsel. He said, you can't tell those, it's a
7 public meeting. So I'm down to this which I think I
8 can say at a public meeting.

9 CHAIRMAN:

10 I'm ready to turn him off, Doug.

11 MR. MOSCATO:

12 King Solomon was asked what the secret
13 was to his wisdom and his response was an
14 understanding heart. And I think, Gary, in my time
15 with you, you have that understanding heart. And I've
16 come to appreciate it and hopefully a little bit of it
17 has rubbed off on me. I'm certainly going to miss you
18 and thank you for your service to the Commonwealth.

19 CHAIRMAN:

20 Annmarie?

21 MS. KAISER:

22 In the short time I've been here it's
23 been a true honor and pleasure to serve with you. You
24 made me feel very welcome to this Board and I was
25 comfortable asking you any question that I had. It's

1 one thing to be very intelligent, but to make someone
2 feel comfortable asking you questions and providing
3 them with insight is invaluable. You're truly a
4 special person and I'm very glad to have met you. And
5 I'm very glad that Keith McCall explained why we were
6 wearing the bowties or I think folks would be giving
7 me drink or food orders later.

8 MR. SOJKA:

9 One observation. This is Pennsylvania,
10 and Tony, in honor of the state in which you live, if
11 you're going to cut your remarks down to that size you
12 should've put them on the back of an envelope.

13 CHAIRMAN:

14 Okay. Thank you all very much. Now,
15 what I'd like to do, if you don't mind, Gary, is read
16 into the record the resolution that the Board has
17 prepared. Whereas Gary A. Sojka was appointed by the
18 speaker of the House of Representatives, Sam Smith, in
19 January 2007 as a member of the Pennsylvania Gaming
20 Control Board and whereas Commissioner Sojka was sworn
21 in at the Board's meeting on February 27th, 2007. And
22 whereas Commissioner Sojka was reappointed by speaker
23 Sam Smith on two successive occasions for additional
24 two year terms, January 2009 and again in January
25 2011. And whereas Commissioner Sojka is a brilliant

1 academician --- did I pronounce that right?

2 MR. SOJKA:

3 That's correct.

4 CHAIRMAN:

5 And administrator, a gentleman farmer
6 and a staunch promoter of agricultural interest and
7 whereas Commissioner Sojka brought an independent
8 voice to the Board to provide a sound and reasoned
9 perspective to the implementation of gaming in
10 Pennsylvania including his participation in overseeing
11 the opening, operation and regulation of 11 casinos,
12 which have provided employment for thousands of
13 Pennsylvanians as well as billions of dollars of tax
14 revenues resulting in property and wage tax relief,
15 significant enhancements to horseracing and
16 agriculture --- to agricultural interests and economic
17 development far exceeding many expectations.

18 And whereas Commissioner Sojka has been
19 instrumental in the continued development of the
20 PGCB's bureaus, the development of administrative
21 protocols, to promote objective and merit based
22 policies, to fulfill the Board's vision statement, to
23 be the premier gaming regulator in the United States.
24 Maintaining and enhancing public trust with honesty,
25 integrity and credibility and whereas Commissioner

1 Sojka has left an indelible imprint on the
2 establishment and operation of this Board who's keen
3 intellect, vast vocabulary, sparkling and sometimes
4 devilish humor, love of equine athletes and his
5 overriding recognition of the enormity of the
6 responsibility, which is placed upon him to serve the
7 Commonwealth in the establishment of gaming in a
8 manner in which has instilled integrity for the
9 betterment of all Pennsylvanians.

10 Be it resolved that the Pennsylvania
11 Gaming Control Board proudly recognizes Commissioner
12 Gary Sojka's exemplary record, service and leadership
13 and wishes him the very best in all his future
14 endeavors. Upon motion which will be made in one
15 moment. Do I have a motion?

16 MR. FAJT:

17 Mr. Chairman, I'd like to make a motion
18 to adopt the resolution as read into the record.

19 CHAIRMAN:

20 Second?

21 MR. GINTY:

22 Second.

23 CHAIRMAN:

24 All in favor?

25 ALL SAY AYE

1 CHAIRMAN:

2 Opposed? Motion carries. Gary,
3 congratulations.

4 MR. SOJKA:

5 Thank you all.

6 CHAIRMAN:

7 Okay. By way of other announcements,
8 the Board held an Executive Session yesterday the
9 purpose of which was to discuss personnel matters and
10 to conduct quasi judicial deliberations relating to
11 matters being considered by the Board today. Our next
12 order of business will be consideration of a motion to
13 approve the minutes and transcript of the January
14 29th, 2013 meeting. May I have a motion?

15 MS. KAISER:

16 Mr. Chairman, I move that the Board
17 approve the minutes and the transcript of the January
18 29th, 2013 meeting.

19 MR. MCCALL:

20 Second.

21 CHAIRMAN:

22 All in favor?

23 ALL SAY AYE

24 CHAIRMAN:

25 Opposed? The motion carries. Next

1 Kevin O'Toole to present the Executive Director's
2 report.

3 MR. O'TOOLE:

4 Good morning, Chairman Ryan, members of
5 the Board. Gary, on behalf of the staff I'd just like
6 to personally thank you for your leadership and for
7 your friendship. And it's been a terrific learning
8 experience to listen to you and gain from your
9 perspective. And we certainly will move forward with
10 your perspective in mind.

11 Briefly this morning I would like to
12 update the Board on the office relocation for the
13 western region of the Bureau of Investigation and
14 Enforcement (BIE), all aspects of the office
15 relocation are in place and the move is scheduled to
16 occur the week of March the 4th, 2013. Steve Wilson,
17 Ben Williams and Lee Torbin are all coordinating that
18 effort. The week of March 14th is also significant
19 from a compulsive and problem gambling perspective and
20 I would like to ask Director Liz Lanza to present a
21 resolution regarding Problem Gambling Awareness Week.

22 MS. LANZA:

23 Good morning, Chairman and members of
24 the Board.

25 CHAIRMAN:

1 Good morning, Liz.

2 MS. LANZA:

3 Before you today is a resolution
4 declaring March 3rd through March 9th Problem Gambling
5 Awareness Week. Problem Gambling Awareness Week is a
6 grass roots effort that brings awareness to problem
7 gambling and educates the public on the signs and
8 symptoms of the addiction. The problem gambling
9 community utilizes this week to publicize the
10 effective treatment options for problem gamblers, many
11 of which are low cost or free.

12 For more information regarding problem
13 gambling and treatment options the Office of
14 Compulsive and Problem Gambling urges citizens to
15 contact the Council and Compulsive Gambling of
16 Pennsylvania by calling 1-800-Gambler or
17 1-800-848-1880. I ask the Board to adopt the
18 resolution that is before you today. And Chairman, if
19 you'd like I'll read that into the record.

20 CHAIRMAN RYAN:

21 Please do. Thank you.

22 MS. LANZA:

23 Uh-huh (yes). Whereas the legislative
24 intent of the Pennsylvania Racehorse Development and
25 Gaming Act recognizes in part that the public interest

1 of the citizens of this Commonwealth and social
2 effective gaming shall be taken into consideration
3 that any decision or order made pursuant to the Gaming
4 Act.

5 And whereas the Pennsylvania Gaming
6 Control Board recognizes the social effect of gaming
7 when it created the Office of Compulsive and Problem
8 Gambling to conduct research, develop public outreach
9 efforts, work with the Pennsylvania Slot Machine
10 Licensees to develop and implement problem gambling
11 programs at its licensed facilities, administer the
12 PGCB self-exclusion program and promote problem
13 gambling education programs in this Commonwealth.

14 And whereas the Gaming Act established a
15 special fund to be known as the Compulsive and Problem
16 Gambling Treatment Fund and required that all money in
17 this fund should be expended for programs for public
18 awareness, prevention, research, assistance and
19 treatment of gambling addictions. And whereas problem
20 gambling is a public health issue affecting
21 Pennsylvanians of all ages, races, gender and ethnic
22 backgrounds in all communities. And whereas problem
23 gambling is treatable and treatment is effective in
24 minimizing the harm to individuals, families and
25 society as a whole.

1 And whereas numerous individuals,
2 professionals, agencies and organizations in
3 Pennsylvania have dedicated their efforts to the
4 education of the public about problem gambling and the
5 availability and effectiveness of treatment. And
6 whereas promoting awareness of problem gambling is an
7 opportunity to educate the public and policymakers
8 about the social and financial issues related to
9 problem gambling.

10 And therefore the Pennsylvania Gaming
11 Control Board hereby recognizes March 3rd through 9th,
12 2013 as problem Gambling Awareness Week. We encourage
13 all citizens to learn more about the signs of problem
14 gambling and to help spread the message about the
15 availability of treatment.

16 CHAIRMAN:

17 Thank you. Questions or comments from
18 the Board? Ex Officio members? May I have a motion?

19 MR. MCCALL:

20 Mr. Chairman, I move that the Board
21 approve Resolution Number 2013-1-CPG as described by
22 the Director of Compulsive and Problem Gambling.

23 CHAIRMAN:

24 Second?

25 MR. MOSCATO:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 ALL SAY AYE

5 CHAIRMAN:

6 Opposed? The motion carries.

7 MS. LANZA:

8 Thank you.

9 CHAIRMAN RYAN:

10 Thank you, Liz. Thank you, Kevin. Next
11 would be Claire Yantis, Human Resources Director.

12 MS. YANTIS:

13 Good morning, Chairman and members of
14 the Board.

15 CHAIRMAN:

16 Good morning, Claire.

17 MS. YANTIS:

18 The Office of Human Resources has two
19 motions for your consideration today. First we have
20 two new hires for consideration, Mr. Darryl Rhone and
21 Mr. Leo Plenski have been selected as Casino
22 Compliance Representatives. Both Mr. Rhone and Mr.
23 Plenski have completed the PGCB interview process,
24 background investigation and drug screening and are
25 being recommended for hire by Director of Casino

1 Compliance, Jerry Stoll. Unless you have any
2 questions I ask that the Board consider a motion to
3 hire Mr. Rhone and Mr. Plenski as indicated.

4 CHAIRMAN:

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

7 MR. MOSCATO:

8 Mr. Chairman, I move that the Board
9 approve the Applicants as proposed by the Director of
10 Human Resources.

11 MR. SOJKA:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 ALL SAY AYE

16 CHAIRMAN:

17 Opposed? The motion carries.

18 MS. YANTIS:

19 Second, as you're aware, the office of
20 Human Resources continually reviews the
21 classifications within the PGCB and on occasion
22 recommends modifications to the existing structure.
23 In November of 2012 the Office of Financial Management
24 underwent some staffing changes that resulted in the
25 redistribution of work and consolidation of functions.

1 As a result of those changes the current position of
2 Budget Manager was evaluated and changes were made to
3 the overall specification of the position to reflect
4 the redistribution and consolidation of duties.

5 Consequently it is recommended that this
6 newly revised position be titled Director Office of
7 Financial Management. Given the increased
8 responsibilities of this position it is further
9 recommended that the Director Office of Financial
10 Management position be placed on the PGCB executive
11 pay scale, pay range C. Furthermore it is recommended
12 that the position of Budget Manager be eliminated from
13 the structure. I would be happy to answer any
14 questions you may have relative to the recommended
15 change to the classification and compensation
16 structure.

17 CHAIRMAN:

18 Any questions or comments from the
19 Board? Ex Officio members? May I have a motion?

20 MR. SOJKA:

21 Yes, Mr. Chairman. I move that the
22 Board amend its classification and compensation
23 structure as described by the Director of Human
24 Resources.

25 MR. FAJT:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 ALL SAY AYE

5 CHAIRMAN:

6 Opposed? The motion carries.

7 MS. YANTIS:

8 Thank you.

9 CHAIRMAN:

10 Thank you, Claire. Next will be Doug
11 Sherman, Chief Counsel.

12 ATTORNEY SHERMAN:

13 Good morning, Chairman, members of the
14 Board. First, Gary, on behalf of all the Office of
15 Chief Counsel (OCC), we have to tell you it's been a
16 pleasure to work with you the last six years. Your
17 guidance and wisdom has been, you know, of significant
18 import to us and if any one individual can get ---
19 just looking around the room, can get this many people
20 to unify and follow in your footsteps with these ties,
21 your next step should be Washington.

22 And before we get to the real business,
23 in any event there's any doubt about the separation
24 between Board and OCC and the OEC and BIE, just look
25 at their ties. Our first agenda relates to a Local

1 Law Enforcement Grant, which Assistant Chief Counsel
2 Allison Cassel is here to present.

3 ATTORNEY CASSEL:

4 Good morning, Mr. Chairman, members of
5 the Board.

6 CHAIRMAN:

7 Good morning, Allison.

8 ATTORNEY CASSEL:

9 I have one Local Law Enforcement Grant
10 Application for you today, the Hazleton City Police
11 Department has submitted an application totaling
12 \$85,000. If approved this will be Hazleton's second
13 Local Law Enforcement Grant. The application has been
14 reviewed, has been determined to be in compliance with
15 the grant program and is recommended for approval.

16 CHAIRMAN:

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

19 MR. FAJT:

20 Mr. Chairman, I move that the Board
21 approve the Local Enforcement Grant as presented by
22 the OCC.

23 MR. GINTY:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 ALL SAY AYE

3 CHAIRMAN:

4 Opposed? The motion carries.

5 ATTORNEY CASSEL:

6 Thank you.

7 CHAIRMAN:

8 Thank you, Allison.

9 ATTORNEY SHERMAN:

10 Today the Board has just one petition on
11 the agenda and that's Woodland Fayette's Petition for
12 Authorization to Conduct Table Games and issuance of
13 Table Game Operation Certificate. Clearly this matter
14 was heard just a short time ago. The Board has in
15 advance of this meeting been provided with the
16 petition, the OEC Answer and other documents in the
17 record. To be clear, if the Board approves this
18 petition it will not be authorizing the Licensee to
19 commence the operation of table games at this time.

20 Rather the Board will be approving the
21 issuance of a certificate, which is the first step
22 toward operation. Prior to operations actually being
23 permitted the Licensee must obtain a number of other
24 approvals, come back to this Board and other settings,
25 have their internal controls approved, have an access

1 plan approved, have their floor plan finally approved
2 once it gets all the certifications from staff. The
3 OEC, as they noted, have no objection to the issuance
4 of the Table Game Certificate subject to 15 --- or I'm
5 sorry, 18 conditions, which were outlined in their
6 Answer.

7 The OCC also recommends that the
8 petition be granted pursuant to those conditions. The
9 matter is now appropriate for the Board's action.

10 CHAIRMAN:

11 Any question or comments from the Board?
12 Ex Officio? May I have a motion?

13 MR. GINTY:

14 Mr. Chairman, I move that the Board
15 approve the Petition of Woodland Fayette, LLC seeking
16 approval to conduct table games as described by the
17 OCC.

18 CHAIRMAN:

19 Second?

20 MS. KAISER:

21 Second.

22 CHAIRMAN:

23 All in favor?

24 ALL SAY AYE

25 CHAIRMAN:

1 Opposed? The motion carries.

2 ATTORNEY SHERMAN:

3 Okay. Next presenting Reports and
4 Recommendations is Deputy Chief Counsel, Steve Cook.

5 CHAIRMAN:

6 Good morning, Steve.

7 ATTORNEY COOK:

8 Good morning. Next before the Board for
9 consideration are three Reports and Recommendations
10 received from the Office of Hearings and Appeals
11 (OHA). These Reports and Recommendations along with
12 the complete evidentiary record have been provided to
13 the Board in advance of this meeting. And
14 additionally each of the individuals implicated in
15 these Reports and Recommendations have been put on
16 notice if the Board was to take up their matter today
17 and that they have the right to come forward and
18 briefly address the Board. If any of these people are
19 present I'd ask them to come forward when their matter
20 is called.

21 The first Report and Recommendation
22 before the Board pertains to Jamaar Jordan. Mr.
23 Jordan was issued a Non-Gaming Employee Registration
24 on August 25th, 2010 and was employed as a Culinary
25 Steward at SugarHouse. On August 21st, 2012 an

1 employee of SugarHouse found a plastic bag containing
2 a small amount of marijuana and turned it over to her
3 supervisor. SugarHouse's surveillance conducted a
4 review of the area and surveillance footage showed
5 that the marijuana fell out of Mr. Jordan's pocket.
6 Subsequently Mr. Jordan was charged with possession of
7 marijuana and suspended from his employment at
8 SugarHouse. As a result of this situation SugarHouse
9 also asked Mr. Jordan to take a drug test, which he
10 did. The results of that drug test were negative for
11 all drugs including marijuana.

12 Based upon this information SugarHouse
13 allowed Mr. Jordan to continue his employment with
14 that facility, however, prior to being reinstated he
15 had lost five days of work. Additionally on May 8,
16 2012 notwithstanding the negative drug test Mr. Jordan
17 was charged criminally and entered into the Marijuana
18 Diversionary Program with Philadelphia Municipal
19 Court. He subsequently completed that program
20 resulting in all those criminal charges being
21 dismissed. The OEC filed a complaint for revocation,
22 seeking revocation on June 21st, 2012 alleging that
23 Mr. Jordan failed to maintain suitability by
24 possessing the marijuana in question. A hearing in
25 this matter was held on November 14th, 2012 before a

1 Board Hearing Officer.

2 Mr. Jordan and the OEC both appeared and
3 presented evidence. During that hearing Mr. Jordan
4 testified that he worked with the casino since its
5 opening, that he found the bag of marijuana, was
6 planning to turn it over to his supervisor, but before
7 he had a chance to do that the situation that I had
8 described earlier had occurred. When asked why he did
9 not provide this explanation initially to the police
10 he indicated that he didn't believe he would --- he
11 didn't think the police or any law enforcement would
12 believe him. He also ultimately testified that
13 although he didn't think he was guilty of any crime he
14 entered the Diversionary Drug Corp Program simply to
15 resolve this situation since it would ultimately if
16 successfully completed, which it was, result in the
17 charges being dismissed.

18 As a result of all this evidence the
19 Report and Recommendation issued by the Hearing
20 Officer recommended that Mr. Jordan's Non-Gaming
21 Registration not be revoked, but rather a 30-day
22 suspension be imposed and that the suspension itself
23 be suspended in part due to his earlier suspension
24 from employment for five days. And that is the
25 recommendation that's before the Board.

1 CHAIRMAN:

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

4 MS. KAISER:

5 Mr. Chairman, I move that the Board
6 adopt the Report and Recommendation of the OHA
7 regarding Non-Gaming Employee Registration of Jamaar
8 Jordan as described by the OCC.

9 MR. MCCALL:

10 Second.

11 CHAIRMAN:

12 All in favor?

13 ALL SAY AYE

14 CHAIRMAN:

15 Opposed? The motion carries.

16 ATTORNEY COOK:

17 The next Report and Recommendation
18 pertains to Richard Celenza. I would note for the
19 record that Mr. Celenza and his Counsel are present
20 and would like to address the Board. Prior to their
21 doing that I would give a brief summary. Mr. Celenza
22 was issued a Gaming Employee Permit on May 24th, 2010
23 and is employed as a Table Games Dealer at Chester
24 Downs. The OEC filed a complaint on June 4th, 2012
25 seeking to revoke Mr. Celenza's Gaming Permit upon

1 learning that he'd been arrested both in October 2011
2 and November 2011 for receiving stolen property,
3 driving while his operating privileges were suspended
4 or revoked along with several other traffic
5 violations.

6 A hearing in this matter was held on
7 October 2nd, 2012. Mr. Celenza and his Counsel
8 appeared as well as the OEC with all parties offering
9 testimony. Mr. Celenza testified basically that in
10 2003 he was convicted of a driving under the influence
11 charge and then as a result of that conviction his
12 driver's license was suspended for two years. There
13 was some confusion as to when the driver's license
14 suspension actually started though and two years later
15 when he went back to PennDOT to seek --- have his
16 license reinstated he was told at that point in time
17 that the suspension never started because he never
18 turned his application --- or his driver's license in.

19 Apparently there was some back and forth
20 between Mr. Celenza and PennDOT over the course of
21 years and his driver's license remained suspended in
22 2011. At that point in time Mr. Celenza testified
23 that he needed to drive, his father was ill and at
24 home and Mr. Celenza was helping to take care of him.
25 And additionally while he lived relatively close to

1 the casino public transportation took him basically an
2 hour and 45 minutes to get to work. Because of that
3 he admitted to obtaining stolen license plates and
4 putting them on his car because he was unable to get
5 registration because his driver's license was revoked.

6 Mr. Celenza also testified that he kept
7 the supervisors at Harrah's as well as our staff at
8 Harrah's and PSP at Harrah's informed of this entire
9 situation. He has maintained his employment at
10 Harrah's and continues to be employed there to this
11 day. Upon hearing all this evidence the Hearing
12 Officer issued a Report and Recommendation
13 recommending that Mr. Celenza's Gaming Permit not be
14 revoked, but be suspended for a period of 90 days. As
15 I indicated, Mr. Celenza and his Counsel are present.

16 CHAIRMAN:

17 Good morning, Mr. Schukraft. Could you
18 put your name on the record?

19 ATTORNEY SCHUKRAFT:

20 For the record, Chairman, Steven
21 Schukraft.

22 CHAIRMAN:

23 Would you spell your last name?

24 ATTORNEY SCHUKRAFT:

25 S-C-H-U-K-R-A-F-T. My Supreme Court

1 number is 22150 and I represent Richard Celenza who's
2 sitting to my left, sir. If I may, let me start by
3 saying your bow ties look marvelous. And Mr. Sojka, I
4 wish you the best in your retirement. I'm here with
5 Mr. Celenza who's a 62 year old dealer at Philadelphia
6 Harrah's, it was originally Chester Harrah's and who's
7 been a table dealer since the table games were
8 approved some three years ago.

9 Mr. Celenza chose, because his father
10 was --- has some serious health issues. He was the
11 only one around that was able to take care of him.
12 Subsequently he put those license plates on his car,
13 was subsequently caught, pled guilty. And since this
14 happened, it's been over a year, he now has a criminal
15 record. It's affected his credit rating, the anguish
16 and anxiety he's been going through over a year has
17 had some affect on his health, but I would ask the
18 Court to consider --- or ask the Board to consider not
19 suspending him for a 90-day period. The incidents
20 that he was involved with had nothing to do with
21 gaming or gambling in particular.

22 It was done as a necessity for him
23 taking care of his father. His father --- we were
24 supposed to be here last month, but his father
25 continued with his illness. The Board was kind enough

1 to continue this case until today. Mr. Celenza's
2 father died on January 20th. Since he's been working
3 at Harrah's he's had nothing but the highest ratings
4 for his job performance. He has 42 days of leave
5 according to his contract that he can take without
6 having to worry about his license, about losing his
7 job. The 90-day suspension might possibly cost him
8 his job. He's in the process of applying for his
9 renewal and I would ask you to consider --- if you
10 feel a suspension is necessary I'd ask you to consider
11 a 30-day suspension rather than the 90 days.

12 As I said, he has the 42 days of leave
13 time that he's allowed to take as far as the leave of
14 absence, but I believe the testimony when we were here
15 in front of the Board before --- and as you know, we
16 could have chose to just let the Board make their
17 decision without us being here, but I wanted to be
18 here and I wanted you guys to be able to see him in
19 person and see what kind of individual he is. All
20 this was related to him taking care of his father. He
21 would have never done anything to embarrass Harrah's,
22 to embarrass the Gaming Board and had he known that he
23 was going to go through this hell by putting the
24 license plate on his car in hindsight he would have
25 never done that.

1 But we're here to ask for your
2 indulgence and to consider either a probation or a
3 30-day suspension rather than the 90-days so that he
4 can be assured to keep his job, which he does with
5 integrity. I believe his integrity came in question
6 because of these charges, but like I said, I
7 appreciate the fact that he was taking care of his
8 father and that they had no other choice. Since this
9 happened he hasn't driven. He's been able to work out
10 a schedule. He's scheduled to get his license back in
11 January of '14. I don't believe I have anything else.
12 I don't know if Mr. Celenza would like to address the
13 Board or not.

14 CHAIRMAN:

15 Mr. Celenza, before you do, sir, I'll
16 have you sworn. Can you stand up, please, and state
17 your name and spell your last name?

18 MR. CELENZA:

19 My name is Richard Celenza,
20 C-E-L-E-N-Z-A.

21 -----
22 RICHARD CELENZA, HAVING FIRST BEEN DULY SWORN,
23 TESTIFIED AS FOLLOWS:

24 -----
25 CHAIRMAN:

1 You may sit down, sir. What do you want
2 to tell the Board?

3 A. As Mr. Schukraft said, I felt compelled to help
4 with my father. I was wrong. I took the law into my
5 own hand. I was wrong. I love my job and it's no way
6 to put it. Since gaming has come to Pennsylvania I
7 found something that I truly enjoy doing. I had no
8 idea that what I did would compel a situation like
9 this, that I'd have to have a hearing. I did not
10 intend in any way to embarrass myself with Harrah's,
11 with the Gaming Control Board, with anyone. I did not
12 even realize anyone would find out until someone
13 called me and then I went to the Gaming Commission
14 personnel at Harrah's Chester, Harrah's Philadelphia.
15 It's cost me significantly.

16 It's like a Monday morning quarterback,
17 I wish I knew now what I knew then. I wish I knew
18 then what I know now. I lost the reason I did all
19 this and I please ask not to lose my job. Ninety (90)
20 days I will lose my job.

21 CHAIRMAN:

22 Okay. OEC, any comments?

23 ATTORNEY FENSTERMAKER:

24 For the record, I'm Cassandra
25 Fenstermaker, F-E-N-S-T-E-R-M-A-K-E-R, with the OEC

1 and we have --- the OEC has no objection to a
2 suspension or reduction from the 90 days to the 30-day
3 suspension. You know, we would leave that to the
4 Board's discretion obviously.

5 CHAIRMAN:

6 Okay. Thank you. Any questions or
7 comments from the Board?

8 MR. SOJKA:

9 I think I'd like to make a collective
10 statement of sympathy on the loss of your father since
11 that is the main reason that you've given. Could I
12 ask just one question?

13 A. Yes, sir.

14 MR. SOJKA:

15 And it only has to do with my failure to
16 understand our documentation completely. I understand
17 that the need you expressed why you did what you did
18 for the first time, which was to get stolen plates and
19 put them on your car. Is it correct that after you
20 were caught doing that you essentially did it again?

21 A. I went to a place --- I walk every day because of
22 diabetes and my heart. I went to a place right up the
23 street from me and it's a location where everybody
24 ---. It's like an auto swap meet. Everybody takes
25 apart their cars, cleans their cars and whatnot.

1 Being stupid, I picked up a set of tags that were on
2 the ground. I didn't steal them, I didn't pay for
3 anybody to do them. I thought it was a gift from God,
4 you know. Oh, God, I can't be this lucky to have it
5 again and the next day ---.

6 MR. SOJKA:

7 Next day?

8 A. Next day I was caught.

9 ATTORNEY SCHUKRAFT:

10 It seemed like a good idea at the time.

11 A. Yes.

12 MR. SOJKA:

13 Okay. Thank you.

14 CHAIRMAN RYAN:

15 Anyone else? Sir, you apparently cannot
16 drive until January of 2014?

17 A. Correct.

18 CHAIRMAN:

19 You understand driving now until then
20 would not be a good idea?

21 A. I don't want to go to jail.

22 CHAIRMAN:

23 And if you do and you're caught it will
24 be a real problem for you?

25 A. Correct.

1 CHAIRMAN:

2 Okay. Any other comments or questions?
3 May I have a motion?

4 MR. MCCALL:

5 Mr. Chairman, I move that the Board
6 adopt the Report and Recommendation of the OHA
7 regarding the Gaming Employee Permit of Richard
8 Celenza as described by the OCC with the exception
9 that the Board --- with the exception that the period
10 of suspension be reduced to 30 days.

11 CHAIRMAN:

12 Second?

13 MR. MOSCATO:

14 Second.

15 CHAIRMAN:

16 All in favor?

17 ALL SAY AYE

18 CHAIRMAN RYAN:

19 Opposed? The motion carries. All
20 right, sir. Thirty (30) days.

21 A. Thank you very much everyone.

22 CHAIRMAN:

23 All right.

24 ATTORNEY SCHUKRAFT:

25 When will that take effect, Mr.

1 Chairman.

2 ATTORNEY SHERMAN:

3 Today.

4 CHAIRMAN:

5 Today.

6 ATTORNEY SCHUKRAFT:

7 All right. Thank you very much.

8 CHAIRMAN:

9 Thank you.

10 ATTORNEY SCHUKRAFT:

11 Good to see you.

12 CHAIRMAN:

13 Good to see you, Mr. Schukraft.

14 ATTORNEY SCHUKRAFT:

15 Good luck with your retirement.

16 MR. SOJKA:

17 Thank you.

18 ATTORNEY COOK:

19 The final Report and Recommendation
20 before the Board today pertains to Charles Rilley.
21 October 22nd, 2012 Mr. Rilley submitted an application
22 for a Gaming Permit seeking work as a Table Games
23 Dealer. Mr. Rilley disclosed in his application that
24 he had been arrested in June of 2009 in New Jersey and
25 pleaded guilty to a forgery charge. For this charge

1 he was ultimately sentenced to three years of
2 probation.

3 During BIE's investigation it was
4 discovered that the forgery conviction resulted from
5 Mr. Rilley's passing counterfeit money while gaming at
6 a casino in Atlantic City. He accepted a plea deal
7 and entered into a 24 month pretrial prevention
8 program initially, which is essentially similar to
9 Pennsylvania's ARD Program, and would have resulted in
10 the charges being dismissed upon completion. However,
11 he failed to successfully complete the program and on
12 April 1st, 2011 he ended up pleading guilty to the
13 forged writing charge, which is a third degree crime
14 in New Jersey.

15 It was also discovered by BIE that Mr.
16 Rilley failed to report in his application that he had
17 two outstanding financial judgments against him as
18 well as several matters in collection. On November
19 9th, 2012 the OEC issued a Notice of Recommendation of
20 Denial to Mr. Rilley based upon the guilty plea to a
21 forged writing in New Jersey. In its recommendation
22 OEC alleged that this crime if charged in Pennsylvania
23 would have been a second degree felony and therefore
24 Mr. Rilley would not be eligible for a Gaming Permit
25 based upon the 15 year ban in the Pennsylvania

1 Racehorse Development Gaming Act. A hearing in this
2 matter was held on December 20th, 2012.

3 Both Mr. Rilley and the OEC appeared and
4 offered testimony. A Report and Recommendation was
5 thereafter issued recommending that Mr. Rilley's
6 application be denied, because in fact, the crime he
7 committed in New Jersey, if committed in Pennsylvania
8 would have been a felony and would preclude him from
9 licensure. The OEC --- I'm sorry, the OCC has
10 reviewed the law in this area and concurs with that
11 recommendation and essentially believes that this
12 gentleman would be barred from a Gaming Employee
13 Permit until 15 years from his date of conviction
14 comes. And that is the recommendation before the
15 Board.

16 CHAIRMAN:

17 Any questions or comments from the
18 Board? Ex Officio members? May I have a motion?

19 MR. MOSCATO:

20 Mr. Chairman, I move that the Board
21 adopt the Report and Recommendation of the OHA
22 regarding the Gaming Employee Permit of Charles Rilley
23 as described by the OCC. I further move that the
24 documents identified by the OCC as confidential be
25 treated as such.

1 MR. SOJKA:

2 Second.

3 CHAIRMAN:

4 All in favor?

5 ALL SAY AYE

6 CHAIRMAN:

7 Opposed? The motion carries.

8 ATTORNEY SHERMAN:

9 And that concludes all matters of the
10 OCC.

11 CHAIRMAN:

12 Thank you both. Next would be Susan
13 Hensel, our Director of Licensing.

14 MS. HENSEL:

15 Thank you, Chairman Ryan and members of
16 the Board. Before the Board today will be motions
17 regarding one gaming related Gaming Service Provider
18 as well as 482 Principal, Key, Gaming and Non-Gaming
19 Employees. In addition there will be the
20 consideration of 17 Gaming Service Provider
21 Applicants.

22 The first matter for your consideration
23 is the approval of a gaming-related Gaming Service
24 Provider Certification for Tang Dynasty Entertainment,
25 LLC. Tang Dynasty is located in Egg Harbor, New

1 Jersey. It owns the rights to the table game Asia
2 Poker, which combines elements of Pai Gow and American
3 Poker. The BIE has completed its investigation and
4 the Bureau of Licensing has provided you with a
5 background investigation and suitability report for
6 this Applicant. I have provided you with a draft
7 order and ask that the Board consider the
8 certification of Tang Dynasty Entertainment, LLC as a
9 gaming-related Gaming Service Provider.

10 CHAIRMAN:

11 Any comments from Enforcement Counsel?

12 ATTORNEY PITRE:

13 Enforcement Counsel has no objection.

14 CHAIRMAN:

15 Any questions or comments from the
16 Board? Ex Officio members? May I have a motion?

17 MR. SOJKA:

18 Yes. Mr. Chairman, I move that the
19 Board approve the gaming-related Gaming Service
20 Provider Certification of Tang Dynasty Entertainment,
21 LLC as described by the Bureau of Licensing.

22 MR. FAJT:

23 Second.

24 CHAIRMAN:

25 All in favor?

1 ALL SAY AYE

2 CHAIRMAN:

3 Opposed? The motion carries.

4 MS. HENSEL:

5 Next for your consideration is the
6 approval of Principal and Key Employee Licenses.
7 Prior to this meeting the Bureau of Licensing provided
8 you with a Proposed Order for four Principal and seven
9 Key Employee Licenses for Category 1, Category 2 and
10 Category 3 Licensees. I ask that the Board consider
11 the Order approving these licenses.

12 CHAIRMAN:

13 Any comments from Enforcement Counsel?

14 ATTORNEY PITRE:

15 Enforcement Counsel has no objection.

16 CHAIRMAN:

17 Any questions or comments from the
18 Board? Ex Officio members? May I have a motion?

19 MR. FAJT:

20 Mr. Chairman, I move that the Board
21 approve the issuance of Principal and Key Employee
22 Licenses as described by the Bureau of Licensing.

23 MR. GINTY:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 ALL SAY AYE

3 CHAIRMAN:

4 Opposed? The motion carries.

5 MS. HENSEL:

6 Also for your consideration are
7 Temporary Principal and Key Employee Licenses. Prior
8 to this meeting the Bureau of Licensing provided you
9 with an Order regarding the issuance of Temporary
10 Licenses for two Principals and 11 Key Employees. I
11 ask that the Board consider the Order approving these
12 licenses.

13 CHAIRMAN:

14 Any comments from Enforcement Counsel?

15 ATTORNEY PITRE:

16 Enforcement Counsel has no objection.

17 CHAIRMAN:

18 Any questions or comments from the
19 Board? Ex Officio members? May I have a motion?

20 MR. GINTY:

21 Mr. Chairman, I move that the Board
22 approve the issuance of Temporary Principal and Key
23 Employee Credentials as described by the Bureau of
24 Licensing.

25 CHAIRMAN:

1 Second?

2 MS. KAISER:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 ALL SAY AYE

7 CHAIRMAN:

8 Opposed? The motion carries.

9 MS. HENSEL:

10 In addition are Gaming Permits and
11 Non-Gaming Registrations. Prior to this meeting the
12 Bureau of Licensing provided you with an Order and an
13 attached list of 351 individuals to whom the Bureau
14 has granted Temporary or Full Occupation Permits and
15 86 individuals to whom the Bureau has granted
16 registrations under the authority delegated to the
17 Bureau of Licensing. I ask that the Board consider a
18 motion approving the order.

19 CHAIRMAN:

20 Any comments from Enforcement Counsel?

21 ATTORNEY PITRE:

22 Enforcement Counsel has no objection.

23 CHAIRMAN:

24 Any questions or comments from the
25 Board? Ex Officio members? May I have a motion?

1 MS. KAISER:

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

6 MR. MCCALL:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 ALL SAY AYE

11 CHAIRMAN:

12 Opposed? The motion carries.

13 MS. HENSEL:

14 We also have for your consideration a
15 recommendation of denial for Non-Gaming Employee
16 Applicant Craig Frederick Schuler (phonetic). Prior
17 to this meeting the Bureau of Licensing provided you
18 with an Order addressing this Applicant who the OEC
19 has recommended for a Denial. Mr. Schuler failed to
20 request a hearing within the specified time period. I
21 ask that the Board consider the Order denying this
22 Non-Gaming Application.

23 CHAIRMAN:

24 Any comments from Enforcement Counsel?

25 ATTORNEY PITRE:

1 Enforcement Counsel continues to request
2 denial in this matter.

3 CHAIRMAN:

4 Any questions or comments from the
5 Board? Ex Officio members? May I have a motion?

6 MR. MCCALL:

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

10 CHAIRMAN:

11 Second?

12 MR. MOSCATO:

13 Second.

14 CHAIRMAN:

15 All in favor?

16 ALL SAY AYE

17 CHAIRMAN:

18 Opposed? The motion carries.

19 MS. HENSEL:

20 Next for your consideration are the
21 withdrawal requests for Gaming and Non-Gaming
22 Employees. In each case the Permit or Registration is
23 no longer required. For today's meeting I have
24 provided the Board with a list of 17 Gaming and three
25 Non-Gaming Employee Withdrawals for approval. I ask

1 that the Board consider the Order approving the
2 withdrawals.

3 CHAIRMAN:

4 Any comments from Enforcement Counsel?

5 ATTORNEY PITRE:

6 Enforcement Counsel has no objection.

7 CHAIRMAN:

8 Any questions or comments from the
9 Board? Ex Officio members? May I have a motion?

10 MR. MOSCATO:

11 Mr. Chairman, I move that the Board
12 approve the withdrawals as described by the Bureau of
13 Licensing.

14 MR. SOJKA:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed? The motion carries.

21 MS. HENSEL:

22 In addition we have an Order to certify
23 the following Gaming Service Providers. John E. Rozzo
24 electrical contractors and McGregor Industries, Inc.
25 I ask that the Board consider the Order approving

1 these Gaming Service Providers for certification.

2 CHAIRMAN:

3 Any comments from Enforcement Counsel?

4 ATTORNEY PITRE:

5 Enforcement Counsel has no objection.

6 CHAIRMAN:

7 Any questions or comments from the
8 Board? Ex Officio members? May I have a motion?

9 MR. SOJKA:

10 Yes. Mr. Chairman, I move that the
11 Board issue an Order to approve the applications for
12 Gaming Service Provider Certification as described by
13 the Bureau of Licensing.

14 MR. FAJT:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed? The motion carries.

21 MS. HENSEL:

22 Finally we have an Order regarding
23 Gaming Service Provider Registrations. The Bureau of
24 Licensing provided you with an Order and attached list
25 of 15 registered Gaming Service Provider Applicants.

1 I ask that the Board consider a motion approving the
2 Order registering these Gaming Service Providers.

3 CHAIRMAN:

4 Any comments from Enforcement Counsel?

5 ATTORNEY PITRE:

6 Enforcement Counsel has no objection.

7 CHAIRMAN:

8 Any questions or comments from the
9 Board? Ex Officio members? May I have a motion?

10 MR. FAJT:

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

15 MR. GINTY:

16 Second.

17 CHAIRMAN:

18 All in favor?

19 ALL SAY AYE

20 CHAIRMAN:

21 Opposed? The motion carries.

22 MS. HENSEL:

23 That concludes the Bureau of Licensing's
24 matters.

25 CHAIRMAN:

1 Thank you, Susan. Next will be the OEC.

2 ATTORNEY PITRE:

3 OEC has five matters for the Board's
4 consideration today. But before we get started I
5 would like to expressly offer my thanks and gratitude
6 to Commissioner Sojka. Commissioner Sojka was one of
7 the original members that appointed me to the OEC and
8 I've been forever grateful to him and other Board
9 members for that. Commissioner Sojka was also
10 instrumental in showing that the OEC and BIE operated
11 independently of the Board and as an expression of our
12 independence we wear it proudly with our ties. But
13 Commissioner Sojka, you will be missed and we've
14 always had a healthy respect for one another even in
15 disagreement.

16 It's always been an intellectual and
17 challenging conversation at times and we fully
18 appreciate all that you have done for this agency and
19 for the Commonwealth. Thank you very much. And with
20 that we have Mr. Bonner here and Dustin Miller will
21 present the first two matters for the Board's
22 consideration.

23 CHAIRMAN:

24 Good morning, Dustin.

25 ATTORNEY MILLER:

1 Good morning, Chairman Ryan, members of
2 the Board. At this time the OEC has a Consent
3 Agreement prepared for the Board's consideration and
4 this Consent Agreement is between the OEC and
5 Greenwood Gaming and Entertainment, Inc. doing
6 business as Parx Casino. This Consent Agreement
7 arises from the failure of Greenwood Gaming and
8 Entertainment, Inc. to notify the Board of the
9 creation of an affiliate entity, Greenwood Table Games
10 Services, Inc., and also for a failure to notify the
11 Board of an agreement entered into between Greenwood
12 Gaming and Entertainment, Inc. and Greenwood Table
13 Games Services, Inc.

14 Section 441A.12 of the Board's
15 regulations requires the submission of certain
16 agreements, written and oral, made by a Slot Machine
17 Licensee including agreements specifically requested
18 by the Board. Pursuant to Section 423A.6.B(4) of the
19 Board's regulations, a Slot Machine Licensee must
20 comply with its signed Statement of Conditions.
21 Condition 17 of Greenwood Gaming and Entertainment's
22 Statement of Conditions requires the submission and
23 approval of any agreement for corporate overhead,
24 oversight or shared services between Greenwood Gaming
25 and Entertainment, Inc. and any affiliate,

1 intermediary or holding company.

2 Condition Q1 of Greenwood Gaming and
3 Entertainment, Inc.'s Statement of Conditions require
4 the quarterly disclosure of all Principal, Key
5 Employees, permittees and all persons who hold an
6 ownership or other beneficial interest in Greenwood
7 Gaming and Entertainment, Inc. The facts of this
8 matter are that Greenwood Table Games Services, Inc.
9 was incorporated in the Commonwealth of Pennsylvania
10 on March 1st, 2010. On April 1st, 2010 Greenwood
11 Gaming and Entertainment, Inc. and Greenwood Table
12 Games Services, Inc. entered into a Personnel Service
13 Agreement, which requires Greenwood Table Games
14 Services, Inc. to provide all table games and related
15 administrative personnel needed or required for the
16 operation of table games at Parx Casino.

17 Greenwood Gaming and Entertainment, Inc.
18 failed to advise the Board of the existence of
19 Greenwood Table Games Services, Inc. or the agreement
20 between Greenwood Gaming and Entertainment, Inc. and
21 Greenwood Table Games Services, Inc. in violation of
22 the aforementioned regulations and Greenwood Gaming
23 Statement of Conditions.

24 The existence of this entity was later
25 discovered by the Financial Investigations Unit of the

1 BIE while reviewing Greenwood Gaming and
2 Entertainment's audited financial statements for 2010.
3 Greenwood Table Games Services, Inc. filed an
4 application with the Board as an affiliate entity on
5 October 12th, 2011 and was approved for licensure by
6 the Board on November 20th, 2012. On January 18th,
7 2013 the parties entered into a Consent Agreement to
8 settle this outstanding matter. This is Greenwood
9 Gaming and Entertainment's first Consent Agreement
10 with OEC related to failing to disclose the existence
11 of an affiliate entity or an agreement of this type.

12 The terms of the agreement include a
13 provision that Greenwood Gaming and Entertainment,
14 Inc. shall reinforce its existing policies to its
15 employees to minimize the opportunity for a similar
16 incident to occur in the future and also Gaming ---
17 Greenwood Gaming and Entertainment, Inc. shall pay a
18 total fine of \$10,000. Further in accordance with the
19 Board's billing policy Greenwood Gaming and
20 Entertainment, Inc. shall pay a flat fee of \$2,500 in
21 investigative fees. These fines and fees shall be
22 paid within five days of the Consent Agreement being
23 approved by the Board. As Cyrus stated, Tom Bonner's
24 here today on behalf of Greenwood Gaming and
25 Entertainment if you have any questions.

1 CHAIRMAN:

2 Mr. Bonner?

3 ATTORNEY BONNER:

4 Good morning, Mr. Chairman. Good
5 morning, Commissioners. Commissioner Sojka, I join in
6 all of the well wishes. I think that but for a month
7 or two your tenure there has been co-terminus with my
8 tenure here. It's been a pleasure and best of luck to
9 you.

10 CHAIRMAN:

11 Mr. Bonner, if I can, why don't you just
12 for the court reporter put your name on the record?

13 ATTORNEY BONNER:

14 Sure. It's Thomas Bonner, B-O-N-N-E-R,
15 general counsel. Mr. Chairman, everything that Mr.
16 Miller indicated is accurate. I have executed a
17 Consent Agreement that provides for the \$10,000 fine
18 for the transgression. I would just ask the Board to
19 consider the transgression and put it in the proper
20 light. We formed Greenwood Table Game Services in
21 advance of the commencement of table games operations
22 a couple months before as the payroll company that
23 would employ the table games employees.

24 And you may be familiar or maybe not,
25 but we have about a dozen different payroll companies

1 that we use in the Greenwood racing structure for a
2 lot of reasons. So, this was one of a dozen of
3 companies that we formed to provide the same function.
4 We overlooked in the chaos of getting table games
5 ready filing the application. A year and a half after
6 we formed the company we got greetings from the Gaming
7 Board. We promptly filed the application.

8 Information contained in the application that we did
9 file is information that the Gaming Board had in
10 various forms.

11 They had information in the entity
12 filings that we had made for the parent company and
13 all of the other subsidiaries that we're required to
14 file. And they had the information about all the
15 individuals involved through the various Key and
16 Gaming and Non-Gaming Applications that have been
17 filed. My only point is that I might ask to invoke
18 the no harm, no foul rule here. We have no problem
19 with the Consent Agreement. If you order that we pay
20 the \$10,000 fine, we will. I would ask you to
21 consider a lesser fine under these circumstances as
22 I've described above. That's my only request.

23 ATTORNEY PITRE:

24 And we would object to any lesser fine
25 than what was agreed to, obviously. While we don't

1 think there was anything nefarious and it was nothing
2 more than a failure to dot your Is and cross your Ts,
3 we think the fine's adequate under the circumstances.

4 CHAIRMAN:

5 Thank you, both. Any questions or
6 comments?

7 MR. SOJKA:

8 Just a clarification, Mr. Bonner. This
9 was not the first time something like this has
10 happened; right? There was a prior, if you will,
11 oversight; is that not correct?

12 ATTORNEY BONNER:

13 Not to my knowledge, Commissioner, but I
14 could be wrong and could stand corrected. This is the
15 first non-filing that occurred.

16 ATTORNEY PITRE:

17 There was another instance and it was
18 made as a condition on their renewal to ensure that
19 they --- it wouldn't happen again. We haven't had
20 that renewal. This was a subsequent --- another
21 incident that was discovered prior to renewal, so
22 there was another incident where there was no fine.
23 It was strictly a conversation to make sure that it
24 didn't happen again.

25 ATTORNEY BONNER:

1 I have no recollection, but I don't
2 doubt what Cyrus says.

3 MR. FAJT:

4 Thank you. Mr. Chairman, just a quick
5 question, Mr. Bonner. You had mentioned that there's
6 dozens of reasons why these payroll companies are set
7 up. Would you give us a couple of those reasons, just
8 out of pure interest on my part.

9 ATTORNEY BONNER:

10 One of the initial reasons that we set
11 up these companies goes back about 20 years in history
12 when the current owners of the company stepped into
13 ownership. There were multiple union contracts that
14 had been in place and our then new ownership and
15 management felt it was best to manage those contracts
16 by setting up individual payroll companies, and we
17 continued that over the years without much
18 consideration whether it remains valid or helpful.
19 We've just continued to do that.

20 MR. FAJT:

21 Okay. Thank you.

22 ATTORNEY BONNER:

23 And there are also financial reporting
24 reasons as well, Commissioner.

25 MR. GINTY:

1 But no reasons relating to gaming?

2 ATTORNEY BONNER:

3 I think that's accurate, Commissioner.
4 None relating to gaming. It's all business and
5 financial matters.

6 CHAIRMAN:

7 Anyone else? Ex Officio members? May I
8 have a motion?

9 MR. GINTY:

10 Mr. Chairman, I move that the Board
11 issue an Order to approve the Consent Agreement
12 between the OEC and Greenwood Gaming Entertainment as
13 described by the OEC.

14 MR. MCCALL:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed? The motion carries.

21 ATTORNEY MILLER:

22 The OEC has another Consent Agreement
23 between the OEC and Greenwood Gaming and
24 Entertainment, Inc. today prepared for the Board's
25 consideration. This Consent Agreement arises from an

1 incident of underage gaming at Parx Casino on July
2 14th, 2012. Section 1207 subparagraph (8) of the
3 Pennsylvania Racehorse Development and Gaming Act
4 provides that the Board shall have the power and its
5 duties shall be to require that each licensed gaming
6 entity prohibit persons under 21 years of age from
7 operating or using slot machines or playing table
8 games.

9 Pursuant to Section 513A.2.(b) of the
10 Board's regulations a person under 21 years of age may
11 not operate, use, play or place a wager on a slot
12 machine in a licensed facility. And Section
13 513A.3.(b) provides that a Slot Machine Licensee shall
14 establish procedures that are designed to prevent
15 underage gaming violations. Further, Section 513A.5.
16 states that mistake of age will not be a defense to
17 prosecution of an underage gaming violation by a
18 Licensee.

19 On July 14, 2012 an individual under the
20 age of 21 entered Parx Casino at 4:23 a.m. The
21 individual was 18 years of age at the time of the
22 incident and the underage individual had face-to-face
23 contact with a Parx Casino Security Guard upon entry
24 into Parx Casino. However, the Security Guard failed
25 to check the individual's identification. The

1 underage individual remained on the gaming floor of
2 Parx Casino for approximately six hours before his
3 presence was detected. The underage individual had
4 face-to-face contact with seven different Parx Casino
5 employees during this time.

6 The underage individual did engage in
7 gambling at 9:28 a.m. while seated at a Blackjack
8 table. The individual played seven hands of Blackjack
9 over the course of eight minutes. The underage
10 individual's presence was detected when he attempted
11 to obtain a cash advance and his identification was
12 checked by the cashier on duty inside Parx Casino's
13 cash advance center. The cashier refused service and
14 notified Parx Casino Security of the underage
15 individual's presence. The underage individual was
16 later cited by Pennsylvania State Police for criminal
17 trespass.

18 On January 18th, 2013 the parties
19 entered into a Consent Agreement to settle this
20 outstanding compliance matter. This is Greenwood
21 Gaming and Entertainment's third Consent Agreement
22 with OEC related to underage gaming. The terms of the
23 agreement include a provision that Parx Casino shall
24 institute policies and provide training, guidance and
25 reinforcement to employees to minimize the opportunity

1 for a similar incident of this nature from occurring
2 in the future. And also Greenwood Gaming and
3 Entertainment, Inc. shall pay a total fine of \$15,000.
4 Greenwood Gaming and Entertainment, Inc. shall also
5 pay a fee of \$2,500 for costs incurred by the OEC, the
6 BIE and other related staff, which is consistent with
7 the Board's billing policy.

8 Both the fine and costs shall be due
9 within five days of the Board's approval of this
10 Consent Agreement. Mr. Bonner's here once again if
11 you have any questions related to that Consent
12 Agreement.

13 ATTORNEY BONNER:

14 Mr. Chairman, this is anything but a no
15 harm, no foul matter. I think as the Board knows, we
16 take these matters very, very seriously. The
17 employment of the Security Guard who blew the
18 identification was terminated. We typically treat
19 these matters very seriously and meet out significant
20 discipline and we felt that termination was
21 appropriate in this case. We have no objection with
22 the terms of the Consent Agreement or the proposed
23 civil penalty and we're prepared to accept it.

24 CHAIRMAN:

25 Okay. Thank you, Mr. Bonner. Any

1 questions, comments from the Board? Ex Officio
2 members? May I have a motion?

3 MR. MCCALL:

4 Mr. Chairman, I move that the Board
5 issue an Order to approve the Consent Agreement
6 between the OEC and Greenwood Gaming Entertainment,
7 Inc. described by the OEC.

8 CHAIRMAN:

9 Second?

10 MR. MOSCATO:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 ALL SAY AYE

15 CHAIRMAN:

16 Opposed? The motion carries.

17 ATTORNEY MILLER:

18 Thank you, Mr. Chairman.

19 ATTORNEY PITRE:

20 Next two matters for the Board's
21 consideration will be presented by Cassandra
22 Fenstermaker.

23 ATTORNEY FENSTERMAKER:

24 Hello again, Chairman, members of the
25 Board. The first matter I have for your consideration

1 is a revocation of Michael Long's Gaming Permit. On
2 October 18th, 2012 the OEC filed a complaint for
3 revocation against Michael Long who was issued a
4 Gaming Employee Permit and was employed as a security
5 officer at Mount Airy Casino. On or about September
6 20th, 2012 Mr. Long pled guilty to receiving stolen
7 property, possession with intent to deliver a
8 controlled substance and criminal conspiracy.

9 The Enforcement Complaint was served on
10 Mr. Long by First Class and Certified mail. He did
11 not respond to the complaint within 30 days and
12 therefore pursuant to Board regulations all facts
13 alleged in the complaint are deemed admitted. The OEC
14 filed a request for default judgment on February 7,
15 2013 and at this time requests that Mr. Long's Gaming
16 Employee Permit be revoked.

17 CHAIRMAN:

18 Is Michael Long in the hearing room?
19 Any questions or comments from the Board? Ex Officio
20 members? May I have a motion?

21 MR. MOSCATO:

22 Mr. Chairman, I move that the Board
23 issue an Order to approve the revocation of Michael
24 Long's Gaming Employee Permit as described by the OEC.

25 MR. SOJKA:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 ALL SAY AYE

5 CHAIRMAN:

6 Opposed? The motion carries.

7 ATTORNEY FENSTERMAKER:

8 The next matter I have for the Board's
9 consideration is the exclusion of Kenneth Argo. On
10 December 7, 2012 the OEC filed an Exclusion Petition
11 against Kenneth Argo. Mr. Argo was 19 years old when
12 he entered Harrah's Gaming Floor and proceeded to play
13 Blackjack for approximately 34 minutes. The Petition
14 was sent to Mr. Argo by First Class and Certified
15 Mail.

16 He did not respond to the filing in any
17 way and therefore pursuant to Board regulations all
18 facts alleged in the complaint are deemed admitted.
19 The OEC filed a request for default judgment on
20 January 30th, 2013 and at this time asks that Kenneth
21 Argo be placed on the Board's Excluded Persons List.

22 CHAIRMAN:

23 Is Kenneth Argo in the hearing room?

24 Any questions or comments from the Board? Ex Officio
25 members? May I have a motion?

1 MR. SOJKA:

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

6 MR. FAJT:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 ALL SAY AYE

11 CHAIRMAN:

12 Opposed? The motion carries.

13 ATTORNEY FENSTERMAKER:

14 Thank you.

15 CHAIRMAN:

16 Thank you, Cassandra.

17 ATTORNEY PITRE:

18 The final matter is Involuntary
19 Exclusion that will be presented by Alexandra
20 Sacavage.

21 ATTORNEY SACAVAGE:

22 Good morning or afternoon, Chairman
23 Ryan, members of the Board. My name is Alexandra
24 Sacavage. My last name is, S-A-C-A-V-A-G-E. This
25 matter is a request for placement on the Board's

1 Excluded Persons List involving Raymond Clarence
2 Smith, Jr. On November 27, 2012 the OEC filed the
3 petition to place Mr. Smith on the Exclusion List
4 because he was charged with terroristic threats,
5 harassment and disorderly conduct for verbally making
6 a bomb threat to Hollywood Casino at Penn National.

7 The petition was properly served upon
8 Mr. Smith to the address listed on the criminal
9 citation filed against him by both Certified and First
10 Class Mail. Mr. Smith did not respond to the filing
11 in any way. Due to his failure to respond the
12 averments in the petition are deemed to be admitted as
13 fact and his right to a hearing has been waived. On
14 January 14, 2013 the OEC filed a request to enter
15 judgment upon default. The matter is now before the
16 Board to consider the placement of Raymond Clarence
17 Smith, Jr. on the Board's Excluded Persons List.

18 CHAIRMAN:

19 Is Raymond Clarence Smith in the hearing
20 room? Any questions or comments from the Board? Ex
21 Officio members? May I have a motion?

22 MR. FAJT:

23 Mr. Chairman, I move that the Board
24 issue an Order to approve the addition of Raymond
25 Clarence Smith, Jr. to the PGCB Involuntary Exclusion

1 List as described by the OEC.

2 MR. GINTY:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 ALL SAY AYE

7 CHAIRMAN:

8 Opposed? The motion carries.

9 ATTORNEY PITRE:

10 That concludes our business.

11 ATTORNEY SACAVAGE:

12 Thank you.

13 CHAIRMAN:

14 Thank you both very much. Okay. That
15 concludes today's meeting. Our next scheduled public
16 meeting will be held on March 13th in this room. The
17 meeting will begin at 10:00 a.m. Any final comments
18 from the Board? Ex Officio? Before we leave, those
19 of you who are wearing the bowtie we would ask you to
20 hang around so Gary can get a picture for posterity.
21 And with that is there a motion to adjourn the
22 meeting?

23 MR. GINTY:

24 So moved.

25 MR. MCCALL:

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Second.

CHAIRMAN:

Meeting is adjourned. Thank you all.

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MEETING CONCLUDED AT 12:00 P.M.

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CERTIFICATE

I hereby certify that the foregoing proceedings,
meeting held before Chairman Ryan was reported by me
on 2/20/2013 and that I Cynthia Piro Simpson read this
transcript and that I attest that this transcript is a
true and accurate record of the proceeding.



Court Reporter