

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; Annmarie Kaiser; Keith R. McCall; John J. McNally, III; Anthony C. Moscato; David W. Woods, Members
Mathew Meals, Representing George Greig, Secretary of Agriculture; Christopher Craig, Representing Robert McCord, State Treasurer; Robert Coyne, Representing Daniel Meuser, Secretary for Department of Revenue, Ex-officio Members

HEARING: Wednesday, September 18, 2013, 10:00 a.m.

LOCATION: Strawberry Square Complex
2nd Floor
Market Street
Harrisburg, PA 17106-9060

WITNESSES: Robert J. DeSalvio

Reporter: Cynthia Piro Simpson

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

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P R O C E E D I N G S

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CHAIRMAN:

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PLEDGE OF ALLEGIANCE RECITED

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CHAIRMAN:

Thank you very much. There are no public hearings today, so we will go directly to the public meeting. By way of announcements, the Board held an Executive Session yesterday, the purpose of which was to discuss personnel matters and to conduct quasi-judicial deliberations relating to matters being

1 considered by the Board today.

2 I'd also like to announce that the Board
3 will be holding a public hearing to gather evidence
4 from the City of Philadelphia administration officials
5 regarding the six Category 2 applicants for the
6 remaining casino licenses in Philadelphia. That
7 hearing will take place on September 24th, 2013 at
8 11:00 a.m. at the Pennsylvania Convention Center, Room
9 108 in the City of Philadelphia.

10 Okay. First, we will hear from our
11 Executive Director, Kevin O'Toole. Kevin?

12 MR. O'TOOLE:

13 Good morning, Chairman Ryan and members
14 of the Board. The Pennsylvania Race Horse Development
15 and Gaming Act contains a very clear directive to the
16 Gaming Control Board to promote and ensure diversity
17 in all aspects of the gaming activities that are
18 authorized by the General Assembly pursuant to the
19 Gaming Act. On a yearly basis, the Gaming Control
20 Board issues a gaming diversity report which outlines
21 the results of the implementation of diversity plans
22 by each casino facility operating in Pennsylvania. We
23 are issuing today our sixth annual diversity report,
24 and I am pleased to request Mozelle Daniels, our
25 Director of Diversity, to give a brief summary of that

1 report.

2 MS. DANIELS:

3 Good morning.

4 MR. O'TOOLE:

5 Good morning, Mozelle.

6 MS. DANIELS:

7 I'd like to present to the Board the
8 sixth annual diversity gaming report. Pursuant to
9 Section 1212 of the Pennsylvania Resource Development
10 and Gaming Act, the Gaming Board is charged with
11 promoting and insuring diversity in all aspects of
12 gaming. The report simply provides an update
13 regarding what's going on at the various casinos and
14 I'll be brief.

15 As of June 30th, 2013, the casinos
16 employed a total of 16,644 individuals. That's
17 approximately 89 percent which are PA residents.
18 Again, we have approximately 43 percent of the
19 employees at the casinos, 31 percent of the employees
20 at the casino are racial minorities and of the
21 executive/management professional staff, we have a
22 grand total of 2,733 individuals. Of those
23 individuals, 63 percent are male, 37 percent are
24 female and 21 percent are racial minorities.

25 Additionally, we have 79 percent of the

1 table games employee who are Pennsylvania residents.
2 As you may or may not know, the goal was to have 85
3 percent of the employees who are table games employees
4 be PA residents within three years of the start of
5 table games within the Commonwealth. We're working
6 diligently to reach that goal. It is not a quota or a
7 statistical requirement; it is a goal. I'm busy with
8 the casinos working to achieve that goal. We have had
9 some challenges in the southeastern section of the
10 State, specifically in the Philadelphia region, where
11 we have bridges and we have regional rails, we have
12 Amtrak, we have Atlantic City and we have Delaware.
13 But I'm dealing directly with all of the casino staff
14 to ensure that we get that extra six percent.
15 Ideally, we'd get it up to 90 to 95 percent like we
16 have at the other casinos.

17 In the area of incurment, I'd like to
18 just acknowledge the fact that in the last fiscal
19 year, approximately \$423 million were expended for
20 goods and services to minorities, women and local
21 business enterprises. If you look through the report,
22 you will also see that we have statistical data
23 regarding rates, employment by gender, we have table
24 games employment information, the total numbers for
25 the individual facilities, as well as the total number

1 of PA residents. We have detailed breakdowns
2 regarding expenditures for construction and non
3 construction matters. In addition to that, we have
4 charitable giving by all of the casinos.

5 The report is on the website and you're
6 free to look at it. I think everybody looked at it
7 yesterday, actually, but anybody else, they're free to
8 look at it. If you have any questions, I'll be more
9 than happy to answer your questions at this time.

10 CHAIRMAN:

11 Questions, comments from the Board?

12 MS. DANIELS:

13 Please.

14 CHAIRMAN:

15 Thank you very much, Mozelle, and I
16 thank you for your patience with this effort.

17 MR. O'TOOLE:

18 I have one ---.

19 CHAIRMAN:

20 You do good work.

21 MR. O'TOOLE:

22 I have one additional point, please.

23 Our Office of Diversity, through Mozelle, also
24 challenges us, as a Commonwealth Agency, to ensure
25 that our workforce is diverse from a gender and a race

1 perspective. With 313 full-time employees, we
2 currently have 42.2 percent female employees and 14.7
3 percent minority employees. Both of these percentages
4 do exceed those for overall Commonwealth salaried
5 employees, which is 40.4 percent female and 13.4
6 percent minority. We will continue our efforts at the
7 Board, during this fiscal year, to ensure a diverse
8 workforce within the Gaming Control Board. Thank you.

9 CHAIRMAN:

10 Thank you. Thank you, both. Next, our
11 Human Resource Director, Claire Yantis. Claire?

12 MS. YANTIS:

13 Good morning, Chairman Ryan and members
14 of the Board. The Office of Human Resources has three
15 motions for your consideration today. The first
16 motion requests consideration to hire two casino
17 compliance representatives. Mr. Andrew Dennis has
18 been selected for the position of casino compliance
19 representative at the Rivers Casino and Mr. Doug Kunst
20 has been selected for the position of casino
21 compliance representative at The Meadows Casino. Both
22 Mr. Dennis and Mr. Kunst have completed the PGCB
23 interview process, background investigation and drug
24 screening and are recommended for hire by Director of
25 Casino Compliance, Jerry Stult. Unless you have any

1 questions, I ask that the Board consider a motion to
2 hire Mr. Dennis and Mr. Kunst as indicated.

3 CHAIRMAN:

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

6 MR. MOSCATO:

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

11 MR. FAJT:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 AYES RESPOND

16 CHAIRMAN:

17 Opposed? The motion carries.

18 MS. YANTIS:

19 The second motion before you today is a
20 Motion to Approve Changes to the Board's pay
21 structure, specifically to PGCB executive and non
22 union pay wages. As you are aware, the PGCB underwent
23 an extensive evaluation of its compensation structure
24 beginning in 2009. This evaluation resulted in the
25 Board's adoption of a new compensation policy and

1 structure in January of 2010, based on comparison of
2 data across public sector markets. In order to ensure
3 that an organization's compensation structure remains
4 competitive, best practice suggests a review of market
5 salary data at least every three years, which includes
6 an analysis of benchmark data and inflation
7 considerations.

8 Since implementation of the PGCB
9 compensation structure in 2010, the Board has not made
10 any changes to the compensation structure. At the
11 same time, public sector data markets have seen an
12 increase to their compensation ranges.

13 Based on my analysis of the benchmark
14 data and a review of other compensation factors, it is
15 recommended that the PGCB age the compensation
16 structure for the executive and non union pay wages by
17 two percent. This increase will apply to all but the
18 maximum salary amounts for the top two ranges at the
19 agency, executive pay range A and executive pay range
20 B. For those two pay ranges, the maximum salaries
21 within the ranges will remain where they were set by
22 the Board in 2010.

23 I would be happy to answer any questions
24 regarding the proposed changes to the compensation
25 structure.

1 CHAIRMAN:

2 Any questions or comments?

3 Mr. FAJT:

4 I have a quick question, Mr. Chairman.
5 Claire, you may have said this, but we are raising it
6 by two percent. When is the last time that we raised
7 the compensation structure?

8 MS. YANTIS:

9 Since the evaluation that was done in
10 2009, we haven't raised it. So, what the Board
11 adopted in '09 and '10 is the last time we changed the
12 ranges.

13 MR. FAJT:

14 Okay. And when has the Commonwealth, as
15 a whole, raised their pay range statuses?

16 MS. YANTIS:

17 They raised it most recently in July by
18 a half a percent and these range changes, by aging it
19 by two percent, it keeps our ranges on pace with the
20 management scale for offices under the Governor's
21 jurisdiction.

22 MR. FAJT:

23 Okay. Thank you.

24 CHAIRMAN:

25 Any other questions from the Board?

1 Ex-officio members? May I have a motion?

2 MS. KAISER:

3 Mr. Chairman, I move that the Board
4 approve the pay structure as described by the Director
5 of Human Resources.

6 MR. WOODS:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 AYES RESPOND

11 CHAIRMAN:

12 Opposed? The motion carries.

13 MS. YANTIS:

14 The final motion before you today seeks
15 to amend the employment agreement for the Executive
16 Director. Executive Director Kevin O'Toole has been
17 with the organization for just over four years and
18 continues to lead the PGCB through the effective and
19 efficient regulation of the Gaming Industry in
20 Pennsylvania. Under Executive O'Toole's leadership,
21 the PGCB has successfully regulated an industry,
22 resulting in the creation of thousands of jobs and
23 provided additional revenue for the Commonwealth of
24 Pennsylvania. In recognition of Executive Director
25 O'Toole's contribution to the Commonwealth of

1 Pennsylvania and in recognition of his leadership in
2 the regulation of Gaming, it is proposed that
3 Executive Director O'Toole's employment agreement be
4 amended to increase his annualized base salary by
5 three percent, making his new annualized base salary
6 \$189,145. Unless you have any questions, I ask that
7 you consider a motion to amend Executive Director
8 O'Toole's employment agreement as indicated.

9 CHAIRMAN:

10 Questions or comments from the Board?
11 Ex-officio members? May I have a motion?

12 MR. WOODS:

13 Mr. Chairman, I move that the Board
14 approve the Amendment to the Executive Director's
15 contract as described by the Director of Human
16 Resources.

17 MR. MCCALL:

18 Second.

19 CHAIRMAN:

20 All in favor?

21 AYES RESPOND

22 CHAIRMAN:

23 Opposed? Motion carries.

24 MS. YANTIS:

25 Thank you.

1 CHAIRMAN:

2 Thank you, Claire. Next will be Doug
3 Sherman, our Chief Counsel. Doug?

4 ATTORNEY SHERMAN:

5 Good morning, Chairman and members of
6 the Board. Today, the Board has just one petition
7 before it for its consideration. That petition is
8 Eastern Pennsylvania Citizens Against Gambling and
9 James Schneller's Petition to Intervene in the
10 Category 2 License Application proceedings for the
11 City of Philadelphia. This matter is being considered
12 today on the documents filed of record, which have
13 been provided to the Board in advance of this meeting.

14 Briefly, on August 12th, 2013, Eastern
15 Pennsylvania Citizens Against Gambling and Mr.
16 Schneller filed six separate Petitions to Intervene
17 against each of the Category 2 License Applications.
18 These six Petitions to Intervene were consolidated
19 into one single docket by the Office of Hearings and
20 Appeals by Order dated August 13th, 2013. Mr.
21 Schneller's request for intervention is based on his
22 moral and religious opposition to gaming, as well as
23 concerns that the establishment of a casino is, in his
24 words, damaging to the surrounding communities.

25 The Office of Enforcement Counsel and

1 all six Category 2 Applicants have filed Answers to
2 the Petitions to Intervene, opposing the requests and
3 averring that Mr. Schneller fails to establish the
4 requisite substantial, direct and immediate interest
5 needed to obtain standing in these proceedings.
6 Essentially, the parties argue that Mr. Schneller and
7 his organization do not have an interest discernible
8 from that of the public at large and therefore,
9 standing does not exist.

10 It's noted for the record that Mr.
11 Schneller has, for years, attempted on numerous
12 occasions to intervene in matters before the Board,
13 citing the same broad arguments he raises in the
14 current Petitions to Intervene. In each case, he has
15 been denied intervention by the Board. The
16 Pennsylvania appellate courts have routinely upheld
17 the Board's decisions and affirm that Mr. Schneller
18 and his organization do not have standing to intervene
19 in Gaming Control Board matters based upon the reasons
20 he has asserted. The Courts have also denied his
21 attempts to file matters directly to those courts
22 opposing gaming matters in the Commonwealth.

23 Based upon the record presented, as well
24 as the Court's precedential opinions in these matters,
25 it would be appropriate to consider a motion denying

1 intervention in the Intervention Petitions currently
2 before the Board. In addition, in prior matters
3 before the Board, Counsel for various applicants
4 requested that sanctions be issued against Mr.
5 Schneller for his continued unmeritorious course of
6 conduct.

7 The Board has refrained from imposing
8 sanctions in prior cases; however, more recently, the
9 Commonwealth Court in Eastern Pennsylvania Citizens
10 and James Schneller versus the Pennsylvania Gaming
11 Control Board at Docket 2389-CD-2011 considered a
12 request by Valley Forge Casino for sanctions against
13 Mr. Schneller. At that time, the Court noted the
14 impropriety of Mr. Schneller's filings and stated,
15 quote, we take this opportunity to again caution
16 Schneller to be more prudent, lawful and procedurally
17 competent in his litigious efforts, otherwise his
18 carelessness will subject him to an award of counsel
19 fees in the future, that's unquote.

20 Based upon the fact that despite the
21 Court's admonition, Mr. Schneller and his organization
22 have continued to advance the same arguments for
23 intervention, which have been repeatedly denied, the
24 Office of Chief Counsel also recommends that while the
25 Board deny the pending Petition to Intervene, that the

1 Board also issue a Rule to Show Cause upon Mr.
2 Schneller directing him to appear before the Office of
3 Hearings and Appeals at a date to be determined and
4 demonstrate why he should be allowed to continue to
5 practice before the Board, citing the same broad
6 opposition to gaming. Upon completion of the hearing,
7 the Hearing Officer would report --- forward a report,
8 along with the transcript of the hearing and any
9 evidence admitted at the hearing, to the Board for its
10 consideration at a future meeting. With that
11 background, the matter is now appropriate for the
12 Board's consideration.

13 CHAIRMAN:

14 Questions or comments from the Board?
15 Ex-officio members? May I have a motion?

16 MR. SCHNELLER:

17 Mr. Chairman?

18 CHAIRMAN:

19 Yes?

20 MR. SCHNELLER:

21 James Schneller here. I had received a
22 Board notice --- or notice of review. I'd like to
23 have a short comment, if I could, in response.

24 CHAIRMAN:

25 How short? How short, Mr. Schneller?

1 MR. SCHNELLER:

2 Five minutes.

3 CHAIRMAN:

4 No, that's too long.

5 MR. SCHNELLER:

6 Three minutes.

7 CHAIRMAN:

8 Three minutes is too long. Thirty (30)
9 seconds is what I'll give you. If you can give it to
10 us in 30 seconds. If you can't, sit down, because
11 you'll have the opportunity in front of a Hearing
12 Officer to say whatever you want to to claim that you
13 have standing. The courts of this state have said
14 that you do not and we are not going to take any more
15 of our time with these Petitions, Mr. Schneller.
16 That's the way it is. So, I'll give you 30 seconds
17 starting now.

18 MR. SCHNELLER:

19 Thank you, Mr. Chairman. We are
20 concerned that OEC has a need to continue to make this
21 some kind of court scenario. We've simply been stuck
22 in court because we've tried gracefully to obtain
23 intervenor status. The way it's proceeded, the
24 Applicants have also been quite ballistic, if I could
25 be blunt. And so much of our time, rather than

1 contributing, which we have the full posture to be
2 able to do, hasn't occurred. We don't come in here in
3 a --- in battle mode and we also have the ability to
4 contribute quite a bit to the proceedings.

5 CHAIRMAN:

6 Mr. Schneller, you just took your 30
7 seconds. I appreciate what you say and disagree
8 completely. The matter is finished for today. I call
9 for a vote. I would ask you to respect that.

10 MR. SCHNELLER:

11 Mr. Chairman, one more thing.

12 CHAIRMAN:

13 No.

14 MR. SCHNELLER:

15 I received a hearing notice. If I could
16 have another 30 seconds.

17 CHAIRMAN:

18 No. Be seated. Thank you. Motion?

19 MR. MCCALL:

20 Mr. Chairman, I move that the Board deny
21 the Eastern PA Citizens Against Gambling's Petition to
22 Intervene in the Category 2 License Applications as
23 described by the Office of Chief Counsel. I further
24 move that the Board issue a Rule to Show Cause upon
25 James Schneller, answerable to the Office of Hearings

1 and Appeals, so that Mr. Schneller may show cause why
2 he should be able to continue to practice before the
3 Board.

4 CHAIRMAN:

5 Second?

6 MR. MCNALLY:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 AYES RESPOND

11 CHAIRMAN:

12 Opposed? The motion carries. Thank
13 you.

14 ATTORNEY SHERMAN:

15 Next presenting Withdrawals and Reports
16 and Recommendations is Deputy Chief Counsel Steve
17 Cook.

18 ATTORNEY COOK:

19 Morning. The Board has received three
20 unopposed Petitions to Withdraw the Applications or
21 Surrender the Credentials of the following
22 individuals: Scott Betts, Nicholas Allan Lewin and
23 Nick Tamburro.

24 The Office of Enforcement Counsel has no
25 objection to these Petitions to Withdraw or Surrender.

1 As a result, if the Board chooses to grant these
2 Petitions, they'd be doing so without prejudice.

3 CHAIRMAN:

4 Any questions, comments from the Board?
5 Ex-officio members? May I have a motion?

6 MR. MCNALLY:

7 Mr. Chairman, I move that the Board
8 issue Orders to Approve the Withdrawals and Surrenders
9 as described by the Office of Chief Counsel.

10 CHAIRMAN:

11 Second?

12 MR. MOSCATO:

13 Second.

14 CHAIRMAN:

15 All in favor?

16 AYES RESPOND

17 CHAIRMAN:

18 Opposed? The motion carries.

19 ATTORNEY COOK:

20 Next before the Board for consideration
21 are two Reports and Recommendations received from the
22 Office of Hearings and Appeals.

23 These Reports and Recommendations, along
24 with the evidentiary record in each matter, have been
25 provided to the Board in advance of this meeting, and

1 additionally, each person --- or each of these two
2 persons have been notified that the matter was going
3 to be called before the Board today and that they had
4 the right to come forward and briefly address the
5 Board. If either of these persons are present, I'd
6 ask them to come forward when their name is announced.

7 The first Report and Recommendation
8 before the Board today pertains to Jeffrey Yu. Mr. Yu
9 was issued a Gaming Employee Permit on April 7th, 2011
10 and was employed as a dealer at Harrah's Philadelphia
11 Casino and Racetrack.

12 On June 15th, 2011, the Pennsylvania
13 State Police notified the Bureau of Investigations and
14 Enforcement that Mr. Yu was arrested on several drug
15 related charges, including one felony offense and
16 three misdemeanor offenses. These charges stemmed
17 from Mr. Yu's possession of a large quantity of
18 marijuana.

19 As a result of these charges, an
20 Emergency Order of Suspension was issued by the
21 Executive Director on August 8th, 2011 and remains in
22 effect today.

23 Procedurally, on April 4th, 2013, Mr. Yu
24 filed a petition to lift this suspension and that the
25 criminal charges against him have been withdrawn

1 following his completion of an intensive drug
2 treatment court program in the City of Philadelphia.
3 The Office of Enforcement Counsel thereafter filed an
4 Answer, stating it had no objection to Mr. Yu's Gaming
5 Permit suspension being lifted.

6 The matter was called before the Board
7 on May 15th, 2013, and at that time the Board issued a
8 Rule to Show Cause upon Mr. Yu, again answerable to
9 the Office of Hearings and Appeals, so that he could
10 show cause why the Board should continue to find him
11 suitable, notwithstanding the evidence in record of
12 the drug activity.

13 A hearing in this matter was held on
14 June 26th, 2013 before a Board Hearing Officer. At
15 that time, Mr. Yu testified that he had successfully
16 completed the drug court program in March of 2013.
17 And upon completion of the program, his drug charges
18 were dismissed, which, in fact, the Office of
19 Enforcement Counsel and Chief Counsel have confirmed.
20 Additionally, at that hearing, a Catholic priest, Fr.
21 Tom Betz, testified on behalf of Mr. Yu, and a letter
22 of good character was also submitted by the Director
23 of a Chinese Christian church organization. The
24 character evidence put into record by both Fr. Betz
25 and the letter of reference spoke to Mr. Yu's

1 involvement in the Philadelphia Suns group, an
2 organization involved in assisting the
3 Chinese-American community in Philadelphia.

4 After hearing all of the evidence, the
5 Hearing Officer issued a Report and Recommendation
6 recommending that the Emergency Suspension be lifted
7 and that Mr. Yu's Gaming Permit be reinstated. That
8 is the recommendation before the Board today. I see
9 that Mr. Yu is present. If he'd like to briefly
10 address the Board, this is his opportunity.

11 CHAIRMAN:

12 Mr. Yu?

13 MR. YU:

14 Good morning.

15 CHAIRMAN:

16 Are you here to address the Board?

17 MR. YU:

18 Yes.

19 CHAIRMAN:

20 All right. If you understand, the
21 recommendation of the Hearing Officer is that your
22 suspension be lifted and that you keep your license.
23 Do you understand that?

24 MR. YU:

25 Yes.

1 CHAIRMAN:
2 Do you still want to say something?

3 MR. YU:

4 No.

5 CHAIRMAN:

6 Questions or comments from the Board?
7 Ex-officio members? May I have a motion?

8 MR. MOSCATO:

9 Yes, sir. I move that the Board adopt
10 the Report and Recommendation issued by the Office of
11 Hearings and Appeals regarding the Gaming Employee
12 Permit of Jeffrey Yu as described by the Office of
13 Chief Counsel.

14 MR. WOODS:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 AYES RESPOND

19 CHAIRMAN:

20 Opposed? The motion carries.

21 MR. YU:

22 Thank you.

23 CHAIRMAN:

24 You're welcome, Mr. Yu.

25 ATTORNEY COOK:

1 The next and final Report and
2 Recommendation before the Board today pertains to
3 Amnon Aronskind.

4 On October 6th, 2011, the Office of
5 Enforcement Counsel filed a Complaint to Place Mr.
6 Aronskind on the Board's Exclusion List for engaging
7 in past posting or bet capping activities while
8 playing Texas Hold'em Poker at the Sands Bethworks
9 Casino.

10 On February 29th, 2012, the Board issued
11 an Order placing Mr. Aronskind on the Exclusion List
12 after he failed to appear and defend against the
13 action. Effectively a default judgment was placed
14 against him, putting him on the list.

15 Mr. Aronskind is now requesting that the
16 Board allow him to be removed from the Exclusion List.
17 The Office of Enforcement Counsel filed an Answer
18 objecting to Mr. Aronskind's request, alleging that he
19 failed to request both a hearing and reconsideration
20 in a timely matter and in fact admitted to the
21 cheating activity.

22 A hearing in this matter was held on
23 July 10th, 2013. Both the Office of Enforcement
24 Counsel and Mr. Aronskind appeared and offered
25 testimony at the hearing. Mr. Aronskind testified

1 that he did, in fact, cheat at the Sands Bethworks
2 Casino and he wasn't seeking removal from the list so
3 that he can gamble, but rather, he found out that if
4 one Googles his name, it comes up on the Internet that
5 he is placed on our list and he found that to be
6 embarrassing for himself and his family. Mr.
7 Aronskind also put on evidence of his background,
8 professional background, and so on and so forth, and
9 basically indicated that this was the one and only
10 mistake he'd made in his life.

11 Thereafter, a Report and Recommendation
12 was issued by the Board's Hearing Officer recommending
13 that Mr. Aronskind remain on the list because
14 exceptional circumstances warranting his removal,
15 prior to a five year period of time, which is what our
16 regulations require most people to wait before they
17 can petition to be removed, was not met.

18 I would note for the record that Mr.
19 Aronskind did contact me. I indicated to him he had
20 the ability to come and briefly address the Board
21 today. He indicated that that would be difficult for
22 him to do; however, he did submit to me basically an
23 e-mail which reiterated the evidence he put forth
24 before the Hearing Officer, indicating essentially
25 that he made a mistake and just seeks to be removed

1 from the list to avoid further embarrassment. So, the
2 recommendation before the Board today is that he
3 remain on the list and the matter is now ripe for the
4 Board's consideration.

5 CHAIRMAN:

6 Questions or comments from the Board?
7 Ex-officio members? May I have a motion?

8 MR. WOODS:

9 Mr. Chairman, I move that the Board
10 adopt the Report and Recommendation of the Office of
11 Hearings and Appeals regarding the removal of Amnon
12 Aronskind from the PGCB Exclusion list as described by
13 the Office of Chief Counsel.

14 MR. FAJT:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 AYES RESPOND

19 CHAIRMAN:

20 Opposed? The motion carries.

21 ATTORNEY SHERMAN:

22 That concludes all matters of the Office
23 of Chief Counsel.

24 CHAIRMAN:

25 Thank you, gentlemen. Next will be

1 Susan Hensel, our Director of Licensing. Good
2 morning, Susan.

3 MS. HENSEL:

4 Thank you, Chairman Ryan and members of
5 the Board. Before the Board today will be motions
6 regarding one Slot Machine Manufacturer and two
7 Conditional Gaming Junket Enterprise License
8 applicants, as well as 750 Principal, Key Gaming and
9 non-Gaming Employee applicants. In addition, there
10 will be the consideration of 16 Gaming Service
11 Provider applicants.

12 The first matter for your consideration
13 is the approval of a Slot Machine Manufacturer License
14 for Blue Cube Microworks, LLC. Blue Cube Microworks,
15 LLC is a Las Vegas, Nevada-based company that develops
16 hardware and software for slot machines. The Bureau
17 of Investigations and Enforcement has completed its
18 investigation of this company and the Bureau of
19 Licensing has provided you with the background
20 investigation and suitability report. I have provided
21 you with a draft order and ask that you consider the
22 approval of a Slot Machine Manufacturer License for
23 Blue Cube Microworks, LLC.

24 CHAIRMAN:

25 Any comments from Enforcement Counsel?

1 ATTORNEY PITRE:

2 Enforcement Counsel has no objection.

3 CHAIRMAN:

4 Any questions, comments from the Board?

5 Ex-officio members? May I have a motion?

6 MR. FAJT:

7 Mr. Chairman, I move that the Board
8 approve Blue Cube Microworks, LLC's Slot Machine
9 Manufacturer License as described by the Bureau of
10 Licensing.

11 MS. KAISER:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 AYES RESPOND

16 CHAIRMAN:

17 Opposed? The motion carries.

18 MS. HENSEL:

19 Next for your consideration are two
20 Gaming Junket Enterprise applicants for Conditional
21 Licensure. The applicants are Benz Gaming, LLC and
22 Cotler VIP Tours, Inc. Benz Gaming, LLC is based in
23 Ocean City, New Jersey and Cotler VIP Tours is based
24 in Pottsville, Pennsylvania.

25 Pursuant to the Board's policy, the

1 Board may issue a Conditional Gaming Junket Enterprise
2 License, provided the applicant meets certain
3 criteria, including submitting a completed
4 application, being licensed in good standing in a
5 gaming jurisdiction whose licensing standards are
6 recognized by the PGCB and passing a preliminary
7 review. Both companies satisfied these criteria for
8 conditional licensure. The Bureau of Licensing has
9 provided you with conditional background investigation
10 and suitability reports for these applicants. I have
11 provided you with draft orders and ask that the Board
12 consider the approval of the conditional licenses for
13 the two applicants beginning first with Benz Gaming,
14 LLC.

15 CHAIRMAN:

16 Any comments from Enforcement Counsel?

17 ATTORNEY PITRE:

18 We have no objection.

19 CHAIRMAN:

20 Any questions, comments from the Board?

21 Ex-officio members? May I have a motion?

22 MS. KAISER:

23 Mr. Chairman, I move that the Board
24 approve Benz Gaming, LLC's Conditional Gaming Junket
25 Enterprise License as described by the Bureau of

1 Licensing.

2 MR. MCCALL:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 AYES RESPOND

7 CHAIRMAN:

8 Opposed? The motion carries.

9 MS. HENSEL:

10 Next is Cotler VIP Tours, Inc.

11 CHAIRMAN:

12 Comments from Enforcement Counsel?

13 ATTORNEY PITRE:

14 We have no objection.

15 CHAIRMAN:

16 Questions or comments from the Board?

17 Ex-officio members? May I have a motion?

18 MR. MCCALL:

19 Mr. Chairman, I move that the Board
20 approve Cotler VIP Tours, Inc.'s Conditional Gaming
21 Junket Enterprise License as described by the Bureau
22 of Licensing.

23 MR. MCNALLY:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 AYES RESPOND

3 CHAIRMAN:

4 Opposed? The motion carries.

5 MS. HENSEL:

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

13 CHAIRMAN:

14 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. MCNALLY:

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

24 CHAIRMAN:

25 Second?

1 MR. MOSCATO:

2 Second.

3 CHAIRMAN:

4 All in favor?

5 AYES RESPOND

6 CHAIRMAN:

7 Opposed? The motion carries.

8 MS. HENSEL:

9 Next, there are Temporary Principal and
10 Key Employee Licenses. Prior to this meeting, the
11 Bureau of Licensing provided you with an Order
12 regarding the issuance of temporary licenses for 1
13 Principal and 17 Key Employees. I ask that the Board
14 consider the Order approving these licenses.

15 CHAIRMAN:

16 Any comments from Enforcement Counsel?

17 ATTORNEY PITRE:

18 Enforcement Counsel has no objection.

19 CHAIRMAN:

20 Any questions or comments from the
21 Board? Ex-officio members? May I have a motion?

22 MR. MOSCATO:

23 Yes, sir. I move that the Board approve
24 the issuance of Temporary Principal and Key Employee
25 Credentials as described by the Bureau of Licensing.

1 MR. WOODS:

2 Second.

3 CHAIRMAN:

4 All in favor?

5 AYES RESPOND

6 CHAIRMAN:

7 Opposed? The motion carries.

8 MS. HENSEL:

9 There are also Gaming Permits and
10 Non-Gaming Registrations. Prior to this meeting, the
11 Bureau of Licensing provided you with a list of 460
12 individuals to whom the Bureau has granted temporary
13 or full occupation permits, and 215 individuals to
14 whom the Bureau has granted registrations under the
15 authority delegated to the Bureau of Licensing. I ask
16 that the Board consider a motion approving the order.

17 CHAIRMAN:

18 Any comments from Enforcement Counsel?

19 ATTORNEY PITRE:

20 Enforcement Counsel has no objection.

21 CHAIRMAN:

22 Any questions or comments from the
23 Board? Ex-officio members? May I have a motion?

24 MR. WOODS:

25 Mr. Chairman, I move that the Board

1 approve the Issuance of Gaming Employee Permits and
2 Non-Gaming Employee Registrations as described by the
3 Bureau of Licensing.

4 MR. FAJT:

5 Second.

6 CHAIRMAN:

7 All in favor?

8 AYES RESPOND

9 CHAIRMAN:

10 Opposed? The motion carries.

11 MS. HENSEL:

12 Next, there are recommendations of
13 denial for four Gaming and three Non-Gaming Employee
14 Applications. The Bureau of Licensing has provided
15 you with Orders addressing these applicants who the
16 Office of Enforcement Counsel has recommended for
17 denial. The applicants failed to request a hearing
18 within the specified time period. I ask that the
19 Board consider the Orders denying the Gaming and
20 Non-Gaming Employee Applications.

21 CHAIRMAN:

22 Any comments from Enforcement Counsel?

23 ATTORNEY PITRE:

24 Enforcement Counsel would request denial
25 in each instance.

1 CHAIRMAN:

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

4 MR. FAJT:

5 Mr. Chairman, I move that the Board
6 approve the denial of the applications as described by
7 the Bureau of Licensing.

8 MS. KAISER:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 AYES RESPOND

13 CHAIRMAN:

14 Opposed? The motion carries.

15 MS. HENSEL:

16 Also for your consideration are
17 withdrawal requests for Key Employee, Gaming and
18 Non-Gaming Employees. In each case, the permit or
19 registration is no longer required. For today's
20 meeting, I have provided the Board with a list of 1
21 Key Employee, 27 Gaming and 2 Non-Gaming Employee
22 Application Withdrawals for Approval. I ask that the
23 Board consider the Orders approving this list of
24 Withdrawals.

25 CHAIRMAN:

1 Any comments from Enforcement Counsel?

2 ATTORNEY PITRE:

3 Enforcement Counsel has no objection.

4 CHAIRMAN:

5 Any questions or comments from the
6 Board? Ex-officio members? May I have a motion?

7 MS. KAISER:

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

11 MR. MCCALL:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 AYES RESPOND

16 CHAIRMAN:

17 Opposed? The motion carries.

18 MS. HENSEL:

19 Next, we have Orders regarding the
20 abandonment of two Gaming and one Non-Gaming Employee
21 Applications. The Bureau of Licensing provided you
22 with Orders addressing these applicants who the Office
23 of Enforcement Counsel has recommended for
24 abandonment. The applicants filed applications, but
25 failed to prove their eligibility or suitability to

1 receive a permit or registration. When the Office of
2 Enforcement Counsel sent the applicants
3 recommendations of denial letters, the letters were
4 either returned or unclaimed. I ask that the Board
5 consider the Orders declaring these applications
6 abandoned.

7 CHAIRMAN:

8 Any comments from Enforcement Counsel?

9 ATTORNEY PITRE:

10 Enforcement Counsel would request
11 abandonment in each instance.

12 CHAIRMAN:

13 Any questions or comments from the
14 Board? Ex-officio members? May I have a motion?

15 MR. MCCALL:

16 Mr. Chairman, I move that the Board
17 approve the abandonment of Gaming and Non-Gaming
18 Employee Applications as described by the Bureau of
19 Licensing.

20 MR. MCNALLY:

21 Second.

22 CHAIRMAN:

23 All in favor?

24 AYES RESPOND

25 CHAIRMAN:

1 Opposed? The motion carries.

2 MS. HENSEL:

3 In addition, we have an Order to Certify
4 the Gaming Service Provider Applicant Shi West, Inc.,
5 doing business as Imagine This. I ask that the Board
6 consider the Order approving this Gaming Service
7 Provider for Certification.

8 CHAIRMAN:

9 Any comments from Enforcement Counsel?

10 ATTORNEY PITRE:

11 Enforcement Counsel has no objection.

12 CHAIRMAN:

13 Any questions or comments from the
14 Board? Ex-officio members? May I have a motion?

15 MR. MCNALLY:

16 Mr. Chairman, I move that the Board
17 issue an Order to Approve the Application for Gaming
18 Service Provider Certification as described by the
19 Bureau of Licensing.

20 CHAIRMAN:

21 Second?

22 MR. MOSCATO:

23 Second.

24 CHAIRMAN:

25 All in favor?

1 AYES RESPOND

2 CHAIRMAN:

3 Opposed? The motion carries.

4 MS. HENSEL:

5 Also for your consideration are Gaming
6 Service Provider Registrations. The Bureau of
7 Licensing provided you with an Order and an attached
8 list of 14 registered Gaming Service Provider
9 applicants. I ask that the Board consider the Order
10 registering these Gaming Service Providers.

11 CHAIRMAN:

12 Any comments from Enforcement Counsel?

13 ATTORNEY PITRE:

14 Enforcement Counsel has no objection.

15 CHAIRMAN:

16 Any questions or comments from the
17 Board? Ex-officio members? May I have a motion?

18 MR. MOSCATO:

19 Yes, sir. I move that the Board issue
20 an Order to approve the Applications for Gaming
21 Service Provider Registration as described by the
22 Bureau of Licensing.

23 MR. WOODS:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 AYES RESPOND

3 CHAIRMAN:

4 Opposed? The motion carries.

5 MS. HENSEL:

6 Finally, we have a recommendation of
7 denial for Rapid Response Ambulance Company's Gaming
8 Service Provider Application. Prior to this meeting,
9 the Bureau of Licensing provided you with an Order
10 addressing this applicant who the Office of
11 Enforcement Counsel has recommended for denial. The
12 applicant failed to request a hearing within the
13 specified time period. I ask that the Board consider
14 the Order denying Rapid Response Ambulance Company's
15 Gaming Service Provider Application.

16 CHAIRMAN:

17 Any comments from Enforcement Counsel?

18 ATTORNEY PITRE:

19 Enforcement Counsel continues to request
20 denial to the application.

21 CHAIRMAN:

22 Any questions or comments from the
23 Board? Ex-officio members? May I have a motion?

24 MR. WOODS:

25 Mr. Chairman, I move that the Board

1 approve Rapid Response Ambulance Company's Gaming
2 Service Provider Application as described by the
3 Bureau of Licensing --- that's deny. Deny.

4 CHAIRMAN:

5 Okay. Second.

6 MR. FAJT:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 AYES RESPOND

11 CHAIRMAN:

12 Opposed? The motion carries.

13 MS. HENSEL:

14 That concludes the matters of the Bureau
15 of Licensing.

16 CHAIRMAN:

17 Thank you, Susan. Next, our Chief
18 Enforcement Counsel, Cyrus Pitre. Cyrus?

19 ATTORNEY PITRE:

20 We have 17 matters today for the Board's
21 consideration consisting of three Consent Agreements,
22 one suspension, six Revocations and seven Involuntary
23 Exclusions. First matter for the Board's
24 consideration is a Consent Agreement between the
25 Office of Enforcement Counsel and Reinhart

1 Foodservice, LLC. Michael Fabius is here on behalf of
2 Reinhart Food Service. Melissa Powers, Assistant
3 Enforcement Counsel, will present the matter for the
4 Board's consideration.

5 CHAIRMAN:

6 Melissa, before you begin, let me just
7 tell everybody any fact witness in any of these
8 matters, being where the Office of Enforcement Counsel
9 is involved, will have to be sworn in unless that
10 individual is an attorney. And I would remind
11 everybody to please state and spell your name, last
12 name anyway, for the stenographer the first time you
13 speak so the stenographer knows what's going on and
14 who's speaking. Okay? Go ahead.

15 MS. POWERS:

16 Thank you, Chairman Ryan and members of
17 the Board. Melissa Powers, P-O-W-E-R-S. The first
18 matter that we have for you today is a consent
19 agreement between the Office of Enforcement Counsel
20 and Reinhart Foodservice, LLC. I'm going to summarize
21 what brought us here today. On August 28th, 2008, the
22 Board issued a Vendor Registration to Reinhart.
23 Reinhart failed to file a Renewal Application and that
24 Registration expired August 27th, 2012. January 29th,
25 2013, Mohegan Sun at Pocono Downs filed a Notification

1 of Material Gaming Service Provider with the Board in
2 order to conduct business with Reinhart. On March
3 29th, 2013, Reinhart filed a new Application for
4 Gaming Service Provider Registration with the Board.
5 And on May 23rd, 2013, Reinhart filed a Petition to
6 Withdraw that Application for Registration. That
7 petition is still pending.

8 After the expiration of its Registration
9 last August, Reinhart continued to conduct business
10 with slot machine licensees here in the Commonwealth
11 of Pennsylvania. The Meadows Racetrack and Casino
12 made approximately 20 payments to Reinhart between
13 August 27th, 2012 and January 29th, 2013, compensating
14 Reinhart approximately \$106,000. In addition, Mohegan
15 Sun at Pocono Downs made four payments to Reinhart in
16 that same period of time, compensating Reinhart
17 approximately \$27,000 and an additional \$25,000 on
18 January 29th when it filed that notification with the
19 Board. In total, Reinhart was compensated
20 approximately \$158,840 after the expiration of its
21 Registration last August, which is approximately
22 \$58,000 over the threshold requiring Reinhart to file
23 an application with the Board for a new Registration.

24 The parties have agreed that within five
25 days of the Board's Order, Reinhart shall pay civil

1 penalty in the amount of \$4,500. The parties have
2 also agreed that within five days of the Board's
3 Order, Reinhart shall pay \$2,500 for the costs
4 incurred by OEC and other staff related to this
5 matter. OEC recommends that the Board approve the
6 Consent Agreement as presented today.

7 CHAIRMAN:

8 Counselor?

9 ATTORNEY FABIUS:

10 Thank you. Michael Fabius, that's
11 F-A-B-I-U-S, from the Law Firm Ballard Spahr
12 representing Reinhart Foodservices. With me is Tom
13 Grillo, Regional Sales Manager. If you like, he can
14 be sworn in, but we are here to concur in the facts as
15 presented by Office of Enforcement Counsel. We take
16 responsibility for the oversight and are available for
17 questions if you have any questions.

18 CHAIRMAN:

19 Questions or comments from the Board?
20 Ex-officio members? May I have a motion?

21 MR. FAJT:

22 Mr. Chairman, I move that the Board
23 issue an Order to adopt the Consent Agreement between
24 the Office of Enforcement Counsel and Reinhart
25 Foodservice, LLC as described by the Office of

1 Enforcement Counsel.

2 MS. KAISER:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 AYES RESPOND

7 CHAIRMAN:

8 Opposed? The motion carries. Thank
9 you.

10 ATTORNEY PITRE:

11 The next matter that we have for the
12 Board's consideration is a Consent Agreement between
13 the Office of Enforcement Counsel and Washington
14 Trotting Association. Kathleen Higgins, Assistant
15 Enforcement Counsel, will present the matter to the
16 Board on behalf of OEC. Marie Jones is here on behalf
17 of Washington Trotting Association.

18 MS. HIGGINS:

19 Chairman Ryan, members of the Board, my
20 name is Katie Higgins, H-I-G-G-I-N-S, Assistant
21 Enforcement Counsel. We have today for the Board's
22 consideration a Consent Agreement between the OEC and
23 The Meadows. The Consent Agreement involves two
24 violations regarding the Board's Self-Exclusion List.

25 The first violation involves an incident

1 in which The Meadows sent promotional mailing to 16
2 individuals who were on the Board's Self-Exclusion
3 List. The mailing was for an upcoming promotion that
4 included a chance to win a free slot play and cash
5 prizes. The Meadows self-reported its violation and
6 indicated that the self-excluded patrons were sent the
7 mail because The Meadows provided an incorrect mailing
8 list that included the names and the addresses of the
9 16 self-excluded individuals to the company that
10 provided its mailing services. The Meadows reported
11 that the employee involved in this incident received a
12 formal written warning.

13 The second violation involves an
14 incident in which an individual on the Self-Exclusion
15 List reported to the Board's Bureau of Casino
16 Compliance that she received an e-mail from a Meadows
17 host inviting the self-excluded individual to an
18 upcoming concert being held at the casino. This was
19 the second time since the woman placed herself on the
20 Self-Exclusion List that this Meadows host had
21 contacted the self-excluded person via e-mail. The
22 first time occurred seven days after the individual
23 placed herself on the Self-Exclusion List and that
24 e-mail invited the self-excluded individual to a Super
25 Bowl party. The Meadows was issued a warning letter

1 regarding the first incident and has reported that
2 after the two e-mails sent to the self-excluded
3 individual, the host received a final written warning.

4 As part of this Consent Agreement, The
5 Meadows has agreed to institute policies and provide
6 training and guidance and reinforcement of all
7 policies to its employees regarding procedures for
8 preventing a person on a Self-Exclusion List from
9 being mailed any advertisement, promotion or target
10 mailing or e-mail. In addition, the parties have
11 agreed that The Meadows shall pay a civil penalty in
12 the amount of \$7,500 and costs in the amount of \$2,000
13 and the Office of Enforcement Counsel asks that the
14 Board approves this Consent Agreement as presented
15 today.

16 ATTORNEY JONES:

17 Good morning, Mr. Chairman, Board
18 members. Marie Jones from Fox Rothschild here on
19 behalf of Washington Trotting Association. We urge
20 you to adopt the Consent Agreement and I'd be happy to
21 address any questions you may have.

22 CHAIRMAN:

23 Questions or comments from the Board?
24 Ex-officio members? May I have a motion?

25 MS. KAISER:

1 Mr. Chairman, I move that the Board
2 issue an Order to adopt the Consent Agreement between
3 the Office of Enforcement Counsel and Washington
4 Trotting Association as described by the Office of
5 Enforcement Counsel.

6 MR. MCCALL:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 AYES RESPOND

11 CHAIRMAN:

12 Opposed? The motion carries.

13 ATTORNEY JONES:

14 Thank you.

15 CHAIRMAN:

16 Thank you.

17 ATTORNEY PITRE:

18 The next matter that we have for the
19 Board's Consideration is a Consent Agreement between
20 the Office of Enforcement Counsel and Sands Bethworks
21 Gaming, LLC. Michael Roland, Assistant Enforcement
22 Counsel, will present the OEC's matter for the Board's
23 consideration. Mr. Kraus and Mr. DeSalvio are here on
24 behalf of Sands. I don't know if you want to swear
25 Mr. DeSalvio right now. I'm sure he'll have some

1 testimony.

2 CHAIRMAN:

3 May as well.

4 -----

5 ROBERT J. DESALVIO, HAVING FIRST BEEN DULY SWORN,
6 TESTIFIED AS FOLLOWS:

7 -----

8 CHAIRMAN:

9 Could you please state your name and
10 spell your last name?

11 A. Yes, Robert J. DeSalvio, D-E, capital
12 S-A-L-V-I-O, President of Sands Casino.

13 ATTORNEY KRAUS:

14 I'd just enter my appearance, Fred
15 Kraus, for the record, K-R-A-U-S, Counsel for Sands
16 Bethworks Gaming, LLC.

17 CHAIRMAN:

18 Thank you, Counselor.

19 ATTORNEY ROLAND:

20 Good morning, Mr. Chairman and members
21 of the Board. Michael Roland, R-O-L-A-N-D, with the
22 Office of Enforcement Counsel and this Consent
23 Agreement involves four separate incidents of underage
24 gaming at Sands Casino.

25 First, on February the 7th, 2013,

1 security reported that a female patron sitting at a
2 roulette table told another patron she was only 18
3 years of age. This unknown patron immediately alerted
4 security. The underage female patron was stopped and
5 asked for identification. She became evasive and
6 attempted to exit the gaming floor. Pennsylvania
7 State Police removed her and it was determined that
8 the female was Aleah (phonetic) D. Thomas, age 18 from
9 Brooklyn, New York. A review of surveillance
10 presented that Ms. Thomas and three companions entered
11 the casino floor via the main entrance and past
12 security unchallenged. Ms. Thomas was on the gaming
13 floor for approximately four hours and 28 minutes.
14 Approximately two hours and 17 minutes of that time
15 was used playing a combination of slot machines and
16 table games.

17 Next, on February 21st, 2013, security
18 discovered that an underage patron, Chiming Zhang
19 (phonetic), when he attempted to enter the gaming
20 floor. Security informed surveillance that they may
21 have observed Mr. Zhang on the gaming floor earlier
22 that evening and a review of surveillance footage was
23 conducted. Surveillance confirmed that Mr. Zhang
24 entered the gaming floor via the bus entrance and
25 security examined Mr. Zhang's passport, but then

1 granted him access to the gaming floor. Mr. Zhang
2 gamed at numerous table games and one slot machine,
3 but did not collect any winnings. He gamed at --- I'm
4 sorry, additionally, he did not consume any alcoholic
5 beverages. Mr. Zhang was on the property for a total
6 of four hours and 45 minutes.

7 Then on March 17th, 2013, Joseph Krogan
8 (phonetic) was asked for identification and used
9 another individual's legitimate identification to gain
10 entry. While on the floor, Mr. Krogan approached the
11 security podium and plugged in his cell phone to
12 charge. While at the security podium, Mr. Krogan
13 became argumentative and confrontational with Sands
14 security. After trying to extinguish a cigarette on
15 the face of a security officer, Mr. Krogan was subdued
16 and State Police were called. A review of the
17 surveillance footage presented that Joseph Krogan was
18 on the gaming floor a total of five hours and five
19 minutes. He was served and consumed seven unknown
20 beverages. He engaged in both table game play and
21 slot machine play while he was on the gaming floor.

22 And then finally, on June 3rd, 2013,
23 security became aware of a possible minor located on
24 the gaming floor. A review of surveillance discovered
25 that Jin Zu (phonetic) entered the casino via the main

1 entrance. Ms. Zu was challenged at the main entrance
2 by security, but security failed to recognize that Ms.
3 Zu's date of birth indicated she was only 17 years of
4 age and permitted her access to the gaming floor. Ms.
5 Zu began gaming at a baccarat table, but was
6 challenged by the table supervisor and security was
7 notified. At no time was Ms. Zu observed consuming
8 alcohol while on the gaming floor and she was escorted
9 off of the floor only after placing a single wager.

10 At this time, the Office of Enforcement
11 Counsel requests that the Board approve this Consent
12 Agreement between the parties. The terms of the
13 settlement include that within five days of the
14 Board's Order approving this Consent Agreement, Sands
15 shall pay a civil penalty of \$56,000 for the alleged
16 violations described. Also, within five days of the
17 Board's Order approving the Consent Agreement, Sands
18 shall pay the Board \$2,500 for the costs incurred by
19 OEC, BIE and other related staff in connection with
20 this matter. Further, Sands shall immediately review
21 its policies and controls and provide training and
22 guidance to its employees, which will minimize the
23 opportunity for reoccurrence of similar incidents in
24 the future. If you have any questions, we'd be happy
25 to address them at this time.

1 CHAIRMAN:

2 Sir?

3 ATTORNEY KRAUS:

4 Mr. Chairman and members of the Board,
5 again Fred Kraus. The Consent Agreement memorializes
6 the extensive remedial measures undertaken by the
7 Licensee. Here with me is Mr. DeSalvio, who would
8 like to add some additional detail to one of the
9 remedial measures that we note in the Consent
10 Agreement.

11 CHAIRMAN:

12 Okay. Mr. DeSalvio?

13 A. Good morning. Thank you for the time this
14 morning. We did hand out a sheet this morning that
15 I'd like to refer to. I know I submitted this to the
16 Board prior. It involves kind of a look back on our
17 traffic count through the property because I like to
18 put this all in context. While we certainly strive
19 for 100 percent of not having any minors on the casino
20 floor, I also recognize that the business has grown
21 dramatically. Our visitation at the property
22 increases and as you'll see from the numbers in front
23 of you --- and I'll just highlight a couple of them.
24 If you look from 2010 to '11 to '12 and what we've
25 done in '13, the amount of challenges at the door

1 steadily increases and our goal is to, obviously, make
2 sure that we challenge as many as possible that look
3 as a possible underage gambler. You can see, just
4 going from 2010, we challenged 288,000 people at the
5 door and 2012, we challenged 636,000 at the door and
6 correspondingly, the number of turn-aways continues to
7 increase at the door.

8 And the contextual relationship of this is if you
9 look down below under significant notes, our
10 visitation to the property has significantly increased
11 as we added the hotel, the events center and the
12 shopping mall, and we've gone from almost 5.2 in 2010
13 up to a record of 8 million in the last 12 months.
14 So, as we --- we continue to strive and we go through
15 the remedial measures. And we recently just bought
16 all new ID equipment for the front doors. We worked
17 with a vendor that has provided us with some
18 fraudulent documentation training. And everything
19 that we're doing in security, in reality, we are up
20 against the numbers game and the more people that come
21 in, the more concerts we have, the more stores that
22 open in the mall, this is going to be a never ending
23 battle for us challenging people as we enter.

24 Again, we strive for perfection. And as you can
25 see, we are in fact trying to challenge as may as

1 possible. Unfortunately, some slip through. And
2 today they even highlighted one of the cases where
3 they had legitimate ID. This is getting more of a
4 challenge for us, as well. We just bought all new
5 equipment to the tune of about \$100,000 for the entry,
6 and there are already some fraudulent IDs that can get
7 through electronically. Unfortunately the world of
8 technology moves a little faster than all of us.

9 So I just wanted to let you know we take this
10 seriously. We are doing everything possible to try to
11 minimize it, but in the context of a growing business,
12 it's harder and harder for us, but we will continue to
13 strive to do the best that we can.

14 ATTORNEY KRAUS:

15 And if I could just add two quick things
16 to that. When one reviews these statistics, both the
17 number and the percentage have increased on a
18 year-to-year basis. When I say percentage, percentage
19 of people challenged as a percentage --- excuse me,
20 the number of people challenged as a percentage of
21 total visitation has increased, as have the number of
22 people turned away, as a percentage of the total
23 turned away in prior years. So, both in absolute
24 terms the challenges have gone up and in percentage
25 terms the challenges of people turned away have gone

1 up, as well as the number of challenges. So, it shows
2 progress, it shows the effect of the remedial
3 measures. We're not perfect, but the fact that Mr.
4 DeSalvio is here explaining all these remedial
5 measures is a testament of the commitment that Sands
6 Bethworks has to addressing this problem.

7 A. One final comment, Mr. Chairman, again Bob
8 DeSalvio. We had an excellent conference with the
9 compliance group and I just want to acknowledge that
10 that they came and spent time at the property with our
11 head of security, us going through in detail these
12 measures. And so we know that the office takes this
13 very seriously, as we do, as well, and I thought that
14 that meeting was a very good cooperative working
15 meeting.

16 CHAIRMAN:

17 Anything else? Questions?

18 MR. FAJT:

19 Mr. Chairman, one question --- question
20 and a comment. Mr. DeSalvio, to follow up on your
21 comment about increasing technology and you bought new
22 scanners --- I'm just speaking for myself. I consider
23 a casino that looks at an ID, a bad ID, and it looks
24 like somebody's 21, admits them to the floor, that, to
25 me, in my religious terms is a venial sin, a minor

1 sin, because you've been duped by somebody who has a
2 good faith ID. But when I hear about a 17 year old
3 who somebody looks at an ID --- and again, I'm
4 assuming it said she was 17 years old --- and can't do
5 the math and admits that person to the floor, that's a
6 mortal sin.

7 A. Yes.

8 MR. FAJT:

9 And so I guess my question is what
10 happened to that security guard and was there
11 repercussions to him or her for that action?

12 A. First comment, no excuse whatsoever on that.
13 That's dead wrong. It's really a shame because they
14 presented the document and we misread it. We have a
15 two strike policy at the Sands. The first strike is
16 you get a full written warning, and on that written
17 warning, it says that any further incidents can result
18 in disciplinary action up to and including
19 termination. And in our case, if any Sands security
20 officer has a second offense, they are terminated. As
21 a matter of fact, one of these cases I believe
22 resulted in a termination. So, we have a two strike
23 policy. You get one shot at making a mistake. Second
24 go round, unfortunately, we separate you from the
25 company.

1 MR. FAJT:

2 So I assume that was that security
3 guard's ---.

4 A. I'm not sure.

5 ATTORNEY KRAUS:

6 The February 7th incident resulted in a
7 termination.

8 A. It did?

9 ATTORNEY KRAUS:

10 Yes.

11 MR. FAJT:

12 And that was the 17-year-old?

13 A. Was that the one that was 17?

14 ATTORNEY KRAUS:

15 That is ---.

16 MR. FAJT:

17 Mike, do you have that?

18 ATTORNEY KRAUS:

19 The February 7th says it actually was an
20 18 year old. The 17 year old was June the 3rd of
21 2013.

22 A. It was the last and final warning.

23 MR. FAJT:

24 So they were disciplined, not
25 terminated?

1 A. Right. And for consistency purposes, we give
2 them all the same speech. One shot to make a mistake,
3 everyone can make a mistake. Second time, you're
4 gone.

5 MR. FAJT:

6 Thank you.

7 ATTORNEY KRAUS:

8 And the actual discipline, sir, set
9 forth in the Consent Agreement by date of incident.

10 CHAIRMAN:

11 Questions?

12 MR. MCNALLY:

13 Mr. DeSalvio, how many security
14 personnel do you have at the Sands?

15 A. Currently 139 officers. That has steadily
16 increased with a total department of 150 because there
17 are supervisory and management staff that go with it.
18 The document that I handed out, on the far right
19 corner or far right side, shows you the trending so
20 that as the number of visitors have been increasing,
21 we've also been increasing the amount on the security
22 force, as well.

23 CHAIRMAN:

24 And if you know, what is the turnover?

25 And by turnover, I mean people leaving of their own

1 volition, not people being terminated because of
2 problems such as this.

3 A. I do not know that answer. Of the security?

4 CHAIRMAN:

5 Of the security.

6 A. Of the security force, turnover in the department
7 minus anyone who is termed?

8 CHAIRMAN:

9 Right.

10 A. I don't know the number, but would be more than
11 happy to get it for you.

12 CHAIRMAN:

13 Okay. I'd appreciate that.

14 A. Sure.

15 CHAIRMAN:

16 Any other questions, comments from the
17 Board?

18 MR. MCCALL:

19 Mr. Chairman, is this going to be made
20 an exhibit?

21 CHAIRMAN:

22 I'll ask. Counsel?

23 ATTORNEY KRAUS:

24 Yes, please.

25 CHAIRMAN:

1 Yes. It's admitted.

2 ATTORNEY KRAUS:

3 Okay.

4 CHAIRMAN:

5 Anything else? Do I have a motion?

6 MR. MCCALL:

7 Mr. Chairman, I move that the Board
8 issue an Order to adopt the Consent Agreement between
9 the Office of Enforcement Counsel and Sands Bethworks
10 Gaming, LLC, as described by the Office of Enforcement
11 Counsel.

12 MR. MCNALLY:

13 Second.

14 CHAIRMAN:

15 All in favor?

16 AYES RESPOND

17 CHAIRMAN:

18 Opposed? The motion carries.

19 A. Thank you.

20 ATTORNEY KRAUS:

21 Thank you.

22 ATTORNEY PITRE:

23 The next item we have for the Board's
24 consideration is the consideration of the Suspension
25 of Raymond Dashielle's Non-Gaming Employee

1 Registration. Dustin Miller, Assistant Enforcement
2 Counsel, will present the matter on behalf of OEC.

3 ATTORNEY MILLER:

4 Good morning, Chairman Ryan and members
5 of the Board. Dustin Miller on behalf of the Office
6 of Enforcement Counsel. Mr. Dashielle was employed as
7 an EBS attendant at Parx Casino and registered as a
8 Non-Gaming Employee. The Office of Enforcement
9 Counsel filed an enforcement complaint to suspend Mr.
10 Dashielle's Non-Gaming Registration for failing to
11 maintain his suitability on August 9th, 2013.

12 On or about January 23rd, 2013, Mr.
13 Dashielle was charged by Philadelphia Police with
14 possession with intent to deliver a controlled
15 substance, possession of a firearm with the
16 manufacturer number altered, criminal use --- yeah,
17 criminal use of a communication facility, intentional
18 possession of a controlled substance by a person not
19 registered, use or possession of drug paraphernalia
20 and possession of an instrument of crime.

21 According to the Affidavit of Probable
22 Cause, on January 16th and January 21st, 2013, Mr.
23 Dashielle was in possession of cocaine and marijuana
24 in an amount indicating Mr. Dashielle had an intent to
25 deliver these drugs in Philadelphia. He as also found

1 to be in possession of a firearm with an obliterated
2 serial number, packets and packaging for the
3 distribution of drugs and a cellular phone for the
4 purpose of facilitating the distribution of the drugs.

5 A Preliminary Hearing was held on
6 February 6th, 2013 and all criminal charges were bound
7 over to the Court of Common Pleas of Philadelphia
8 County. All charges remain pending against Mr.
9 Dashielle. Mr. Dashielle was terminated from Parx
10 Casino on January 28th, 2013.

11 The Enforcement Complaint was properly
12 served upon Mr. Dashielle to the address listed on his
13 application by both certified and first class mail.
14 Mr. Dashielle did not respond to the complaint in any
15 way. Due to Mr. Dashielle's failure to respond, the
16 averments in the Enforcement Complaint are deemed to
17 be admitted as fact, and his right to a hearing has
18 been waived. On August 9th, 2013, the Office of
19 Enforcement Counsel filed a request to enter judgment
20 upon default. The matter is now before the Board to
21 consider the suspension of Mr. Dashielle's Non-Gaming
22 Employee Registration.

23 CHAIRMAN:

24 Is Raymond Dashielle in the hearing
25 room? Any questions, comments from the Board? May I

1 have a motion?

2 MR. MCNALLY:

3 Mr. Chairman, I move that the Board
4 issue an Order to approve the Suspension of Raymond
5 Dashielle's Non-Gaming Employee Registration as
6 described by the Office of Enforcement Counsel.

7 CHAIRMAN:

8 Second?

9 MR. MOSCATO:

10 Second.

11 CHAIRMAN:

12 All in favor?

13 AYES RESPOND

14 CHAIRMAN:

15 Opposed? The motion carries.

16 ATTORNEY MILLER:

17 Thank you.

18 CHAIRMAN:

19 Thank you, Dustin.

20 ATTORNEY PITRE:

21 The next matter that we have for the
22 Board's consideration is the revocation of Tiffany
23 Durskon's Gaming Employee Permit. Assistant
24 Enforcement Counsel Glen Stuart will present the
25 matter for the Board's consideration.

1 ATTORNEY STUART:

2 Good morning. Glen Stuart for the
3 Office of Enforcement Counsel, S-T-U-A-R-T. Presently
4 before the Board is a Petition to Revoke the Gaming
5 Permit of Tiffany Durskon. While employed as a
6 players' club representative at the Valley Forge
7 Casino Resort, Ms. Durskon credited a patron's
8 players' club account with approximately \$33,745 in
9 free slot play between August 26th, 2012 and February
10 3rd, 2013. Ms. Durskon is not authorized to issue
11 this amount of free slot play to any patron. A review
12 of this patron's wagering activity showed he collected
13 approximately \$26,600 in winnings as a result of the
14 free slot play provided to him by Ms. Durskon. The
15 Pennsylvania State Place summarily charged Ms. Durskon
16 with one count of debt by unlawful taking, one count
17 of unlawful use of a computer and one count of
18 criminal conspiracy.

19 In light of this incident, on May 1st,
20 2013, the Office of Enforcement Counsel filed a
21 Petition to Revoke Ms. Durskon's Gaming Permit. OEC
22 served its Petition on Ms. Durskon via certified mail
23 and first class US mail. The certified mail was
24 returned to OEC as undeliverable, however the first
25 class US mail has not been returned to OEC. The

1 Petition directed Ms. Durskon to request a hearing
2 within 30 days of its receipt. Ms. Durskon has not
3 requested a hearing on the matter, therefore Ms.
4 Durskon waived her right to a hearing, and all facts
5 alleged in the Petition are deemed admitted. On
6 August 14th, 2013, OEC filed a request to enter
7 default judgment in the matter. As such, the
8 revocation of Tiffany Durskon's Gaming Permit is now
9 ripe for Board consideration.

10 CHAIRMAN:

11 Is Tiffany Durskon in the hearing room?
12 Any questions or comments from the Board? Ex-officio
13 members? May I have a motion?

14 MR. MOSCATO:

15 Yes. I move that the Board issue an
16 Order to approve the Revocation of Tiffany Durskon's
17 Gaming Employee Permit as described by the Office of
18 Enforcement Counsel.

19 MR. WOODS:

20 Second.

21 CHAIRMAN:

22 All in favor?

23 AYES RESPOND

24 CHAIRMAN:

25 Opposed? The motion carries.

1 ATTORNEY PITRE:

2 The next matter that we have for the
3 Board's consideration is a Revocation of Joseph
4 Harbaugh's Gaming Employee Permit. Assistant
5 Enforcement Counsel Mike Roland will present the
6 matter for the Board's consideration.

7 ATTORNEY ROLAND:

8 Once again, Mike Roland, Office of
9 Enforcement Counsel, and this is to consider the
10 revocation of Joseph Harbaugh's Gaming Employee
11 Permit. On May the 10th, 2011, the Board issued a
12 Gaming Employee Permit to Joseph Harbaugh as a
13 security officer at Sands Casino. The Office of
14 Enforcement Counsel filed a complaint setting forth
15 allegations that Mr. Harbaugh should have his Gaming
16 Employee Permit revoked when, while off duty, Mr.
17 Harbaugh came to the casino with an underage female.
18 She was 19 years of age. The two entered the property
19 via the bus entrance. Security requested
20 identification from the female, but did not scan it.
21 At the time, Mr. Harbaugh knew the female as underaged
22 and in the possession of a fraudulent identification.

23 The complaint was properly served on Mr.
24 Harbaugh to the address in the file of the Board by
25 both certified and first class mail. Mr. Harbaugh

1 responded to the filing and specifically indicated he
2 did not want a hearing on the matter. Given Mr.
3 Harbaugh's response, the averments in the complaint
4 are deemed to be admitted as fact and his right to a
5 hearing has been waived.

6 On August 20th, 2013, the Office of
7 Enforcement Counsel filed a request to enter judgment
8 upon default. The matter is now before the Board to
9 consider the Revocation of Joseph Harbaugh's Gaming
10 Employee Permit.

11 CHAIRMAN:

12 Is Joseph Harbaugh in the hearing room?
13 Any questions or comments from the Board? Ex-officio
14 members? May I have a motion?

15 MR. WOODS:

16 Mr. Chairman, I move that the Board
17 issue an Order to Approve the Revocation of Joseph
18 Harbaugh's Gaming Employee Permit as described by the
19 Office of Enforcement Counsel.

20 MR. FAJT:

21 Second.

22 CHAIRMAN:

23 All in favor?

24 AYES RESPOND

25 CHAIRMAN:

1 Opposed? The motion carries. Thank
2 you, Mike.

3 ATTORNEY ROLAND:

4 Thank you.

5 ATTORNEY PITRE:

6 The next several matters in the Board's
7 agenda will be handled by Deputy Chief Enforcement
8 Counsel Dale Miller, first of which is a Revocation of
9 Ms. Jennifer Beatrice's Gaming Employee Permit.

10 ATTORNEY MILLER:

11 Good morning, Mr. Chairman and members
12 of the Board. I am Dale Miller, M-I-L-L-E-R, Deputy
13 Chief Enforcement Counsel. I have six matters for
14 your this morning, four Revocations and two placements
15 on the Exclusion List.

16 First is a Motion to Consider Revocation
17 of the Gaming Permit of Ms. Jennifer Beatrice. On
18 October 5th, 2012, OEC filed a Revocation Complaint
19 with the Board against Ms. Beatrice. The basis for
20 this complaint was her felony conviction --- third
21 degree felony conviction for risking a catastrophe.
22 She was convicted in Philadelphia Common Pleas Court
23 September 12th, 2012. The Court found that Ms.
24 Beatrice intentionally set fire to her house. She and
25 her husband were intoxicated. She had recently lost

1 her job, the house was in foreclosure and Ms. Beatrice
2 was charged with arson and related offenses. She was
3 convicted of risking a catastrophe and sentenced to
4 five years' probation.

5 Ms. Beatrice was properly served by
6 regular and certified mail with the Revocation
7 Complaint and did not request a hearing to the
8 complaint; therefore, the facts are deemed to be
9 admitted and her hearing rights are waived.

10 Ms. Beatrice was then properly served
11 with OEC's request for judgment upon default and has
12 not responded to it. Based on the foregoing, OEC
13 requests the Board revoke Ms. Beatrice's Gaming
14 Permit.

15 CHAIRMAN:

16 Is Jennifer Beatrice in the hearing
17 room? Any 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 issue an Order to Approve the Revocation of Jennifer
22 Beatrice's Gaming Employee Permit as described by the
23 Office of Enforcement Counsel.

24 MS. KAISER:

25 Second.

1 CHAIRMAN:

2 All in favor?

3 AYES RESPOND

4 CHAIRMAN:

5 Opposed? The motion carries.

6 ATTORNEY MILLER:

7 Thank you. The next matter is a Motion
8 to Consider the Revocation of the Gaming Permit of Mr.
9 Adrian Fleming. On March 21st, 2013, OEC filed a
10 Revocation Complaint with the Board against Adrian
11 Fleming. The basis for this Complaint was Mr. Fleming
12 being convicted of corruption of minors and indecent
13 assault of a person less than 13 years of age. The
14 person in question was, in fact, 12. The police
15 investigation determined that Mr. Fleming indecently
16 assaulted the 12-year-old girl who was in his custody.

17 On October 5th, 2012, he was charged
18 with five criminal offense, including the third degree
19 felonies of corruption of minors and indecent assault
20 of a person less than 13 years of age. Mr. Fleming
21 was then convicted of corruption of minors and
22 indecent assault of a person less than 13 years of age
23 as amended to first degree misdemeanors. He was
24 sentenced to 6 to 23 months in prison and five years'
25 probation.

1 Based on these convictions, we believe
2 Mr. Fleming has failed to maintain suitability to hold
3 a Gaming Permit and we filed a Revocation Complaint,
4 which was properly served with Mr. Fleming. He did
5 not request a hearing in regard to the complaint and
6 therefore, the facts are deemed to be admitted and his
7 rights to a hearing are waived.

8 He was then properly served with OEC's
9 request for judgment upon default and has not
10 responded to it. He was a dealer trainer for
11 Sugarhouse. He's not working presently, and based on
12 the foregoing, OEC requests that the Board revoke Mr.
13 Fleming's Gaming Permit.

14 CHAIRMAN:

15 I assume Adrian Fleming is not in the
16 hearing room? Any questions or comments from the
17 Board? Ex-officio members? May I have a motion?

18 MS. KAISER:

19 Mr. Chairman, I move that the Board
20 issue an Order to approve the Revocation of Adrian
21 Fleming's Gaming Employee Permit as described by the
22 Office of Enforcement Counsel.

23 MR. MCCALL:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 AYES RESPOND

3 CHAIRMAN:

4 Opposed? The motion carries.

5 ATTORNEY MILLER:

6 Thank you. The next matter is a motion
7 to consider revocation of Ms. Yin Yin Lee's Gaming
8 Level 2 Employee Permit. On February 6th, 2013, OEC
9 filed a Revocation Complaint with the Board against
10 Yin Yin Lee.

11 The basis for this complaint was Ms. Lee
12 was being investigated at that time for the theft of
13 computer tablets at Sugarhouse Casino. Ms. Lee was an
14 executive casino host. Sugarhouse was running a
15 promotion in which computer tablets were being given
16 away.

17 The investigation conducted by
18 Sugarhouse, as well as the Board's Casino Compliance
19 Bureau, determined that Ms. Lee, through her
20 employment as a casino host, stole at least five
21 computer tablets valued at \$83 each during the
22 promotional event. Ms. Lee repeatedly gave the same
23 two patrons multiple computer tablets when the patrons
24 were only entitled to one each. Ms. Lee admitted to
25 giving the patrons at least five computer tablets they

1 were not entitled to receive and she could have been
2 charged with theft. However, at the request of
3 Sugarhouse Casino, the Pennsylvania State Police did
4 not charge her, but nevertheless Sugarhouse terminated
5 her from her employment.

6 OEC filed the Revocation Complaint
7 against Ms. Lee and she was properly served by regular
8 and certified mail with the Complaint. She did not
9 request a hearing and therefore, the facts are deemed
10 admitted and she waived her rights to a hearing. She
11 was then properly served with our request for judgment
12 upon default and has not responded to it. Based on
13 the foregoing, the Office of Enforcement Counsel
14 requests the Board to revoke Ms. Lee's Gaming 2 Level
15 Employee Permit.

16 CHAIRMAN:

17 Is Yin Yin Lee in the hearing room? Any
18 questions or comments from the Board? Ex-officio
19 members? May I have a motion?

20 MR. MCCALL:

21 Mr. Chairman, I move that the Board
22 issue an Order to approve the Revocation of Yin Lee's
23 Gaming Employee Permit as described by the Office of
24 Enforcement Counsel.

25 MR. MCNALLY:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 AYES RESPOND

5 CHAIRMAN:

6 Opposed? The motion carries.

7 ATTORNEY MILLER:

8 Thank you. The next matter is a Motion
9 to Consider the Revocation of the Non-Gaming Employee
10 Registration of Mr. Antonio Gresham. On May 3rd,
11 2013, OEC filed a Revocation Complaint with the Board
12 against Mr. Gresham.

13 The basis for this complaint was that
14 Mr. Gresham was being investigated for being involved
15 in a number of thefts at Sugarhouse Casino where he
16 was employed in a restaurant as a cashier. The
17 investigation determined that from February 28th
18 through March 6th, 2013, Mr. Gresham stole a total of
19 \$480 from Sugarhouse Casino through his employment at
20 Jack's Restaurant by voiding out customer transactions
21 and pocketing the money. While being charged and
22 processed for two counts of theft, the Pennsylvania
23 State Police found Mr. Gresham in possession of
24 marijuana and charged him with the possession of the
25 drugs also. Mr. Gresham was terminated from

1 Sugarhouse Casino on March 8th, 2013. He was sent to
2 court and after a continuance on May 15th, 2013, the
3 charges were dismissed in Philadelphia Municipal
4 Court. The transcripts indicated that that was ---
5 apparently the witnesses failed to appear.

6 Mr. Gresham was properly served by
7 regular and certified mail with the Revocation
8 Complaint on May 5th, 2013. He did not request a
9 hearing in regard to the complaint, therefore the
10 hearing rights are waived and the facts are deemed
11 admitted. Mr. Gresham was then properly served with
12 OEC's request for judgment upon default and he has not
13 responded to that.

14 I would note that even though the
15 charges were dismissed against him, we had him on
16 surveillance coverage for eight incidents and clearly
17 he pocketed the money he's alleged to have stolen.
18 He's not working at this time, obviously, because he
19 was fired. And OEC, based on the foregoing, requests
20 that the Board revoke Mr. Gresham's Non-Gaming
21 Employee Registration at this time.

22 CHAIRMAN:

23 Is Antonio Gresham in the hearing room?
24 Any questions or comments from the Board? Ex-officio
25 members? May I have a motion?

1 MR. MCNALLY:

2 Mr. Chairman, I move that the Board
3 issue an Order to approve the Revocation of Antonio
4 Gresham's Non-Gaming Employee Registration as
5 described by the Office of Enforcement Counsel.

6 CHAIRMAN:

7 Second?

8 MR. MOSCATO:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 AYES RESPOND

13 CHAIRMAN:

14 Opposed? The motion carries.

15 ATTORNEY MILLER:

16 Thank you. Switching gears to my final
17 two matters, we now have a motion to consider a Board
18 Order to add Cassandra Arline or Arline (changes
19 pronunciation) to the Board's Involuntary Exclusion
20 List. On June 27th, 2013, OEC filed a Petition for
21 Placement on the Exclusion List with the Board against
22 Cassandra Arline.

23 The basis for the petition was that Ms.
24 Arline had been charged by the Pennsylvania State
25 Police with robbery, theft and four other charges at

1 Sugarhouse Casino on April 15th, 2013. At 2:49 a.m.
2 on the morning of April 15th, Ms. Arline was captured
3 on surveillance coverage assaulting another patron
4 playing slots at Sugarhouse Casino by punching that
5 patron in the head five times and stealing the other
6 patron's slot voucher that had a value of \$1,001.83.
7 Ms. Arline was captured by security personnel while
8 trying to leave Sugarhouse Casino and she was taken
9 into custody. She was turned over to the Pennsylvania
10 State Police who arrested her and charged her with
11 robbery, theft and four other charges.

12 At a hearing on August 16th, 2013, the
13 charges were withdrawn by the District Attorney's
14 Office as the witnesses failed to appear and the case
15 had been marked must be tried, the charges were
16 withdrawn in order to avoid dismissal. We did have
17 her on surveillance, however. The incident was
18 captured. She punched her five times.

19 Ms. Arline was properly served by
20 regular and certified mail with the petition. She
21 didn't request a hearing in the matter and therefore
22 her hearing rights are waived and the facts are deemed
23 admitted. She was then properly served with our
24 request for judgment upon default and she has not
25 responded to that. Based on the foregoing, OEC would

1 request that Mrs. Arline be placed on the Board's
2 Involuntary Exclusion List.

3 CHAIRMAN:

4 Is Cassandra Arline in the hearing room?
5 Any questions or comments from the Board? Ex-officio
6 members? May I have a motion?

7 MR. MOSCATO:

8 Mr. Chairman, I move that the Board
9 issue an Order to Approve the Addition of Cassandra
10 Arline to the PGCB Involuntary Exclusion List as
11 described by the Office of Enforcement Counsel.

12 MR. WOODS:

13 Second.

14 CHAIRMAN:

15 All in favor?

16 AYES RESPOND

17 CHAIRMAN:

18 Opposed? The motion carries.

19 ATTORNEY MILLER:

20 The last matter I have to present to you
21 this morning is another motion to consider a Board
22 Order, this time to add Christine McNary to the
23 Board's Involuntary Exclusion List.

24 CHAIRMAN:

25 Christine or Charlene?

1 ATTORNEY MILLER:

2 Charlene McNary, I apologize. On March
3 14th, 2013, OEC filed a Petition for Placement on the
4 Exclusion List with the Board against Charlene McNary.
5 The basis for the Petition was Ms. McNary was being
6 investigated by the Pennsylvania State Police for
7 stealing another patron's wallet at the Sugarhouse
8 Casino.

9 On November 11th, 2012, Sugarhouse
10 Casino recovered the patron's wallet and secured it at
11 their lost and found in the security dispatch room.
12 Ms. McNary later approached the dispatch room and
13 asked to see the wallet. It was not her wallet. She
14 was allowed to see it and she was then captured on
15 surveillance removing from the wallet, which was later
16 determined to be a birth certificate. She then
17 returned the wallet to the security guard, but later
18 returned to the dispatch room after the shifts had
19 changed and there were new security officers on duty.
20 Utilizing the birth certificate she had previously
21 taken from the wallet, Ms. McNary was able to convince
22 the new security personnel to turn the wallet over to
23 her.

24 The theft was uncovered when the true
25 owner of the wallet reported it missing on November

1 12th, 2012. The theft of the wallet was then
2 investigated by the State Police who were going to
3 charge Ms. McNary with theft; however, after Ms.
4 McNary returned the wallet and everything in it was
5 still there, the owner determined that nothing was
6 missing and the victim declined to press charges.
7 Nevertheless, Sugarhouse Casino formally evicted Ms.
8 McNary. I might add that the Sugarhouse employee in
9 the incident was given progressive discipline. One
10 was given progressive discipline with a warning level
11 two and the second employee was given progressive
12 discipline with verbal feedback. They were charged by
13 the casino with violating their own SOPs.

14 OEC filed the Complaint for Involuntary
15 Exclusion against Ms. McNary and she was properly
16 served with the petition. She did not request a
17 hearing in regard to the petition and therefore the
18 facts are deemed admitted and her hearing rights are
19 waived. She was then properly served with OEC's
20 request for judgment upon default and has not
21 responded to it. Based on the foregoing, OEC would
22 request that Charlene McNary be placed on the Board's
23 Involuntary Exclusion List.

24 CHAIRMAN:

25 Is Charlene McNary in the hearing room?

1 Any questions or comments from the Board? Ex-officio
2 members? May I have a motion?

3 MR. WOODS:

4 Mr. Chairman, I move that the Board
5 issue an Order to Approve the Addition of Charlene
6 McNary to the Pennsylvania Gaming Control Board's
7 Involuntary Exclusion List as described by the Office
8 of Enforcement Counsel.

9 MR. FAJT:

10 Second.

11 CHAIRMAN:

12 All in favor?

13 AYES RESPOND

14 CHAIRMAN:

15 Opposed? The motion carries.

16 ATTORNEY MILLER:

17 That concludes my matters. Thank you.

18 CHAIRMAN:

19 Thank you, Dale.

20 ATTORNEY PITRE:

21 The next two matters on the Board's
22 Agenda, the Involuntary Exclusion of Kyle Dunn and
23 Carl Heckman will be handled by Assistant Enforcement
24 Counsel, Michael Roland.

25 ATTORNEY ROLAND:

1 Mr. Chairman and members of the Board,
2 the first of the two matters is Kyle Dunn. The Office
3 of Enforcement Counsel filed a Petition to Place Mr.
4 Dunn on the Exclusion List for capping bets while
5 playing Texas Hold'em at Sands Casino. The Petition
6 was properly served upon Mr. Dunn to the address
7 listed on the criminal complaint filed against him and
8 that was both by certified and first class mail. Mr.
9 Dunn did not respond to the filing in any way. Due to
10 Mr. Dunn's failure to respond, the averments in the
11 Petition are deemed to be admitted as fact and his
12 right to a hearing has been waived. On August 22nd,
13 2013, the Office of Enforcement Counsel filed a
14 request to enter judgment upon default. The matter is
15 now before the Board to consider the placement of Kyle
16 Dunn on the Board's Excluded Persons List.

17 When Mr. Dunn was originally charged, it
18 was one count of theft by deception, one count of
19 prohibited acts under our Act. He has since entered a
20 guilty plea to the theft by deception, which was a
21 misdemeanor one. At the time he capped, he made three
22 separate caps that totaled \$325. We were fortunate
23 enough to be able to get that back from him before he
24 left the facility, so there has been no financial
25 loss.

1 CHAIRMAN:

2 Is Kyle Dunn in the hearing room? Any
3 questions or comments from the Board? Ex-officio
4 members? May I have a motion?

5 MR. FAJT:

6 Mr. Chairman, I move that the Board
7 issue an Order to approve the addition of Kyle Dunn to
8 the PGCB Involuntary Exclusion List as described by
9 the Office of Enforcement Counsel.

10 MS. KAISER:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 AYES RESPOND

15 CHAIRMAN:

16 Opposed? The motion carries.

17 ATTORNEY ROLAND:

18 The next matter is the request to place
19 Carl Heckman on the Board's Excluded Persons List.
20 The Office of Enforcement Counsel filed the Petition
21 to Place Mr. Heckman on the Exclusion List for being
22 in possession of weapons and contraband while on the
23 gaming floor at Sands Casino. The petition was
24 properly served upon Mr. Heckman to the address listed
25 on the criminal complaint filed against him, and that

1 again was by both certified and first class mail. Mr.
2 Heckman did not respond to the filing in any way. And
3 due to Mr. Heckman's failure to respond, the averments
4 in the petition are deemed to be admitted as fact.
5 His right to a hearing has been waived.

6 On August 22nd, 2013, the Office of
7 Enforcement Counsel filed a request to enter judgment
8 upon default. The matter is now before the Board to
9 consider the placement of Carl Heckman on the Board's
10 Excluded Persons List. Again, the original charges
11 against Mr. Heckman, one count of firearms not to be
12 carried without a license, one count of possession of
13 a controlled substance. Mr. Heckman has actually
14 entered a guilty plea to both of those since the
15 original filing of the charges. The firearms offense
16 was a felony three, controlled substance offense was
17 actually an ungraded misdemeanor.

18 CHAIRMAN:

19 Is Carl Heckman in the hearing room?
20 Any questions or comments from the Board? Ex-officio
21 members? May I have a motion?

22 MS. KAISER:

23 Mr. Chairman, I move that the Board
24 issue an Order to Approve the Addition of Carl Heckman
25 to the Pennsylvania Gaming Control Board's Involuntary

1 Exclusion List as described by the Office of
2 Enforcement Counsel.

3 MR. MCCALL:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 AYES RESPOND

8 CHAIRMAN:

9 Opposed? The motion carries.

10 ATTORNEY ROLAND:

11 Thank you. That concludes my matters.

12 CHAIRMAN:

13 Thank you, Mike.

14 ATTORNEY PITRE:

15 The next two matters on the Board's
16 Agenda are the Voluntary Exclusion of David J. Blatt
17 and Ira M. Jaspan. They will be handled by Assistant
18 Enforcement Counsel Dustin Miller.

19 ATTORNEY MILLER:

20 Good morning, again. The Office of
21 Enforcement Counsel filed a petition to place David J.
22 Blatt on the Exclusion List for committing theft
23 inside Parx Casino on February 19th, 2013.

24 In the February 19th, 2013 incident, Mr.
25 Blatt took 11 chips from the dealer's rack at a

1 Blackjack table worth approximately \$55,000.
2 Pennsylvania State Police were able to identify Mr.
3 Blatt through the use of casino surveillance and Mr.
4 Blatt was criminally charged with 11 counts of theft
5 by unlawful taking and 11 counts of receiving stolen
6 property for his actions.

7 The petition to put him on the Exclusion
8 List was properly served upon Mr. Blatt to the address
9 listed on the criminal complaint filed against him by
10 both certified and first class mail. Mr. Blatt did
11 not respond to the filing in any way. Due to Mr.
12 Blatt's failure to respond, the averments in the
13 petition are deemed to be admitted as fact and his
14 right to a hearing has been waived. On August 8th,
15 2013, the Office of Enforcement Counsel filed a
16 request to enter judgment upon default. The matter is
17 now before the Board to consider the placement of
18 David J. Blatt on the Board's Exclusion List.

19 CHAIRMAN:

20 Is David Blatt in the hearing room? Any
21 questions or comments from the Board? Ex-officio
22 members? May I have a motion?

23 MR. MCCALL:

24 Mr. Chairman, I move that the Board
25 issue an Order to Approve the Addition of David J.

1 Blatt to the Pennsylvania Gaming Control Board
2 Involuntary Exclusion List as described by the Office
3 of Enforcement Counsel.

4 MR. MCNALLY:

5 Second.

6 CHAIRMAN:

7 All in favor?

8 AYES RESPOND

9 CHAIRMAN:

10 Opposed? The motion carries.

11 ATTORNEY MILLER:

12 The next matter today is a request for
13 placement on the Board's Excluded Persons List
14 involving Ira M. Jaspan. The Office of Enforcement
15 Counsel filed a Petition to Place Mr. Jaspan on the
16 Exclusion List for endangering the employees of Parx
17 Casino, disrupting gaming operations and being
18 criminally charged for his actions on February 18th,
19 2013. Mr. Jaspan is prohibited from entering
20 Pennsylvania Casinos. He had previously been arrested
21 on April 3rd, 2012 at Harrah's Philadelphia Casino and
22 on January 8th, 2013 at Sugarhouse Casino for
23 trespassing.

24 In the February 18th, 2013 incident at
25 Parx, Mr. Jaspan was identified by a Parx Casino

1 Security Officer. Mr. Jaspan was attempting to hide
2 his identity by wearing a wig under a knit cap. Two
3 Parx Casino Security Officers and the Gaming Control
4 Board Casino Compliance Representative approached Mr.
5 Jaspan as he was actively playing a slot machine and
6 requested to see his identification. Mr. Jaspan told
7 the security officers and the CCR that his
8 identification was in his vehicle.

9 The security officers escorted Mr.
10 Jaspan to retrieve his identification. As they
11 approached Mr. Jaspan's vehicle, Mr. Jaspan quickly
12 entered his vehicle and attempted to close the
13 driver's side door. One of the security officers put
14 his foot in the doorway, preventing the driver's door
15 from closing. Mr. Jaspan started his vehicle and put
16 the car in reverse and sped away from the property,
17 endangering the security officers present at the
18 scene. As Mr. Jaspan's driver's door remained open as
19 he exited his parking space, the door scratched the
20 vehicle parked beside Mr. Jaspan's vehicle. Security
21 personnel were able to photograph Mr. Jaspan's license
22 plate before his escape, which further aided in the
23 identification of Mr. Jaspan.

24 Mr. Jaspan was charged with defiant
25 trespass for his actions. The petition was properly

1 served upon Mr. Jaspan to the address listed on the
2 criminal complaint filed against him by both certified
3 and first class mail. Mr. Jaspan did not respond to
4 the filing in any way. Due to Mr. Jaspan's failure to
5 respond, the averments in the petition are deemed to
6 be admitted as fact and his right to a hearing has
7 been waived. On August 13th, 2013, the Office of
8 Enforcement Counsel filed a request to enter judgment
9 upon default. The matter is now before the Board to
10 consider the placement of Ira M. Jaspan on the Board's
11 Excluded Persons List.

12 CHAIRMAN:

13 Is Ira Jaspan in the hearing room? Any
14 questions or comments from the Board? Ex-officio
15 members? May I have a motion?

16 MR. MCNALLY:

17 Mr. Chairman, I move that the Board
18 issue an Order to Approve the Addition of Ira Jaspan
19 to the Pennsylvania Gaming Control Board's Involuntary
20 Exclusion list as described by the Office of
21 Enforcement Counsel.

22 CHAIRMAN:

23 Second?

24 MR. MOSCATO:

25 Second.

1 CHAIRMAN:

2 All in favor?

3 AYES RESPOND

4 CHAIRMAN:

5 Opposed? The motion carries.

6 ATTORNEY MILLER:

7 Thank you.

8 CHAIRMAN:

9 Thank you, Dustin.

10 ATTORNEY PITRE:

11 The last matter on the Board's agenda is
12 the placement of Andrew Sharpe on the Board's
13 Involuntary Exclusion List. Assistant Enforcement
14 Counsel Glen Stuart will present the matter for the
15 Board's consideration.

16 ATTORNEY STUART:

17 Presently before the Board is a Petition
18 for Exclusion of Andrew Sharpe. Mr. Sharpe was 20
19 years old when he entered the gaming floor at Valley
20 Forge Casino Resort on March 17th, 2013. Mr. Sharpe
21 used a daily access pass from an unidentified
22 individual to gain access to the gaming floor;
23 however, Valley Forge Security did not request
24 identification from Mr. Sharpe prior to admitting him
25 to the gaming floor.

1 While on the gaming floor, Mr. Sharpe
2 wagered at slot machines and consumed an alcoholic
3 beverage. It should be noted that Mr. Sharpe did ---
4 there's no evidence that Mr. Sharpe accrued any
5 winnings as a result of his wagering. While
6 attempting to purchase alcohol at Valley Forge's
7 Center Bar, the bartender asked Mr. Sharpe for
8 identification. Mr. Sharpe could not produce
9 identification. The bartender became suspicious and
10 therefore notified security.

11 After questioning by the Pennsylvania
12 State Police, it was revealed that Mr. Sharpe was not
13 21 years of age. The State Police summarily cited Mr.
14 Sharpe with one count of underage gaming under the
15 Gaming Act and one count of underage drinking while on
16 the gaming floor under the Gaming Act.

17 In light of this incident, on June 25th,
18 2013, the Office of Enforcement Counsel filed a
19 Petition Seeking to Place Mr. Sharpe on the Board's
20 Exclusion List until he reaches the age of 22. OEC
21 served this petition on Mr. Sharpe via certified mail
22 and first class US mail. The certified mail return
23 receipt was returned to OEC, showing that service was
24 achieved on Mr. Sharpe on July 13th, 2013. The
25 petition directed Mr. Sharpe to request a hearing

1 within 30 days of its receipt. Mr. Sharpe has not
2 requested a hearing on the matter; therefore, Mr.
3 Sharpe waived his right to a hearing and all facts
4 alleged in the petition are deemed admitted.

5 On August 16th, 2013, OEC filed a
6 request to enter default judgment in this matter. As
7 such, the placement of Andrew Sharpe on the Board's
8 Exclusion List is now ready for the Board's
9 consideration.

10 CHAIRMAN:

11 Is Andrew Sharpe in the hearing room?
12 Any questions or comments from the Board? Ex-officio
13 members? May I have a motion?

14 MR. MOSCATO:

15 Mr. Chairman, I move that the Board
16 issue an Order to Approve the Addition of Andrew
17 Sharpe to the PGCB Involuntary Exclusion List as
18 described by the Office of Enforcement Counsel. Mr.
19 Sharpe may petition for removal from the list at any
20 time after his 22nd birthday.

21 MR. WOODS:

22 Second.

23 CHAIRMAN:

24 All in favor?

25 AYES RESPOND

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CHAIRMAN:

Opposed? The motion carries.

ATTORNEY PITRE:

That concludes our business.

CHAIRMAN:

Thank you both. Ladies and gentlemen,
that concludes today's meeting. Our next scheduled
public meeting will be held on Wednesday, October 9th
in this room. That meeting will begin at 10:00 a.m.
Are there any final comments from the Board? Ex-
officios? May I have a motion to adjourn?

MR. WOODS:

Move that we adjourn.

CHAIRMAN:

Second?

MR. FAJT:

Second.

CHAIRMAN:

Thank you very much. The meeting is
adjourned.

* * * * *

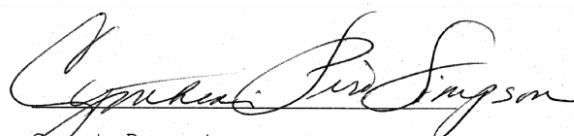
MEETING CONCLUDED AT 11:30 A.M.

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CERTIFICATE

I hereby certify that the foregoing proceedings,
hearing held before Chairman Ryan was reported by me
on 9/18/2013 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.



Cynthia Piro Simpson
Court Reporter