Chairman DAVID M. BARASCH

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PENNSYLVANIA GAMING CONTROL BOARD P.O. BOX 69060

P.O. Box 69060 Harrisburg, Pennsylvania 17106-9060

Commissioners GREGORY C. FAJT RICHARD G. JEWELL KEITH R. MCCALL ANTHONY C. MOSCATO WILLIAM H. RYAN, JR. DAVID W. WOODS

Ex-Officio Members
TIMOTHY REESE

EILEEN MCNULTY
RUSSELL REDDING

BOARD ACTION - MINUTES

WEDNESDAY, JANUARY 13, 2016 - 10:00 a.m. STRAWBERRY SQUARE COMPLEX, 2^{ND} FLOOR, HARRISBURG

A meeting of the Pennsylvania Gaming Control Board was held at the Pennsylvania Gaming Control Board Office of Hearings and Appeals, Strawberry Square Complex, 2nd Floor, Harrisburg, PA.

Members in attendance were:

David M. Barasch, Chairman

Gregory C. Fajt

Richard G. Jewell

Keith R. McCall

Anthony C. Moscato

William H. Ryan, Jr.

David W. Woods

Ex-Officio members in attendance were:

Robert Coyne, Ex-Officio Designee, Department of Revenue Jennifer Langan, Ex-Officio Designee, State Treasury

PA Gaming Control Board Executive Staff who appeared before the Board:

Kevin O'Toole & Claire Yantis – Presentation of Employee Service Awards

Denise Miller-Tshudy – Local Law Enforcement Grant

R. Douglas Sherman – Chief Counsel Matters

Steve Cook -Withdrawals & Report and Recommendations

Susan Hensel – Licensing Matters

Cyrus Pitre – Enforcement Actions

<u>Assistant Enforcement Counsel</u>: John Crohe, Cassandra Fenstermaker, Dustin Miller, Michael Roland, Glenn Stuart, James Armstrong, David Tepper, Carmelia Estriplet, Beth Manifesto and Kimberly

Adams

Also present were:

Mr. John Donnelly, Esquire – Representing Holdings Acquisition Co., LP / Rivers Casino

Mr. Robert Goldman, Esquire – Representing Christine Biros

Mr. Nicholas Fiske, Esquire - Representing Robert and John Biros

Mr. James Dougherty, Director of Security, Sands Casino

Mr. Sebastine Doelue, representing himself in OHA Report and Recommendation matter

A quorum of the Board being present, Chairman Barasch called the meeting to order.

SERVICE AWARDS

The following PGCB Employees received their 10-Year Service Awards as follows: Evelyn Early, Debra Pfaff, Sean Hannon, Danny Stambaugh, Gerald Stoll, Matthew Loughney, Paul Mauro, John Zukoski, Thomas Smith, Karen Sgrignoli and Sherry Morgan.

ANNOUNCEMENTS

Chairman Barasch announced that the Board held an Executive Session on January 12th for the purpose of discussing personnel matters and to conduct quasi-judicial deliberations relating to matters being considered by the Board on January 13th.

EXECUTIVE DIRECTOR'S REPORT

Kevin O'Toole, Executive Director, reported on the successful beginning of the SugarHouse Casino expansion project. He reported that on New Year's Eve, December 31st, 2015, SugarHouse met all regulatory requirements to offer to the public 28 new table games and approximately 565 new slot machines. He stated that this new gaming space is the first of several phases in SugarHouse's expansion that is on progress to be completed in the first quarter of this year. An additional 13 table games located in a new High Limit area should be operational in the next week or two. He also stated that SugarHouse also expects most of its new non-gaming amenities, such as new Food and Beverage offerings and a new Ballroom and Convention Space to be available in February or March 2016. Mr. O'Toole said that he will report, at a future meeting, the completion of those phases of the SugarHouse expansion project.

He then commented on the on gaming revenues. He said that the Communications Department reported last week that slot revenues for December 2015 increased by approximately 4.8% over December 2014. The preliminary figures for table game operations at the 12 Pennsylvania casinos for December 2015 indicate a 6% increase over December 2014. Most significant, however, is the fact that the table game revenues last month totaled in excess of \$72 million which represents the single highest revenue month for tables games since tables were authorized by the General Assembly in 2010. He reported that if you combine slot and table games revenues for December 2015 it shows an increase year over year of 5.2%. He closed with stating that the calendar year 2015 total revenues are expected to be reported at approximately \$3.17 billion which will represent a 3.41% increase over calendar year 2014 when total revenues were \$3.07 billion.

OFFICE OF FINANCIAL MANAGEMENT

David Rhen, Director of Financial Management provided an update on the Quarterly Budget Report which included expenditures from September – December 2015.

OFFICE OF CHIEF COUNSEL

PGCB MOTION NO. 2016-1 OCC

Motions: 1st_Board Member Fajt / 2nd_Board Member Jewell The Board hereby adopted the withdrawals/surrenders as follows:

Paul Quinlan Licensing No. 45062-3; PGCB Doc. No. 4334-2015
 Alliance Holdings Company Licensing No. 1056-5; PGCB Doc. No. 4357-2015
 Bally Gaming International, Inc. Licensing No. 1057-5; PGCB Doc. No. 4358-2015
 Michael Quartieri Licensing No. 30981-3; PGCB Doc. No. 4381-2015

Board Decision: Passed by unanimous vote

EXECUTIVE SESSION TO DISCUSS MATTER 2016-2 (BELOW)

PGCB MOTION NO. 2016-2 OCC

Motions: 1st—Board Member Jewell / 2nd—Board Member McCall

The Board hereby granted Endeka Entertainment's Petition to Withdraw the Principal Application of Christine Biros without prejudice and that the Petition for Waiver of Principal Licensure of John and Robert Biros be dismissed as moot.

OHA Docket Numbers: 4058-2015 and 4195-2015 Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-3 OCC

Motions: 1st_Board Member McCall / 2nd_Board Member Moscato

The Board hereby rejected the Report and Recommendation of the Office of Hearings and Appeals regarding the Non-Gaming Employee Registration of Sebastine Doelue. The Board rejected the Report and Recommendation based on time served. The Board provided a "second chance" to Mr. Doelue, however, if he comes before the Board again with any kind of issue, that the Board will reject his license.

OHA Docket Number: 4216-2015

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-4 OCC

Motions: 1st_Board Member Moscato / 2nd_Board Member Ryan

The Board hereby adopted the Report and Recommendation of the Office of Hearings and Appeals regarding the Revocation of James Watford's Non-Gaming Employee Registration.

OHA Docket Number: 4138-2015

Board Decision: Passed by unanimous vote

BUREAU OF LICENSING

PGCB MOTION NO. 2016-5 BOL

Motions: 1st_Board Member Woods / 2nd_Board Member Fajt

The Board approved the renewal of Ditronics Financial Services, LLC's Slot Machine Manufacturer License.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-6 BOL

Motions: 1st—Board Member Fajt / 2nd—Board Member McCall

The Board approved the renewal of Interblock Luxury Gaming Products, d.d.'s Table Game Manufacturer License.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-7 BOL

Motions: 1st_Board Member McCall / 2nd_Board Member Moscato

The Board approved the renewal of Interblock USA LC's Table Game Manufacturer Designee License.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-8 BOL

Motions: 1st_Board Member Moscato / 2nd_Board Member Ryan

The Board approved the Gaming Related Gaming Service Provider Certification of Galaxy Gaming, Inc.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-9 BOL

Motions: 1st_Board Member Ryan / 2nd_Board Member Woods

The Board hereby approved the issuance of Principal and Key Employee Licenses as follows:

• Downs Racing, LP

Principal Employee

Initial Licensure

Thomas Burke, Chief Operating Officer MTGA - Docket #88120-1

• Presque Isle Downs, Inc.

Principal Employee

Initial Licensure

James Barry Hawkins, Director, Audit Committee Member – Docket #89441-1

Key Employee

Initial Licensure

Matthew C. Ennis, Director of Finance – Docket #8770-4 Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-10 BOL

Motions: 1st_Board Member Woods / 2nd_Board Member Fajt

The Board hereby approved the issuance of 2 Temporary Principal and 24 Temporary Key Employee Credentials.

Information pertaining to the names of these individuals can be found in the Order.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-11 BOL

Motions: 1st—Board Member Fajt / 2nd—Board Member Jewell

The Board hereby approved the issuance of 758 (352 initial; 214 renewal; 192 temporary G2 employee) and Non-

Gaming Employee Registrations. Information pertaining to the names of these individuals can be found in the Order.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-12 BOL

Motions: 1st_Board Member Jewell / 2nd_Board Member McCall

The Board hereby denied the following Gaming and Non-Gaming Applications as follows:

GAMING EMPLOYEES

Michal Williams - 90065-1

NON-GAMING EMPLOYEES

Melanie Gary - 90424-1 Cindy Cuevas - 89212-2

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-13 BOL

Motions: 1st—Board Member McCall / 2nd—Board Member Moscato

The Board hereby approved the withdrawal of 27 Gaming and 2 Non-Gaming Employee Applications. Information pertaining to

the names of these individuals can be found in the Order.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-14 BOL

Motions: 1st_Board Member Moscato / 2nd_Board Member Ryan

The Board hereby approved the Gaming Service Provider Certification as follows:

CERTIFIED GAMING SERVICE PROVIDERS

• Core BTS, Inc.

• PSF Acquisition Co., LLC

• SteelFab of Virginia, Incorporated

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-15 BOL

Motions: 1st—Board Member Ryan / 2nd—Board Member Woods

The Board hereby approved the Gaming Service Provider Registration as follows:

REGISTERED GAMING SERVICE PROVIDERS

- Clearview Landscaping and Design, Inc.
- Degler-Whiting, Inc.
- Gary Canale Designs, LLC DBA: Gary Canale Designs
- GOGO Bus Tours, Inc.
- Kalco Lighting Limited DBA: Kalco / Allegri by Kalco
- LM Construction, Terry Lavorini, Inc. DBA: LM Construction, Inc.
- Material Distributors, Inc.
- Mayfield Site Contractors, Inc.

Board Decision: Passed by unanimous vote

OFFICE OF ENFORCEMENT COUNSEL

Mr. Cyrus Pitre, Chief Enforcement Counsel provided a status update on Endeka Entertainment.

PGCB MOTION NO. 2016-16 OEC

Motions: 1st_Board Member Woods / 2nd_Board Member Fajt

The Board hereby approved the Consent Agreement between the Office of Enforcement Counsel and A.C. regarding gambling while on the Voluntary Exclusion List. A.C.'S Non-Gaming Employee Registration is suspended for a period five days to be imposed at the discretion of the Bureau of Licensing and Office of Enforcement Counsel.

Docket Number: 4271-2016

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-17 OEC

Motions: 1st-Board Member Fajt / 2nd-Board Member Jewell

The Board hereby approved the Consent Agreement between the Office of Enforcement Counsel and Holdings Acquisition Co., LP (Rivers Casino) for failure to properly address automatic shuffler error. Rivers Casino shall pay a civil penalty in the amount of fifteen thousand (\$15,000) within 5 days of the Board's Order. Rivers Casino shall also pay \$2,500 for the costs incurred by the Office of Enforcement Counsel, Bureau of Investigations and Enforcement and other related staff in conjunction with this matter.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-18 OEC

Motions: 1st_Board Member Jewell / 2nd_Board Member McCall

The Board hereby approved the Consent Agreement between the Office of Enforcement Counsel and Sands Bethworks

Gaming, LLC (Sands Casino) for 3 counts of underage gaming. Sands Casino shall pay a civil penalty in the amount of thirty-six thousand (\$36,000) within 5 days of the Board's Order. Sands Casino shall also pay \$2,500 for the costs incurred by the Office of Enforcement Counsel, Bureau of Investigations and Enforcement and other related staff in conjunction with this matter.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-19 OEC

Motions: 1st_Board Member Moscato / 2nd_Board Member Ryan

The Board hereby approved the Revocation of Anthony Stagliano's Gaming Employee Occupation Permit.

Docket Number: 4229-2015

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-20 OEC

Motions: 1st_Board Member Ryan / 2nd_Board Member Woods

The Board hereby approved the Revocation of John Kain's Non-Gaming Employee Registration.

Docket Number: 4306-2015

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-21 OEC

Motions: 1st_Board Member Woods / 2nd_Board Member Fajt

The Board hereby approved the Suspension of Ashlynn Heller's Non-Gaming Employee Registration, until, at least, resolution of her pending criminal charges at which time Ms. Heller may petition to have her suspension lifted.

Docket Number: 4335-2015

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-22 OEC

Motions: 1st_Board Member Fajt / 2nd_Board Member Jewell

The Board hereby approved the Revocation of Arvard Brown's Non-Gaming Employee Registration.

Docket Number: 4305-2015

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-23 OEC

Motions: 1st—Board Member Jewell / 2nd—Board Member McCall

The Board hereby approved the Revocation of Laszlo Komar's Non-Gaming Employee Registration.

Docket Number: 4180-2015

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2016-24 OEC

Motions: 1st_Board Member Moscato / 2nd_Board Member Ryan

The Board hereby approved the Revocation of Joseph Roman's Non-Gaming Employee Registration.

Docket Number: 4371-2015

Board Decision: Passed by unanimous vote

The Board approved the following placements on the PGCB Involuntary Exclusion List:

PGCB MOTION					BOARD	PETITION TO BE
#	RESPONDENT	DOCKET #	FIRST	SECOND	DECISION	REMOVED
2016-25 OEC	Carlos Rodriguez	4257-2015	Ryan	Woods	Unanimous	
2016-26 OEC	Kira Burgess	4345-2015	Woods	Fajt	Unanimous	After 22 nd Birthday
2016-27 OEC	Alamin Crews, Jr.	4332-2015	Fajt	Jewell	Unanimous	
2016-28 OEC	Angel Fontanez	4341-2015	Jewell	McCall	Unanimous	
2016-29 OEC	En Dian Lin	4324-2015	McCall	Moscato	Unanimous	After 22 nd Birthday
2016-30 OEC	Alexandra Tavarez	4304-2015	Moscato	Ryan	Unanimous	After 22 nd Birthday
2016-31 OEC	Ann Marie Gonzalez	4347-2015	Ryan	Woods	Unanimous	After One Year
2016-32 OEC	Brianna Perez	4348-2015	Woods	Fajt	Unanimous	After 22 nd Birthday
2016-33 OEC	Michael Spinelli	4346-2015	Fajt	Jewell	Unanimous	After 22 nd Birthday

ADJOURNMENT

On a motion by Board Member Jewell, Seconded by Board Member McCall, the meeting was adjourned.