#### COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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IN RE: RIVERS CASINO, LICENSE RENEWAL

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PUBLIC HEARING

\* \* \* \* \* \* \* \*

BEFORE: Linda Lloyd, Director, Presiding Officer

William H. Ryan, Jr., Chairman

Richard G. Jewell, Commissioner

Anthony Moscato, Commissioner

Annmarie Kaiser, Commissioner

Gregory C. Fajt, Commissioner

Keith R. McCall, Commissioner

David W. Woods, Commissioner

HEARING: Tuesday, June 2, 2015, 1:00 p.m.

LOCATION: Allegheny County Courthouse

436 Grant Street

Gold Room

Pittsburgh, PA 15219

Reporter: Juliette J. Hoffman

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## PROCEEDINGS

# PRESIDING OFFICER:

Good afternoon everyone. My name is
Linda Lloyd and I'm the Presiding Officer assigned by
the Board to conduct this portion of the Category 2
License Renewal hearing for Holdings Acquisition
Company, LP doing business as the Rivers Casino.
Before we begin if we could all turn off or at least
to vibrate our --- all of our electronics so we don't
interrupt our speakers.

As Presiding Officer I call this hearing to order. The date is Tuesday, June 2nd, 2015. The time is one o'clock and the location is the Allegheny County Courthouse, Gold Room Number 410, 436 Grant Street, Pittsburgh, PA 15219.

I would like to thank the courthouse staff for all their help in holding this hearing and I would also like to thank the Sheriff's office and the staff and the county --- the city police that I understand are outside the building providing some guidance. We thank them as well.

Pennsylvania Racehorse Development and Gaming Act, Section 1326 that an Operator's License shall be subject to the renewal by the Board every

three years. This license renewal hearing is convened by the Board pursuant to the mandate found in Section 1205(b)(1)(i) of the Gaming Act, which requires the Board to conduct a public hearing for any License Renewal Application.

This public hearing was advertised on the Board's website, announced by the Board at several Board meetings and advertised in local newspapers.

Present today for the hearing are all the Board members. To my immediate right is Chairman Bill Ryan.

# CHAIRMAN:

Thank you very much, Linda. Good afternoon ladies and gentlemen. Can everybody hear me? I am the Chairman of the Board and I just wanted to take a few moments, if I could, to introduce the newest member of the Gaming Board, Mr. Dick Jewell.

Dick, why don't you stand and be recognized? Dick is a long time, long time resident of the Pittsburgh area. He is a graduate of Grove City College and the University of Michigan Law School. Dick practiced law and forensic accounting locally and nationally for about 30 years before becoming president of Grove City College in 2003.

And Dick served in that capacity for 11 years until he retired in 2014. So ladies and

gentlemen, again, it's my pleasure to introduce and to welcome Dick Jewell. And, Dick, we all are looking forward to working with you and I know I speak for every one of us when I say welcome to the Board.

#### MR. JEWELL:

Thank you, Mr. Chairman. Appreciate it. PRESIDING OFFICER:

And the remaining Board members. To my far right is David Woods and Commissioner Keith McCall. To my immediate left Greg Fajt, Annmarie Kaiser and Tony Moscato. So the hearing today will begin with the presentation by the Rivers Casino. Office of Enforcement Counsel (OEC) will have opportunity to cross examine and the Board will have an opportunity to ask questions.

After the River has concluded and all the questions are asked the Board's OEC will also make a presentation with questions by the Rivers if they deem appropriate and any questions by the Board.

After the close of the testimony and evidence from the parties those individuals who have registered to speak today at the hearing during the public comment period will be heard as their name's called.

Following the close of the public comment period we'll wrap up and each party will have

the opportunity to provide a closing statement. This is an official administrative hearing, so please treat this as if you were attending a court proceeding. All witnesses, if you would please speak loudly and clearly into the microphone so that the court reporter who's sitting down here to my right on the end can hear you.

And please, spectators, refrain from interrupting. If anybody has questions during the hearing we have Board staff scattered throughout the room who will try to answer that for you. And I would remind all of you, the first time you speak if you could state and spell your name for the court reporter and the record, and I'll remind you if you don't.

So let's begin by having all the witnesses from the Rivers and the OEC who'll testify during the hearing please rise and raise your right hand to be sworn.

20 WITNESSES SWORN EN MASSE:

21 -----

#### PRESIDING OFFICER:

So, Counsel, if you are ready.

## ATTORNEY DONNELLY:

Thank you. Good afternoon, Mr.

Chairman, members of the Commission, Director Lloyd.

Welcome new Commissioner. We're happy to have another lawyer. Can't have enough lawyers. I don't know about the forensics, kind of makes me a little nervous. This public input hearing for --- as everyone knows for Holdings Acquisition, kind of a weird name, but it's one we got stuck when it was created and when the Chicago Bloom outfit helped out taking control of this property when there was some difficulties back in the financial crisis. Commonly known as Rivers Casino.

I want to put on the record that this is a kind of the beginning of a long process. Back in July and August we filed 30 forms for business entities associated with this Licensee and 20 for personal individuals, Personal History Disclosure Form, Pennsylvania Supplements.

The forms we filed would have filled a UPS truck if they had not been electronic, so this is part of the process and I think the public needs to know what goes in --- what kind of arduous task this is. We file these forms and then the people from BIE who will be testifying today go over that. There are personal interviews of the individuals who are involved, so it's an extremely complicated and

thorough process, so --- and one that we take very seriously and the Pennsylvania Gaming Control Board takes very seriously.

And I don't think the general public understands what goes into licensing and regulating one of these entities, so we appreciate that help and so on. Today I'd like to first read into the record a letter that came in a little bit just today from --- or just yesterday, I'm sorry, from County Executive Rich Fitzgerald. Director Lloyd has the other letters, but it's directed to Chairman Ryan and the members of the Board.

And it reads, I write today to convey my support for the Rivers Casino License Renewal Application, which is currently before the Board. I understand that the public hearing that's being held this week will allow you to gather evidence including public comment on this renewal. I ask that you include this letter as part of the process. Over 1,800 people are employed at the Rivers Casino, which opened in 2009.

Since its debut it has been a premier destination on Pittsburgh's North Shore, which provides first class dining and entertainment in addition to gaming. During that time the casino has

also been a great community partner with its commitment to dedicating time to non-profits that impact the Pittsburgh region and its residents. This is included living up to its commitment to providing ongoing funding for the Consol, C-O-N-S-O-L, Energy Center with the contribution of \$7.5 million annually.

In the 2013/'14 fiscal year the casino and its partners provided \$5.5 million in revenue to the county, \$9.9 million to the City of Pittsburgh, \$102,000 to the Visitors Bureau of Monroeville and \$1.3 million to the school districts of the county. These are revenues that would otherwise come from our taxpayers. The Rivers Casino is an asset to our community, has proven itself to be a strong community partner.

I urge the Pennsylvania Gaming Control
Board to renew the license of the Rivers Casino at its
earliest opportunity so that we may continue to rely
upon their partnership in our region and it's signed
Rich Fitzgerald, the County Executive, County of
Allegheny.

I want to thank all the green team for coming out today. We appreciate that. Today we'll be --- you'll be presented --- we'll have a PowerPoint presentation, but speaking will be David Patent who's

the president and Chief Operating Officer at Rush Street Gaming, Craig Clark who is the general manager of Rivers Casino, Mary Cheeks Senior Vice President who --- of finance, who will have an announcement to make to you as well.

Andre Barnabei who is the Vice President of Human Resources, Rhonda Gilchrist, Vice President of Compliance and Rahmon Hart, the Director of Community Relations. With that I'll turn it over to David Patent.

# MR. PATENT:

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Thank you, John.

# ATTORNEY DONNELLY:

Thank you.

#### MR. PATENT:

My name is David Patent. That's spelled D-A-V-I-D, P-A-T-E-N-T. I'm the President and Chief Operating Office for Rush Street Gaming. Good afternoon, Chairman Ryan, members of the Gaming Control Board, Director Lloyd. It's my pleasure today to appear before you on behalf of Rivers at our relicensing hearing. The microphone seems to be going in and out, so we'll do our best.

Today you're going to hear from a number of executives, team members and community partners.

They're going to speak in support of our relicensing and I want to thank everybody in advance for coming out and for their support. Now, for this presentation they really gave me the easy part. I get to talk about the last four years and some of the improvements and enhancements that we've made to the facility since 2011.

Now, to start off here's an overview of the facility. We're located on the North Shore in Pittsburgh. We're really right in the middle of a very vibrant commercial area. We sit virtually next door to Heinz Field where the Steelers play and just a few blocks down from PNC Park where the Pirates play. We're also very close to the Convention Center and Consol Energy also is not that far from our facility.

In terms of the actual --- what's inside the building I'm not going to go through every bullet point, but it's a very large gaming floor. We've got nearly 3,000 slot machines, a large number of table games, some great food and beverage entertainment options for our guests as well.

We have a banquet space that we added in 2011, a high end Players Lounge, very ample parking and over 4.6 million people visit our facility every year. I'm hoping our technical advisor solved the

problem there. Here's a look at the improvements that we've made since our 2011 relicensing and I'm also going to talk a little bit about our future development plans.

As you know, in 2010 we expanded the facility, essentially added hundreds of new jobs --- and added hundreds of new jobs when we added table games to our gaming products. And then since 2011 we've had a number of enhancements. In 2011 we added a banquet facility, in 2012 we created two separate rooms for our high limit slot and table players.

Then in 2013 we completely renovated and expanded our Players Club and in 2014 spent significant sums on property maintenance and slot refresh. In 2015 you can see the numbers that we plan to spend, a little over \$6 million this year in maintenance capital bringing our year average to about \$9 million a year and if you include 2015 we will have put over \$15 million in capital improvements in the property since 2010.

So the banquet meeting space, we wanted to make sure we weren't just entertaining gaming customers. We spent \$5 million on the space. It's got a number of configurations and can be used for a wide range of functions. Meetings, concerts, trade

shows. We'll do comedy shows there as well, dinners, corporate meetings and, in fact, we've had over 170,000 people through that room since we opened and about 15,000 unique gaming customers who've been introduced to the property as well.

When we opened the facility our slot and table high limit rooms were actually contained in a single room. We decided to separate them and enhance them and spent \$5 and a half million. We've got about 70 slots in our high limit slot room. We've got a very nice table game room that's go a private entrance to our Players Lounge, which is called Club 446 and it was received very well by our customers.

The original set up of our Players Club at the casino was arguably not particularly well thought out or optimal, and we struggled for some time with long lines and service that really felt we needed to improve.

So we spent over a million dollars to relocate and expand the Players Club a couple of years ago. We doubled the capacity that serves our guests. And this really wasn't to drive revenue, but it was to improve the experience of both our customers and our team members trying to service those guests, and it's been a big hit with everybody. We also constructed a

new gift giveaway center.

We actually do over 80 gift giveaways a year. And to make sure that we can get customers in and out efficiently, service them without having to wait in line and also make sure that our team members can give great service we built this facility. It's a dedicated location just off the casino floor. It's also been a big hit with our players and with our team members. It's really helped us enhance our guest service.

Now, in terms of the slot product, we were blessed with a brand new floor when we first opened the facility in 2009, so if you look on the chart, you know, we really didn't have to spend a lot of money on new slots the first couple of years. But over the last three years we've really made a concerted effort to make sure we got a state of the art floor, we got a newer slot product for our customers.

In fact, over 50 percent of our maintenance capital over the past three years has been invested in new slot product and we anticipate that that's going to continue for the foreseeable future. So that's a little bit about the last four years and the investments we've made in the facility. I want to

talk a little bit about our future plans. We've very excited to be planning for a hotel.

We've been working with the City of
Pittsburgh on a number of administrative items and
other items in terms of our own projections and
modeling. Those studies are complete. We've been in
design meetings and discussions with hotel operators.
We anticipate it's going to create 1,400 construction
jobs and over 100 permanent jobs and it's going to
generate significant additional tax revenue.

We project over \$29 million in gaming taxes to the Commonwealth within five years of opening and a combined approximately \$9 million in hotel and sales tax revenues to the county and to the Commonwealth within five years of opening. And this is a really big project for us. This is a \$50 million project and we couldn't be more excited to get it moving as soon as possible.

Now, before I turn this over to Craig I want to address a subject that comes up periodically especially on important days like today. Now, as most of you know, Rivers Casino is overseen by Rush Street Gaming and Rush Street Gaming for the past several years has been the subject of a corporate organizing campaign by the activists group Unite Here.

Now, frankly Unite Here doesn't like our labor policy because we respect our team members' right to choose for themselves whether to be represented by a union or not. And since day one we've honored and respected the fair process for our team members. Now, we define fair process the same way I think most people do because federal labor law provides for a fair process in the National Labor Relations Act.

Fair process to us means an NLRB sanction and supervised election in which team members can vote anonymously for or against being represented by a union. And you will find as a matter of record and of policy that Rivers Casino has honored and will honor the outcome of an NLRB sanctioned election every time. Rivers Casino consistently supports this fair process as outlined by the NLRB and we always have. We're not anti-union.

In fact, we have the construction trades to thank for the award winning quality of the Rivers Casino and we look forward to creating even more union construction jobs with the anticipated construction of the hotel that I just took you through. Now, in April Unite Here issued a press release saying that they've collected signatures on a petition and that a 65

percent majority of workers demand fair process to organize.

Now, I'm okay at math and I can tell you that even if every signature on that petition were verified those signatures wouldn't come close to 65 percent of our workforce of more than 1,700 team members. But I've seen the language in that petition and since upholding a fair process as our very own policy I would have been happy to sign that petition myself if they'd only asked. But the process that Unite Here is advocating we deprive our team members of their right to vote in a secret ballot election.

And Rush Street and Rivers Casino will never bargain away our team members' rights to vote without their consent. And we believe that because of our respect for our team members the outstanding benefits and competitive wages that we offer, that's the reason the vast majority of our team members, 99 percent, have chosen to remain independent.

That's always been their choice and that's always been their right. That's also why our team members voted Rivers Casino one of Pittsburgh's best places to work and even more recently one of Pittsburgh's top workplaces. We support our team members' right to choose. We always will, always have

and with that I'm going to turn the presentation over to Craig.

# MR. CLARK:

Good afternoon. My name is Craig Clark, C-R-A-I-G, C-L-A-R-K. The one thing that I enjoy most in the gaming business is celebrating events that are held at the property. Just ten months ago we celebrated our fifth anniversary, five years focused on our team members, our community and our guests. Our theme was being a proud community partner, celebrating a great workplace that we've created with the team members behind us as well as being a strong economic engine for Pittsburgh, Allegheny County and the Commonwealth. I would ask to present to you a four minute video of that celebration, so if you give us just a moment here.

#### VIDEO PLAYED

#### MR. CLARK:

So as pleased as we are about celebrating events at the property, we're also proud that of community commitments. First is the Sports and Exhibition Authority, which supports the Consol Energy Center, home of the Pittsburgh Penguins and many great concerts and events that come to our region. We are committed to pay \$225 million over 30

years. As of April 1st we have paid \$45 million to this commitment, which is \$7.5 million a year.

We as a team are also proud of the communities in which we live, the North Side and the Hill District. The North Side Leadership Conference received a million dollars a year for each of the first three years, fulfilling our \$3 million commitment. The Hill District also received a million dollars annually in each of our first three years, fulfilling our \$3 million commitment.

We continue to celebrate with these communities as they invest in the future through loan and grant programs that are made from these funds.

One of the things that I enjoy most is going to the celebrations where we have ribbon cuttings in the community and see the projects that have been completed with this hard work.

We have also established great community partnerships and relations. The Building and Trades has created the Rivers Casino, continues to support us on an ongoing basis through their members working on projects within our facility. Carnegie Mellon University, Rivers Casino and Microsoft held a unique research project in April and May at the --- at our facility. Four of the best heads up poker players

played 80,000 hands of poker against Claudico, the Carnegie Mellon's artificial intelligence program.

1.3

This competition was to support the number one graduate program for Computer Science in the country. The research will be used for Homeland Security and medical applications in the future. We are proud to have been a part to highlight the resources here in our community in Pittsburgh. We had coverage both locally, nationally and internationally of this event. We also are proud to have a great relationship with Carnegie Science Center, which has always been a close friend and neighbor on the North Shore.

We have supported efforts like traffic control as well as parking in our neighborhood. We have also partnered on special occasions like Pi Day, March 14th, the symbol pi. This event featured the mathematics of gaming for visitors of the Science Center over 21 years of age and our culinary staff were able to show their talents in food preparation and also enjoying the creations that they had that evening.

Being located on the Ohio River, Rivers

Casino is proud of the Riverwalk that we are a part

of. Riverlife has established the guidelines for the

great experiences that we all enjoy here in Pittsburgh. We have been proud to be a sponsor and host of the Riverlife gala over the last --- each of the last three years. This is the premier party in the City of Pittsburgh bringing about 800 people to our facility and highlighting the Riverwalk and the river experiences. We'll be hosting that again in August of this year.

VisitPITTSBURGH is always promoting the city and its great resources and we're proud to be a member and to be working with VisitPITTSBURGH on many conventions and groups and other groups visiting the city. As one of Pittsburgh's attractions, we actively work with VisitPITTSBURGH to promote our city.

VisitPITTSBURGH has recognized us as an outstanding partner for ongoing collaboration with them in the region.

Rivers has been honored with many property awards. Rivers Casino has won 102 Best of Awards from Casino Player Magazine in several categories from 2010 to 2014. Rivers has received 86 Best of awards from strictly Slots Magazine, winning Best overall casino in each of the years 2010 through 2014. We have also received recognition for our work with Warmathon as well as the Mario Lemieux

Foundation.

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The North Side and Northshore Chamber of Commerce has recognized us as a community champion in 2013. As you can see there's also a pretty large list of other community awards that the property has won. As shown in the video for the first five economic impact for Rivers Casino in our Community and the Commonwealth has been tremendous. In 2014 Rivers Casino was the third largest gaming tax producer in the Commonwealth.

This slide represents the tax --- gaming tax component that the property has generated from 2009 until April 2015. These taxes generated are from slots and table games, administrative fee, loan repayment and local taxes that go to the city and the county. Our team works hard and has generated over \$938 million of gaming tax, but it doesn't end there.

In addition to the economic impact from gaming taxes, we've also generated other taxes to support our community. These taxes are property taxes, payroll taxes, liquor taxed, sales and use taxes and taxes withheld from those great casino jackpots. From 2009 until April 2015 an additional \$69 million has been collected to support our community. At this time I'd like to turn the

presentation over to Andre Barnabei, our Vice President of Human Resources.

# MR. BARNEBEI:

Good afternoon. I'm excited and proud to be here before you today. As Rivers Casino has demonstrated continued progress in all of the areas related to employment and career development. You may be wondering why there's some colorful dots on the left hand side of our presentation and I'd like to provide an explanation for that.

Rivers Casino and Rush Street Gaming strives to provide a positive working environment.

Together we're creating a unique culture in the casino business. To assist us in identifying the desired culture frontline team members were assembled to provide input and strategy in the development of the fundamentals that will serve as the framework for developing our culture.

The fundamentals are fun, service, respect and integrity were selected and if the Board doesn't mind I'd like Craig to share with you a product of the hard work and dedication that was put forth by the committee of the team members called a little one-on-one. And that's for you guys to take. Rivers strives to meet and exceed all standards, laws,

regulations throughout our business and it shows.

We're very proud and honored that our team members voted Rivers Casino best places to work in 2014 and top work places in 2015 in two separate independent surveys. These awards are a true testimonial for the way that our team members feel about working for Rivers Casino.

The little one-on-one booklet is a quick and an easy read and it describes who this organization is and it's clear after reading the booklet why Rivers Casino offers a variety of quality benefits. These benefits demonstrate the company's position of valuing our team members. I'd like to highlight a few of these benefit programs for you today. We offer competitive wages. For team members averaging 30 or more hours a week we offer medical, dental, vision, prescription drug. We offer free vision, free long term disability, free short term disability, accidental death and dismemberment and life insurance.

We have a 401(k) retirement program where team members are eligible after six months of employment to participate and that's both full and part time team members. They're able to receive a 100 percent match on the first three percent, a 50 percent

match on the next two and most importantly they're 100 percent vested from the day they're enrolled in the program.

We offer free parking in the City of Pittsburgh, which is huge if you're from this area. Very appreciated by the team. We offer paid break and meal periods. Our hourly team members receive all of their breaks and all of their meal period is paid and this is not a standard, typical eight hour day. We offer free and discounted dining in our team dining room, time and a half on holidays. We offer paid time off and sick and personal days where full-time team members can earn up to 20 days paid within their first year.

And any hourly team member that does not use their sick and personal days throughout the year are paid out the value of those days come the year end. We offer a tuition reimbursement program where you simply have to be there for just one year of employment and you have to be full time.

The casino will award you up to \$5,000 per calendar year in reimbursement for not only a two year degree, a four year degree or a Master's degree, but any type of certification or any program that would benefit working in the casino business. We also

have an employee assistance program, an ethics hotline and we have something a little unique called a perfect attendance bonus. It's an hourly perfect attendance bonus.

Since its inception in January of 2013 we have paid out over \$200,000 representing an additional bonus just for coming to work. Our team members take pride in coming to work and we're proud to state that 34 percent of our team members have all of their attendance credits and have not been tardy or late in one entire year. Forty-two (42) percent have only had one occurrence in the last 12 months. Pretty outstanding. We also offer a non-management quarterly service bonus.

Since its inception in 2012 Rivers

Casino has paid over \$1.3 million to team members

representing a bonus for improved guest service

experiences. When it comes down to it we're here for

job creation and we've been fortunate with that.

Rivers Casino continues to be a strong resource for

job creation in Western Pennsylvania and we look

forward to future development, which will expand the

number of career opportunities that we have.

These opportunities are not just jobs, they're career opportunities for local residents. As

you can see, 96 percent of our team members are

Pennsylvania residents. Fifty-seven (57) percent live

within the City of Pittsburgh. The red circle dots

represent our largest concentrations and you can see

that they're in the areas surrounding our property.

A unique fact is that, to date, Rivers has exceeded over 1,000, 1,098 to be exact, internal transfers and promotions, people that have had a different opportunity from day one. Providing these opportunities to the local community is very important to us, but ensuring that our workforce represents the demographic make up of the community is equally important. As you can see from the graphs, Rivers Casino's workforce exceeds the diversity of the local community by nearly ten percent and we're very proud of those numbers.

One of the results of these career opportunities to the local residents is also a boost to the local economy. Rivers Casino is proud to demonstrate that each year our total salaries, wages, taxes and benefits have increased. We have great team members that support Rivers and our initiatives to hire locally and to ensure that our workforce is diverse, but we don't do it alone.

We're proud to partner with a very large

variety of local resources to ensure that opportunities are provided at Rivers, that they're widely known and properly communicated throughout the community.

Our partnerships are not limited to just communications and career opportunities, as they consist of onsite interview sessions, resume assistance, mock interviews and informational sessions regarding what we look for for candidates in our hospitality business. These efforts continue to be valued and appreciated by our local partners.

In October of 2013 Rivers was recognized for our commitment to work in employing those persons with disabilities from the Governor's office and the PA Department of Labor and Industry. Another avenue Rivers takes to continue the career development of our future leaders is our internship program.

We work with a large number of colleges and universities in Western PA in an effort to employ college students in meaningful and rewarding career opportunities in Pittsburgh and hopefully they stay in Pittsburgh and the State of Pennsylvania. To date we've had 19 paid internships since we started the program in the summer of 2012. Ten of those interns continued to work with us, two of which have moved on

to management positions already.

In 2015 we're expanding the program and tomorrow we actually have ten interns starting in our orientation class. We're also looking to add a fall and summer internship program as well. Outside of the internship and tuition reimbursement programs we offer another avenue for local training and career development in the gaming industry.

Rivers Casino is an approved facility to teach and certify new table game dealers. Since our last renewal Rivers Casino has facilitated eight additional schools with zero tuition costs to those that attend. We've graduated 231 new dealers from these programs whether you were one of the 78 internal team members or one of the 153 selected from the local community there were no tuition fees to take advantage of that opportunity to become educated and certified to deal in the State of Pennsylvania.

And with that I'd like to thank you for your time and I will turn it over to Mary Cheeks, our Senior Vice President of finance.

#### MS. CHEEKS:

Thank you, Andre. Mary Cheeks,

C-H-E-E-K-S. Good afternoon. Rivers Casino is truly

a great place to work. Andre spoke about 1,098 team

members being promoted since we opened. Well, effective June 1st that number will change to 1,099. I've been promoted to the general manager of Rivers Casino Schenectady, New York.

Now, to speak to you about supplier diversity and our continuous outreach we do as a property. Rivers Casino is committed to partnering with local and MWBE suppliers. We don't do this just as a PGCB reporting requirement but as an organization located within the Pittsburgh community that we look to give back to.

As you can see from the chart on the slide, each fiscal year we have improved in our spending with MWBEs. Also you will note that the PA Gaming industry averages 50.9 percent for local vendor spending while Rivers Casino has trended above 60 percent or 28 percent above the average.

So how do we accomplish this? By sponsoring and conducting vendor events to provide the knowledge of how to win bids and what commodities are in demand. To name a few of these initiatives Rivers sponsored the Share event on March of '15. This was an event of --- first of its kind in Pittsburgh seeking to bring together the region's top organizations, corporations and MWBEs to expand

opportunities and increase their growth.

Corporations and other organizations have invited their top diverse suppliers to the event, providing exposure to buyers from other area firms. Conversely buyers were able to meet previously vetted suppliers used by other organizations. This was a very successful event.

Also we hold our Minority and Women Supplier Expos each year allowing the vendors to showcase their products to the operating departments that use them. Seminars are held several times a year to discuss how to win a bid, discuss vendor licensing requirements and Tier 2 opportunities with national vendors. We look forward to continuing our work with local and MWBE vendors. Now, our next presenter is Rhonda Gilchrist, VP of Compliance.

## MS. GILCHRIST:

Thank you, Mary. Rhonda Gilchrist,

R-H-O-N-D-A, G-I-L-C-H-R-I-S-T. Good afternoon, Mr.

Chairman, Commissioners, Director Lloyd. Everyone at

Rivers Casino is committed to underage defense at our

facility. Number 621 was the number of days as of May

15 that we were able to avoid an incident of underage

gaming at our facility. I'm happy to report today is

number 639. We call that internally our security

defense streak and we actually publish it in the back of the house.

The team is very proud of that record. How did we get there? We do biannual training programs with our security team. We have internal training videos that were made using actual confiscated IDs that can educate them on what was wrong with that particular ID. We have annual casino ID training program for all casino operating departments and we utilize ID scanners at the door.

2011 we began a project where we're referring attempted underage entry to the Pennsylvania State Police. That program's been extremely successful to date. We've pursued charges against over 500 individuals attempting to enter. Rivers Casino recently testified before the House Gaming Oversight Committee. Among other topics we presented our position on under 21 accessing the casino. We will continue to urge the legislator to develop stronger penalties for underage violators in Pennsylvania.

Our casino offers additional training for compulsive and problem gambling. We contribute annually to the PA Council. We train all new hires at the facility and annually thereafter in the corridor

in which you were hired. Responsible Alcohol

Management Program (RAMP) is the training program that
we use at the casino. RAMP requires 212 team members
at Rivers be certified.

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members certified. In 2013 we included Poker, slot operations, table games, VIP services to that list. In 2015 we're adding cage team members to that list. All training and related certification costs are paid for by Rivers Casino. Rivers Casino has developed an effective system of internal control to ensure compliance with the Board's regulations and to protect the assets of Rivers Casino.

that are designed in a manner that prevents or detects irregularities in a process or a procedure. Our record before you demonstrates both, the effectiveness of our internal controls and our diligence in self-reporting these matters to the Board. Thank you for your time. With that I'll turn it over to Dr. Rahmon Hart.

#### DR. HART:

Thank you, Rhonda, and good afternoon.

As a proud member of the Rivers leadership team, part of my role is to cultivate relationships with local

businesses and non-profit organizations in the area. This role was particularly special to me because I work at a place that is located one mile from the community and house that I grew up in, which is Manchester on the North Side.

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Today I'll be speaking briefly about some of the strategic and intentional ways that we engage the local community. Depicted here is a model that guides our decisions and approach to community engagement. There are numerous worthy causes and local organizations doing wonderful things in the community, so this helps us to focus our efforts and engagement.

As you can see here, our focal areas are public health, economic and community development, public service, adult education and workforce development.

Many organizations reach out to us and present us with opportunities to partner with them. Since we have opened our doors Rivers Casino has reached back and has contributed over \$3.3 million to help non-profit organizations with projects and events that are in alignment with their mission. We also have two additional charitable contribution programs that feature a different non-profit organization each

month.

The Pittsburgh Proud Program is a fundraising initiative in which guests place slot vouchers in a donation box throughout the month to support a particular non-profit organization. Over \$35,000 has been donated since the program began in October of 2013. We also partner with non-profit organizations and allow them to raise funds at a charitable donation table positioned near the entrance of the casino.

We call this our Ten for Ten Program because when guests \$10 cash to the organization they receive \$10 back in free slot play from Rivers. It is a win/win situation and organizations have received over \$107,000 since February of 2012. And you can see a snapshot of the type of organizations who benefit from these two programs in particular.

Rivers Casino also gives back by serving within the local community. In 2014 our executive leadership team served on 13 non-profit boards and committees aimed at making a difference in the community. Examples of some of those organizations are the Allegheny YMCA, the Bidwell Training Center, the Center for Victims and the 3 Rivers Adoption Council to name a few.

In addition we have the Rivers'

Community Champion Program. Each month we partner

with local non-profit organizations, engage in a day

of service to complete a project that the organization

deems important to them. Our monthly volunteer group

is comprised of approximately 20 team members and we

have volunteered over 3,500 hours in the local

community since April of 2012.

As I mentioned, it has been very rewarding work and as you can see over the next few slides, we have developed a wide range of community partners in a short period of time. It is our plan to cultivate those relationships that we have in place while adding new community partners to the list as we move into the future.

This concludes our presentation on behalf of the Rivers leadership team and the entire Rush Street Gaming family. I want to thank our team members, I want to thank the community and I want to thank the Pennsylvania Gaming Control Board for your time and attention. At this time I want to turn it over to our Gaming Attorney John Donnelly. Thank you.

## ATTORNEY DONNELLY:

Well, Rahmon took my thunder away, but  $\mbox{I'll wait until after the BIE has Cross Examination to }$ 

move the exhibits and so on.

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### PRESIDING OFFICER:

So OEC?

## ATTORNEY MANIFESTO:

Good afternoon, Director Lloyd, Chairman Ryan and members of the Board. Beth Manifesto, M-A-N-I-F-E-S-T-O, on behalf of the OEC. If I could refer you to slide 16. In that slide you listed taxes generated from 2010 through 2011 and on the chart it showed that the taxes were rising. In 2013 and 2014 they began to decrease. Is there a factor or factors that you attribute to this?

# MR. FAJT:

Can we pull the slide up on the board over there, please? Thank you.

## MR. CLARK:

What you see from 2012 going forward is the continued saturation of the Western Pennsylvania markets and the emergence of states around us, especially Ohio. At the time that I arrived at the property four years ago this month, Ohio represented eight percent of our gaming business in slots. Today it represents less than three and a half percent of our business.

So as facilities have opened from

Cleveland to Austintown and across Ohio they've affected our business plan. Although we have been extremely successful in our defense in the growing of the market in which we exist.

# ATTORNEY MANIFESTO:

Can you tell me, does Rivers have any plan to increase or decrease the size of the gaming floor?

### MR. CLARK:

The gaming floor is well established in its footprint and we do not expect to have square foot increase. Although in the future we may be adding a non-smoking table game pit to our gaming floor and adjusting our slot count slightly by 57. Although as we see the flow of guests around the facility we hope to increase that number back to the current level with the addition of the table games non-smoking pit, which would be our second.

### ATTORNEY MANIFESTO:

Other than any changes in the number of slot machines, as you've just spoke about, should you add a non-smoking table game area are there any other plans to add or reduce the number of slot machines at your facility?

### MR. CLARK:

Not at the current time.

### ATTORNEY MANIFESTO:

When you say that Rivers has spent \$12 million on new slot products since 2010, would that amount include new slot machines and software?

## MR. CLARK:

Yes, that amount would incur --- would include both new gaming devices and cabinets as well as what we refer to as conversion kits, which would replace games that are on existing the boxes without --- within the casino floor.

## ATTORNEY MANIFESTO:

Can you tell us how frequently does
Rivers Casino replace the older slot machines with
newer slots?

## MR. CLARK:

To date we have a --- from 2010 to the current period we have purchased 664 new slot machines and we've done 870 conversions. And when we've done that 9.3 percent, or 62, have been real games and --- I'm sorry, 602 or 90.7 percent have been video games.

#### ATTORNEY MANIFESTO:

Does Rivers Casino lease its slot machines, own them or is there a combination?

### MR. CLARK:

As many facilities operate we are very similar. We actually have 2,820 that are owned by the casino. 94.6 percent our leased products represents 5.4 percent of our gaming floor 161 games.

### ATTORNEY MANIFESTO:

Are there any plans right now to add different or new table game options to the casino?  ${\tt MR.\ CLARK:}$ 

We're always looking for new gaming choices to be offered to our customer. We have done some very unique things and been first in the state. We're adding table game progressives onto our gaming floor and we continue to look at selections that are approved by the Gaming Control Board to offer those to our customer.

We've also done some very unique things like creating a hot shooter's program with our craps product, which has allowed us to bonus people on both a daily basis, a monthly basis and a quarterly basis based on the number of rolls that occur and slight awards have been given in each of those different scenarios. And that's allowed us to continue to have a very good table game selection and to learn to develop play.

We also have learn to play classes that

we hold seven days a week in the afternoon to allow our guests to understand the game and be introduced to the game. We also have created Thursday nights and it's being expanded in the current month to be Wednesday nights where we have a low limit pit for table games to allow people to participate in table game selections at a lower budget amount.

### ATTORNEY MANIFESTO:

On slide eight of your presentation you spoke of giveaways and promotions. I believe you said there are more than eight in an annual time period. Are there any safeguards in place to ensure that a gift or a promotion is not given to somebody on the self-exclusion list?

### MR. CLARK:

We take the self-exclusion extremely seriously and we compliment the Board on the electronic version, it's now available to us and we utilize our gaming software and anybody who is receiving one of those gifts has to have a players card.

They're swiped through our what we refer to as our Konami gaming system and in that system if somebody was self-excluded they would be flagged, and our security department along with the State Police

would address the situation before the gift was given. And those gift days are very high volume. They generally range from \$3,000 to \$5,500 gifts on a gift day.

### ATTORNEY MANIFESTO:

Rivers Casino has been providing RAMP or Responsible Alcohol Management Program training. Can you tell us how often employees receive or undergo this training?

## MS. GILCHRIST:

RAMP training is given relatively quickly after hire and the certification is actually a --- the certification is handled by an outside vendor. Certification in RAMP is good for two years, so at the end of the two years when they would expire they would renew.

### ATTORNEY MANIFESTO:

And at this time is Rivers exclusively an over 21 property?

# MS. GILCHRIST:

Yes.

#### ATTORNEY MANIFESTO:

Can you inform the Board as to whether there have been any Liquor Control violations at Rivers between September of 2011 and today?

# MR. CLARK:

There have not been.

# ATTORNEY MANIFESTO:

In your PowerPoint presentation you indicate that Rivers is contemplating the addition of a hotel. Could you pull up the --- I believe it was a Google Earth photograph and just point out where you expect to locate the hotel?

# MR. CLARK:

So this is where the property is located today. We would establish the hotel along Casino Drive. It would be back set from the river 85 feet. It would have approximately 200 to 250 rooms. It would be a rectangular building. It would attach on both the second floor and the first floor of the existing building.

# ATTORNEY MANIFESTO:

And should that occur will you have in place then, obviously, security personnel to prevent any incidents or at that point will you open the area that connects to the casino to under 21?

#### MR. CLARK:

Our current plans are exploring the possibility, and we believe that it is possible, to connect our parking garage on the second floor across

our facility, which is some back of the house area that we have today, to the corridor that services our second floor banquet area.

We would respectfully submit the internal controls as well as the proper staffing of our security department to ensure that we continue the record that we've established in these 639 days that Rhonda mentioned, to ensure that no underage would get to our casino floor.

But our current concept is to have the second floor be under 21 and to be able to better utilize our banquet facility and also guests that come from the parking garage to the hotel without having to go near the gaming floor.

### ATTORNEY MANIFESTO:

In your answer you said the second floor. Would that then also open up the buffet area to under 21?

### MR. CLARK:

That would be our goal although recognize that we're not looking to promote the facility for under 21. We would only have those who choose to come. Our advertising would not support under 21 coming to the property.

## ATTORNEY MANIFESTO:

Can you tell us, does Rivers Casino have personnel who patrol the parking garage for children who may have been left without an adult in a vehicle?

### MR. CLARK:

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I'm very proud of our security
department and the record that they have. Yes, we
have a category of security personnel that are defined
as outside officers and those officers patrol both
entrances that are along the Riverwalk as well as
actively engage in review of the parking garage to
ensure we do not have underage at our facility.

# ATTORNEY MANIFESTO:

If one of the outside officers was patrolling the garage and they found that there was a child left alone in a vehicle, who would file charges or take the appropriate action?

### MS. GILCHRIST:

Rivers would notify either the

Pennsylvania State Police or Pittsburgh Police

Department depending on when it occurred and we would follow their lead based on the age of the children and circumstances.

## ATTORNEY MANIFESTO:

During the renewal period can you tell us, have any traffic concerns materialized in the area

surrounding Rivers?

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### MR. CLARK:

We're very proud of working with all of our neighbors on the North Shore to ensure that traffic is handled in the most efficient and effective way. We have a series of meetings with our neighbors to ensure that guests are able to come to the North Shore as effectively as possible and that their departure is as easy as possible.

Department to help us as well as incur a cost associated with signage to support. We also actively have videos within the elevators and often have handouts for guests who are coming for events that are outside of the casino operation, and it's one of our very strong successes that we've had for the property and how we're able to effectively manage our marketing programs to our neighbors and the visitation to the North Shore.

# ATTORNEY MANIFESTO:

Regarding the number of underage individuals who are turned away from the casino can you tell us how your statistics are kept up to date and accurate?

### MS. GILCHRIST:

So the turnaway are recorded at the door and all the entrances. The officers report those on a per shift basis and they're accumulated on a gaming day basis and forwarded to my office where I keep the master record for reporting.

## ATTORNEY MANIFESTO:

There's been an increase in the number of active employees at Rivers from 2011 to 2015. Are there specific positions or departments that would account for this increase in employee numbers?

## MR. PATENT:

We initially had a small bump in some of our gaming areas and as a result of that there's been a few positions added in most of the areas throughout the property to support the additional volume through the table gaming business.

# ATTORNEY MANIFESTO:

Can you tell us what the percentage of full time versus part time employees is?

# MR. PATENT:

Our full time versus part time ratio has changed since we last sat here. I believe we said around 72 and a half percent full time to part time in the past and we are now at 79.2 percent full time versus part time.

## ATTORNEY MANIFESTO:

And can you tell us what number of the part-time employees work less than 30 hours?

### MR. PATENT:

I don't have the specific number with me today. I'd be happy to forward that to your attention.

### ATTORNEY MANIFESTO:

Thank you. Is there anything planned for the future that would substantially increase or decrease the number of full and part-time employees?

## MR. PATENT:

If we're fortunate enough to build the hotel we anticipate at least 100 career opportunities to add to the property.

## ATTORNEY MANIFESTO:

Is there a length of time --- I believe you said was it a year that somebody had to work at Rivers to receive benefits or is it something that's given immediately?

#### MR. PATENT:

The what I'll call health and welfare benefits are someone's eligible the 1st of the month after 60 days. The 401(k) is the 1st of the month after six months and tuition reimbursement program was

53 1 the one where you needed one year of service. 2 ATTORNEY MANIFESTO: 3 Thank you. 4 MR. PATENT: 5 You're welcome. 6 ATTORNEY MANIFESTO: Are there any benefits provided for those working under 30 hours a week? 8 9 MR. PATENT: 10 Yes. An example would be our retirement, 401(k) plan. Each full time and part time 11 12 team member's eligible to participate in that program. 13 ATTORNEY MANIFESTO: 14 One of the slides in your presentation 15 display the total salaries, wages, taxes and benefits 16 including gratuities. Can you give us a figure from 17 the total exclusive of gratuities? 18 MR. CLARK: 19 Do you have a specific year that you 20 would like to reference? 21 ATTORNEY MANIFESTO: 22 How about 2012, '13 and '14? 23 MR. CLARK: 24 In 2012 the wages without gratuities 25 were just under \$52 million. In 2013 they were just

over \$56 million and last year, 2014, they were \$58,631,000.

# ATTORNEY MANIFESTO:

Can you give us an estimate of the amount of money spent on an annual basis for employee training to identify compulsive or problem gambling issues?

### MS. GILCHRIST:

I can get that exact number to you.

# ATTORNEY MANIFESTO:

If an employee did believe that someone had a gambling problem what steps would they take?

# MS. GILCHRIST:

An employee would notify their supervisor or security officer and we would refer them to the CCRs on our property.

# ATTORNEY MANIFESTO:

I have no additional questions. Thank you.

# PRESIDING OFFICER:

Mr. Donnelly, do you have any follow up for your witnesses based on those questions?

## ATTORNEY DONNELLY:

No, no follow up based on Cross

25 Examination.

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## PRESIDING OFFICER:

Okay. Well, then we'll turn it over to Board members and I will start down --- way down with Mr. Jewell. Do you have any questions for any of the Rivers' witnesses today?

## MR. JEWELL:

No.

### PRESIDING OFFICER:

Mr. Moscato?

## MR. MOSCATO:

I do have two questions. I think that's on now. The first question for Mr. Barnabei. You mentioned the internship program.

### MR. BARNABEI:

Uh-huh (yes).

## MR. MOSCATO:

And certainly my ears perked up when you said that and that you work with different universities. When does the internship program start normally and when does it end?

# MR. BARNABEI:

Sure. In the past we've begun the recruitment phase for that towards the end of the calendar year. We actually go out to colleges and universities to promote it. We will interview through

their career services offices onsite. Our selection process is somewhere in the February to March time frame.

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with the goal of starting them within a week or two of graduation. In this case this year it would actually be tomorrow. We are also looking at adding a fall and spring internship program. We're having some discussions with some of the colleges and universities to understand if there's a need and if we're able to do that.

You know, the beautiful thing is its multiple departments, everything from slots to human resources, finance, marketing, IT, audio visual. They're meaningful opportunities.

# MR. MOSCATO:

And you said graduation, so these are students who have received their Baccalaureate degree or their undergrads?

## MR. BARNABEI:

I apologize. Can you repeat the question?

### MR. MOSCATO:

You had said that you try to start them as close to graduation as possible, so these are

students who have matriculates?

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### MR. BARNABEI:

We've actually changed our focus over the last year. In the past we looked for juniors and seniors. Since we've expanded the program we actually have some people that have completed their freshman year and sophomore year that are entering the program this year.

# MR. MOSCATO:

Okay. Last question with regard to this. What do you normally pay?

## MR. BARNABEI:

The interns are paid --- I believe it's \$10 an hour, which for an intern first when they come in and find out it's paid they're very excited and ---

## MR. MOSCATO:

Yeah, so is mom and dad.

#### MR. BARNABEI:

--- that it's paying.

# MR. MOSCATO:

Thank you very much. I appreciate that.

22 I have one more question for Dr. Hart if possible. At

23 the bottom of page 37 you have listed Muscular

24 Dystrophy Association and in parenthesis ALS. I don't

25 believe they're one in the same. Do you give to both

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   or --- and maybe I'm wrong. Maybe they are ---
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                  DR. HART:
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                  Yes.
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                  --- one in the same.
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                  DR. HART:
                  It's actually a program that was
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   featured through MDA, so the ALS, which is the ice
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   bucket challenge ---
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                  --- is actually coordinated by MDA.
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   we kind of --- that was a cause that we supported.
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                  MR. MOSCATO:
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                  So money did go to the Lou Gehrings
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   disease research?
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                  DR. HART:
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                  Yes.
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                  MR. MOSCATO:
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                  Okay. Thank you very much. That's all.
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   Thank you.
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                  PRESIDING OFFICER:
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                  Ms. Kaiser?
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                  MS. KAISER:
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Just one quick question for Vice

President Gilchrist if she's available. First I just

wanted to applaud you for all your efforts to address

the issue of underage gaming and this is --- I'm just

more curious than anything. Of the minors that you

turn away, do most of those minors use someone else's

ID, a fraudulent ID or do they just roll the dice and

come in with their underage one?

# MS. GILCHRIST:

I think it's pretty close to 50, 50 on both. I know our security director gets really excited when he gets a manufactured ID that's got some real good points, you know, to put out there. So using it as a learning experience, but I think it's pretty close to 50, 50 what they're seeing.

# MS. KAISER:

Okay. Thank you.

### PRESIDING OFFICER:

Mr. Fajt.

# MR. FAJT:

Thank you, Linda. Quick question for Mr. Clark. You had mentioned that you anticipate a first and second floor connector from the hotel to the casino. Are there any issues being raised by Riverlife Task Force or anybody else about cutting off

access then to the river, you know, in front of the casino?

I mean, obviously you could go around the hotel then, but I --- you know, but I just queried whether there were any access to river issues. I know that's a --- that is an ongoing issue in Pittsburgh with the riverfronts.

### MR. CLARK:

It's a very important issue in Pittsburgh and so what we've done to address this is, number one, we have a strong working relationship with Riverlife. We've had a meeting to discuss the hotel development so we get their input as we develop the ideas and the plans.

They were very impressed with the way that we had designed it because we had featured a glass area that would allow as you come into the valet area to look through the first and second floor of the hotel lobby area. And you could see the river and it also allowed for doorway access to go through the hotel to the Riverwalk.

We also are actively working with both the Science Center and Riverlife on the experiences that can be created and what I refer to as the great lawn. Having different features that really promote

the environment of Pittsburgh and the river features that we are next to with the Ohio River.

So we're taking their input into the plan very early in the process and that's allowing us to have good communication and having an effective design to date. We're in the process of scheduling our second meeting with our architects and engineers to ensure that as we move forward with our design that we are taking into account all of their concerns.

We also are working actively with groups like the Beuhl Foundation on watershed issues on the North Shore and how we can make Pittsburgh the most beautiful place possible.

### MR. FAJT:

Thank you. And I congratulate you on a very impressive presentation.

### MR. CLARK:

Thank you.

### MR. MCCALL:

I don't know if --- it's on. There's not a light. Can you tell me, is this on, what efforts the casino employs to identify problem gamers? And then maybe just once you identify that individual what steps do you take?

### MS. GILCHRIST:

62 Are you speaking to people that haven't 1 2 declared themselves? 3 MR. MCCALL: Right, right. How do you identify them 4 5 if --- how do you train your employees to identify 6 them and then once they are identified what do you do? MS. GILCHRIST: So the training that they're given 8 9 has ---. 10 MR. MCCALL: 11 Right, right. 12 MS. GILCHRIST: There are ten factors. Seven of them 13 14 you look for. It all comes to them in the training. 15 You know, if you see someone for a long period of time or they haven't changed their clothing. The PA 16 17 Council has the program. They're the ones that 18 actually gives the training. 19 MR. MCCALL: 20 Do you use that as ---? 21 MS. GILCHRIST: 22 We use their training guideline, yes. 23 MR. MCCALL: 24 On the hotel, I know there's going to be 25 105 new jobs, but the financial --- all the finances,

the feasibility study on the finances and everything has been concluded. And I take it you got the green light as far as the feasibility study as well as the financing?

### MR. CLARK:

Yes. We have some administrative processes that we're working through with the city. We also will then go through a permitting process. We worked with our existing lending institutions and this would be a funded project by the casino owners and our banks.

### MR. MCCALL:

And best case scenario for shovel in the ground?

### MR. CLARK:

At the current time the best case scenario is probably the first quarter of 2016.

### MR. MCCALL:

And I want to certainly echo what

Chairman (sic) Fajt said. I want to congratulate you on your community development and especially on your community partnership. You know, I don't think the people of the Commonwealth fully realize how much we tax casinos and that money does, in fact, go to reducing property taxes as much as people, you know,

say where's my tax reduction.

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If they really take the time to look at their bills they will see that they do, in fact, get property tax reduction by virtue of the money that you pay to the Commonwealth. And, you know, I thank you for that, but I really thank you for your community partnership as well because of the tax structure, because of how much you're taxed you still give generously. And you'd really need to be commended for that giving generously. You know, keep it up.

## MR. CLARK:

Thank you on behalf of 1,800 team members almost and, obviously, the hundred behind me there here today.

### MR. WOODS:

Mr. Clark, I believe Rush Gaming operates four casinos; is that correct?

### MR. CLARK:

We currently have three operating casinos and we've been awarded by the location committee in New York, the Schenectady location, and are currently under the background and licensing process for that.

# MR. WOODS:

Could you tell me how you compete for

capital with the other casinos? Are you awarded a specific dollar amount per year that you can apply to any project you see fit or is it on a budget by budget basis?

### MR. CLARK:

With the high taxation, the capital that we have in place as well as the labor component we're always looking at what kind of return can we get on that investment. To date as long as the feasibility is there to support the proper reinvestment for the owners we have not had a capital constraint.

## MR. WOODS:

Rush Gaming also has another facility in Pennsylvania. Do you see any synergies with a casino at the other end of the state?

### MR. CLARK:

The synergies are things like Mary
Cheeks that you saw here today, really giving the
insight to both properties and the coordination. And
what we look at is opportunities for best practices
for development of our systems, and our procedures and
processes. And we do have some marketing efforts
between the two properties.

They generally revolve around sports teams, believe it or not, being on the North Shore.

So we have had folks go to Philadelphia and Chicago recently to see some baseball games and we have some folks coming from Philadelphia and Chicago to come here to see some of our great Pirate games.

So that's a lot of what we do as well as partnerships with the three properties together allows us to extend into other choices for our customers. We have relationships in Las Vegas, we have relationships in Atlantis, we have relationships with cruise companies. We've just developed a program with an airline where a player could use their points to get airline opportunities.

So we're always exploring how can we as three properties generate additional gaming opportunities and vacation opportunities for our customers.

### MR. WOODS:

One of the synergies I hope that can be expanded upon is the very impressive 639 days without a violation for underage. I commend you on that. I'm hopeful that that is something that others take notice of. Could you tell me, is there a bonus program in place for the security personnel or for all employees if that streak continues? What recognition do you give the employees for that achievement?

# MR. CLARK:

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The recognition that we've given to date is what's most important is a thank you. Secondarily we've created the entrance control officer position that has a slightly higher salary associated with it, and we also have celebrated both a hundred day anniversaries as well as annual anniversaries where the employees have been given different values of gift cards.

And then we run that through our payroll system to make sure the appropriate taxes are paid, but we reward those on those anniversary dates and the hundred day anniversaries as part of a celebration.

### MR. WOODS:

Again, I commend you and your entire team for that achievement and hope it goes for many, many more days.

# MR. CLARK:

So do we. It's a struggle each and every day with the manufactured licenses that are out there and the temptation. And we really --- I applaud the officers as well as the entire team and being focused on this, and I'm proud of their successful record.

### MR. WOODS:

As I recall just walking through the back hallway there you have copies of either passports, licenses from each of the states and you keep track of the days right on that wall in the employee entrance?

## MR. CLARK:

Yeah, we celebrate every day that we have one more success as well as continued awareness of all the technologies that are advancing in our world. Making these licenses extremely difficult and making sure that we give the team members the resources so they can succeed with technology to offset the technology behind developing these fake licenses.

### MR. WOODS:

Thank you very much.

# PRESIDING OFFICER:

Mr. Donnelly, any questions for your

19 witnesses?

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## ATTORNEY DONNELLY:

No.

#### PRESIDING OFFICER:

Okay. Like to wrap up?

## ATTORNEY DONNELLY:

Yes, I'll just be very brief. Everybody

in this room I think knows that in 2008 this project was dead as a doornail and was not going to happen. So I think everybody in this room can take great pride about what we heard today. I certainly do. I have nothing to do with it at all, but you all did, this Board did. I didn't, but this Board did. You all do.

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I mean, it's a remarkable thing to take this out of the ashes that it was in and do what this team has done. So I thank you and I thank the Board for doing that, and without the Board we couldn't have done it either because it was truly dead. With that I will move all the exhibits that we have put in today subject to confidentiality provisions of the Act.

I reserve the right to add additional information as everyone --- as the Board's certainly aware there'll be another hearing on this matter later on in the cycle. We recognize that continuing suitability is a requirement under the Act. We recognize that we will continue to be scrutinized by the OEC, and the BIE, and everyone else and so on. And I thank you very much for the opportunity to present today and I understand there's a number of speakers who have signed up. Thank you.

# PRESIDING OFFICER:

Yes. We will mark the PowerPoint as

70 Rivers Number One and the little --- a little 1 2 one-on-one booklet as Rivers Number Two. 3 (Rivers Exhibits Number One and Two marked for identification.) 4 5 PRESIDING OFFICER: 6 Does OEC have any objection? ATTORNEY MANIFESTO: 8 No, we do not. 9 ATTORNEY DONNELLY: 10 The one letter I read into the record I 11 don't think I have a copy. I'll provide one later on. 12 And then ---13 PRESIDING OFFICER: 14 Okay. 15 ATTORNEY DONNELLY: 16 --- there were a couple of questions 17 that Ms. Manifesto asked and as we submit that information we'll ask that those be marked as well. 18 19 PRESIDING OFFICER: 20 Okay. If you submit those to the Board clerk, the answers to that as well when you forward 21 22 those to Ms. Manifesto we'll get those into the 2.3 record. 24 ATTORNEY DONNELLY: 25 For the time being until we meet again,

we rest.

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# PRESIDING OFFICER:

And then we will move on to the OEC's

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presentation.

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## ATTORNEY MANIFESTO:

Thank you. If I may address the matter of stipulations before I begin? The OEC and Rivers Casino have entered into several stipulations which cover the exhibits contained within the binders provided to the Board by OEC. Briefly the stipulations include the Uniform Crime Reports, the letter from the Bureau of Liquor Control Enforcement, a letter from the Office of Compulsive and Problem Gambling, and all Consent Agreements, compliance conference memorandums and warning letters pertaining to Rivers Casino from September 14th of 2011 to May 31st of 2015. A copy of the stipulations is contained at Exhibit 11 in the binder provided and an executed original has been provided to Director Lloyd. items are within OEC's exhibits and at this time I would ask that Exhibits 1 through 11 be admitted and made part of the record.

### PRESIDING OFFICER:

Question. Are any of those to remain confidential?

## ATTORNEY MANIFESTO:

Yes, I believe that that would be --- I believe it's from Exhibit Five onward. That would include the compliance conference memorandums and the warning letters that were issued by the OEC.

# PRESIDING OFFICER:

Okay.

## ATTORNEY MANIFESTO:

So that would go up until Exhibit Ten.

# PRESIDING OFFICER:

So with those remaining confidential, Mr. Donnelly, do you have any objections to the OEC Exhibits 1 through 11?

### ATTORNEY DONNELLY:

No objection although I would like to
--- I think that's right on the confidentiality, but I
would ask, as you normally do, that Counsel scrutinize
it for confidentiality to the full extent available.

### ATTORNEY MANIFESTO:

We will. Okay. The OEC intends to call several witnesses to testify regarding Rivers suitability for renewal of its Slot Machine License. You will hear from the Pennsylvania State Police, the Bureau of Casino Compliance and the Bureau of Investigations and Enforcement (BIE). If I may, I

- 1 would like to call Lieutenant Brooks.
- 2 -----
- 3 LIEUTENANT DANIEL BROOKS, HAVING BEEN PREVIOUSLY
- 4 SWORN, TESTIFIED AS FOLLOWS:
- 5 -----
- 6 DIRECT EXAMINATION

#### 7 BY ATTORNEY MANIFESTO:

- 8 Q. Sir, please state your name and spell your last
- 9 name for the record.
- 10 A. My name is Lieutenant Daniel Brooks, B-R-O-O-K-S.
- 11 Q. And how many years have you been with PSP?
- 12 A. I'm in my 24th year.
- 13 Q. And what duties do you perform as Lieutenant?
- 14 A. I'm assigned to the Bureau of Gaming Enforcement.
- 15 I am the western section commander.
- 16 Q. And can you tell the Board what the
- 17 responsibilities are of PSP at Rivers Casino?
- 18 A. Yeah. Through the active legislation we
- 19 investigate any and all crimes that occur on the
- 20 casino floor.
- 21 Q. And is your jurisdiction limited to the casino
- 22 floor?
- 23 A. Yes.
- 24 Q. And who would have primary police jurisdiction
- 25 over the parking garage area?

- 1 A. That would be the Pittsburgh Police.
- 2 Q. Can you describe your working relationship with
- 3 Rivers Casino personnel?
- 4 A. It's a good relationship.
- 5 Q. And how would you describe the relationship with
- 6 the Board's Casino Compliance representatives?
- 7 A. Likewise. Very good relationship.
- $8 \mid \mathsf{Q}$ . If we can touch on the testimony regarding
- 9 Uniform Crime Reporting System, who monitors that
- 10 system?
- 11 A. That's the Pennsylvania State Police.
- 12 Q. And are you familiar with that?
- 13 A. Yes, I am.
- 14 Q. And can you tell us, is the Uniform Crime
- 15 Reporting System, is that an electronic format?
- 16 A. Yes, it is.
- 17 Q. And is it available to the public?
- 18 A. Yes.
- 19 Q. Can you tell us how frequently the information
- 20 contained within that program is updated?
- 21 A. It's updated monthly.
- 22 | Q. Is there a certain time within the month that
- 23 that all information must be entered?
- 24 A. By the 10th of the month we'll enter the previous
- 25 month's statistics.

- 1 Q. Is the information contained in the database
- 2 subject to editing?
- 3 A. Yes, we can edit it.
- 4 Q. And what would cause you to do such a thing?
- 5 A. We could edit it if we investigated a criminal
- 6 offense and later on we determined that it didn't
- 7 occur, so we could go back and unfound the original
- 8 offense.
- 9 Q. And what type of information is contained within
- 10 the Uniform Crime Reporting System?
- 11 A. There's a multitude of information, offenses,
- 12 arrests, clearances, anything to do with any
- 13 investigation we would do criminal wise.
- 14 Q. And, obviously, and correct me if I'm wrong, the
- 15 criminal offenses occurring at Rivers Casino would be
- 16 entered into the UCR?
- 17 A. That is correct.
- 18 | Q. Does the UCR list the number of actual offenses
- 19 that are prosecuted?
- 20 A. Yes and no. We have a clearance rate, so we
- 21 clear things. Sometimes there's an exceptional
- 22 clearance which means we know who did it. We don't
- 23 prosecute due to various reasons.
- 24 Q. What is the most common criminal offense based on
- 25 the UCR reports that you've reviewed for Rivers

Casino?

- 2 A. That would be forgeries.
- 3 Q. And when you say forgery would that basically
- 4 address counterfeiting issues?
- 5 A. Yes. That's one in the same. Forgery is just
- 6 the terminology we use, but it's a counterfeit bill
- 7 | whether it's a \$50, \$100 or we've even seen \$10s and
- 8 \$1s.
- 9 Q. Is there a particular --- I'm sorry. Strike
- 10 that.
- Would you say that it's more often counterfeiting
- 12 used with slots or is it table games?
- 13 A. No, we find it --- it's usually table games
- 14 and/or servers or cashiers. It's human error. The
- 15 machines are so sophisticated that they would read the
- 16 counterfeit and they'll reject them.
- $17 \mid Q$ . And when you say machines you mean the slot
- 18 machines?
- 19 A. Yes. Or the NRTs, which are redeemable type
- 20 | machines.
- $21 \mid Q$ . Can you give the Board an average as to how many
- 22 thefts are reported any given month?
- 23 A. Yes, 2014 somewhere around 15 a month. If you go
- 24 back a year before that it was a little higher.
- 25 | Somewhere around 30 a month.

- 1 Q. Would a theft by unlawful taking or receiving
- 2 stolen property, could that be filed based upon
- 3 voucher theft such as if somebody forgot to take their
- 4 voucher from the slot machine or if they dropped it on
- 5 the floor and somebody else picked that up, how would
- 6 that be reported?
- 7 A. It's reported to us usually through the person,
- 8 the victim, who loses their voucher. They contact
- 9 security, security contacts us, we contact
- 10 surveillance. We work in conjunction with
- 11 surveillance and security. A high percentage of them
- 12 we're able to identify who picks up the victim's
- 13 voucher and we approach that individual and try to
- 14 make the victim whole for their funds.
- 15 Q. And on the Uniform Crime Report what would the
- 16 heading be that such RSP or theft by unlawful taking,
- 17 | what would that fall under?
- 18 A. I think it falls under theft of loss or mislaid
- 19 items.
- 20 Q. Can you tell us, is there a significant number of
- 21 | violent crime occurring at Rivers Casino?
- 22 A. No.
- 23 Q. Are there a significant number of crimes
- 24 regarding individuals under the age of 21?
- 25 A. We get a lot of underage. Usually it's caught at

- 1 the door by the casino personnel. We do address that
- 2 | with a summary citation most often. Sometimes it even
- 3 elevates to a misdemeanor arrest depending on the ID
- 4 that is presented, but very infrequently do we
- 5 actually have them on the floor.
- 6 Q. Has there been a noticeable increase in any
- 7 specific crime between September of 2011 and the
- 8 present?
- 9 A. No.
- 10 | Q. After reviewing the Uniform Crime Reports do you
- 11 see a pattern in the type of actual offenses that have
- 12 occurred at the licensed facility?
- 13 A. As I previously mentioned, counterfeits we see a
- 14 lot of, we see thefts on a daily basis, we see
- 15 underage attempts to enter the casino and then some of
- 16 your more minor offenses whether they'd be alcohol
- 17 | related or harassment, stuff like that.
- $18 \mid Q$ . What is the last date that the UCR reports are
- 19 available for reported offenses at Rivers Casino and
- 20 would be included in the statistics presented today?
- 21 A. That would be April of 2015. We will be putting
- 22 May's in within the next week or so.
- 23 Q. Overall is PSP satisfied with the level of
- 24 cooperation between the staff of Rivers Casino and the
- 25 troopers stationed within the facility?

- $1 \mid A$ . Yes, we are.
- 2 Q. And are there any issues or concerns that you
- 3 believe would negatively impact the suitability of
- 4 Rivers Casino in regard to the renewal of its license?
- 5 A. No.

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## ATTORNEY MANIFESTO:

I have no other questions.

#### PRESIDING OFFICER:

Mr. Donnelly, do you have any questions

10 for the witness?

### ATTORNEY DONNELLY:

12 Yes.

13 CROSS EXAMINATION

#### 14 BY ATTORNEY DONNELLY:

- 15 Q. I would like to review one thing, Lieutenant.
- 16 You were asked --- was it your testimony that there
- 17 was not a problem with violent crime at that casino?
- 18 A. Pardon me, sir?
- 19 Q. Not a problem with violent crime at the casino?
- 20 A. Not a huge problem. Occasionally we have some
- 21 issues. It was violent crime I believe?
- 22 Q. Yes.
- 23 A. We do have some issues where we make arrests for
- 24 assaults and stuff like that, yes.
- $25 \mid Q$ . And the thefts, most of those thefts were --- am

- I correct that you testified that most of the thefts
  were people who have lost vouchers or they've fallen
  on the floor and so on?
- A. Most of them would be. We do, however, deal with some type of --- sometimes we deal with wallets, purses. We've even investigated thefts of jackets, people leaving jackets at their machine and report their jacket being stolen.

#### ATTORNEY DONNELLY:

That's all I have. Thank you.

### ATTORNEY MANIFESTO:

The OEC would now offer testimony from

Gerald Stoll, Director of the Bureau of Casino

Compliance. I don't think we're going to need to

- 15 worry about a microphone for Mr. Stoll.
- 16 -----
- 17 GERALD STOLL, HAVING BEEN PREVIOUSLY SWORN, TESTIFIED
- 18 AS FOLLOWS:

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- 20 DIRECT EXAMINATION
- 21 BY ATTORNEY MANIFESTO:
- 22 Q. Sir, for the record, please state your full name
- 23 and spell your last name.
- 24 A. Gerald Stoll, S-T-O-L-L.
- 25 Q. And how are you employed?

- 1 A. I'm the Director of Compliance for the Gaming 2 Board.
- 3 Q. And how long have you held that position?
- 4 A. I've been the Director since January of 2010.
- 5 Q. What did you do prior to that?

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- 6 A. I was first hired in 2006 as a BIE agent.
- Through 2006 and '07 I operated in the office of OPR and when the Compliance Bureau was instituted I became

9 the investigative supervisor in the Bureau.

- Prior to my employment with the Pennsylvania

  Gaming Control Board I was a member of the New Jersey

  State Police for 27 years, 19 of which I spent in the

  casinos in Atlantic City. So I've been involved
- Q. As the Director for the Bureau of Casino Compliance can you describe your job duties?

intimately with regulations for some time.

- 17 A. Yes. As a Director of Compliance I'm responsible
- 18 for the 12 casinos in 12 locations, 24/7, 365 days a
- 19 year to make sure that they adhere to our regulations
- 20 as well as internal controls. We in the Compliance
- 21 Bureau are the conduit between many, many other
- 22 Bureaus and the Gaming Board.
- We more or less operate as the boots on the ground or the referees at the casino. When we do a great job nobody even sees us. When we make a bad

- 1 call and then the spotlight comes upon us, but we're
- 2 there to really assure that the casinos, you know,
- 3 maintain the integrity that the patron, the casinos
- 4 and the Commonwealth all get a fair shake. So that's
- 5 basically what we do in a nutshell.
- 6 Q. Can you tell us, are there Casino Compliance
- 7 Representatives available at Rivers Casino 24 hours a
- 8 day?
- 9 A. Yes, ma'am.
- 10 Q. And do they also help to enforce the Board's
- 11 regulations and Rivers' own internal controls?
- 12 A. Yes. Yeah, actually --- what we actually do is
- 13 observe and then document and report. And when we see
- 14 something that is a deviation from the expectations
- 15 we'll let the casino know and give them an opportunity
- 16 to rectify that situation.
- 17 | O. As far as access within the casino does the
- 18 | Bureau of Casino Compliance have access to the
- 19 surveillance room?
- 20 A. Yes.
- 21 O. The count room?
- 22 A. Yes.
- 23 Q. The central control computer room?
- 24 A. No, not without DOR approval.
- 25 Q. And do they interact with DOR?

- 1 A. Absolutely.
- 2 Q. Are there any issues with the relationship
- 3 between the Bureau of Casino Compliance
- 4 Representatives and DOR?
- 5 A. No.
- 6 Q. Do they also interact with patrons?
- 7 A. Yes.
- 8 Q. And what do they do with casino patrons?
- 9 A. With casino patrons there's --- it's
- 10 | multifaceted. There's a compulsive problem gaming
- 11 issues we conduct the intake for all those that have
- 12 identified gaming issues. We monitor the Clean Air
- 13 Act for the Department of Health and attempt to assist
- 14 the casino with their compliance. We make sure that
- 15 the casino has adequate staffing.
- 16 When it comes to security, surveillance, table
- 17 games we make sure that, you know, the signage is
- 18 appropriate and information is, you know, relayed from
- 19 Harrisburg from the Board to the casinos in the
- 20 | shortest amount of time possible. We take care of
- 21 | slot deliveries, table game equipment, slot
- 22 destruction. We maintain the voluntary credit
- 23 suspensions in the casino, we just --- and also the
- 24 State Exclusion List. So I'm sure I missed a few, but
- 25 that's all I can think of for right now.

- Q. If a patron has a specific complaint would they report that to a Casino Compliance Representative?
- 3 A. Yeah. We receive complaints in many, many ways.
- 4 We receive them by way of mail, by --- through our
- 5 website there's an automated complaint process. They
- 6 can physically, you know, approach one of our staff on
- 7 the floor and we will, you know, research their
- 8 complaint.
- And, you know, if the casino has made something,
- 10 an oversight or a mistake we will, you know, try to
- 11 bring both parties together to, you know, identify a
- 12 solution, but we handle every complaint whether it's
- 13 anonymous, whether it's signed. And we do our best to
- 14 identify, you know, where things can be done better.
- 15 Q. Can you describe the relationship between Casino
- 16 Compliance and the State Police at the facility?
- 17 A. Yes. There's a professional relationship between
- 18 the State Police and I, our folks.
- 19 Q. Can you describe the relationship between Casino
- 20 | Compliance and Rivers Casino staff?
- 21 A. Yes, there's also a cooperative, professional
- 22 relationship there.
- 23 Q. And when there's a compliance review do you find
- 24 that Rivers Casino staff is cooperative?
- 25 A. Yes, they're very attentive to issues that we

- 1 bring to their attention.
- 2 Q. What are the biggest or the most common
- 3 | regulatory issues at Rivers Casino?
- 4 A. There really are no big issues. They're the
- 5 normal daily issues that occur in every casino. You
- 6 know, there's smoking complaints, there's, you know,
- 7 staffing --- it's really just the run of the mill.
- 8 There's nothing that's remarkable in my mind right
- 9 now.
- 10 Q. At Rivers?
- 11 A. Yes, ma'am.
- 12 Q. Thank you. Are there any issues or concerns that
- 13 you are aware of which would negatively impact Rivers
- 14 Casino's suitability for renewal of its Category 2
- 15 License?
- 16 A. No, ma'am.
- 17 ATTORNEY MANIFESTO:
- I have no additional questions.
- 19 PRESIDING OFFICER:
- 20 Mr. Donnelly, do you have any questions
- 21 for ---
- 22 ATTORNEY DONNELLY:
- 23 No.
- 24 PRESIDING OFFICER:
- 25 --- Mr. Stoll? Okay.

# ATTORNEY MANIFESTO:

The last witness the OEC has to present

3 is Darcy Leezer who is the supervisor for the western

4 regional office of the BIE.

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6 DARCY LEEZER, HAVING BEEN PREVIOUSLY SWORN, TESTIFIED

7 AS FOLLOWS:

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9 DIRECT EXAMINATION

### 10 BY ATTORNEY MANIFESTO:

- 11 Q. Ms. Leezer, if you could please put on the record
- 12 your full name and spell your last name.
- 13 A. It's Darcy Leezer, L-E-E-Z-E-R.
- 14 Q. And as I mentioned you are the supervisor for the
- 15 agents in the western regional office; correct?
- 16 A. Yes.
- 17 | Q. And how long have you held that position?
- 18 A. I've held that position since March of this year.
- 19 Q. And can you tell us prior to receiving the
- 20 | supervisory position did you work with BIE?
- 21 A. Yes, I was an agent employed from January of
- 22 2006.
- 23 Q. And as an agent did you conduct investigations
- 24 that involve the licensure or the renewal of a
- 25 facility?

- 1 A. I did.
- 2 Q. As a supervisor can you describe your duties to
- 3 the Board?
- 4 A. Yes. I supervise a team of investigators, I
- 5 assign investigations, I help them to manage their
- 6 caseloads, I advise them on any issues that come up
- 7 during their investigations and I ultimately review
- 8 their investigative reports for accuracy and
- 9 completeness.
- 10 Q. In your professional capacity as a supervisor
- 11 have you been involved in the investigation of Rivers
- 12 Casino's renewal?
- 13 | A. I have.
- 14 Q. And at this time are the investigations completed
- 15 regarding Rivers Casino, its associated entities and
- 16 the individuals?
- 17 A. They're not all completed. There's a few
- 18 outstanding cases. I anticipate their completion
- 19 probably mid to late June.
- 20 Q. Can you please describe the scope of a renewal
- 21 investigation?
- 22 A. Sure. Basically what we're looking for are any
- 23 issues concerning the Applicant's honesty, integrity
- 24 or character. So we're looking for things like
- 25 criminal history, any non-disclosure issues and we're

- also conducting a pretty thorough financial 1 2 suitability review.
- 3 Do you also review the applications filed by Rivers Casino, its principals and affiliates as part 5 of the investigation into a renewal?
- 6 Α. Yes.

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- Q. You mentioned that you've looked at the criminal backgrounds, perhaps public records and the financial 9 background. Can you describe what tools you've used 10 when you do an examination of these areas?
- 11 Α. Well, we do interviews with the applicants themselves as well as personal and business 12 references. We also conduct numerous database 1.3 14 searches relating to the applicants and we also have 15 contact with a lot of different law enforcement agencies as well as other gaming jurisdictions that 16 17 may have already conducted an investigation into the 18 applicant.
- Q. Can you name a few of the databases that BIE 19 20 utilizes during its background investigation?
- We use Pacer, we have one called Sure. 22 Inquiries. That's where we get our credit reports 23 We have Lexis Nexis, we use the Pennsylvania Department of State campaign finance search website to 25 search for political contributions and then --- I'm

1 sorry. Which part did you want me to repeat? Okay

2 I think that was Inquiries. That's for credit

3 reports. And the Pennsylvania Department of State

4 campaign finance website for political contributions.

5 And then anything else that would come up that we have

6 access to like certain counties have Prothonotary

7 websites and things like that, and we'll search those

8 as well.

9 Q. So far during the investigation that's been

10 completed regarding Rivers Casino have the individuals

11 that you've contacted been cooperative and open during

12 the course of the investigation?

13 A. Yes, they have.

14 Q. Once your investigation has concluded what is

15 BIE's next step as far as what they do with the

16 information?

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17 A. Once the investigation is completed the report of

18 investigation is turned into me. I will review it for

19 accuracy and completeness to see if there's any issues

20 that require further investigation. It then goes to

21 my immediate supervisor. It eventually goes to OEC

22 and also to the Bureau of Licensing before it is

23 prepared for presentation before the Board.

#### ATTORNEY MANIFESTO:

25 With this the OEC's presentation would

be concluded. Thank you.

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## PRESIDING OFFICER:

Mr. Donnelly, any questions?

### ATTORNEY DONNELLY:

No.

## PRESIDING OFFICER:

Any questions from Board members or our staff at this time? Okay. Then I have one exhibit with multiple pages to move into the record. It is labeled Hearing Exhibit Number One.

(Hearing Exhibit Number One marked for identification.)

# PRESIDING OFFICER:

It is the written comment that was received by the Board for the Rivers License Renewal. The first comment is from Representative John Payne and I will read his into the record. I am writing today to express my support of the upcoming license extension for the Rivers Casino.

The Rivers Casino provides a significant impact on the economic development due to its prime location adjacent to Heinz Field, Carnegie Science Center and the historic West End Bridge and offers its patrons with a broad selection of new and classic themed slot machines and a wide variety of table

games.

They also have a generous selection of food and beverage venues, which when coupled with their outside amphitheater provides patrons with a unique recreational destination. And this was from John Payne, the Majority Chairman in the House Oversight Gaming Committee. We have a written comment from the Chief of Police from the City of Pittsburgh.

And Mr. Cameron McLay says, it has been the pleasure of the Pittsburgh Bureau of Police to work with the staff of the Rivers Casino. Since the opening of the casino on the North Shore we have built a successful working relationship with the security staff as well as the Pennsylvania State Police at the facility.

Since April 2011 to April 2015 we have realized no significant increase in part one and part two crimes on the North Side, which is inclusive of the North Shore. The Bureau has not realized any adverse criminal complaints or activity in our jurisdictional area of the casino or the North Shore community.

The casino has increased the visitation to the North Shore community and we will continue to maintain this community as a safe and enjoyable

environment.

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Third comment was received from VisitPITTSBURGH from Craig T. Davis in support of the License Renewal and the last comment was received from Jay Sukernek, S-U-K-E-R-N-E-K, from the Riverlife also in support of the renewal. Unless I hear any objections from the Rivers or OEC Counsel I'll move these into the record as Hearing Exhibit Number One.

# ATTORNEY DONNELLY:

10 No objection.

# ATTORNEY MANIFESTO:

No objection.

### PRESIDING OFFICER:

Okay. Okay. Quick check. Anyone need Okay. We will then move to the public a break? comment portion of the hearing. And when I call your name --- I have a lengthy list of people who have registered. Please come up to the front to the podium here with the microphone. If you have registered to speak and you are in the room will you please stand and raise your right hand to be sworn for our court reporter to swear. WITNESSES SWORN EN MASSE:

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## PRESIDING OFFICER:

Our first speaker will be Representative Kirk Holbrook. And I will remind our government representatives, they have ten minutes allotted to speak and I will be running the time clock up here. So if you get close I'll let you know.

#### MR. HOLBROOK:

I won't need that much time. Should I spell my name out as well?

#### PRESIDING OFFICER:

Please.

Okay.

2.4

### MR. HOLBROOK:

H-O-L-B-R-O-O-K. Good afternoon. I'm here today speaking on behalf of the People's Office served by State Representative Jake Wheatley. Representative Wheatley has served the citizens of the 19th Legislative District since 2003.

Kirk Holbrook, K-I-R-K,

His District has the honor of being home

--- be the actual home of the casino and since its

creation it also houses the two communities which were

chosen to be the Rivers Casino Community Partners both

the North Side and the Hill District. Our communities

have benefited and are still benefiting from that

partnership and I'm here today to convey our office's

continued support for the work that is being done at Rivers.

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Since its start the casino has stayed true to their word to be responsive to our community's needs and concerns. They have pledged to be an economic engine that provides real opportunities for our families to work, for our businesses to grow and for our communities to thrive.

As with most new things, it has not been perfect and there have been some learning challenges and bumps along the way, but what we have appreciated most is the willingness of the Rivers management and its team to be true partners and their commitment to this region, our city and our communities. We stand here today to thank The Rivers Casino and their management team for their ongoing commitment.

They are truly a value to our community and we fully support the Pennsylvania Gaming Control Board's favorable review and renewal of their License Application. Thank you.

# PRESIDING OFFICER:

Thank you. And if I could ask any of the speakers, if you're reading from a written statement if you could --- if you're willing to give that to our court reporter, she would appreciate that

later I'm sure. Our next speaker is Everett McElveen.

And if I mispronounce someone's name I apologize in advance. There are a few that I know I'll stumble over.

#### MR. MCELVEEN:

I am Everett McElveen, E-V-E-R-E-T-T.

McElveen is M-C, capital E-L, V like Victor, E-E-N. I am the presidency of Life's Work of Western PA. We have been founded in Pittsburgh in 1927. We also recently merged underneath our banner, the North Shore Community Alliance that was established on the Pittsburgh North Shore in 1895.

So combined we have been community activists, fellow helpers through our neighbors for over 200 years. We are proud to support the renewal license of the Rivers Casino primarily for their work with people with disabilities and their willingness to hire them. They have opened their doors for interviews, their employment roles.

They have also hosted several seminars including disability awareness month at the casino to help other employers learn about the value of disabled workers. Their stance in terms of employing people with disabilities is truly unique.

They have not shied away at all from

hiring, from training and working as well with other disability organizations. I applaud their efforts and thoroughly along with our Board, support their renewal application. Thank you.

### PRESIDING OFFICER:

Thank you. Joseph D'Anna.

#### MR. D'ANNA:

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My time might be up by now just by walking up here.

#### PRESIDING OFFICER:

I didn't start it yet.

# MR. D'ANNA:

I'm Joe Danna and that's spelled D apostrophe A, capital A-N-N-A. And I'm a career counselor with the Career Development Center of the Jewish Family and Children's Service Agency of Pittsburgh and I'd like to thank the Gaming Board for having the opportunity to speak. I'm here in support of the River City --- River City.

Rivers Casino whom we've had a really strong working relationship for the past actually, almost seven years. The time actually began when Mr. Neil Bluhm of the Walton Street Capital first applied for a license.

At that time in July of 2008 I decided

to write an article for the <u>Post Gazette</u> in support of Mr. Bluhm's application because I was very familiar with an organization that Mr. Bluhm had operated before and that company was called JMB Realty for which I served as an Executive recruiter as an independent contractor. And at the time it was considered to be one of the more prestigious real estate organizations in this country, therefore it was a terrific example of the management capability of Mr. Bluhm and his team.

So consequently in noting at the article that Pittsburgh would really benefit from having someone like Mr. Bluhm come onboard in support of the license. So that prophecy actually I think came true based on everything that was said today in view of the past six years of operation.

Now, for the past seven years our organization has collaborated with the Rivers Casino provide employment opportunities for displaced workers including refugees. We have a large department that handles refugees. These are, of course, legal as well as legal immigrants. Latter representing really a substantial percentage of the employees that make up the 1,800 persons for the Rivers Casino.

Many of these individuals also been

given the opportunity to be elevated to a higher position, so consequently that speaks well of the Rivers Casino in terms of its opportunities that it grants to employees. In addition during this period Rivers Casino has been a real active participant in our job fairs, consequently under the leadership of Mr. Craig Clark, General Manager. We continue to maintain a strong relationship.

So in summary, I think the Rivers Casino has had a positive impact on this community. I think it's proven itself in that regard and it provides a special form of entertainment. And, obviously, most significantly proving itself to be an outstanding corporate neighbor and one that we fully support. And I thank you for the opportunity to speak. Thank you.

### PRESIDING OFFICER:

Barney Oursler.

# MR. OURSLER:

Good afternoon. My name is Barney
Oursler, O-U-R-S-L-E-R. I'm Executive Director of a
community coalition called Pittsburgh United. I'm
here today speaking on behalf of our partner coalition
members including the Pennsylvania Interfaith Impact
Network, Action United of Western Pennsylvania, SCIU,
Local 32BJ, Just Harvest, the Hill District Consensus

Group, Steel Workers International Union, Sierra Club, SCIU Healthcare PA, Clean Water Action, Food and Commercial Workers Local 23 and the Group Against Smog and Pollution.

As community partners we are very concerned as taxpaying residents, as players at the casino and as organizations that are concerned with building a strong Pittsburgh. And by a strong Pittsburgh we mean a community where workers are able to support their families and they're able to support their communities.

We bring our concern to you today because it is our understanding that almost two-thirds of the hourly workers, excluding the dealers and security, have voiced a concern to the management of the casino that they feel that their needs as workers are not being met. In return for the profits that this corporation takes from our community we expect the corporation to be fair to its workers.

The casino workers make players feel good about their experience at the casino, not just when they win. The workers deserve the pay, benefits, benefits like affordable healthcare and full-time work, working conditions that allow them to support their families and to pay their fair share of taxes to

support the community services we all rely upon.

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Our coalition is working hard to raise job standards in our region and have all employers compensate workers so they can support their families. We expect employers to respect their workers by providing safe working conditions and fair disciplinary processes. While other employers in our region including employers of security workers, janitors, hospital service workers, homecare workers, our respecting workers' rights and playing fair we believe that the management at Rivers Casino is not doing so.

We are not opposed to renewing the license of the casino, but we urge the Commission to require that as one of the requirements to continue that license or to renew that license that management be directed to sit down with the 65 percent of the hourly workers, again leaving out dealers and security, who believe that their --- they have real concerns with their employment. And we ask that management be directed to sit down and negotiate. Thank you.

### PRESIDING OFFICER:

Jack Shea.

MR. SHEA:

Good afternoon. My name is Jack Shea. I'm President of the Allegheny County Labor Council AFL-CIO. Explain a little bit better, we are --- our jurisdiction is Allegheny and Fayette County. We represent about 125 union --- 125,000 union families both working and retired. I'm here on behalf of the Steel City Casino Workers Coalition, which is four unions, Unite Here, Local 57, United Steelworkers, Teamsters Local 211 and the Operating Engineers Local 95. They are interested in a fair process at the Rivers Casino.

As you have heard and as I did, I've been here since the beginning, 65 percent number has been kicked around. I heard different figures about that 65 percent. My understanding, it's 65 percent of approximately 800 workers. They have signed a letter and delivered it to management and asked for management to sit down with them and their representatives and to discuss a fair process so some of this stuff will --- this union harassment as they see it and as ---.

There's been several charges at the National Labor Relations Board they have found. Some of the other problems that the workers have told me and I have --- we've all heard them from outside ---

inside. I heard them when I was standing back there. You know, in general respect for workers, affordable healthcare, a fair process so they can form their union, a voice at work, a living wage, a real living wage and a fair attendance policy seems to come up quite often.

As I said, 65 percent of those workers have signed a petition with their signature and delivered it to management. As this date they have not heard a word, have not had a response from management about sitting down. I want to make it very clear that all the workers, and I'm talking now the 800 schwaff (phonetic) are in absolutely support of Rivers getting their license and these problems work theirself out.

I personally am a customer of Rivers

Casino and so is my family. Sometimes my wife thinks

I'm too good of a customer, but I'll get to that

later. Okay? But at any rate, let me just make it

very plain. We think that the only people that will

be able to convince the owners and the management at

Rivers is the Pennsylvania Gaming Control Board. It's

happened before.

There is precedent for it, not here but in New York and just have them sit down with the

workers' representatives and the workers and I think that they can come to a fair process. So I want to make it clear that we appreciate you going through this. I've been sitting here now for three hours and it was pretty enlightening. I wish I would have known that they were going to have a slideshow. I'd give you a slideshow for about 14 hours and how many slideshows, you know what I mean? But, no, let me just make --- and, please, help them out. Nobody else can.

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You know, I've been in this position about 17 years and I pride ourselves on the labor management cooperation and relationship in this community. I mean, with only a few exceptions we have good labor management relations. We want that to continue, we want the people to be able to speak for theirself at the bargaining table as a group and that way there they will get fair wages, benefits and they will get the treatment they deserve. Thank you very much.

#### PRESIDING OFFICER:

Bridgette Kennedy.

#### MS. KENNEDY:

Good afternoon. I'm Bridgette Kennedy.

25 | That's B-R-I-D-G-E-T-T-E, K-E-N-N-E-D-Y. I'm here on

behalf of Bidwell Training Center. We are an affiliate of Manchester Bidwell Corporation, a non-profit on the North Side. We do arts education for youth, career training for adults and jazz and I bring greetings from Bill Strickland. He's the CEO of Manchester Bidwell and Valerie Njie, the Executive Director of Senior Vice President of Bidwell. They are traveling today, but they both really wanted to be here in support of the casino and to share the great things the casino does for our organization.

So we feel that Rivers Casino is a true partner to us. It's more than just donating money, which they do, and it's bigger than just supporting culinary arts, which they also do and seems to be a good fit with the restaurants, but they are really here.

They've made it clear that they're for the whole entire organization and they're part of what makes Bidwell a school of excellence because they're not just a name on a list of supporters. They are true partners. They want to be involved. From the time they opened their doors they've hired our graduates and all of our graduates who work at Rivers are very happy there and they love their employer.

And in the fall of 2014 Rivers Casino

reached out to us and asked for extra ways that they 1 2 could engage with us and partner, and so from that 3 time on they have supported our events financially. They've also attended our events, which means a lot to 4 5 They sit on the culinary arts Advisory Board. 6 They have made numerous donations to our culinary arts program, they have made numerous donations to Manchester Craftsmen Skilled and they have partnerships with our jazz programs. 9

So whatever initiative we're involved in, they're with us. We feel that financially and otherwise and our mission is that we change lives and we feel that they help us do that. Thank you.

#### PRESIDING OFFICER:

Thank you. Kristee Cammack.

#### MS. CAMMACK:

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Good afternoon. My name is Kristee

Cammack spelled K-R-I-S-T-E-E. Last name

C-A-M-M-A-C-K. I'm the Founder and owner of A Giving

Heart, which is a non-profit homeless shelter for

families and community center, and we are pleased and

honored to be community partners with the Rivers

Casino.

They actually helped us with our gym floor removal, which is part of our after school

program and other programming at our facility. And they also provided turkey dinners and other food items for our families in our after school programs, so we continue --- would like to continue to work with them as far as being community partners. Thank you.

## PRESIDING OFFICER:

Thank you. Marlene Landrum.

#### MS. LANDRUM:

Good afternoon. My name is Marlene

Landrum. That's spelled M-A-R-L-E-N-E. The last name
is L-A-N-D-R-U-M. I'm the Business and Economic

Development Project Manager for the Hill Community

Development Corporation, which is a non-profit serving the people of the Hill District.

I'm offering these comments on behalf of the Hill Community Development Corporation's President and CEO, Ms. Marimba Milliones. The Hill CDC is happy to provide this endorsement of the relicensing of the Rivers Casino. First we would like to recognize the support that was shown to the Hill District community by the late Mr. Don Barton.

Equally we are grateful that the Rivers

Casino upheld his early commitment and invested in the

Hill District community. This investment is paying

off. Rivers Casino has been a valued partner for the

past five years. The funding provided to the POISE Foundation for the Hill District community growth fund by the Rivers Casino has been instrumental in helping the Hill CDC to implement and operate catalytic and responsive programming for the residents of the Hill District.

As you may know, the Hill District is centrally located in the heart of Pittsburgh. Its redevelopment is of the greatest importance to our knowledge centers and Commerce centers. The support provided to our organization has enabled us to respond appropriately to communal and regional needs from wealth creation, home ownership, business development and land development programs the Hill CDC's work has made a true difference.

As of today 48 home buyers are pipelined into our home buyer program, 15 businesses have benefited from one-on-one MWBE certification counseling, four businesses have received technical real estate development support to grow a business in the Hill District.

And an entire development --redevelopment strategy for Centre Avenue has been
created and Centre Avenue journeys through the Hill
District and is the central artery for the City of

Pittsburgh connecting downtown to the East End. It is through partnerships such as this that the renaissance of this growing community can continue.

Because of this benefit to our city and region, and more specifically the Hill District, the Hill CDC stands on the side of relicensing the Rivers Casino. Thank you.

# PRESIDING OFFICER:

Thank you. Fran Trimpey.

#### MS. TRIMPEY:

Good afternoon. Fran Trimpey, F-R-A-N, T-R-I-M-P-E-Y. Thank you for this opportunity to be here today and speak on behalf of Rivers Casino. It is with the utmost respect and appreciation that I deliver Center for Victims sentiments today on behalf of Rivers.

I value our relationship with the casino and its positive effect they've had in the City of Pittsburgh and with its residents and employees who live, work and play here. Center for Victims is the most comprehensive, inclusive provider of services, advocacy and education for victims of all crime across Allegheny County and across the Commonwealth.

Each year 15,000 victims of domestic violence, rape, sexual assault, child abuse, homicide

and other crimes and their loved ones receive our services and programs. Centers for Victims is not only a victim service organization, but also a community mediation center and a crisis response team providing immediate support when the community is impacted by a large mass of violent crimes.

Another 30,000 individuals, including teens and youth groups, are reached through our teen dating violence prevention and education programs, and receive training programs on trauma, conflict resolution and mediation. For 40 years we have been fortunate to connect and collaborate with many local, county and state offices, other non-profit organizations and businesses and corporations like Rivers Casino, to create unique partnerships and share opportunities whereas both parties can better the community.

Rivers' community engagement, the

Pittsburgh Proud Program and the \$10 for \$10 tables

allow non-profit organizations to interact with the

casino's patrons in a fun and entertaining environment

and raise necessary funds to continue and grow

programs such as middle and high school prevention

programs. The connection between Rivers Casino and

Center for Victims is a true testament of community

partnerships and champions.

Their dedication to our mission has been proven by team members who have volunteered at October's domestic violence awareness month and the participation in our MEN Challenge and Pledge, which was launched in March of 2013. MEN standing for Men Ending Violence.

Additionally, Rahmon Hart, along with other key community leaders such as the District Attorney, Stephen Zappala, Mr. Art Rooney and Roberto Clemente, Jr. have joined the challenge and pledge. To date we have had over 300 men who are being proactive in the community and working with Center for Victims to bring awareness to the issues of violence of crime against women and girls.

These issues are not women's issues but societal issues and need men like Rahmon and the community partners like Rivers Casino to get involved and support organizations who are providing critical services. As Pittsburgh continues to grow, we must keep partners and businesses in our region that establish connections with all facets of the community. Center for Victim 100 percent supports the renewal of Rivers Casino getting licensed.

# PRESIDING OFFICER:

Thank you. Karris Jackson.

#### MS. JACKSON:

I've been sitting for a long time. Good afternoon. My name is Karris Jackson and that's K-A-R-R-I-S. Jackson, J-A-C-K-S-O-N. And I am here on behalf of the POISE Foundation and specifically the Greater Hill District Development Growth Fund to express our support of Rivers Casino. The Rivers Casino is a valuable asset to the Pittsburgh region and the Hill District community in particular.

The initial \$3 million investment in the POISE Foundation with the emphasis in the creation of the Hill District Growth Fund. The fund provides catalytic financial support to Hill District businesses and organizations around business support and entrepreneurship, commercial and residential development and building stabilization throughout the corridor on Centre Avenue in the Hill District.

These funds are instrumental to the organizations being able to implement their work. The Fund addresses critical issues in the community and safeguards the development and the interests of Hill --- excuse me, of Hill District residents. Rivers Casino is an important community partner and we are in full support of their license renewal. Thank you.

# PRESIDING OFFICER:

Nancy Angus.

# MS. ANGUS:

Good afternoon. Nancy Angus, N-A-N-C-Y, A-N-G-U-S. And I'm Executive Director of the Mario Lemieux Foundation and here to endorse Rivers Casino License Renewal. Since their first day in Pittsburgh Rivers Casino has been a generous partner of the Mario Lemieux Foundation and fully supported our mission.

We were so fortunate to have been selected by Rivers as their original charitable partner as the recipient of their table games test night. And their commitment to the foundation has been steadfast.

The Mario Lemieux Foundation is a 501(c)(3) organization that raises funds for cancer research and patient care, as well as Austin's Playroom Project, an initiative that creates playrooms for children and families in medical facilities. And to date we have 31 playrooms established and 3 additional either pending or under construction.

Rivers' support has also benefited two of our other major programs, the Mario Lemieux Center for Blood Cancers at the Hillman Cancer Center, as well as the Mario Lemieux Lymphoma Center for Children

and Young Adults at Children's Hospital of Pittsburgh of UPMC. We remain grateful to Rivers Casino as their commitment to the Lemieux Foundation has continued through the creation of an annual Mario Lemieux Poker Tournament as well as donation of event space for our annual Mario Lemieux Fantasy Hockey Camp.

And they're always very gracious to host Mario himself when he's there at the Black Jack table during their --- our events there. All of their support to us is in the name of charity, and in our case, helping to give others a chance to win. We're fortunate to be associated with Rivers Casino. They're an excellent community partner and we support their bid to renew their Gaming License. Thank you.

#### PRESIDING OFFICER:

Noel Roach.

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### MR. ROACH:

Good afternoon. It's actually Noel (corrects pronunciation) ---

# PRESIDING OFFICER:

Noel.

#### MR. ROACH:

--- spelled N-O-E-L. Last name is R-O-A-C-H. My name is Noel Roach. I'm here to speak on behalf of the Iota Phi Chapter of Omega Psi Phi

Fraternity, Incorporated. I actually serve as the Treasurer for that organization. I'm also speaking on behalf of our foundation, the Iota Phi Foundation. The Iota Phi Chapter has been serving the Pittsburgh community since 1925.

We are a graduate chapter that is comprised of over 200 college educated men in the City of Pittsburgh. We are dedicated to the --- to providing uplift within the African-American communities in general and the broader Pittsburgh community. Our signature program include the Omega Carter G. Woodson Academy, which is a partnership with the Kingsley Association in East Liberty.

We also have the week long historically black college tour, which we provide for high school juniors as well as the Charles R. Drew Blood Drive, the Soto (phonetic) Literacy Program, our Omega talent hunt competition, an achievement awards dinner to recognize contributions of community leaders and professionals in the Pittsburgh area.

We also provide an annual Thanksgiving food giveaway, which we give away whole Thanksgiving dinners and an annual Christmas toy giveaway. Over the past five years we've had the --- we've been able to establish a great relationship with the Rivers

Casino and particularly in support of those last two events that I named, the Thanksgiving program and our Christmas toy giveaway program.

They have been one of the few organizations that we can rely on each year to help us carry out our mission. In addition, the venue in --- the venue provides an upscale and safe environment for young professionals such as myself and the other members of our organization where we can relax and enjoy various forms of entertainment.

In summary, we strongly support the Rivers Casino Renewal Application and we wish them best --- the best luck moving forward. Thank you all for your time.

#### PRESIDING OFFICER:

Thank you. Ronald Baillie.

### MR. BAILLIE:

My name is Ronald Baillie. That's B-A-I-L-I-E. I'm the co-Director at Carnegie Science Center and I've been in that position for the last eight years. Carnegie Science Center is literally the next door neighbor to Rivers Casino.

Our property adjoins theirs to our west and frankly eight or nine years ago when we heard that those empty warehouses and parking lots would soon be

occupied by a casino our organization that serves over 700,000 adults and children every year with science education experiences, we had to wonder what would it mean for a casino to be our neighbor.

And what we've learned is that any concern we may have had were completely unfounded. We have found Rivers Casino to be an organization and a business that is just as concerned about many of the same interests that we have, providing great experiences for our visitors and for our guests.

And as a result of that we have worked collaboratively on a number of fronts to resolve and manage traffic issues on the North Shore, to resolve issues around parking, our parking as well as their own, and to do that in effective ways together. As we have each looked to enhance our own riverfronts we have worked with Riverlife, but together to be sure that our plans and their plans are effectively cohesive providing an even experience for visitors who use that riverfront trail.

They've participated in some of our programs, our adult programming that we do around mathematics. We do programs for adults over 21 once a month, we do programs on probability and statistics and their team has helped us with that and frankly

they know their probability pretty well. We have ultimately found them to be a great partner to work with. You've heard of their hotel plans.

They have kept us abreast of those plans along the way, have been eager to hear our input and consider our thoughts and we have found them frankly a very effective neighbor on the North Shore, all dedicated to a much more vibrant community. So we very much support the renewal of their license.

## PRESIDING OFFICER:

Alexander Nichols.

## MR. NICHOLS:

Hello. My name is Alexander Nichols.

Alexander, A-L-E-X-A-N-D-E-R. Nichols, N-I-C-H-O-L-S.

I am the Chief Operating Officer for the Eastern

Minority Supplier Development Council. Our mission is advancing business opportunities by certifying and connecting minority businesses, enterprises through corporations and buying entities of which Rivers

Casino is one of those --- one of our members.

We stand on four pillars, we certify, we develop, we connect and we advocate. EMSDC has been helping certify minority business enterprise within Pennsylvania, Southern New Jersey and Delaware business community. We service as advocates for the

economic well-being and growth of EMSDC certified MBEs. While also providing a direct connection for corporations committed to purchasing products, services and solutions from certified MBEs.

The Eastern Minority Supplier

Development Council is part of the National Minority

Supplier Development Council located in New York. It

includes --- it matches more than 12,000 certified

minority businesses and minority businesses in our

definition are Asian, black, Hispanic and Native

Americans, with more than 1,750 corporate members.

In Pittsburgh here --- I mean, in Pennsylvania we service 400 MBEs, 100 corporations including Rivers Casino. Rivers Casino has sponsored several of our events for networking like our gala, our scholarship golf outing and our opportunity fair. As we noted on an earlier slide, Rivers Casino volunteered on the Share 2015, which was a match making event here in Western Pennsylvania.

They also hosted one of our quarterly meetings at the casino. They have supported and have been doing business with our MBEs. They sponsored how to do business with Rivers Casino, they hosted a diversity training for Rivers' employees using an MBE firm. Rivers has --- in the past has held a Board

seat on our Board and served on the marketing committee, and last year Rivers was nominated for Corporation of the Year. So our organization strongly support the licenses for Rivers Casino. Thank you very much.

# PRESIDING OFFICER:

LaShawn Burton-Faulk.

#### MS. BURTON-FAULK:

Good afternoon everyone and happy
Tuesday. Glad to be here to support the Rivers Casino
today. My name is LaShawn Burton-Faulk. That's L-A,
capital S-H-A-W-N. Last name is a mouthful,
Burton-Faulk. That's B-U-R, T as in Tom, O, N as in
Nancy, hyphen, Faulk, F as in Frank, A-U-L-K. I could
write my own book at this point.

I am the Executive Director of the Manchester Citizens Corporation, otherwise known as MCC. MCC was founded in 1965 and incorporated in 1971 and we are the community development corporation for the Manchester community.

We're responsible for the revitalization of the community and we have multiple collaborative non-profits throughout the neighborhood. And while the casino is not a non-profit, I can share with you that they are a critical part of our neighborhood.

They are very much a valued partner and if I may share a few examples of that valued partnership with you here today. And I know I'm the last on the list, so I'm going to try to do this relatively quickly.

Again, MCC is responsible for the development in the community and our latest development project, which was a Renaissance II was supported and able to be completed by the Rivers Casino Housing Grant through the North Side Leadership Conference.

Because of their support and commitment to community MCC was able to complete a \$1.4 million development project, which sold this year and that was the restoration of four residential units and two commercial spaces. So we are forever grateful in our own community that has restored taxes both back to the city and the county, and the Pittsburg public schools.

Other ways that they have supported the community have been in Community Days, which affects the entire community. Everybody gets out for the day, everyone from newborn to completely seasoned of a hundred years old. We've got a few of those in the neighborhood as well, are able to participate and, again, thanks to their support.

We have a Manchester Historic housing

tour that happens every year through MHS, Manchester Historic Society. I can tell you that the casino has sent out some of their team literally to pick up garbage throughout the community to make sure that we present a wonderful home and garden tour. And that means a lot more than just a check, knowing that they're putting sweat equity into the community that's immediately impacted not just by their presence in positive ways, but by their presence physically, being in the community.

Anyone in the community knows that they can contact the casino and get some form of help.

Again, you know, I can say that they've offered space for some of the non-profits to have an opportunity to showcase events, and they're a critical part of the fiber of Manchester specifically.

I also Chair the North Side Leadership
Conference of which the housing grants were disbursed
throughout 15 other neighborhoods within the North
Side and we also had the business grant that was also
given for start up or funding to be able to restore
buildings, to get businesses started. I think that
they have done a phenomenal job.

I think the community by my presence here has supported them and, in fact, the room is full

here today. And if I may ask the room to stand up and give the casino a round of applause and every one thank them and I'll finish out. Thank you for your time.

#### PRESIDING OFFICER:

Well, she thinks she might have been last on the list. We still have our individual speakers who have signed up, so everybody sit down and calm down. We're not done yet. I know.

It's the end of the school day and we all want to get out of here, but now we're moving on to the individuals that have so patiently waited.

William Brooks. And I will remind all the individuals, you have about three minutes and if you get close I will let you know you're getting close.

# MR. BROOKS:

Good day. My name is Bill Brooks. I'm the Business Manager of Labors Local 3. I'm President of Pittsburgh Building Trades here in the city. I was born and raised on that hillside that at one time said that big wall would look ugly from up there. Well, I lived there all my life and it don't look ugly. I'm here short and sweet to tell you one thing.

Jobs are what will make all the bad things in the world go away, good jobs, and in this

hotel --- well, I mean, we need a license to build a hotel, so naturally we're here in favor of the license. So hopefully we can build a hotel and another hotel and whatever they build going up the river. But the more jobs you put in this area, the less killings you'll have, the less violence and crime you'll have and I assure you that jobs, good jobs, create less crime.

And that's all I'm going to say to you today and I --- the people from the casino I think are as ---. I don't think it gets any better from these people and I had a brother that was sitting over there talking to you earlier. And him and I talk about because we work for these people, he works for these people and it's a good nod from both of us. So congratulations. I hope everything works out all well, so we are in favor big time.

### PRESIDING OFFICER:

Hannah Taleb.

# MS. TALEB:

Hello. My name is Hannah Taleb. That's H-A-N-N-A-H, T-A-L-E-B. I work at the Rivers Casino. I've worked there for a little more than two and a half years. I wanted to say first, I'm not opposing the renewal of the license, obviously, because I work

there. I take pride in my job. I'm a Slot Attendant at the casino. I actually --- I love my job.

When I came onto the team in slots they told me that I was a part of the new face of the Rivers Casino and I actually do carry that with me every day. I make more money than I ever have in my entire life and I'm very happy for that opportunity, but I'm here to talk about today why I do support our right to a fair process to organize.

And I want to say also that I believe that the jobs at Rivers could be great jobs. Not just good jobs, but great jobs. One of the richest men in the country has brought a business opportunity to my city that I've grown up in my entire life, so I want great jobs to be there.

So what really got me involved was a friend of mine who worked as a cage cashier who was a strong and brave survivor of domestic abuse was brought back to her job at the casino with few delimiting attendance credits and was given the choice between going to the emergency room with her daughter or keeping her job at the Rivers Casino.

And it was that point that I realized that these jobs are never going to be good unless we have the security to keep them and to support our

families. So I am fighting for a fair process to organize because I think that without job security these --- and without the opportunity for mothers and fathers to support their families on these jobs for a long time they'll never be good jobs.

A lot of the people that were outside today, nearly a hundred of us, that were outside, they all have different reasons to be fighting. Some of them worked all last night and stayed up to be here today and we're all fighting for respect, for more pay or for job security because we want these to be great jobs for our city. Thank you very much.

# PRESIDING OFFICER:

Thank you. Derrick Wilson. Mr. Wilson?

#### MR. WILSON:

Good afternoon. My name is Derek
Wilson. That's D-E-R-R-I-C-K, Wilson, W-I-L-S-O-N.

I'm here on behalf of the Rivers Casino in support of
them and there's multiple reasons and I'll just touch
on a couple. First is I was raised on the North Side
in Manchester. I know LaShawn and I know a lot of the
people that are affiliated with the Rivers Casino as
it pertains to the not for profit world.

And I know that they've given multitude of time, and effort, and sweat and tears just as

LaShawn said. I also know that I was on a board for North Shore Community Alliance and the Rivers Casino gave a multitude of time and monies to the organization to make sure that it did what it needed to do in the community. And then most of all is the employment side of it. I'm the owner and President of the Wilson Group, which is a minority and woman owned business on the North Side.

And if it's not for entities such as the Rivers Casino supporting my business we wouldn't be here today. And we've grown from 3 people to 28 people and with that, obviously, comes jobs for the people that I employ with on the North Side community. So when you look at everything and put it all into the funnel I believe that all they do is positive for the North Side as well as the City of Pittsburgh. Thank you.

### PRESIDING OFFICER:

Felix Diaz.

# MR. DIAZ:

Good afternoon. Felix Diaz, F-E-L-I-X, D-I-A-Z. I spoke on the last hearing. Part of my purpose of moving to Pittsburgh was not only to work at the Rivers Casino, but to be closer to my daughter. Since then my family has grown. I've been able to

provide for them and the casino has offered countless opportunities for me to do that, not only for my family. My son was just born almost a year ago.

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The benefit plan, my future retirement plan all coming from the hard work and commitment they've made to me and, again, I made to them. In addition to that the countless relationships that I've had since opening in 2009 with the people I've worked with, the people I've worked for. The people that have worked for me and I truly hope and appreciate your consideration for the future of the casino. Thank you.

## PRESIDING OFFICER:

Carol Philp.

#### MS. PHILP:

Hello. It's Carol Philp, C-A-R-O-L,
P-H-I-L-P. Hello. Good afternoon. I am the Founder
and President of CPI Creative, a branded merchandise
and graphic design company and we're located in
Aspinwall. And I came today to speak from my heart
about Rivers Casino's commitment to local minority and
women-owned businesses.

Our partnership with Rivers began with a conversation that I had with Craig Clark, and during that conversation I explained the challenges that we

were having in becoming a vendor for Rivers and I opened his eyes to what I believe was the value that we could add as a woman-owned creative service agency locally. And the outcome from that conversation was transformative for my company.

Craig and his Administrative Assistant came for a site visit and they met my team, and they went over years of the Gaming industry, casino business and they were open to our capabilities because many times when people think small business they think there's no way that they can scale. So what impressed us so much was that he came, he saw and he began to believe that we had the ability to work with Rivers.

We continue to work with Craig and his team today designing, creating and supplying, engaging promotions, those giveaways. And but in working with us you're also working with our local strategic partners, so our major warehouse in Blawnox, our screen printing and embroidery family business in Millvale, our fulfillment partners in Leetsdale.

So it just goes on and on, and we have as a company an American made initiative and we're working throughout the United States with manufacturers who are going to scale to provide large

volume. And when I shared this with Craig and his team they became very excited and so we've done many promotions that were made right here in the U.S.

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And on July 4th the giveaway will be something that's proudly made in the United States. I am very active as a woman-owned business with WE Bank, the Women's Business Enterprise National Council and I was appointed to the National Forum, which is just over all the country.

There are 14 regions and the National Forum just helps us as a group on how we can grow our businesses, and I use this partnership story as a model to share with other women and minorities who are trying to build their business and run into obstacles of how they can get that opportunity.

So I want to read this so I don't eliminate something, but when leadership at the top is committed to providing opportunity to a diverse group of suppliers and they foster this mission throughout their organization the economic growth and empowerment becomes a reality. And I know this to be true. I've experienced it and we love working with Rivers Casino. Thank you very much.

# PRESIDING OFFICER:

Matthew Harvey.

### MR. HARVEY:

My first name is Matthew, M-A-T-T-H-E-W and last name is Harvey, H-A-R-V-E-Y. Good afternoon members of the Pennsylvania Gaming Control Board and all those in attendance today. I am very proud and very honored to stand before you today in support of the Rivers Casino renewing its license. I am a proud team member that has been onboard with the casino for over six years now.

In 2009 I had a family member call me and say, Matt, you need to apply to the Rivers Casino. It's you. And I said, what are you talking about it's me? And they said, the Rivers Casino values their employees and they call them team members. I have to admit it piqued my interest and guess what? That night I went home, I read everything I could about it, I applied, I was interviewed and I started in an entry level management position as a Supervisor of the Winning Day Cafe in --- on May 4th of 2009.

Throughout opening I was given many challenges and I met those challenges, and before the casino was even open I was promoted to Manager of the Winning Day Café in July of 2009. In November of 2009 I suffered a very bad car accident and when I awoke at the hospital I was told I would probably not walk

again, but if I did it would be by listening to my doctors and lots of supportive people. I looked around the hospital room and there sat my wife, my children, my family and many of my fellow team members that sit in this room today.

I got back to walking again by the support of them in the hospital, in a nursing home and at home. And I proudly returned to work back and walking again in May of 2010. In May of 2010 I was promoted to the Training Specialist for the Rivers Casino.

The Training Specialist is in charge of running all the new hire orientation, overseeing that Responsible Gaming is done, done correctly for all those that are brand new and recertifying, overseeing the Ramp Training Program, the Responsible Alcohol Management Program and also any other assignments that were given to me. I have to admit in those two years I truly missed working with our guests each and every day, and so I applied to move back into operations and I became the Manager.

I was promoted to the Manager of the Wheelhouse and I was proud and honored to work with our team members every day to serve our guests. In December 2012 I was promoted again to the Operations

Manager for food and beverage. I finally had an opportunity to be in leadership of the department and I had the opportunity to work with my fellow team members to improve operations every day.

How do you do that? You have to sit down and listen to each other, you have to talk, you have to come up with plans and have discussions and then put those plans into effect. And that has worked very well for us and we continue this to this day I'm proud to say. In December of 2014 I was promoted to Director of Food and Beverage at the Rivers Casino.

I now serve, of course, as a leader in food and beverage, but also a leader of the casino as well, which I take great pride in. I sit before you, stand before you today as somebody that was born in Manchester and takes great pride in having the casino in my home area. I sit before --- I'm sorry, stand before you as somebody who didn't graduate college. I had to leave college to earn money and I never made it back again.

I stand before you as a proud

Pittsburgher that is so proud that you brought the

Rivers Casino to Pittsburgh, and I truly thank you for

the opportunity to stand before you today. And I

fully support the relicensing of the Rivers Casino.

Thank you for your time.

# PRESIDING OFFICER:

Sydeny Portis. Sorry, Sydeny. You got in just a little too late on the sign up of Mr. Harvey there.

## MR. HARVEY:

It's all good, Sydeny.

#### MS. PORTIS:

Let's hope so. Let's hope so. My name is Sydeny Portis. That's S-Y-D-E-N-Y. Last name is P-O-R-T-I-S. I've worked with the casino since 2012. Started out as an hourly team member, worked in the garage. I'm a security team member. Worked in the garage, helping out with parking and making sure the casino was safe. Came in as a security guard on the floor and throughout that time I always told them that I wanted to do more.

Said I wanted to do more, wanted to excel from first interview to me getting on the gaming floor and the Rivers Casino never told me no. I stand before you today as a full-time salaried Supervisor.

I'll be at the casino two and a half years. The casino provides opportunity for everybody who wants to do the work and by relicensing the casino you're providing others the opportunity that I received. And

at that point if we're able to do that for more it definitely benefits the community. Thank you.

## PRESIDING OFFICER:

Donald Locke.

#### MR. LOCKE:

Good afternoon. First want to say thank you for the opportunity for the Pittsburgh Gaming Control Board for me to stand before you today. My story starts at I was living in Detroit in 2009. Had the opportunity to come back to Pittsburgh. I applied at the Rivers Casino as a security officer. I then worked for security for one year, which I met a bunch of great friends in security.

Transferred in the facilities

department, started out as an Engineer III. I got

promoted then again to an Engineer II and as I worked

hard and put my diligence to to do the best thing that

I possibly could do for the Rivers Casino I now stand

before you as a Rivers Casino Shift Supervisor. And I

just want to also say thank you to my team members for

supporting us as we work hard and the management at

Rivers Casino.

They have never denied anyone the opportunity that put forth the work to do what they need to do to advance in the Rivers Casino with the

correct training. Training is always offered for them to make advancement in any direction if they choose to move in throughout the Rivers Casino. I thank you again for the opportunity, I thank the management and my team members to stand before you today. Thank you.

# PRESIDING OFFICER:

Krishna Subedi. Let's see how close I got with that name.

# MR. SUBEDI:

Good afternoon everyone. Good afternoon everyone. Thank you for letting me speak in front of you all. So at first let me introduce myself. I'm Krishna Subedi and I travel to the United States from Poland 2009. I was living in Alaska and I started to work for the Refugee Organization. I worked as a refugee assisting anyone who came from other countries. I moved to Pittsburgh, Pennsylvania in 2010.

I worked as a Line Operator for a few years prior to starting in the Rivers Casino in 2012. In 2012 I was hired as an EVS Attendant and I worked there until 2015. Then I was promoted to the Players Club as a representative. I was given the opportunity to learn other areas in the casino. I can say honestly that working here gives me a wow feeling. I

honestly feel that the Rivers Casino is the best place to work.

The Rivers Casino is the best place to work because the management and administration are wonderful. They give equal opportunity to everyone.

I love to work here. I am proud to be a part of the Rivers Casino as a team. Thank you again. Thank you very much.

### PRESINDING OFFICER:

James Myers. Mr. Myers? Okay. Clarice Johnson? Ms. Johnson? Daniel Pultz. Okay. No Daniel Pultz. And Tim McNulty.

### MR. MCNULTY:

Good afternoon. Thank you for your service to the Commonwealth. My name is Tim McNulty, M-C, capital N-U-L-T-Y. I am the Associate Vice President for Government Relations at Carnegie Mellon University and I'm actually here to express university's deep appreciation for the opportunity to partner with Rivers Casino and the tremendous community spirit they brought to that partnership.

In the competition that took place in spring that was described earlier Rivers joined with Carnegie Mellon, with Microsoft to launch a first in the world ever no limit Texas Hold 'Em competition

between four of the best players in the world and Claudico, which is a computer system developed by researchers at Carnegie Mellon.

What Rivers Casino made possible by opening up and joining with a university was a chance to really advance to the frontier of computer science.

Among its many positive attributes Poker it turns out is an ideal game to advance artificial intelligence because it pushes computers to learn to operate in situations with strategic uncertainty, and how to reason in cases with strategic uncertainty. Far more advanced --- requires far more advanced capability than Chess or Jeopardy, which are two areas where computers have been advanced at Carnegie Mellon before.

The long term benefits of this competition will be felt in areas such as preventing terrorist attacks or providing better care for senior citizens or people with disabilities. The Rivers Casino really made this competition possible. They provided the stage that brought worldwide attention and excitement, and they made the world aware that, once again --- once again aware that Pittsburgh and Pennsylvania are a center for innovation.

And that is something very worthwhile in

and of itself. I think if you were to talk to our faculty and students of what they find exciting about going to Carnegie Mellon one of the key things they would mention is that this community is very supportive of their research and their education. And we're very pleased to have been part of that great chapter that Rivers has added to that history.

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I would close by expressing our deep appreciation and our hope that you will take their community spirit in mind in renewing their license application. Thank you again and thank you for your service.

# PRESIDING OFFICER:

That is the end of my list. Is there anyone in the room who believed they registered and I did not call your name? If so, raise your hands.

Okay. Seeing no hands we'll move on. At this point, Mr. Donnelly, do you have any closing remarks you'd like to make on Rivers' behalf?

# ATTORNEY DONNELLY:

Just a couple. I think it was --- I thank all the speakers who came. I'm a cynical kind of an old guy and I was moved by that, so my applause to all the people. Thank you very much.

# PRESIDING OFFICER:

OEC Counsel, any closing remarks?

# ATTORNEY MANIFESTO:

No. Thank you.

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#### PRESIDING OFFICER:

Okay. A few housekeeping matters. If the parties have the fire or desire to file any brief or written memorandum you may do so before the close of business next Tuesday. The record will remain open until the Board hears the matter at a later public Board meeting.

I'll prepare a report based upon today's hearing and the evidence entered into the record and the suitability report when it is filed with Hearings and Appeals. That report and all of the documents and transcripts will be submitted to the Board and at its convenience it will schedule this matter to be heard at a future public Board meeting in Harrisburg.

I once again want to thank the staff of the county courthouse here, and the Sheriff's office and the Pittsburgh Police Departments. And I would thank you all for coming today and your cooperation and sitting patiently through this hearing. The hearing is now concluded. Thank you.

\* \* \* \* \* \* \* \*

HEARING CONCLUDED AT 4:00 P.M.

### CERTIFICATE

I hereby certify that the foregoing proceedings, hearing held before Officer Lloyd was reported by me on 06/02/2015 and that I Juliette Hoffman read this transcript and that I attest that this transcript is a true and accurate record of the proceeding.

Sourt Reporter
Juliette Hoffman