

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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PUBLIC MEETING

* * * * *

BEFORE: WILLIAM H. RYAN, JR., CHAIRMAN
Gregory C. Fajt, Anmarie Kaiser, Keith R.
McCall, John J. McNally, III, Anthony C.
Moscato, David W. Woods
Jennifer Langan, Representing Robert M.
McCord, State Treasurer
Robert Coyne, Representing Daniel P.
Meuser, Secretary of Revenue

HEARING:
Wednesday, June 11, 2014, 10:44 a.m.

LOCATION: Pennsylvania Gaming Control Board
Office of Hearings and Appeals
Strawberry Square Complex, Second Floor
Harrisburg, Pennsylvania 17106-9060

WITNESSES: Susan Hensel, Mark Juliano, Michael Bowman,
Gilbert Morrissey, Anthony Spagno

Reporter: Jared Walker

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CHAIRMAN:

My name is Bill Ryan, the Chairman of the Pennsylvania Gaming Control Board. Before we begin, I would ask everyone to please turn off or at least put on silent your cell phones and other electronic devices. Thank you. With us today is Jennifer Langan, representing State Treasurer Bob McCord, and Bob Coyne representing Secretary for the Department of Revenue, Dan Meuser. Thank you both for being here today.

All the members of the Board are present. I will therefore call today's meeting to order. First, I would ask everyone to stand for the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE RECITED

CHAIRMAN:

Thank you very much. Today, before we get into our regular agenda, we will have one Public Haring.

BRIEF RECESS

CHAIRMAN:

And we will now begin our regularly scheduled meeting. First, the Board held executive

1 sessions on May 21st and May 28th to deliberate on the
2 Category 2 License available for the City of
3 Philadelphia. Additionally, yesterday June 10th, an
4 executive session was held for the purpose of
5 discussing potential litigation involving the Board
6 and to conduct quasi judicial deliberations relating
7 to matters being considered by the Board today.

8 Also, the Board has scheduled a Public
9 Input Hearing in connection with the Parx Casino's
10 Category 1 License Renewal. The hearing will be held
11 on Thursday, July 17th beginning at 10:00 a.m. at the
12 Bensalem Township Municipal Building located at 2400
13 Byberry Road in Bensalem, Pennsylvania. The purpose
14 of the hearing is to permit individuals to learn more
15 about the casino, as well as to make comments about
16 the license renewal.

17 Anyone wishing to provide testimony at
18 the public input hearing must register by 12:00 noon
19 on Wednesday, July 16th, 2014. You can register by
20 visiting the Board's website or by calling the Board's
21 Secretary, Mickey Kane, at 717-346-8325. All are also
22 welcome to submit written comments. Those comments
23 should be addressed to the Board's Secretary and can
24 be mailed to Pennsylvania Gaming Control Board, P.O.
25 Box 69060, Harrisburg, PA, 17106. All comments

1 received, whether written or oral, will become part of
2 the record in the Parx Casino License Renewal
3 proceedings.

4 Next, we have consideration of a Motion
5 to approve the minutes and transcript of the April
6 30th meeting. May I have such a motion?

7 MS. KAISER:

8 Mr. Chairman, I move that the Board
9 approve the minutes and transcript of the April 30th,
10 2014 meeting.

11 MR. MCCALL:

12 Second.

13 CHAIRMAN:

14 All in favor? Opposed?

15 ALL SAY AYE

16 CHAIRMAN:

17 The motion carries. Next, Doug Sherman,
18 Office of Chief Counsel (OCC).

19 ATTORNEY SHERMAN:

20 Good morning, Chairman, members of the
21 Board. The OCC has several items for your
22 consideration today. The first of which is a request
23 to approve or ratify a legal contract.

24 Specifically, the OCC reports to the
25 Board that we have entered into a contract with the

1 law firm of Schnader, Harrison, Segal & Lewis in
2 Philadelphia to provide legal services and advice to
3 the Board concerning the bankruptcy action filed in
4 the U.S. Bankruptcy Court for the Eastern District of
5 Pennsylvania by the Philadelphia Entertainment and
6 Development Partners, L.P. group. That was the former
7 Foxwood's Licensee whose license was revoked by this
8 Board.

9 At this time, I would simply say that I
10 --- we're looking for advice in bankruptcy as to
11 protect this Board's rights in the event, you know,
12 something needs to be filed on our behalf in that
13 proceeding. Because of the specialty of the
14 bankruptcy proceedings, we have gone outside to retain
15 counsel with that expertise. And I'm requesting that
16 the Board ratify the contract that's been entered
17 into.

18 CHAIRMAN:

19 Any questions or comments from the
20 Board?

21 MR. FAJT:

22 Yeah, one question. Thank you, Mr.
23 Chairman. Mr. Sherman, do we have a dollar value or a
24 limit on this contract?

25 ATTORNEY SHERMAN:

1 There's not a formal limit at this
2 point. What we typically do, because you can never
3 really determine how long the litigation's going to
4 occur, we would review the matters on a monthly basis
5 and --- for the reasonableness of any charges, as we
6 do in any such case. And, you know, we would keep the
7 Board up to --- abreast of the cost of that contract.

8 MR. FAJT:

9 Thank you. I was just going to say, I
10 would just like to be kept abreast of ongoing monthly
11 costs on this. Thank you.

12 CHAIRMAN:

13 Ex-Officio members? May I have a
14 motion?

15 MR. MCCALL:

16 Mr. Chairman, I move that the Board
17 ratify the legal contract as described by the OCC.

18 MR. MCNALLY:

19 Second.

20 CHAIRMAN:

21 All in favor? Opposed?

22 ALL SAY AYE

23 CHAIRMAN:

24 The motion carries.

25 ATTORNEY SHERMAN:

1 The next agenda item relates to a
2 Final-Form Regulation and a Temporary Regulation,
3 which Assistant Chief Counsel, Susan Yocum, is here to
4 present.

5 ATTORNEY YOCUM:

6 Good morning, Chairman, members of the
7 Board. I have two rulemakings for your consideration
8 today. The first is Final-Form Rulemaking 125-168.
9 This rulemaking will add a pay table to the three part
10 --- three card poker side wager for the game of
11 blackjack. It will also transition two statements of
12 policy that we currently have.

13 The first relates to the jackpot credit
14 meter payouts. Our current regulations require that
15 for any jackpot credit meter payout between \$1,200 ---
16 or \$1,200 and \$9,999, requires two employees to
17 participate in that credit meter payout.

18 Approximately a year and a half ago, the Board had
19 approved a petition filed by one of our licensees to
20 reduce that number to only one individual for any
21 jackpot credit meter payout between \$1,200 and \$4,999.
22 The Board had also directed that Board staff evaluate
23 whether that rule should be applied to all licensees.

24 Thereafter, we submitted a statement of
25 policy to all licensees allowing them to also reduce

1 the number of individuals required provided that their
2 slot accounting systems could verify that --- could
3 independently verify that jackpot credit meter payout.
4 This rulemaking will transition that statement of
5 policy, reducing that number into a Final-Form
6 Rulemaking

7 The other statement of policy relates to
8 advertising and the requirement that the Problem
9 Gambling Assistance message appear on all
10 advertisements. We did receive public comment on the
11 proposed rulemaking, and we did make revisions between
12 the proposed and final accordingly. This will also
13 add a process by which Junket Enterprises can receive
14 a conditional license to begin offering their junket
15 services to licensees prior to them receiving their
16 full license. They can do this provided they submit a
17 completed application and that they provide a --- and
18 that they successfully complete a preliminary
19 background investigation. This is similar to the
20 process that we use for our Gaming Service Providers.

21 I'd be more than happy to answer any
22 questions you may have regarding the rulemaking.

23 CHAIRMAN:

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

1 MR. MCNALLY:

2 Mr. Chairman, I move that the Board
3 adopt the Final-Form Regulation 125-168 as presented
4 by the OCC.

5 CHAIRMAN:

6 Second?

7 MR. MOSCATO:

8 Second.

9 CHAIRMAN:

10 All in favor? Opposed?

11 ALL SAY AYE

12 CHAIRMAN:

13 The motion carries.

14 ATTORNEY YOCUM:

15 The next rulemaking is a Temporary
16 Regulation 125-182, which will add a new game,
17 crisscross poker to the number of games available for
18 play at all licensed facilities. Included in this
19 rulemaking are the rules of play, the dealing
20 procedures, the layout requirements and the all
21 permissible wagers.

22 Again, I'd be more than happy to answer
23 any questions you may have.

24 CHAIRMAN:

25 Questions or comments from the Board?

1 Ex-Officio Members? May I have a motion?

2 MR. MOSCATO:

3 Mr. Chairman, I move that the Board
4 adopt Temporary Regulation 125-182 as presented by the
5 OCC.

6 MR. WOODS:

7 Second.

8 CHAIRMAN:

9 All in favor? Opposed?

10 ALL SAY AYE

11 CHAIRMAN:

12 The motion carries.

13 ATTORNEY YOCUM:

14 Thank you.

15 CHAIRMAN:

16 Thank you, Susan.

17 ATTORNEY SHERMAN:

18 Today the Board has two petitions on the
19 agenda. One of these matters was heard by the Board
20 earlier during the public hearing. The remaining
21 petition before the Board will be considered upon the
22 documentary record. Additionally, as to each of the
23 petitions, the Board has, in advance of this meeting,
24 been provided with any responses from OEC or other
25 documents which are in the record.

1 As stated, the first petition before the
2 Board is that of SugarHouse HSP Gaming, which is
3 requesting approval to construct a temporary facility
4 to house and offer approximately 24 poker games on a
5 temporary basis until the completion of its Phase 1A
6 expansion. In its answer, and as referenced earlier
7 by the Chief Enforcement Counsel, Enforcement
8 Counsel's provided the Board with 18 conditions it
9 suggests be imposed upon SugarHouse should the Board
10 approve the Petition.

11 The conditions largely assure that
12 SugarHouse take all appropriate steps regarding
13 security, surveillance, audit protocols and licensing.
14 The record on the matter is closed and ready for the
15 Board's consideration.

16 CHAIRMAN:

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

19 MR. WOODS:

20 Mr. Chairman, I move that the Board
21 approve the Petition of SugarHouse HSP Gaming, L.P.,
22 to construct a temporary facility as described by the
23 OCC, with the conditions consistent with those
24 proposed by the OEC.

25 MR. FAJT:

1 Second.

2 CHAIRMAN:

3 All in favor? Opposed?

4 ALL SAY AYE

5 CHAIRMAN:

6 The motion carries.

7 ATTORNEY SHERMAN:

8 The second petition before the Board
9 today is Gaming Partners International USA,
10 Incorporated's Petition Seeking Reclassification of
11 its License. Gaming Partners International USA, or
12 GPI, holds a Table Game Manufacturer Designee License
13 and, as such, serves as a supplier of table game
14 products manufactured by another company.

15 This past March, GPI's parent company
16 entered into a Letter of Intent to purchase Gemaco,
17 Incorporated, which is licensed by the Board as a
18 Table Game Manufacturer. Upon the completion of the
19 transaction, Gemaco, Incorporated will cease
20 operations and GPI will begin to manufacture and
21 distribute Gemaco's table game products in addition to
22 the products GPI already distributes. As a result,
23 GPI would like to reclassify its Manufacturer Designee
24 to that of Table Game Manufacturer.

25 Approximately one year ago, GPI paid a

1 \$7,500 fee for the three-year renewal of its
2 Manufacturer Designee License, and they are also
3 requesting that this amount be credited against the
4 \$90,000 Table Game Manufacturer fee for three-year
5 renewal. GPI is also requesting that the granting of
6 the relief be conditioned upon the close of the
7 transaction, which is contemplated to occur on or
8 about June 30th.

9 The OEC has no objection to GPI's
10 request as long as all required fees have been paid.
11 OEC avers that all parties involved in this
12 transaction are already properly licensed. And
13 because of the background investigation for a
14 Manufacturer Designee and a Manufacturer are virtually
15 identical, no additional filings are necessary.

16 The one thing we would note would be
17 that in order to keep GPI on the same year --- same
18 three-year license renewal that it's been on, we would
19 recommend on that they be assessed a license fee of
20 \$55,000, which amounts to the Table Game Manufacturer
21 fee for two years, which it would be the \$60,000 minus
22 a \$5,000 credit for that portion of the unused
23 designee fee that they've already paid. It gets a
24 little complicated, but \$55,000's the number that
25 should --- we believe should be assessed for a two ---

1 the remaining two years for the license.

2 With that explanation, it's ready for
3 the Board's Motion to Consider.

4 CHAIRMAN:

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

7 MR. FAJT:

8 Mr. Chairman, I move that the Board
9 approve the Petition of Gaming Partners International
10 USA for Reclassification of License as described by
11 the OEC. I further move that the Petitioner be
12 assessed a \$55,000 license fee and that the
13 reclassification of license not occur until the
14 described transaction closes.

15 MS. KAISER:

16 Second.

17 CHAIRMAN:

18 All in favor? Opposed?

19 ALL SAY AYE

20 CHAIRMAN:

21 The motion carries.

22 ATTORNEY SHERMAN:

23 And next presenting withdrawals would be
24 Deputy Chief Counsel, Steve Cook.

25 ATTORNEY COOK:

1 Good morning. The Board has received
2 several unopposed Petitions to Withdraw the
3 Applications or Surrender the Credentials of
4 individuals or businesses. The persons and entities
5 subject to these petitions are as follows, Scott Cars,
6 Inc., Creative Visions Media Group, Jeffrey
7 Housenbold, James V. Stanton, David B. Lopez, Desiree
8 Ann Burke and Joaquin Jesus Aviles.

9 The OEC has no objections to these
10 Petitions to Withdraw or Surrender. As such, were the
11 Board inclined to grant same, they would be doing so
12 without prejudice, and these matters are now ripe.

13 CHAIRMAN:

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

16 MS. KAISER:

17 Mr. Chairman, I move that the Board
18 issue Orders to approve the withdrawals and surrenders
19 as described by the OEC.

20 MR. MCCALL:

21 Second.

22 CHAIRMAN:

23 All in favor? Opposed?

24 ALL SAY AYE

25 CHAIRMAN:

1 The motion carries.

2 ATTORNEY COOK:

3 Next before the Board for consideration
4 are two Reports and Recommendations received from the
5 Office of Hearings and Appeals (OHA). These Reports
6 and Recommendations, as well as the complete
7 evidentiary record in both matters, have been provided
8 to the Board in advance of this meeting.
9 Additionally, each of the gentleman that are subject
10 to these Reports and Recommendations have been put on
11 notice that the Board would be taking the matter up
12 today and, as such, if they were inclined, they could
13 come forward when their matter was called and briefly
14 address the Board.

15 The first Report and Recommendation
16 before the Board today pertains to the Emergency
17 Suspension of Michael Ponessa. Mr. Ponessa was issued
18 a Gaming Level 2 Employee Permit on December 11th,
19 2013 and was employed as a Senior Table Games Dealer
20 at the Hollywood Casino at Penn National.

21 On February 3rd, 2014, the Bureau of
22 Casino Compliance was notified that Mr. Ponessa had
23 been arrested by the Cornwall Borough Police
24 Department and charged with a number of sex related
25 crimes, including felony offenses. Upon learning of

1 this matter, the OEC filed a Request for Emergency
2 Suspension which was signed by the Board's Executive
3 Director on February 4th, 2014.

4 A hearing --- an Evidentiary Hearing on
5 the validity of the suspension was then scheduled and
6 held on April 16th, 2014. The OEC appeared at that
7 hearing and presented evidence to support the
8 Emergency Suspension. Neither Mr. Ponessa nor his
9 counsel appeared at the hearing, and it was held in
10 his absence. Immediately thereafter, a Report and
11 Recommendation was issued by the Hearing Officer
12 concluding that based upon the evidence presented, the
13 Emergency Suspension should remain in place. And that
14 is the Recommendation before the Board.

15 CHAIRMAN:

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

18 MR. MCCALL:

19 Mr. Chairman, I move that the Board
20 adopt the Report and Recommendation issued by the OHA
21 regarding the Gaming Employee Permit of Michael
22 Ponessa as described by the OCC.

23 MR. MCNALLY:

24 Second.

25 CHAIRMAN:

1 All in favor? Opposed?

2 ALL SAY AYE

3 CHAIRMAN:

4 The motion carries.

5 ATTORNEY COOK:

6 The second and final Report and
7 Recommendation before the Board today pertains to Mr.
8 Dana Robinson. Mr. Robinson submitted a Gaming
9 Employee Application seeking work as a Table Games
10 Dealer at SugarHouse Casino. On his application, Mr.
11 Robinson disclosed that in October of 2007 he had been
12 arrested and charged with theft by unlawful taking.

13 During BIE's background investigation,
14 they confirmed this charge and additionally discovered
15 that --- excuse me. They confirmed that charge and a
16 subsequent conviction, felony conviction, related to
17 that charge. And they also, in the background
18 investigation, uncovered that Mr. Robinson had seven
19 additional arrests, three of which resulted in felony
20 convictions spanning between 1997 and 2004.

21 Based upon those findings, the OEC
22 issued a Notice of Recommendation of Denial based upon
23 Mr. Robinson's felony convictions within 15 years of
24 the date of his application. Mr. Robinson did request
25 a hearing, which was held on March 26th, 2014. OEC

1 attended and presented evidence. Mr. Robinson,
2 despite requesting the hearing and receiving notice of
3 the hearing, did not attend. As a result, a Report
4 and Recommendation was issued recommending that the
5 application be denied based upon the evidence
6 presented by Enforcement Counsel. And that is the
7 recommendation before the Board.

8 CHAIRMAN:

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

11 MR. MCNALLY:

12 Mr. Chairman, I move that the Board
13 adopt the Report and Recommendation issued by the OHA
14 regarding the Gaming Employee Permit of Dana Robinson
15 as described by the OCC.

16 CHAIRMAN:

17 Second?

18 MR. MOSCATO:

19 Second.

20 CHAIRMAN:

21 All in favor? Opposed?

22 ALL SAY AYE

23 CHAIRMAN:

24 The motion carries.

25 ATTORNEY SHERMAN:

1 And that concludes all matters of the
2 OCC.

3 CHAIRMAN:

4 Thank you both. Next, our Director of
5 Licensing, Susan Hensel.

6 OFF RECORD DISCUSSION

7 CHAIRMAN:

8 Mr. Sherman, could you just state your
9 name for the record and spell your last name?

10 ATTORNEY SHERMAN:

11 My first time in five years.

12 CHAIRMAN:

13 Give him your real name, not the alias
14 this time, please?

15 ATTORNEY SHERMAN:

16 Doug Sherman, S-H-E-R-M-A-N, Chief
17 Counsel.

18 CHAIRMAN:

19 Okay, sir. Good morning, Susan.

20 MS. HENSEL:

21 Thank you, Chairman Ryan and members of
22 the Board. And in anticipation of that question, it's
23 Susan Hensel, H-E-N-S-E-L, Director of Licensing.

24 Before the Board today will be motions
25 regarding a Table Game and Slot Machine Manufacturer,

1 a Slot Machine Manufacturer Designee and one Gaming
2 Junket Enterprise, as well as 475 Principal, Key
3 Gaming and Non-Gaming Employees. In addition, there
4 will be the consideration of nine Gaming Service
5 Provider Applicants.

6 The first matter for your consideration
7 is the approval of a Table Game Manufacturer License
8 for National Table Games. National Table Games is a
9 Louisiana based company that develops various table
10 game variation games and a progressive table gaming
11 system. The Bureau of Investigations and Enforcement
12 (BIE) has completed its investigation of this company,
13 and the Bureau of Licensing has provided you with a
14 Background Investigation and Suitability Report for
15 the Applicant.

16 National Table Games has asked that the
17 Board grant the company a reduced licensing fee. The
18 fee for an initial Manufacturer License is \$50,000 for
19 a one-year license. Under the Gaming Act, the Board
20 may modify the fee for a Table Game Manufacturer if it
21 determines that the fee will unreasonably limit table
22 game devices or associated equipment. Consistent with
23 this provision of the Act, the Bureau of Licensing has
24 adopted a reduced licensing fee policy which has
25 previously been presented to the Board.

1 National Table Games has requested a
2 reduced fee of \$5,000, which is consistent with the
3 Bureau of Licensing's policy. The Bureau of Licensing
4 recommends that the Board grant the reduced licensing
5 fee. I have provided you with a Draft Order and ask
6 that the Board consider the approval of a Table Game
7 Manufacturer License as well as the reduced table game
8 licensing fee for National Table Games.

9 CHAIRMAN:

10 Any comments from Enforcement Counsel?

11 ATTORNEY PITRE:

12 Enforcement Counsel has no objection.

13 CHAIRMAN:

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

16 MR. MOSCATO:

17 Chairman, I move that the Board approve
18 the Table Games and Manufacturer License of National
19 Table Games as described by the Bureau of Licensing.

20 MR. WOODS:

21 Second.

22 CHAIRMAN:

23 All in favor? Opposed?

24 ALL SAY AYE

25 CHAIRMAN:

1 The motion carries.

2 MS. HENSEL:

3 The next matter is the renewal of a Slot
4 Machine Manufacturer License for NRT Technology
5 Corporation. NRT Technology Corporation is a Canadian
6 based company that manufactures ticket redemption
7 kiosks and other cash handling systems. The BIE has
8 completed its investigation of this company, and the
9 Bureau of Licensing has provided you with the
10 Background Investigation and Suitability Report for
11 the Applicant. I have provided you with a Draft Order
12 and ask that the Board consider the approval of the
13 renewal license for NRT Technology Corporation.

14 CHAIRMAN:

15 Any comments from Enforcement Counsel?

16 ATTORNEY PITRE:

17 Enforcement Counsel has no objection.

18 CHAIRMAN:

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

21 MR. WOODS:

22 Mr. Chairman, I move that the Board
23 approve the Slot Machine Manufacturer License for NRT
24 Technology Corporation as described by the Bureau of
25 Licensing.

1 MR. FAJT:

2 Second.

3 CHAIRMAN:

4 All in favor? Opposed?

5 ALL SAY AYE

6 CHAIRMAN:

7 The motion carries.

8 MS. HENSEL:

9 Also for your consideration is the
10 approval of a Slot Machine Manufacturer Designee
11 License for NRT Technologies, Inc. NRT Technologies,
12 Inc., is a Nevada based company that provides sales
13 and technical support for NRT Technology Corporation.
14 The BIE has completed its investigation of this
15 company and the Bureau of Licensing has provided you
16 with the Background Investigation and Suitability
17 Report. I have provided you with a Draft Order and
18 ask that the Board consider the approval of the
19 Designee License for NRT Technologies, Inc.

20 CHAIRMAN:

21 Any comments from Enforcement Counsel?

22 ATTORNEY PITRE:

23 Enforcement Counsel has no objection.

24 CHAIRMAN:

25 Any questions or comments from the

1 Board? Ex-Officio members? May I have a motion?

2 MR. FAJT:

3 Mr. Chairman, I move that the Board
4 approve NRT Technology, Inc.'s, Slot Machine
5 Manufacturer Designee License as described by the
6 Bureau of Licensing.

7 MS. KAISER:

8 Second.

9 CHAIRMAN:

10 All in favor? Opposed?

11 ALL SAY AYE

12 CHAIRMAN:

13 The motion carries.

14 MS. HENSEL:

15 Next for your consideration is the
16 Licensure of Gaming Junket Enterprise Applicant Cotler
17 VIP Tours, Inc. Cotler VIP Tours, Inc., was
18 conditionally licensed in September 2013. The company
19 is based in New Jersey and conducts business in
20 Pennsylvania, Iowa, Mississippi, Louisiana and New
21 Jersey. I have provided you with a Draft Order and
22 ask that the Board consider the approval of the
23 license for Cotler VIP Tours, Inc.

24 CHAIRMAN:

25 Any comments from Enforcement Counsel?

1 ATTORNEY PITRE:

2 Enforcement Counsel has no objection.

3 CHAIRMAN:

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

6 MS. KAISER:

7 Mr. Chairman, I move that the Board
8 approve Cotler VIP Tours, Inc.'s, Gaming Junket
9 Enterprise License as described by the Bureau of
10 Licensing.

11 MR. MCCALL:

12 Second.

13 CHAIRMAN:

14 All in favor? Opposed?

15 ALL SAY AYE

16 CHAIRMAN:

17 The motion carries.

18 MS. HENSEL:

19 Also for your consideration is the
20 approval of Principal and Key Employee Licenses.
21 Prior to this meeting, the Bureau of Licensing
22 provided you with a Proposed Order for four Principal
23 and seven Key Employee Licenses for Slot Machine and
24 Manufacturer Licensees. I ask that the Board consider
25 the Order approving these licenses.

1 CHAIRMAN:

2 Any comments from Enforcement Counsel?

3 ATTORNEY PITRE:

4 Enforcement Counsel has no objection.

5 CHAIRMAN:

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

8 MR. MCCALL:

9 Mr. Chairman, I move that the Board
10 approve the issuance of Principal and Key Employee
11 Licenses as described by the Bureau of Licensing.

12 MR. MCNALLY:

13 Second.

14 CHAIRMAN:

15 All in favor? Opposed?

16 ALL SAY AYE

17 CHAIRMAN:

18 The motion carries.

19 MS. HENSEL:

20 Next, there are Temporary Principal and
21 Key Employee Licenses. Prior to this meeting, the
22 Bureau of Licensing provided you with an Order
23 regarding the issuance of Temporary Licenses for three
24 Principal and ten Key Employees. I ask that the Board
25 consider the Order approving the licenses.

1 CHAIRMAN:

2 Any comments from Enforcement Counsel?

3 ATTORNEY PITRE:

4 Enforcement Counsel has no objection.

5 CHAIRMAN:

6 Questions or comments from the Board?

7 Ex-Officio members? May I have a motion?

8 MR. MCNALLY:

9 Mr. Chairman, I move that the Board
10 approve the issuance of Temporary Principal and Key
11 Employee Credentials as described by the Bureau of
12 Licensing.

13 CHAIRMAN:

14 Second?

15 MR. MOSCATO:

16 Second.

17 CHAIRMAN:

18 All in favor? Opposed?

19 ALL SAY AYE

20 CHAIRMAN:

21 The motion carries.

22 MS. HENSEL:

23 In addition, there are Gaming Permits
24 and Non-Gaming Registrations. Prior to this meeting,
25 the Bureau of Licensing provided you with a list of

1 312 individuals to whom the Bureau has granted
2 Temporary or Full Occupation Permits, and 105
3 individuals to whom the Bureau has granted
4 Registrations under the authority delegated to the
5 Bureau of Licensing. I ask that the Board consider a
6 motion approving the Order.

7 CHAIRMAN:

8 Any comments from Enforcement Counsel?

9 ATTORNEY PITRE:

10 Enforcement Counsel has no objection.

11 CHAIRMAN:

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

14 MR. MOSCATO:

15 Mr. Chairman, I move the Board approve
16 the issuance of Gaming Employee Permits and Non-Gaming
17 Employee Registrations as described by the Bureau of
18 Licensing.

19 MR. WOODS:

20 Second.

21 CHAIRMAN:

22 All in favor? Opposed?

23 ALL SAY AYE

24 CHAIRMAN:

25 The motion carries.

1 MS. HENSEL:

2 Next, there is a Recommendation of
3 Denial for two Gaming and one Non-Gaming Employee
4 Applicants. The Bureau of Licensing has provided you
5 with the Orders addressing the Applicants, who the OEC
6 has recommended for Denial. In each case, the
7 Applicants failed to request a hearing within the
8 specified time period. I ask that the Board consider
9 the Orders denying the Gaming and Non-Gaming Employee
10 Applications.

11 CHAIRMAN:

12 Any comments from Enforcement Counsel?

13 ATTORNEY PITRE:

14 Enforcement Counsel has no objection.

15 CHAIRMAN:

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

18 MR. WOODS:

19 Mr. Chairman, I move that the Board deny
20 the applications as described by the Bureau of
21 Licensing.

22 MR. FAJT:

23 Second.

24 CHAIRMAN:

25 All in favor? Opposed?

1 ALL SAY AYE

2 CHAIRMAN:

3 The motion carries.

4 MS. HENSEL:

5 Also for your consideration are
6 Withdrawal Requests for Gaming and Non-Gaming
7 Employees. The permit or registration is no longer
8 required for these individuals. For today's meeting,
9 I've provided the Board with a list of 21 Gaming and
10 ten Non-Gaming Withdrawals for approval. I ask that
11 the Board consider the Orders approving the lists of
12 Withdrawals.

13 CHAIRMAN:

14 Any comments from Enforcement Counsel?

15 ATTORNEY PITRE:

16 Enforcement Counsel has no objection.

17 CHAIRMAN:

18 Questions, comments from the Board?

19 Ex-Officio members? May I have a motion?

20 MR. FAJT:

21 Mr. Chairman, I move that the Board
22 approve the Withdrawals as described by the Bureau of
23 Licensing.

24 MS. KAISER:

25 Second.

1 CHAIRMAN:

2 All in favor? Opposed?

3 ALL SAY AYE

4 CHAIRMAN:

5 The motion carries.

6 MS. HENSEL:

7 In addition, we have an Order to Certify
8 the following Gaming Service Providers, Arrow Uniform
9 Taylor, LLC, Baldini Communications, LLC, Commercial
10 Flooring Systems of Pennsylvania, Inc., G.M.
11 McCrossin, Inc., and Pikewood, Inc. I ask that the
12 Board Consider the Order approving these Gaming
13 Service Providers for Certification.

14 CHAIRMAN:

15 Any comments from Enforcement Counsel?

16 ATTORNEY PITRE:

17 Enforcement Counsel has no objection.

18 CHAIRMAN:

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

21 MS. KAISER:

22 Mr. Chairman, I move that the Board
23 issue an Order to approve the Applications for Gaming
24 Service Provider Certification as described by the
25 Bureau of Licensing.

1 MR. MCCALL:

2 Second.

3 CHAIRMAN:

4 All in favor? Opposed?

5 ALL SAY AYE

6 CHAIRMAN:

7 The motion carries.

8 MS. HENSEL:

9 Finally, for your consideration are
10 Gaming Service Provider Registrations. The Bureau of
11 Licensing provided you with an Order and an attached
12 list of four Registered Gaming Service Providers. I
13 ask that the Board consider the Order registering
14 these Gaming Service Providers.

15 CHAIRMAN:

16 Comments from Enforcement Counsel?

17 ATTORNEY PITRE:

18 Enforcement Counsel has no objection.

19 CHAIRMAN:

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

22 MR. MCCALL:

23 Mr. Chairman, I move that the Board
24 issue an Order to approve the Applications for Gaming
25 Service Provider Registration as described by the

1 Bureau of Licensing.

2 MR. MCNALLY:

3 Second.

4 CHAIRMAN:

5 All in favor? Opposed?

6 ALL SAY AYE

7 CHAIRMAN:

8 The motion carries. Thank you, Susan.

9 MS. HENSEL:

10 Thank you.

11 CHAIRMAN:

12 Next, we'll have Cyrus Pitre.

13 ATTORNEY PITRE:

14 Good morning. I think it's still
15 morning. We have 15 matters for the Board's
16 consideration today, consisting of five Consent
17 Agreements, six Revocations and four Involuntary
18 Exclusions. Assistant Enforcement Counsel Michael
19 Roland will present the first matter for the Board's
20 consideration, which is a Consent Agreement between
21 the OEC and Sands. I see Mr. Kraus is getting
22 settled.

23 ATTORNEY ROLAND:

24 Good morning, Mr. Chairman, members of
25 the Board. Michael Roland, R-O-L-A-N-D, Assistant

1 Enforcement Counsel with the OEC. As Mr. Pitre has
2 said, we have a Consent Agreement with Sands Casino to
3 present to you today. We have Mr. Fred Kraus, Mr.
4 Douglas Niethold, who I know you're both familiar with
5 those individuals, and new on board is Mr. Mark
6 Juliano. My understanding is he is the new president
7 of Sands. So, I'd like to briefly go over the six
8 separate incidents, the fact patterns that involve
9 this Consent Agreement and then would be available for
10 any questions.

11 First of all, on June the 3rd, 2013, a
12 17 year old minor, Jen Zhu (phonetic) entered Sands
13 Casino via the main entrance. She was challenged by
14 Sands security officers who failed to recognize the
15 date of birth on her passport, and granted her
16 admittance. She remained on the gaming floor for
17 approximately one hour and 30 minutes. During that
18 time, she gamed at many baccarat table, but collected
19 no winnings. She did not consume any alcohol while on
20 the property and she was discovered, after being
21 challenged by a table games supervisor during the
22 course of play.

23 The second incident occurred on August
24 the 18th, 2013 when Juan Rodriguez-Gomez (phonetic)
25 was 20 years of age and entered Sands Casino via the

1 bus entrance. He was not challenged by security. He
2 remained on the gaming floor for approximately one
3 hour and 36 minutes, and during that time he gamed at
4 three different blackjack tables and five slot
5 machines. He spent approximately 44 minutes playing
6 table games, 52 minutes playing slot machines. He won
7 approximately --- he won exactly \$37.50, which was
8 confiscated, and he did not consume any alcohol while
9 on the property. He was discovered after being
10 challenged by a table games supervisor during play.

11 The third incident occurred on September
12 the 20th of 2013 when Tania Wright (phonetic), who is
13 20 years of age, entered the casino through the bus
14 entrance. She was challenged by Sands security
15 officer, but the officer failed to recognize that she
16 used her sister's passport and granted her admittance.
17 She remained on the gaming floor for approximately one
18 hour and 46 minutes, and during that time she gamed at
19 both roulette and slot machines but collected no
20 winnings. She spent approximately 14 minutes playing
21 slot machines, 31 minutes playing table games and she
22 did not consume alcohol while on the property. She
23 was discovered after being challenged by a table games
24 dealer during her course of play.

25 The fourth incident occurred on October

1 the 14th of 2013, when Hallisson, that's
2 H-A-L-L-I-S-S-O-N, Manuel-DeSilva (phonetic), who is
3 20 years of age, entered the Sands Casino via the bus
4 entrance. He was challenged by a Sands security
5 officer, but the officer failed to recognize his
6 altered Brazilian passport on which the birth year was
7 changed from 1992 to 1990. He was granted admittance.
8 He remained on the gaming floor for approximately an
9 hour and 12 minutes, and during that time he gamed at
10 poker tables but collected no winnings. He did not
11 consume alcohol while on the property. And he was
12 discovered by Sands security upon an attempted
13 re-entry onto the gaming floor.

14 The fifth incident occurred on December
15 the 29th, 2013 when Lawrence Terrell Oliver
16 (phonetic), who is 19 years of age, entered Sands
17 Casino via the main entrance. He was not challenged
18 by Sands Security and he remained on the gaming floor
19 for approximately an hour and 18 minutes. During that
20 time, he gamed at a craps table but collected no
21 winnings. He consumed one beverage provided by a
22 cocktail waitress while on the property, and he was
23 discovered after being challenged by a table games
24 supervisor during the course of his play.

25 And the final, the sixth incident,

1 occurred on January the 29th, 2014 when a 17 year old
2 minor, Troy Duart (phonetic) entered Sands Casino via
3 the bus entrance. He was challenged by a Sands
4 security officer, but the officer failed to recognize
5 that the photo on the identification which he provided
6 was not the same person who was presenting it for
7 inspection. The legitimate identification scanned
8 successfully, and he was granted admittance. He
9 remained on the gaming floor for approximately one
10 hour, and during that time he gamed at several slot
11 machines but collected no winnings. He consumed one
12 alcoholic beverage while on the property, and he was
13 discovered by a cocktail waitress who noticed that the
14 photo identification he provided did not match his
15 physical description.

16 At this time, the OEC requests that the
17 Board approve this Consent Agreement between the
18 parties. The terms of the settlement include that
19 within five days of the Board's Order approving this
20 Consent Agreement, Sands shall pay a civil penalty of
21 \$85,000 for the alleged violations described. Also,
22 within five days of the Board's Order approving this
23 Consent Agreement, Sands shall pay the Board \$2,500
24 for the costs incurred by OEC, BIE and other related
25 staff in connection with this matter. Further, Sands

1 shall immediately review its policies and controls and
2 provide training and guidance to its employees, which
3 will minimize the opportunity for the occurrence of
4 similar incidents in the future. For the record, all
5 six of these incidents were self-reported. And we're
6 available if you have any questions.

7 CHAIRMAN:

8 Counselor?

9 ATTORNEY KRAUS:

10 Good morning, Mr. Chairman, fellow
11 Commissioners. Fred Kraus, for the record, K-R-A-U-S,
12 Counsel for Sands Bethworks Gaming, LLC. With me here
13 today is Mark Juliano, new President and Chief
14 Operating Officer of Sands Bethworks Gaming, and Doug
15 Niethold, Vice President of Finance.

16 Just very briefly, as Mr. Roland
17 mentioned, in each of these incidents, after an
18 initial mistake by a security officer, another member,
19 either another security officer or a member of the
20 food and beverage department or table games
21 department, who are also trained on the underage
22 policy, noticed the person on the floor, challenged.
23 And it was the result of those subsequent challenges
24 that led to the discovery and the self-reporting of
25 each one of these incidents.

1 The Consent Agreement also contains ---
2 I mean, you know, six incidents sounds like a lot, and
3 we strive to make it zero. And we reinforce these
4 policies all the time. The Consent Agreement
5 describes --- summarizes the robust comprehensive
6 minors policy that Sands Bethworks Gaming employs. I
7 would note only the two points in the Consent
8 Agreement that we mentioned, that in the third and
9 fourth quarters of 2013, which are the quarters that
10 are predominantly represented by this Consent
11 Agreement, we challenged at the entrances just under
12 424,000 persons and turned away just under 4,800
13 minors.

14 So, we do have a robust program. Human
15 beings being human beings make mistakes. Appropriate
16 discipline was issued with respect to each one of
17 these incidents, and they represent a very, very, very
18 small percentage of the number of potential entries by
19 minors. With that, I think Mark Juliano would like to
20 briefly address the Board.

21 CHAIRMAN:

22 Sir, before you do --- I'd assume he's
23 not an attorney?

24 ATTORNEY KRAUS:

25 No, he's not. He's not going to testify

1 about the incidents, but okay.

2 CHAIRMAN:

3 Okay. He just wants to introduce
4 himself to the Board? Okay.

5 ATTORNEY KRAUS:

6 Yeah.

7 CHAIRMAN:

8 Fine. Go ahead, sir.

9 MR. JULIANO:

10 I'm Mark Juliano, that's J-U-L-I-A-N-O.
11 And really, just, Mr. Chairman and fellow
12 Commissioners, thank you for the opportunity to
13 introduce myself. And I just wanted to say I'm really
14 looking forward to working closely with you in the
15 future and happy to be in Pennsylvania.

16 CHAIRMAN:

17 Thank you, sir. Welcome. Any questions
18 from the Board? Greg?

19 MR. FAJT:

20 Thank you, Mr. Chairman. Mr. Kraus, you
21 alluded to disciplinary action taken against the
22 security officers who did not challenge these people
23 upon entrance. Could you describe those disciplinary
24 actions? And if you don't know, you can give it to us
25 later on, but I would like to know what those are.

1 ATTORNEY KRAUS:

2 We can send into you the actual
3 Disciplinary Notices, but there's a very strict
4 policy. Once is a Performance Improvement Program,
5 and I believe a last and final warning. And a second
6 incident of failure to perform the critical functions
7 that are assigned to security officers at the
8 entrances results in termination.

9 MR. FAJT:

10 Thank you. And just one last point. We
11 had discussed yesterday in executive session, there
12 seems to be a preponderance of underage gaming-related
13 issues with ID that is out of the norm, i.e., it's not
14 a driver's license. And --- you know. So, I guess
15 it's more of a statement to those of you in the
16 audience who represent casinos, that, you know, people
17 are using passports, they're using military ID papers,
18 they're using things that, you know, are difficult to,
19 at first glance, pick up whether somebody's underage
20 or not. And maybe just a cautionary note to pay
21 particular attention to people that are using
22 non-driver's license IDs upon entrance. Thank you,
23 Mr. Chairman.

24 ATTORNEY KRAUS:

25 If I could just respond to that ---

1 MR. FAJT:

2 Yes.

3 ATTORNEY KRAUS:

4 --- very briefly, Commissioner? Fred
5 Kraus again, for the record. The technology we use
6 does recognize a wide variety of identification
7 documents, including passports. And, in fact, with
8 the one incident where the person had altered the
9 passport and the cocktail server had a question about
10 it and brought it --- I can't tell you the technology
11 behind it, but there are three different scans that
12 the equipment goes through, ultraviolet, infrared and
13 white. And it was under the --- I believe it was
14 under the white scan, three different scans the
15 machine does, that the zero was missing on the 1990.
16 And that's how it was discovered that the document was
17 altered. It was the equipment that we use.

18 CHAIRMAN:

19 Thank you.

20 MS. KAISER:

21 I'm good. He answered ---

22 CHAIRMAN:

23 Annmarie?

24 MS. KAISER:

25 --- my question.

1 CHAIRMAN:

2 Okay.

3 MR. MCCALL:

4 Yeah, it's answered.

5 CHAIRMAN:

6 Any other questions from the Board?

7 Ex-Officio members? May I have a motion?

8 MR. MCNALLY:

9 Mr. Chairman, I move that the Board
10 issue an Order to adopt the Consent Agreement between
11 the OEC and Sands Bethworks Gaming, LLC, as described
12 by the OEC.

13 CHAIRMAN:

14 Second?

15 MR. MOSCATO:

16 Second.

17 CHAIRMAN:

18 All in favor? Opposed?

19 ALL SAY AYE

20 CHAIRMAN:

21 The motion carries. Thank you,
22 gentleman.

23 ATTORNEY KRAUS:

24 Thank you.

25 MR. JULIANO:

1 Thank you.

2 ATTORNEY PITRE:

3 The next matter on the agenda is a
4 Consent Agreement between the OEC and Valley Forge
5 Convention Center Partners, LP. That matter will be
6 presented by Assistant Enforcement Counsel, Glenn
7 Stuart. The following three matters --- I guess the
8 next four matters all contain the same fact pattern.
9 We'd ask the Board if it's okay if we read the fact
10 pattern into the record once?

11 CHAIRMAN:

12 Yeah, that should suffice.

13 ATTORNEY STUART:

14 Thank you, Mr. Chairman, members of the
15 Board. Glen Stuart, S-T-U-A-R-T, for the OEC.
16 Presently before the Board for its consideration is a
17 Consent Agreement between the OEC and Category 3 Slot
18 Machine Licensee Valley Forge Convention Center
19 Partners, LP, doing business as Valley Forge Casino
20 Resort. The Consent Agreement addresses two
21 incidences --- two instances where Valley Forge
22 permitted a total of three underage individuals to
23 gain access to its gaming floor, allowed one of these
24 individuals to place wagers at a slot machine and then
25 buy alcoholic beverages and failed to immediately

1 report the admission of two of these underage
2 individuals to Board Staff in a timely manner.

3 The first incidence occurred on March
4 30th, 2013 when a 19 year old individual gained access
5 to Valley Forge's gaming floor by obtaining a valid
6 casino access pass from a friend. The friend
7 appropriately obtained this casino access pass by
8 making a de minimus purchase at Valley Forge.

9 When asked for identification prior to
10 accessing the gaming floor, the underage individual
11 produced a United States Uniformed Services
12 Identification and Privilege Card of another person.
13 This identification card had expired on March 17th,
14 2009 and contained no identifier such as date of
15 birth, height or address. The Valley Forge security
16 officer on duty examined this identification and
17 permitted the underage individual access to the gaming
18 floor.

19 Approximately ten minutes after
20 accessing the gaming floor, the underage individual
21 ordered an alcoholic beverage at the casino's Center
22 Bar and received a drink from the bartender who did
23 not request proof of age. Approximately six minutes
24 after being served alcohol, surveillance footage shows
25 the underage individual wagering at a slot machine and

1 exiting the gaming floor approximately 40 minutes
2 later. There is no evidence to suggest or illustrate
3 that the underage individual accumulated any winnings
4 as a result of his wagering.

5 The underage individual returned to the
6 casino's main entrance approximately one hour later
7 and attempted to re-enter the casino. The security on
8 duty this time requested identification to show proof
9 of age, and the underage individual produced the same
10 expired military identification card he had produced
11 to security earlier in the evening. The security
12 officer questioned the authenticity of the
13 identification and notified a security supervisor.

14 The underage individual was then
15 escorted to the Pennsylvania State Police offices at
16 Valley Forge where it was revealed that he was only 19
17 years of age. PSP charged the underage individual
18 with one count of wagering a slot machine by an
19 individual under the age of 21, and one count of
20 carrying a false identification card. Valley Forge
21 also permanently evicted this individual from its
22 licensed facility. Valley Forge immediately notified
23 Board Staff via telephone at the time of this
24 incident.

25 And the facts that I'm about to read

1 pertain to the next three Consent Agreements, just for
2 clarification. The second instance occurred on May
3 25th, 2013 when two 20 year old females were afforded
4 access to Valley Forge's gaming floor. These
5 individuals were attending a banquet held at Valley
6 Forge and were registered overnight guests of the
7 hotel. Neither individual was issued a casino access
8 pass as a registered overnight guest at check-in and
9 --- or as a registered event attendee. Rather,
10 surveillance footage shows Valley Forge's Chief
11 Executive Officer, Michael Bowman, personally going to
12 the Valley Services Desk and obtaining casino access
13 passes for these two individuals and the gentleman
14 accompanying them, who was clearly over 21 years of
15 age.

16 When one of the underage individuals
17 approached Valley Forge's gaming floor entrance, the
18 security officer on duty requested she produce
19 identification. The security officer processed this
20 individuals' identification through a handheld
21 scanner, which confirmed that she was only 20 years of
22 age. While the security officer was questioning this
23 individual regarding her age, surveillance footage
24 shows Mr. Bowman waving his hand at the security
25 officer in a forward motion, approaching the security

1 officer and motioning him to allow both underage
2 individuals entry onto the gaming floor. As a result,
3 the security officer permitted both underage
4 individuals onto the gaming floor.

5 After admitting both underage
6 individuals onto the gaming floor, the security
7 officer immediately notified a security supervisor,
8 who then immediately notified Valley Forge's Director
9 of Security, Gilbert Morrissey. At the time and at
10 the direction of Mr. Bowman, Mr. Morrissey was
11 reporting to Anthony Spagno, who is Valley Forge's
12 Vice President of Gaming Operations, regarding all
13 operational matters. In accordance with this line of
14 reporting, Mr. Morrissey immediately notified Mr.
15 Spagno of the incident.

16 Mr. Morrissey and Mr. Spagno then
17 attempted to locate Mr. Bowman, but could not. Mr.
18 Morrissey and Mr. Spagno then attempted to locate the
19 two underage individuals on the gaming floor, but were
20 unsuccessful until Mr. Morrissey and Mr. Spagno
21 observed the underage individuals exiting the gaming
22 floor. Neither Mr. Morrissey nor Mr. Spagno attempted
23 to apprehend the underage individuals after they
24 exited the gaming floor.

25 On May 29th, 2013, Mr. Morrissey and Mr.

1 Spagno met with Mr. Bowman and discussed the incident.
2 Immediately after this meeting, Mr. Bowman notified
3 Valley Forge's outside legal counsel of the incident.
4 And legal counsel then notified the Board's Casino
5 Compliance Representatives at Valley Forge of the
6 incident on May 30th, 2013.

7 The underage individuals were on the
8 gaming floor for approximately 28 minutes. There's no
9 evidence to suggest or illustrate that either
10 individual wagered at any slot machine or table game,
11 or that either individual was served or consumed
12 alcoholic beverages while on the gaming floor. The
13 Pennsylvania State Police declined to charge either
14 underage individual with any crime because Mr. Bowman
15 had assisted the underage individuals in accessing the
16 gaming floor.

17 The terms of this Consent Agreement
18 require Valley Forge to pay a civil penalty in the
19 amount of \$35,000 for allowing three underage
20 individuals to gain access to its gaming floor, for
21 allowing one of these individuals to imbibe alcoholic
22 beverages and wager at a slot machine, for failing to
23 provide immediate and timely notification to Board
24 Staff and the Pennsylvania State Police regarding two
25 of these underage individuals, and for failing to

1 ensure compliance with the reporting requirements
2 established in its Board approved internal controls
3 between the Director of Security and the Chief
4 Executive Officer. Valley Forge must also pay a
5 \$2,500 fee for investigative fees associated with this
6 Consent Agreement, and must also immediately institute
7 policies and provide training to its employees aimed
8 at minimizing the opportunity of similar incidences in
9 the future. This Consent Agreement is now ripe for
10 Board consideration.

11 CHAIRMAN:

12 Counselor?

13 ATTORNEY STUART:

14 I'll let Mr. Hayes ---.

15 ATTORNEY HAYES:

16 Kevin Hayes, H-A-Y-E-S, on behalf of
17 Valley Forge Convention Center Partners, LP. With me
18 here on behalf of the company is Bob Pickus, P-I-C-K-
19 U-S, who is the Manager --- or the Chairman of the
20 Board of Managers for Valley Forge.

21 Mr. Chairman, just to comment on the
22 first --- count one in the Consent Agreement for
23 Valley Forge. Obviously, we take every underage
24 incident very serious. We appreciate the severity and
25 the magnitude of these violations. With regard to the

1 first violation, since the time of that incident, the
2 security department had implemented mandatory use of a
3 handheld scanner, has done additional training with
4 security staff on the acceptable forms of
5 identification and has implemented a training program
6 with representatives from the Pennsylvania State
7 Police Bureau of Liquor Enforcement, who can --- who
8 are specialized in the identification of fake IDs.

9 With regard to the second incident, the
10 measures that have been taken by Valley Forge through
11 the internal audit process are described there, and
12 I'll be happy to field any questions you have relative
13 to those measurements (sic) that have been implemented
14 to prevent a future occurrence from --- like this from
15 ever occurring again.

16 CHAIRMAN:

17 Okay. And again, this particular
18 Consent Decree is between OEC and Valley Forge
19 Convention Center Partners, LP. Any questions
20 concerning this from the Board? Greg?

21 MR. FAJT:

22 Yeah. I'd like to hear from Mr. Bowman.

23 CHAIRMAN:

24 I thought --- his is coming up.

25 MR. FAJT:

1 Okay. That's fine.

2 CHAIRMAN:

3 So, we probably can deal with his
4 separately, Greg. I think that might be the clean ---

5 MR. FAJT:

6 Okay.

7 CHAIRMAN:

8 --- cut way to do it. I understand
9 where you're coming from. Any --- with respect to
10 Valley Forge Partners, this particular Consent Decree,
11 any questions from the Board or Ex-Officio members?
12 Do I have a motion?

13 MR. MOSCATO:

14 Mr. Chairman, I move that the Board
15 issue an Order to adopt the Consent Agreement between
16 the OEC and Valley Forge Convention Center Partners,
17 LP, as described by the OEC.

18 MR. WOODS:

19 Second.

20 CHAIRMAN:

21 All in favor? Opposed?

22 ALL SAY AYE

23 CHAIRMAN:

24 The motion carries. Counselor?

25 ATTORNEY STUART:

1 Thank you. The next Consent Agreement
2 is between the OEC and Mr. Michael Bowman. The facts
3 relating to the May 25th, 2013 incident are the same.
4 The terms of the Consent Agreement between the OEC and
5 Mr. Michael Bowman require Mr. Bowman to pay an
6 administrative penalty in the amount of \$4,000 for
7 providing three individuals with casino access cards
8 without confirming they were eligible for casino
9 access, for aiding two individuals under the age of 21
10 in accessing Valley Forge's gaming floor, for
11 reporting this incident to company counsel instead of
12 immediately reporting the incident to Board Staff when
13 he became aware of it, and for implementing a line of
14 reporting between the Director of Security, the Vice
15 President of Gaming Operations and the Chief Executive
16 Officer which is contrary to Valley Forge's approved
17 internal controls. Mr. Bowman must also attend eight
18 hours of education from a qualified education
19 institution in the areas of casino compliance and/or
20 problem gaming. This Consent Agreement is now ripe
21 for the Board's consideration.

22 CHAIRMAN:

23 All right. Counselor for the OEC, there
24 are Consent Decrees involving two more people, Anthony
25 Spagno, Gilbert Morrissey?

1 ATTORNEY STUART:

2 Correct.

3 CHAIRMAN:

4 Why don't you let the Board know what
5 the results of all that are as far as this Consent
6 Decree is concerned?

7 ATTORNEY STUART:

8 The terms --- they're three separate
9 Consent Agreements. The terms of Consent Agreement
10 between the OEC and Mr. Anthony Spagno would require
11 Mr. Spagno to pay an administrative penalty in the
12 amount of \$2,000 for failing to immediately report
13 this incident to Board Staff when he became aware of
14 it, and for adhering to a line of reporting between
15 the Director of Security, the Vice President of Gaming
16 Operations and the Chief Executive Officer which is
17 contrary to Valley Forge's approved internal controls.
18 Mr. Spagno must also attend eight hours of education
19 from a qualified education institution in the areas of
20 casino compliance and/or problem gambling.

21 The terms of the Consent Agreement
22 between the OEC and Mr. Gilbert Morrissey would
23 require the issuance to Mr. Morrissey of a formal
24 Letter of Reprimand for failing to immediately report
25 the incident to Board Staff when he became aware of

1 it, and for adhering to a line of reporting between
2 the Directory of Security, the Vice President of
3 Gaming Operations and the Chief Executive Officer
4 which is contrary to Valley Forge's approved internal
5 controls. This formal Letter of Reprimand would be
6 placed in Mr. Morrissey's official licensing file.
7 Mr. Morrissey must also attend eight hours of
8 education from a qualified education institution in
9 the areas of casino compliance and/or problem gaming.

10 It should be noted that Mr. Morrissey
11 prepared a security report on Valley Forge's CIP
12 system regarding this incident, and the report is
13 available to anyone with access to the CIP system,
14 including representatives of the Bureau of Casino
15 Compliance. However, communications of such
16 incidences are typically made by Valley Forge's ---
17 Valley Forge personnel to the Bureau of Casino
18 Compliance by telephone, email or in person. These
19 Consent Agreements are now ripe for the Board's
20 consideration.

21 CHAIRMAN:

22 Mr. Hayes?

23 ATTORNEY HAYES:

24 Mr. Schrier represents the three
25 individuals.

1 CHAIRMAN:

2 Oh, I'm sorry. I apologize. Mr.
3 Schrier?

4 ATTORNEY SCHRIER:

5 Good morning, Mr. Chairman, members of
6 the Commission. Stephen D. Schrier. It's
7 S-T-E-P-H-E-N, and the last name is S-C-H-R-I-E-R.
8 With the law firm of Blank Rome. I'm here
9 representing the three individuals who have consents
10 before you on these three motions. I think probably
11 it's worthwhile to talk about them together.

12 The reason that I can represent all
13 three of them --- and I do not represent the company,
14 I represent the individuals themselves. They have
15 asked me to represent them. In so doing, I'm able to
16 do so because each of them has reviewed these facts
17 and reviewed the Consents and determined for
18 themselves that they wished to proceed with these
19 Consents based upon the facts that have been
20 presented. They're each aware that they could have
21 gone in their own direction. They could have each
22 retained their own counsel if they disagreed. And
23 they each understand that they're entitled to have a
24 hearing on all the facts, but they were willing to
25 agree with the Consents and the motions that are

1 before you.

2 What I'd like to do is talk a little bit
3 about the incident itself. I think that may be
4 helpful. Obviously, you have three executives before
5 you with regards to this incident involving underage
6 on the floor. It's a little bit unusual, and I'm sure
7 you may have some questions about that. So, my hope
8 is to try to answer some of those questions and
9 address some of these issues of these Licensees before
10 I ask you to approve these Consents.

11 It might take a few minutes, but I think
12 it's important to you, obviously, and it is important
13 to them. They're Key License holders and the mistakes
14 that were made here were admitted and conceded by all
15 three of these gentleman, and they've had many a
16 sleepless night over this event. So, I'd like to just
17 go through it with you, briefly, if I could.

18 At that time, Michael Bowman was the
19 President and CEO, and he had been in that position
20 for about a year. He has extensive gaming industry
21 experience, and he's fully aware of the importance of
22 preventing underage persons from gaining access to the
23 casino floor. If you know Mr. Bowman, or if you know
24 any of these three individuals, you know that they
25 would never knowingly assist any underage person in

1 accessing the casino floor. But Mr. Bowman is someone
2 who's passionate about customer service, and that is
3 one of his traits, perhaps, to a fault.

4 In this instance, Mr. Bowman made an
5 error, a serious error in his judgment. And that
6 mistake became compounded by the errors of others on
7 his team. At this time a year ago, the casino was
8 working hard to properly function under its casino
9 access policy. Mr. Bowman was in the casino lobby
10 area on this busy Saturday night of Memorial Day
11 weekend 2013, and as part of his job regarding
12 customer relations, he was greeting and speaking with
13 customers.

14 He was introduced by his hotel manager
15 to three well dressed persons who were hotel guests.
16 But as you heard Mr. Stuart say, they had not been
17 offered access cards when they checked in at the front
18 desk, which is the policy. Mr. Bowman, in speaking
19 with the individuals, one of whom was an older
20 gentleman, believed them to all be at least 30 years
21 of age. Leading up to this particular evening, Mr.
22 Bowman had been dealing with instances where access
23 cards had not been offered when they should've been,
24 and instances where access cards that were offered,
25 proved to be defective at the entrance gate and

1 couldn't be read by the card reader. This was very
2 frustrating to him and it did not meet his goal of
3 providing top customer service.

4 Upon learning that these three
5 registered hotel guests had not been offered cards,
6 Mr. Bowman assisted them in obtaining access cards.
7 When he next saw them, they appeared to be held up at
8 the card reader at the entrance to the casino and they
9 were talking to the security officer at the entrance.
10 In error and mistaking this holdup as another card
11 reader malfunction, Mr. Bowman waved at the security
12 officer to let these guests through. He should have,
13 but he did not talk to the security officer, but
14 assumed that they were stopped due to a deficient
15 card, and he wanted to smooth over what was already a
16 very disappointing guest relations experience. He
17 didn't know and was not told that the security officer
18 had reviewed the identification of one of these
19 persons and it showed her as being 20 years old, and
20 the security guard followed his directive.

21 From there, Mr. Bowman went on his way
22 with no knowledge that he had waved an underage person
23 onto the floor. He left the property for his vacation
24 a few minutes later with no idea of what he had done.
25 When he returned a few days later, he was told by Mr.

1 Spagno, the Vice President of Gaming Operations, and
2 he was asked for his side of what had happened, his
3 explanation. Mr. Bowman was shocked, and as he says,
4 he went ballistic when he heard this. He said that he
5 knew nothing about what had happened and knew nothing
6 that would change the facts and was upset that no one
7 had reported this --- other than through the CIP
8 reporting system, that no one had properly reported
9 this to the Bureau of Compliance.

10 At that point, this matter was
11 self-reported to the Board's Staff to the Bureau of
12 Compliance. And I don't think there's any dispute
13 that from that point on, Mr. Bowman and his team
14 cooperated fully with the BIE in their investigation
15 of this incident.

16 I provided you with some mitigating
17 factors in this Consent. Hopefully you've had an
18 opportunity to review those. But Mr. Bowman is a
19 professional and he's been a Key License holder in two
20 jurisdictions for over 25 years without any incident
21 with regard to his licenses. He sincerely regrets his
22 actions, he acknowledges them and he takes full
23 responsibility for them, and he received discipline
24 from his employer. He acknowledges his error in
25 obtaining these access cards and in not allowing his

1 security officer to do the job that he's supposed to
2 do. He also acknowledges his error in having his
3 Executive Director of Security report to the Vice
4 President of Gaming Operations instead of to him.

5 His license, obviously, is of utmost
6 importance, as it is to all three of these
7 individuals. And he recognizes that this incident,
8 this Consent, this proposed payment and sanction will
9 appear on every job application and every license
10 application and every license renewal that Mr. Bowman
11 has for the rest of his career in the gaming industry.
12 He's willing to pay the penalty that is imposed and
13 put this event behind him. As a result, I
14 respectfully request that you approve the Consent.

15 Would you like me to talk about the
16 other individuals as well, or do you want to deal with
17 that first?

18 CHAIRMAN:

19 You may as well talk about the other
20 two.

21 ATTORNEY SCHRIER:

22 Okay. The next motion that you have in
23 front of you involves Mr. Anthony Spagno, who's the
24 Vice President of Gaming Operations, and he's also a
25 Key License holder. After Mr. Bowman waved the guests

1 through, the security officer, doing what he should
2 do, told his supervisor what happened. And then, as
3 he should have, he contacted the Executive Director of
4 Security, Mr. Morrissey, who is also the next motion
5 before you.

6 He explained the circumstances to Mr.
7 Morrissey. Mr. Morrissey then contacted Mr. Spagno,
8 who was located at that time in his office on the
9 seventh floor of the property, which is away from the
10 gaming floor. And as we talked about earlier, the
11 individuals were only on the floor for a period of 28
12 minutes. They didn't gamble, thankfully, and they
13 didn't drink. So, the clock is ticking. And as I
14 said, the patrons themselves were presumably on the
15 floor.

16 Mr. Spagno and Mr. Morrissey tried to
17 obtain the information from the security staff so that
18 they could confirm who these underage persons were,
19 what they looked like, and then they went to the
20 gaming floor to look for these people. But before
21 they could locate them, they had left the gaming
22 floor. At that point, Mr. Spagno and Mr. Morrissey
23 had to decide how to handle this incident. Because
24 they had not spoken to Mr. Bowman for his side of the
25 events, neither thought that the entire investigation

1 or what had occurred was complete.

2 Mr. Spagno confirmed that Mr. Morrissey
3 should prepare a report and put it in the Casino
4 Surveillance and Security System, known as the CIP
5 system. And Mr. Spagno took the responsibility to
6 talk to Mr. Bowman to obtain the facts before they
7 reported this to the Bureau of Compliance and the
8 Pennsylvania State Police. That was a mistake. He
9 made a serious mistake in not advising Mr. Morrissey
10 to go ahead and report the facts in the typical
11 fashion, which was to go directly to the Bureau of
12 Compliance and the Pennsylvania State Police.

13 Mr. Morrissey relied on Mr. Spagno's
14 instruction to wait. He should not have. He had the
15 independent obligation to report this incident
16 immediately through the proper channels, and he did
17 not. Mr. Spagno wanted to get all the facts and to
18 talk to Mr. Bowman directly, he should not have. His
19 actions caused a delay in reporting this for several
20 days.

21 I did note that Mr. Morrissey prepared
22 and entered a report outlining this underage incident,
23 including witness statements in the security and
24 surveillance reporting system, which is accessible to
25 the Board's Staff. He did so with the knowledge and

1 encouragement of Mr. Spagno. And once that report is
2 filed, it's irretrievable, so there was no intent here
3 to conceal any of these facts, but certainly some
4 inexcusable delay in reporting it through the proper
5 channel.

6 Mr. Spagno was penalized and forfeited
7 two weeks of his pay by his company. He takes full
8 responsibility for advising Mr. Morrissey to only file
9 the CIP report until they got more facts. Like Mr.
10 Bowman, Mr. Spagno has an unblemished licensing record
11 in the gaming industry for 30 years. He fully
12 recognizes the importance of following all regulations
13 and requirements, and would never seek to aid anyone
14 underage in accessing the gaming floor. He
15 acknowledges his serious error and he has learned a
16 significant lesson. He agrees to the monetary penalty
17 imposed and to undergoing more training on compliance
18 and problem gaming. And he agrees with the OEC that
19 this is a fair and reasonable penalty for the mistakes
20 and violations.

21 Finally, as to the last motion regarding
22 Mr. Morrissey. As is indicated in his Consent, he has
23 an exemplary record with the Pennsylvania State Police
24 for a period of 22 years before he took this position.
25 He has an unblemished record with that agency. At the

1 time he took this job, he was new to the casino
2 industry. And he's extremely upset with his error
3 here and he takes full responsibility for his failure
4 to timely report that incident that night through the
5 proper channels.

6 He agrees to this Board placing a formal
7 Letter of Reprimand in his licensing file, which will,
8 again, follow him in every license application and
9 renewal that he has for the rest of his career in this
10 industry. He agrees with OEC that this is a fair and
11 reasonable penalty for his violation. Are there any
12 questions?

13 CHAIRMAN:

14 Counselor, just one. Finishing your
15 account, perhaps, what discipline did Valley Forge
16 take against the three gentleman?

17 ATTORNEY SCHRIER:

18 Yes. Mr. Chairman, with regard to Mr.
19 Bowman, a written warning was placed in his file,
20 which is a serious violation. And if any future
21 violations occur, they could lead to termination.
22 Similarly, a written warning was placed in Mr.
23 Morrissey's file under the same circumstances. And as
24 I indicated, with regard to Mr. Spagno, he was
25 forfeited two weeks of his pay.

1 CHAIRMAN:

2 So, he was suspended for two weeks?

3 ATTORNEY SCHRIER:

4 Well, he was suspended, but it was a
5 forfeiture of pay for two weeks. Yes.

6 CHAIRMAN:

7 Thank you. Questions from the Board?
8 Greg.

9 MR. FAJT:

10 Thank you, Mr. Chairman. Would it be
11 proper to have the three gentleman be sworn in front
12 of this panel to take direct questions from us?

13 CHAIRMAN:

14 I don't see why not, unless Counsel
15 objects.

16 ATTORNEY SCHRIER:

17 Well, consistent with this Board's
18 regulations, and obviously with their obligations as
19 Licensees, they should cooperate with the Board in
20 anything that this Board has requested of them. And
21 they're very willing and anxious to answer any
22 questions that the Board may have with regard to these
23 Consent Agreements. But I have to at least preserve
24 any objection to using any of their testimony today
25 with regard to these Consent Agreements in any future

1 proceeding or any hearings, or using it as evidence in
2 the event that the Board ultimately determines not to
3 approve these Consent Agreements. And I think that's
4 consistent with the Board's regulations with regard to
5 creating a record pertaining to consent. So, with
6 that reservation of rights, these gentleman are here
7 and they can be sworn ---.

8 CHAIRMAN:

9 They can waive that right, can't they,
10 Counselor?

11 ATTORNEY SCHRIER:

12 Well, it's part of the Board's
13 regulations, so I guess it puts me in a difficult
14 dilemma. I have three clients that I need to go talk
15 to them about any waiver of that right.

16 CHAIRMAN:

17 Cyrus?

18 ATTORNEY PITRE:

19 His recitation is correct. However, you
20 are correct, Mr. Chairman, that right can be waived.

21 CHAIRMAN:

22 And since what we want to do here is
23 find out the truth --- because this is troubling to
24 the Board.

25 ATTORNEY SCHRIER:

1 Yes.

2 CHAIRMAN:

3 Particularly the actions of Mr. Bowman.
4 And we don't want to sandbag ourselves with this. Mr.
5 Cook, can I ask you?

6 ATTORNEY COOK:

7 Mr. Chairman, I believe Section 4018.3
8 of our regulations would consider the Board's hearing
9 a Consent Agreement an on-the-record proceeding. And
10 as such, the witnesses' testimony could be used
11 against them at a later time.

12 CHAIRMAN:

13 So, it could be used?

14 ATTORNEY COOK:

15 Correct.

16 CHAIRMAN:

17 Okay. Counselor, understand what Mr.
18 Cook just said?

19 ATTORNEY SCHRIER:

20 Yes.

21 CHAIRMAN:

22 Okay. You still ---?

23 ATTORNEY SCHRIER:

24 I don't think that prevents me from
25 continuing an objection. But are you asking me if I

1 will ask my clients to waive that right?

2 CHAIRMAN:

3 Well, I don't think that we have to
4 because it's on the record, and that's all that
5 matters to the Board. What you think the law is, is
6 one thing. What the law is, is another. Mr. Cook?

7 ATTORNEY COOK:

8 I believe that anything these gentleman
9 would testify to today would be --- could potentially
10 be used against them in enforcement action.

11 CHAIRMAN:

12 All right. So, now I guess it's time
13 for you to decide whether you want them to.

14 ATTORNEY SCHRIER:

15 Okay. Well, I need to speak with them,
16 as --- obviously, very briefly.

17 CHAIRMAN:

18 All right. We'll give you five minutes.

19 ATTORNEY SCHRIER:

20 Yes.

21 CHAIRMAN:

22 All right.

23 ATTORNEY SCHRIER:

24 Thank you.

25 CHAIRMAN:

1 We'll stand in recess for five minutes.

2 BRIEF RECESS

3 CHAIRMAN:

4 Okay. We are back on the record.

5 ATTORNEY SCHRIER:

6 Thank you, Mr. Chairman. You may swear
7 in the three individuals, Mr. Bowman, Mr. Morrissey
8 and Mr. Spagno.

9 CHAIRMAN:

10 Okay, fine. Where are the three? Okay.
11 Why don't we take you individually. Gentleman to my
12 left, could you state your name for the record and
13 your position, spell your last name?

14 MR. MORRISSEY:

15 My name is Gilbert Morrissey. Last name
16 is M-O-R-R-I-S-S-E-Y. I'm the Executive Director of
17 Security.

18 MR. BOWMAN:

19 My name is Michael Bowman, B-O-W-M-A-N,
20 I'm the President and CEO of Valley Forge Casino.

21 MR. SPAGNO:

22 Anthony Spagno, S-P-A-G-N-O, I'm Vice
23 President of Gaming Operations, Valley Forge Casino.

24 CHAIRMAN:

25 All right. I would ask that you now be

1 sworn. Sir?

2 -----

3 WITNESSES SWORN EN MASSE

4 -----

5 CHAIRMAN:

6 Counselor, why don't you shift your
7 position with the three to all sit at the counsel
8 table? Okay. Greg?

9 MR. FAJT:

10 Thank you, Mr. Chairman. Let me get the
11 lines of reporting correct to start off here. Mr.
12 Morrissey reports to Mr. Spagno; is that right,
13 Counselor?

14 ATTORNEY SCHRIER:

15 At that time, Mr. Morrissey was
16 reporting to Mr. Spagno, yes.

17 CHAIRMAN:

18 And did Mr. Spagno, at that time, report
19 to Mr. Bowman?

20 ATTORNEY SCHRIER:

21 Yes.

22 MR. FAJT:

23 Thank you.

24 ATTORNEY PITRE:

25 Commissioner Fajt, ---?

1 MR. FAJT:

2 Yes.

3 ATTORNEY PITRE:

4 --- if I may? That was not in
5 accordance with the approved internal controls,
6 however. According to the internal controls, Mr.
7 Morrissey reports directly to Mr. Bowman, and Mr.
8 Spagno reports to Mr. Bowman.

9 MR. FAJT:

10 I see.

11 ATTORNEY PITRE:

12 That's part of the issue here.

13 MR. FAJT:

14 Thank you, Cyrus. And I thought I heard
15 two different delays in the report --- or the
16 self-reporting of this incident to the Gaming Control
17 Board. I thought I heard an initial reference of a
18 five-day delay, and then I thought that Mr. Schrier
19 said it was a seven-day delay. Which was it? How
20 long from the incident to when we were officially
21 notified?

22 ATTORNEY STUART:

23 It was approximately five days.

24 MR. FAJT:

25 Five days. Thank you.

1 ATTORNEY STUART:

2 May 25th is when the incident occurred,
3 and we got word of it on May 30th.

4 MR. FAJT:

5 Thank you.

6 ATTORNEY SCHRIER:

7 Hopefully I said several, but if I said

8 ---

9 MR. FAJT:

10 Okay.

11 ATTORNEY SCHRIER:

12 --- seven, I apologize.

13 MR. FAJT:

14 You may have said several. Okay. I'm
15 just going to lay my cards on the table. Mr. Schrier,
16 no offense, I don't believe your recitation of the
17 facts. Mr. Morrissey, Mr. Spagno, questions to you.
18 How did you attempt to reach Mr. Bowman after he left
19 the property? Mr. Morrissey, why don't you go first.
20 Did you call him directly?

21 MR. MORRISSEY:

22 No, sir. I did not.

23 MR. FAJT:

24 Mr. Spagno, did you call him directly?

25 MR. SPAGNO:

1 Yes, sir. I tried to reach Mr. Bowman
2 on his cell phone unsuccessfully.

3 MR. FAJT:

4 And how many times did you call him?

5 MR. SPAGNO:

6 Just once.

7 MR. FAJT:

8 And how long after he left the property
9 did that call take place?

10 MR. SPAGNO:

11 Immediately after I found out about the
12 incident.

13 MR. FAJT:

14 And did you leave him a message?

15 MR. SPAGNO:

16 I did not. Well, I left a message to
17 please call me back.

18 MR. FAJT:

19 Mr. Bowman, did you receive that
20 message?

21 MR. BOWMAN:

22 I did not.

23 MR. FAJT:

24 Any reason why? Do you have a bad cell
25 phone number, Mr. Spagno? Again, I'll lay my cards on

1 the table. Those are the kinds of things that are
2 troubling to me. I think you guys are playing fast
3 and loose. Mr. Morrissey, I think you're the innocent
4 victim here. I think you did what you should do, and
5 I am very, very, very disappointed in you, Mr. Bowman.
6 I believe --- well, let me ask you. What's your
7 policy on carding individuals coming into the casino?
8 Under what age do you instruct your underlings to card
9 people?

10 MR. BOWMAN:

11 Well, for --- as far as carding people,
12 we always look from an alcohol standpoint. Thirty
13 (30) is the number we look at, but 21 --- I apologize,
14 Mr. Fajt.

15 MR. FAJT:

16 Did you believe that these women were
17 over 30?

18 MR. BOWMAN:

19 I 100 percent believed these women were
20 over 30 years old, sir.

21 MR. FAJT:

22 I find that hard to believe, but that's
23 your word and you were there and I wasn't. Again,
24 I'll get off the dais and let my other Commissioners
25 answer (sic) questions, but I just --- I don't believe

1 the recitation of the facts, and I believe that there
2 is pressure in this casino to drive people to the
3 gaming floor. And I think that these are the
4 unintended consequences of pressure of that type to
5 get people in this casino to the gaming floor.

6 MR. BOWMAN:

7 Mr. Fajt, may I speak? First of all,
8 Chairman Ryan, I sincerely and humbly, respectfully
9 apologize to you and the Board. I apologize.

10 MR. FAJT:

11 It doesn't matter.

12 MR. BOWMAN:

13 These three people were with my hotel
14 general manager, the gentleman who is responsible for
15 all hotel operations, in the lobby of the casino on
16 Memorial Day Saturday. Leading up to this incident
17 --- and I think most of you know me, it's probably a
18 downfall or defect, humbly saying, that I'm passionate
19 about the customer, the employees, and I certainly
20 respect the age requirements being in this business 30
21 years. This is the first incidence that's ever
22 occurred with me involved with this, sir.

23 These individuals were hand-waved over
24 to me, sir, with my hotel general manager. As he
25 said, they were attending an event at the Radisson.

1 They were at a banquet and they were patrons of the
2 amenity, they were staying in the hotel. My mistake,
3 shame on me, was to go over to the card center right
4 there to my right with them and ask for cards. What I
5 normally would do in a situation like this, like I've
6 done in the past, is I would take these individuals,
7 these customers over and ask an employee or a
8 supervisor to handle this.

9 Leading up to Memorial Day weekend --- I
10 was as passionate as it gets about this red X coming
11 up when people came in with their cards. The red X
12 was coming up from an IT standpoint because cards were
13 worn, they were in boxes, they were old, there was all
14 these excuses. So, leading up to Memorial Day
15 weekend, no excuse, my mistake, sir, all on me, was
16 service, service, service. I'm running around like a
17 chicken, I'm --- which, shame on me. I'm all over the
18 place trying to make sure everyone's ready to go for
19 the weekend, and I see us with a service breakdown
20 that's pretty bad, again. They're at a banquet,
21 they're staying in the hotel, they're with my hotel
22 general manager. He proceeds to tell me they should
23 have gotten access cards. Should I have carded them?
24 Yes, in hindsight. Have I ever carded a guest or a
25 situation like that? No. As the President and CEO, I

1 should've. I walked them over, I make sure they get
2 their cards, mistake on my part.

3 A few minutes later, I walk by the
4 access gates, and I, what I think is happening, see a
5 red X. I think, here we go again. These people are
6 trying to get to the casino, they're trying to enjoy
7 the resort, they're trying to enjoy the overall
8 experience and we just can't get it right. I make a
9 tactical fatal mistake. I wave my hands, thinking
10 that the technology is not working. They get onto the
11 floor. I am not told about this situation, mistake on
12 my management team's part, until I come back from
13 vacation that weekend. I do go ballistic. I go
14 really ballistic, as passionate as you can get, and
15 they can vouch for that, in my office. I'm as upset
16 about this situation as you can imagine.

17 I call Kevin Hayes, because from a
18 regulatory standpoint, I've never called myself in for
19 what security normally does with an underage. I
20 called Mr. Hayes up and said, Kevin, we've got a
21 problem here and I need your help, and we need to go
22 over this with the PGCB, we are at fault here. And I
23 had no idea who these people were. So, again, many
24 mistakes on my part as I look at hindsight. But from
25 an intense standpoint or anything like that, no, sir.

1 CHAIRMAN:

2 Questions from the Board? Dave?

3 MR. WOODS:

4 Mr. Bowman, I appreciate that you're
5 passionate about customer service, and from the
6 Board's standpoint, I hope you're equally as
7 passionate about the rules and regulations in which
8 you operate.

9 MR. BOWMAN:

10 I am.

11 MR. WOODS:

12 And specifically concerning the
13 accounting internal control document that you operate
14 under, there are provisions on how you provide access
15 to an overnight guest or a banquet guest.

16 MR. BOWMAN:

17 Yes, sir.

18 MR. WOODS:

19 Could you just explain to me how that
20 would normally work at your facility?

21 MR. BOWMAN:

22 Yes, sir. A paying patron, like this
23 group --- again, I thought these women were 30 years
24 old. There was an older gentleman, they were in
25 dresses, he was in a suit, they were attending an

1 event. When they checked in to either one of our
2 hotel towers and if they show their ID, they would be
3 issued their access cards and they had to sign the
4 cards. Fumbled. Employee fumble, for some reason,
5 they didn't get them.

6 During that period, that was happening
7 quite a bit. We were just having breakdowns. Then
8 they attend an event, a major banquet, at the resort
9 in the Radisson Hotel. In those events, sir,
10 according to our internal controls, we will have a
11 satellite area set up. They can get their access
12 cards there. They're on a list. They didn't get it.
13 They didn't see it. And they explained that to me
14 with the hotel general manager who said to me, these
15 are patrons of the resort. These are, you know,
16 customers. I respect the internal controls. I'm just
17 as passionate about those internal controls as I am
18 about service, and I mean that from my heart.

19 MR. WOODS:

20 Specifically, you provided the three
21 individuals cards, as you've stated in the facts, just
22 handing them to them. Were there any other
23 individuals on that weekend that you provided cards to
24 or that your staff provided cards to without checking
25 documentation of age or anything?

1 MR. BOWMAN:

2 No, sir. And when they got their cards,
3 sir, I walked over towards the Valley Services,
4 towards the card center, and said to our --- my
5 employee, please give these guests cards, they're
6 attending an event, they should've gotten access to
7 the casino.

8 The mistake was, normally I would walk
9 customers over there, and I would say, can you please
10 go through the normal process. My mistake was being,
11 again, concerned about service, not on the focus I
12 should've been with the internal control. But my
13 hotel general manager was with these guests telling me
14 that they --- we messed up.

15 MR. WOODS:

16 In your leadership role as CEO and ---

17 MR. BOWMAN:

18 Yes, sir.

19 MR. WOODS:

20 --- having security guards, do you
21 believe that they can challenge you and you would
22 welcome that from a standpoint of if they believe
23 something is wrong, that they could provide that
24 information to you directly? Or do you feel that they
25 were fearful of losing their job because of, you know,

1 challenging you with your waving? You know, it's a
2 direct violation. They knew it was 20 years old ---

3 MR. BOWMAN:

4 Right.

5 MR. WOODS:

6 --- and yet, didn't tell you.

7 MR. BOWMAN:

8 Correct. What I found out afterwards
9 was the security guard, and Gib can speak on this,
10 too, had only been employed at the hotel --- or the
11 casino for 15 days. I don't really know if he knew
12 who I was, to be honest with you, when I waved it. Or
13 he just --- it's not his fault, it's my fault, that I
14 waved, thinking that the technology was not working.
15 Coincidentally, the individual who was there during
16 that time is now a supervisor. He was just recently
17 promoted and he's a rock star employee at the Valley
18 Forge Casino.

19 I have strong respect for our employees,
20 and our employees have respect for me. I conduct
21 round tables all the time, we do meetings, we do
22 one-on-ones. If you were to follow me around the
23 casino, the resort, the gaming areas, the non-gaming
24 areas, you would see that I'm very personable, I'm
25 very in contact with our employees. I would ask you

1 to ask my fellow colleagues here if any of the
2 employees fear me. I would say no, not at all, as I
3 have a very hands-on approach and a very personable
4 approach with our employees at the resort.

5 MR. WOODS:

6 Thank you, Mr. Chairman.

7 MR. MCNALLY:

8 Just a couple follow-up. The general
9 manager, has he been disciplined?

10 MR. BOWMAN:

11 The general manager was not disciplined.
12 No, he was given a verbal counsel, because I assumed
13 all the responsibility for this.

14 MR. MCNALLY:

15 Okay.

16 MR. BOWMAN:

17 It was my mistake.

18 MR. MCNALLY:

19 But the general manager mislead you;
20 correct?

21 MR. BOWMAN:

22 He did.

23 MR. MCNALLY:

24 Which ---?

25 MR. BOWMAN:

1 Excuse me, sir. I apologize. He didn't
2 mislead me. I mislead myself. He told me they were
3 patrons of the amenity, they were attending a banquet
4 and they were staying in the hotel.

5 CHAIRMAN:

6 Excuse me, if I can interrupt. This was
7 the general manager of hotel operations?

8 MR. BOWMAN:

9 Yes, sir.

10 CHAIRMAN:

11 Not the casino?

12 MR. BOWMAN:

13 No, sir.

14 CHAIRMAN:

15 All right. I'm sorry for interrupting.

16 MR. BOWMAN:

17 This is the individual who oversees all
18 non-gaming --- he's a general manager. Managing
19 director of all non-gaming operations. So, he
20 happened to see the customers and he knew who they
21 were. And when I was walking by, he waved me over.
22 And he acknowledged that they were staying in the
23 hotel and they were attending a banquet.

24 MR. MCNALLY:

25 But I thought the testimony was he said

1 to you they should've been given access cards?

2 MR. BOWMAN:

3 Well, he did. He said, they didn't get
4 access cards, they should've gotten access cards. He
5 did.

6 MR. MCNALLY:

7 Have you sought to identify who those
8 two persons were that were given access?

9 MR. MCNALLY:

10 Since the incident, sir?

11 MR. MCNALLY:

12 Correct.

13 MR. MCNALLY:

14 I personally have not. I know there was
15 a full investigation. I think the State Police were
16 looking to track them down afterwards, and it was in
17 some of the documents. But they did try to track them
18 down. I don't even know if they spoke to them. I
19 don't think they spoke --- no one spoke to the hotel
20 general manager, also. But in the investigation, I
21 don't believe. But I know they were trying to contact
22 the women, who I thought were women, who were underage
23 that got access on the floor but did not gamble and
24 did not drink.

25 MR. MCNALLY:

1 The investigation that you're referring
2 to, was this an internal investigation conducted by
3 your group, or was this a State Police investigation?

4 MR. BOWMAN:

5 There was an internal audit
6 investigation done by our internal audit leadership.
7 There was --- our audit committee was involved, our
8 human resources team was involved, the PGCB was
9 involved. Everyone that could possibly be involved
10 with this was involved.

11 MR. MCNALLY:

12 Was that report reduced to writing?

13 MR. BOWMAN:

14 Yes.

15 MR. MCNALLY:

16 Okay. Has that been made part of the
17 record?

18 MR. BOWMAN:

19 I don't know. No.

20 ATTORNEY SCHRIER:

21 No, it's not ---.

22 M. MCNALLY:

23 Do you have --- ?

24 ATTORNEY SCHRIER:

25 I have copy of it, but it's not part of

1 the record.

2 MR. MCNALLY:

3 Okay. Would you be willing to make it
4 part of the record?

5 MR. BOWMAN:

6 Yeah. Absolutely.

7 MR. MCNALLY:

8 Would that report also document the
9 troubles that you purportedly had with the access on
10 the days, weeks or even months leading up to this
11 incident?

12 MR. BOWMAN:

13 In my statements originally, I made that
14 clear. I can certainly have our IT department pull up
15 from access when red X's were coming up and when cards
16 were not magnetized. Absolutely.

17 MR. MCNALLY:

18 A question for OEC. What is the
19 practical and legal effect of putting a Letter of
20 Reprimand in someone's license file?

21 ATTORNEY PITRE:

22 The legal effect is, in order to
23 document within the regulatory files that an
24 individual did violate one of the regulations of
25 something in the Act. So, when that individual comes

1 up for renewal or in the future if there's another
2 problem with that individual, there's already
3 something documented in their file, notifying
4 regulatory authorities that that person has had a
5 problem in the past in violating a certain regulation
6 or the Act.

7 Also, because individuals in the casino
8 industry move from jurisdiction to jurisdiction, when
9 that --- if that person should go to another
10 jurisdiction, that regulatory authority usually
11 contacts us to find out if there's been any problems
12 with them in the past or anything in their background,
13 anything while they were licensed in our jurisdiction,
14 did we have any problems with them.

15 So, it's basically to put everyone on
16 notice that there was an issue. That would be the
17 effect of the Letter of Reprimand. The same with any
18 other violation that would occur. It's just a less
19 severe --- I guess, less severe sanction against the
20 individual. And we thought that was appropriate in
21 this instance, given Mr. Morrissey being between a
22 rock and a hard place. However, we felt that he had
23 to be held accountable because he is the Director of
24 Security. And that is --- it's as high as you can get
25 with regard to the security department. And they're

1 responsible for ensuring the protection of the assets,
2 the protection of the patrons, and ensuring that the
3 casino follows the regulatory requirements with regard
4 to entrance of individuals into the casino, amongst
5 other things.

6 MR. MCNALLY:

7 That's all the questions I had.

8 MR. MCCALL:

9 Just a couple for clarification in my
10 mind. This was a Saturday of Memorial weekend;
11 correct?

12 MR. BOWMAN:

13 That's correct.

14 MR. MCCALL:

15 What time of day was it? What time of
16 day?

17 MR. BOWMAN:

18 I can't --- I want to say six, seven
19 o'clock at night. Or after 7:00. It was after the
20 event.

21 MR. MCCALL:

22 And after you waved these individuals
23 in, did you immediately leave the casino?

24 MR. BOWMAN:

25 If you look at the tape, I'm walking

1 real fast by the customers as they're at the access
2 gates with security. I went through the gate, through
3 the casino floor, stopped, assumed, again, that
4 they're having technical problems with these cards and
5 I waved, went through the casino. And then, I
6 literally went back up to my office and left for the
7 weekend for a few days. I was taking vacation time.
8 So, I didn't know about this until I came back to my
9 office the following week.

10 MR. MCCALL:

11 And Mr. Spagno, did you make the
12 telephone call from your cell phone to his cell phone,
13 or from your cell phone to his office phone?

14 MR. SPAGNO:

15 My cell phone to his cell phone.

16 MR. MCCALL:

17 His cell phone. And what time of day
18 was that?

19 MR. SPAGNO:

20 I'd say approximately 7:30, 7:45.

21 MR. MCCALL:

22 And then, you took it upon yourself just
23 not to notify the State Police and/or OEC about the
24 violation?

25 MR. SPAGNO:

1 So, I met with Mr. Morrissey. We tried
2 to --- we made sure that --- a couple things we did.
3 Not knowing all the details and trying to understand
4 how they entered the casino floor, as I was unsure of
5 that initially. So, Mr. Morrissey and I made sure
6 that we documented all the findings that we had, I
7 tried to make sure that I gathered as much information
8 that I could. We put it in the reporting system at
9 the time I thought was viewed daily by the gaming ---
10 the inhouse Gaming Board members.

11 MR. MCCALL:

12 But you inputted that right then and
13 there after you had that discussion; correct?

14 MR. SPAGNO:

15 I want to say that that report was
16 finished and completed by Mr. Morrissey within 30, 40
17 minutes of the incident occurring.

18 MR. MCCALL:

19 As far as the penalties are concerned,
20 who imposed those penalties giving you a Letter of
21 Reprimand and Mr. Spagno two weeks docking of pay?

22 MR. BOWMAN:

23 Well the audit committee made its
24 recommendations to the human resources, and our board
25 of directors made it clear with write-ups and a

1 disciplinary actions that were taken. As far as
2 myself and Anthony, it was made clear. I mean, if
3 anything else, anything that came close to anything
4 like this, would be termination.

5 Our committee, our board, everyone was
6 extremely, extremely concerned about this situation
7 and what occurred here. But again, I look back and it
8 was --- it began with me. As the President and CEO, I
9 take full responsibility for it. Shame on me. And it
10 was an error, and it wasn't --- not intentional, sir.

11 It was not. It was strictly me moving too fast.

12 ATTORNEY PITRE:

13 Commissioner McCall ---

14 MR. MCCALL:

15 Yeah.

16 ATTORNEY PITRE:

17 --- if I may? Just to clarify, the
18 letter --- the written warnings and the two-week
19 suspension that Mr. Spagno received, those are
20 personnel files that would not affect their licensure
21 or any form or fashion. Only this Board's action,
22 anything that this Board does will follow them from
23 jurisdiction to jurisdiction and be placed in their
24 licensing file.

25 MR. MCCALL:

1 I see. Thank you for clarifying, Cyrus.
2 CHAIRMAN:
3 Tony?
4 MR. MOSCATO:
5 Thank you, Mr. Chairman. Most of my
6 questions have been asked. I do have just, perhaps, a
7 clarification. Mr. Schrier, you said that this was
8 self-reported to the Board. And was it not from Mr.
9 Bowman to Mr. Hayes to OEC, rather than Valley Forge
10 directly to OEC?
11 ATTORNEY SCHRIER:
12 I believe you're correct.
13 MR. MOSCATO:
14 Okay. Thank you.
15 ATTORNEY STUART:
16 Commissioner Moscato, for clarification.
17 It was the Casino Compliance Representatives at Valley
18 Forge ---
19 MR. MOSCATO:
20 Yeah.
21 ATTORNEY STUART:
22 --- not directly to OEC.
23 MR. MOSCATO:
24 Oh. Okay.
25 ATTORNEY STUART:

1 And that is standard protocol.

2 MR. MOSCATO:

3 Okay. Thank you.

4 MR. BOWMAN:

5 And I believe, sir, for the record, too,
6 that that was standard protocol. The reason why I
7 wanted Mr. Hayes to be immediately on top of this was
8 he handles all regulatory and all reporting.
9 Normally, again, I stated earlier, in a situation like
10 this, our security department would automatically pick
11 up the phone. Mistakes were made. But I wanted Kevin
12 to get on top of this immediately.

13 MR. MOSCATO:

14 Thank you.

15 CHAIRMAN:

16 Annmarie?

17 MS. KAISER:

18 Just a couple quick questions. You'd
19 indicated the security officer has subsequently been
20 promoted?

21 MR. BOWMAN:

22 Yes, ma'am.

23 MS. KAISER:

24 I agree that he should be commended in
25 his job. From my perspective, you interfered with him

1 doing his job.

2 MR. BOWMAN:

3 Agreed.

4 MS. KAISER:

5 And I think as part of your training
6 that you need to make sure that these officers ---
7 security officers recognize that if somebody, despite
8 whoever they are, how high up they are in the company
9 ---

10 MR. BOWMAN:

11 Agreed.

12 MS. KAISER:

13 --- that if they interfere with them
14 doing their job ---

15 MR. BOWMAN:

16 Yes, ma'am.

17 MS. KAISER:

18 --- that they're going to be held
19 culpable. They're going to be held liable.

20 MR. BOWMAN:

21 Yes, ma'am.

22 MS. KAISER:

23 And I think you need to incorporate
24 that, because the average security officer standing
25 there is going to be fearful if someone higher up the

1 chain tells them to do something. They're going to
2 feel that they're in fear of losing their jobs. So,
3 they need to be aware ---

4 MR. BOWMAN:

5 Agreed.

6 MS. KAISER:

7 --- that it's a situation where they're,
8 no matter what they do, they're going to be in
9 trouble. But what they need to do is make sure they
10 do their job.

11 MR. BOWMAN:

12 Ma'am, I agree 100 percent. I
13 respectfully would say to that point, and Mr.
14 Morrissey can comment on this, when they came to my
15 office to tell me this situation, besides putting my
16 two cents out there, I was really concerned about the
17 employees in security. Mr. Morrissey can state that.
18 And I wanted to meet with the employees immediately.
19 I did meet with the supervisors. Mr. Morrissey asked
20 if he could deal with the --- his direct officers, and
21 he did. He followed up and met with them.

22 I also did go back to this individual,
23 and as President and CEO, I apologized to this man,
24 because I was wrong and I put him in an awkward
25 position. But I would follow up with the training and

1 will take that to another level, and we will own it.

2 ATTORNEY SCHRIER:

3 Commissioner, if I might? I would also
4 just note that as a result of this incident and as a
5 result of what occurred, the board of the company, to
6 my understanding, instituted an ethics and compliance
7 hotline ---

8 MR. BOWMAN:

9 Yes.

10 ATTORNEY SCHRIER:

11 --- which allows any employee to pick up
12 the phone and report something where they feel they
13 might, you know, have that kind of pressure. So, that
14 was created as a result of this. Certainly, you know,
15 that your suggestion would be a good one, as well, but
16 ---

17 MR. BOWMAN:

18 Yes.

19 ATTORNEY SCHRIER:

20 --- this was also created at that time.

21 MR. BOWMAN:

22 If you mind --- I apologize. With the
23 ethics line, we posted that everywhere, in the back of
24 the house, on our employee website, and we actually
25 put the employee ethics hotline on employees'

1 paychecks.

2 MR. MCNALLY:

3 If I can ask you. Who answers the phone
4 when the hotline's called

5 MR. BOWMAN:

6 That comes through our internal audit,
7 our regulatory compliance, Michael Rodriguez. So, he
8 gets all confidential calls.

9 MS. KAISER:

10 And Mr. Morrissey, who did you believe
11 that you reported to, Mr. Spagno or Mr. Bowman?

12 MR. MORRISSEY:

13 I reported to Mr. Spagno all operations
14 matters.

15 MS. KAISER:

16 I would just comment that I share the
17 comments of Commissioner Fajt when I say that I think
18 that you're the least culpable individual in this
19 scenario. You did file the report. I understand that
20 wasn't directly communicated to PSP or the Board, but
21 I do commend you for at least filing that report. So,
22 I think you're the least culpable individual in this
23 entire scenario.

24 MR. MORRISSEY:

25 Thank you.

1 MS. KAISER:

2 With respect to Valley Forge and the
3 suspension, Mr. Spagno, you were suspended for two
4 weeks. Mr. Bowman, you did not receive a suspension;
5 correct?

6 MR. BOWMAN:

7 I did not. I was given a written
8 warning and I was sat down and discussed with the
9 Board where I stood with anything similar to this
10 situation ever occurring at that property.

11 MS. KAISER:

12 That surprised me somewhat given the ---
13 your participation in this conduct, that Mr. Spagno
14 received a more severe penalty. I mean, that's
15 obviously their assessment, but that was rather
16 surprising to me. That's all I have.

17 CHAIRMAN:

18 Mr. Morrissey, you were called to the
19 entrance to the casino by the supervisor of security;
20 is that correct?

21 MR. MORRISSEY:

22 No, sir, it is not. I received a
23 telephone call. I was actually on assignment on the
24 other side of the property when I received the phone
25 call from my supervisor. It was 1904 hours when I

1 received that call, sir.

2 CHAIRMAN:

3 And you immediately called Mr. Spagno?

4 MR. MORRISSEY:

5 Yes, sir, I did.

6 CHAIRMAN:

7 Did you both then go to the same
8 location? What did you do then?

9 MR. MORRISSEY:

10 Once I received that telephone call from
11 my supervisor, I asked him to pull our security
12 officer from the floor, and then reported to the
13 security administration office where my office is
14 located, and asked Mr. Spagno to report there as well
15 so we can understand the facts as we knew them.

16 CHAIRMAN:

17 And that took place, I would assume,
18 very quickly?

19 MR. MORRISSEY:

20 Yes, sir. Fairly quickly.

21 CHAIRMAN:

22 And you discussed the facts of what
23 happened?

24 MR. MORRISSEY:

25 Yes, sir. I got all the information

1 from my security guard at that time, and then I also
2 asked him to fill out a witness statement, which is
3 pretty much the norm when we do our reporting process.

4 CHAIRMAN:

5 Mr. Spagno, what did you then do?

6 MR. SPAGNO:

7 So, I met Mr. Morrissey, then proceeded
8 down to the casino floor to try to locate the two
9 individuals.

10 CHAIRMAN:

11 You never found them?

12 MR. SPAGNO:

13 When we found the individuals, they were
14 actually walking off the casino floor. So, we entered
15 the floor, and by the time we found them, based on the
16 description that we received from the guard --- and
17 Mr. Morrissey was actually on the phone trying to
18 identify them as well. When we found who we thought
19 they were, they were exiting the casino.

20 CHAIRMAN:

21 You let them continue on their way?

22 MR. SPAGNO:

23 Yes, sir.

24 CHAIRMAN:

25 Mr. Spagno, you tried to call Mr.

1 Bowman; is that correct?

2 MR. SPAGNO:

3 Yes.

4 CHAIRMAN:

5 Once? Just once?

6 MR. SPAGNO:

7 Just one time, sir.

8 CHAIRMAN:

9 Didn't leave a message?

10 MR. SPAGNO:

11 Did not.

12 CHAIRMAN:

13 Why not?

14 MR. SPAGNO:

15 Well, I just asked him to call me.

16 CHAIRMAN:

17 And he didn't?

18 MR. SPAGNO:

19 No, sir.

20 CHAIRMAN:

21 And did you know, then, he was away for

22 a couple of days?

23 MR. SPAGNO:

24 I knew Mr. Bowman was leaving for

25 vacation, yes, sir.

1 CHAIRMAN:

2 Did you talk to anybody else in your
3 chain of command about that incident and your attempt
4 to get Mr. Bowman?

5 MR. SPAGNO:

6 No, sir.

7 CHAIRMAN:

8 So, you didn't do anything else with
9 respect to making sure the higher-ups at this casino
10 knew what had happened?

11 MR. SPAGNO:

12 The higher-ups would've been our board,
13 so --- the higher-ups for Mr. Bowman and myself. So,
14 I worked with Mr. Morrissey to try to gather as much
15 data as we could, and then talked to Mr. Bowman when
16 he came back to work on ---.

17 CHAIRMAN:

18 You decided to wait until Mr. --- you
19 saw Mr. Bowman again when he came back to work?

20 MR. SPAGNO:

21 Yes, sir.

22 CHAIRMAN:

23 Mr. Bowman, obviously this would've
24 never happened if you had done your job as you were
25 supposed to; right, sir?

1 MR. BOWMAN:

2 Yes, sir.

3 CHAIRMAN:

4 Did you know these three people who you
5 gave the access cards to?

6 MR. BOWMAN:

7 Absolutely not, sir.

8 CHAIRMAN:

9 You had never seen them before?

10 MR. BOWMAN:

11 Never saw them before.

12 CHAIRMAN:

13 Did anybody tell you anything about
14 these three people, that they were good friends of
15 somebody?

16 MR. BOWMAN:

17 No, sir.

18 CHAIRMAN:

19 The head of hotel operations, he didn't
20 say anything about them? He didn't ask you to do
21 anything with respect to getting them some help?

22 MR. BOWMAN:

23 No, sir.

24 CHAIRMAN:

25 So, you just decided to take it upon

1 yourself to interfere with the proper process, which
2 would've been for these three people to go to somebody
3 who's assigned to do the job to get access cards;
4 right?

5 MR. BOWMAN:

6 Yes, sir.

7 CHAIRMAN:

8 And then, when you see that the security
9 guard is having a confrontation, or I should say, a
10 contact with one of the people, you just tell him to
11 wave them through without bothering to think, hey,
12 maybe she's underage; right?

13 MR. BOWMAN:

14 Yes, sir.

15 CHAIRMAN:

16 Why did Mr. Spagno get two weeks off? I
17 don't understand that?

18 MR. BOWMAN:

19 I believe the recommendation was because
20 he held back the report --- the reporting. It
21 should've been called ---.

22 CHAIRMAN:

23 He didn't dime you out, in other words?

24 MR. BOWMAN:

25 No, sir. He didn't --- it wasn't called

1 in. It should've been called in immediately. I have
2 nothing to do with that.

3 CHAIRMAN:

4 So, he should've called in what you did,
5 even though he reports to you?

6 MR. BOWMAN:

7 No, sir. It would be the normal
8 reporting process for an underage. It should've been
9 called in. It was put on a report, it should've been
10 called in.

11 CHAIRMAN:

12 Do you think the fact that he would've
13 been calling in an incident involving a person he
14 reports to may have caused him to be a little
15 concerned about doing that right away?

16 MR. BOWMAN:

17 I don't know.

18 ATTORNEY PITRE:

19 Mr. Chairman, I don't want to interrupt
20 you because you're on a nice roll. But with regard to
21 Mr. Spagno, if the Board's inclined, we are willing to
22 adjust the Consent Agreement to allow it to be
23 retroactive. We just wanted to bring this matter
24 fully before the Board.

25 CHAIRMAN:

1 And letters of recommendation, Cyrus ---
2 letters of recommendation. Letters of whatever ---
3 what is it a letter of?

4 ATTORNEY PITRE:

5 Reprimand.

6 CHAIRMAN:

7 We don't do them as ---.

8 ATTORNEY PITRE:

9 It's in the Act.

10 CHAIRMAN:

11 Okay. But we haven't done one.

12 ATTORNEY PITRE:

13 It can be an order of the Board.

14 CHAIRMAN:

15 It's kind of an empty act for the Board
16 to do, it would seem, at least in this situation.

17 ATTORNEY PITRE:

18 Well, it's --- like I said, it's left to
19 the discretion of the Board, and we felt Mr.
20 Morrissey, although was the least culpable, he did
21 violate the Act and the regulations. And it would be
22 a part of his file so that we could have something in
23 the future if need be.

24 CHAIRMAN:

25 Mr. Bowman, do you understand ---?

1 ATTORNEY SCHRIER:

2 Can I just ---?

3 CHAIRMAN:

4 I'm sorry.

5 ATTORNEY SCHRIER:

6 Can I just address what --- I apologize.

7 With regard to what Mr. Pitre said. And I agree with
8 him that, obviously, we have agreed to a Letter of
9 Reprimand, and Section 1518 of the Act permits you, as
10 one of your administrative remedies, to place a Letter
11 of Reprimand against any licensee. However, I would
12 also note that in this consideration process, even
13 though your Board license file would have this Letter
14 of Reprimand, if you didn't give him a Letter of
15 Reprimand, I would submit to you that if you look at a
16 multi-jurisdictional form, you will see that every
17 person who applies for a Key License anywhere has to
18 identify any employment action where they have been
19 investigated, any time they've given any testimony,
20 like they are here today, any actions taken against
21 them in their employment all have to be identified on
22 that form. So, it's not like it won't --- would
23 never be noticed again.

24 ATTORNEY PITRE:

25 And we all know that they tell the truth

1 all the time. And I mean that sarcastically.

2 CHAIRMAN:

3 I assume that. Mr. Bowman ---

4 MR. BOWMAN:

5 Yes, sir.

6 CHAIRMAN:

7 --- you understand you're at the top of
8 the food chain in that building --- in that casino;
9 isn't that correct?

10 MR. BOWMAN:

11 Yes, sir.

12 CHAIRMAN:

13 Everybody looks at you ---

14 MR. BOWMAN:

15 Absolutely.

16 CHAIRMAN:

17 --- everybody waits to see what happens
18 to him, what does he do because he's the top guy. You
19 understand that; don't you?

20 MR. BOWMAN:

21 I completely understand that, sir.

22 Absolutely.

23 CHAIRMAN:

24 Any other questions?

25 MR. WOODS:

1 Just one --- I have just one
2 clarification. Mr. Morrissey, you mentioned that the
3 security guard filled out a witness statement?

4 MR. MORRISSEY:

5 Yes, sir, he did.

6 MR. WOODS:

7 Was that --- OEC been reviewed ---

8 ATTORNEY STUART:

9 Yes.

10 MR. WOODS:

11 And it's consistent with the facts?

12 ATTORNEY STUART:

13 It's consistent with the facts, yeah.

14 MR. WOODS:

15 Thank you.

16 MR. FAJT:

17 Thank you, Mr. Chairman. Mr. Bowman,
18 what was your title at the time of the incident?

19 MR. BOWMAN:

20 President and CEO, sir.

21 MR. FAJT:

22 And that is still your title today?

23 MR. BOWMAN:

24 Yes, sir.

25 MR. FAJT:

1 Thank you.

2 CHAIRMAN:

3 Any other questions from the Board?
4 Ex-Officio members? Anything further to add? Okay.
5 Let's take these one at a time. Motion to consider
6 the Consent Agreement between OEC and Michael Bowman.
7 I think we've finished that. May I have a motion?

8 MR. WOODS:

9 Mr. Chairman, I move that the Board
10 issue an order to reject the Consent Agreement between
11 the OEC and Michael Bowman as described by the OEC.

12 MR. FAJT:

13 Second.

14 CHAIRMAN:

15 All in favor? Opposed?

16 ALL SAY AYE

17 CHAIRMAN:

18 The motion carries. Next, the Motion to
19 Consider the Consent Agreement between the OEC and
20 Anthony Spagno. May I have a motion?

21 MR. FAJT:

22 Mr. Chairman, can I ask Mr. Pitre? You
23 had made a comment about Mr. Spagno's penalty here,
24 and it could be retroactive. And could you just
25 recitate again, maybe, Mr. Stuart, what those --- what

1 the Consent Agreement is since a while ---?

2 ATTORNEY PITRE:

3 The Consent Agreement calls for Mr.
4 Spagno to pay a \$2,000 penalty, among --- and also get
5 training. We would request that the training be
6 implemented, but that the fine be considered
7 retroactive because we have confirmed that Mr. Spagno
8 was suspended for two weeks, and we would request that
9 that --- the penalty be --- the monetary penalty be
10 retroactive back to that date, and him having served a
11 two weeks suspension from his job.

12 MR. FAJT:

13 Okay. In that case --- I'm sorry, any
14 ---?

15 MR. MCCALL:

16 To clarify that. So, you would say
17 we're going to drop the \$2,000 --- based on that
18 retroactivity, we'll eliminate the \$2,000 fine from
19 Mr. Spagno; correct?

20 ATTORNEY PITRE:

21 Correct.

22 CHAIRMAN:

23 Greg?

24 MR. FAJT:

25 Yes. Thank you, Mr. Chairman. I move

1 that the Board issue an order to adopt the Consent
2 Agreement between the OEC and Anthony Spagno as
3 described by the OEC.

4 MS. KAISER:

5 Second.

6 CHAIRMAN:

7 All in favor? Opposed?

8 ALL SAY AYE

9 CHAIRMAN:

10 The motion carries.

11 ATTORNEY PITRE:

12 With that retroactivity that was
13 discussed?

14 MR. FAJT:

15 Correct. That was --- yes.

16 CHAIRMAN:

17 Finally, in this matter anyway, Motion
18 to Consider the Consent Agreement between the OEC and
19 Gilbert Morrissey. May I have a motion?

20 MS. KAISER:

21 Yes, Mr. Chairman. First, I just want
22 to clarify. Can you just briefly outline the --- what
23 would be the terms of the Consent Agreement? I'm not
24 comfortable issuing --- I understand that the matter
25 will still be looked at in future proceedings, but I'm

1 not comfortable issuing the Letter of Reprimand as
2 part of this. But I was interested in the eight hours
3 of education. Would that --- is that still a
4 component?

5 ATTORNEY PITRE:

6 That would still be a component. The
7 Board could approve in part the Consent Agreement and
8 only allow the eight hours of training. We would not
9 have any objection to that, obviously. It's left to
10 the Board's discretion to reject the part of the
11 Consent Agreement with regard to the Letter of
12 Reprimand.

13 MS. KAISER:

14 Okay.

15 CHAIRMAN:

16 Question, Greg?

17 MR. FAJT:

18 Yeah. Thank you, Mr. Chairman. Cyrus,
19 to follow-up on Annmarie's comment. Would this then
20 be a part of Mr. Morrissey's record in other gaming
21 jurisdictions? So, if he applied for a job, you know,
22 in New Jersey, this Consent Agreement would be part of
23 his record?

24 ATTORNEY PITRE:

25 Right. The Board Order would basically

1 illustrate that the Board rejected the letter or
2 reprimand but ordered him to go through the eight
3 hours of training because of this violation.

4 OFF RECORD DISCUSSION

5 CHAIRMAN:

6 Okay. The Board's going to take a
7 five-minute recess.

8 BRIEF RECESS

9 CHAIRMAN:

10 Thank you, ladies and gentleman. We're
11 back on the record. At this time, the Chair would ask
12 if there is a Motion to reconsider the Board's action
13 with respect to Anthony Spagno?

14 MR. FAJT:

15 Yes, Mr. Chairman. I make a motion that
16 we do reconsider the --- my prior motion on that
17 Consent Agreement.

18 CHAIRMAN:

19 Second?

20 MS. KAISER:

21 Second.

22 CHAIRMAN:

23 All in favor? Opposed?

24 ALL SAY AYE

25 CHAIRMAN:

1 The motion carries. Greg, I would turn
2 to you for another motion?

3 MR. FAJT:

4 Yes. Thank you very much, Mr. Chairman.
5 Again, as to the motion on the Consent Agreement
6 between OEC and Mr. Spagno, Mr. Chairman, given the
7 financial penalty imposed by his employer, I move that
8 the Board reject the Consent Agreement between the OEC
9 and Anthony Spagno.

10 CHAIRMAN:

11 Second?

12 MS. KAISER:

13 Second.

14 CHAIRMAN:

15 All in favor? Opposed?

16 ALL SAY AYE

17 CHAIRMAN:

18 The motion carries. And finally, with
19 respect to this matter, do I have a motion with
20 respect to Gilbert Morrissey?

21 MS. KAISER:

22 Yes, Mr. Chairman. Mr. Chairman, I move
23 that the Board issue an Order to reject the Consent
24 Agreement between the OEC and Gilbert Morrissey
25 because there is no need to impose an additional

1 sanction on Mr. Morrissey.

2 MR. MCCALL:

3 Second.

4 CHAIRMAN:

5 All in favor? Opposed?

6 ALL SAY AYE

7 CHAIRMAN:

8 The motion carries. Okay. I think that
9 completes it. Thank you, gentleman.

10 MR. BOWMAN:

11 Thank you, Mr. Chairman and members of
12 the Commission. I appreciate your time today.

13 CHAIRMAN:

14 Thank you.

15 ATTORNEY PITRE:

16 The next matter that we have on the
17 agenda for Board consideration is a Revocation of Ryan
18 Martelli's Non-Gaming Employee Registration. That
19 matter will be presented by Assistant Enforcement
20 Counsel, Glen Stuart.

21 ATTORNEY STUART:

22 Presently before the Board for its
23 consideration is a Petition to Revoke the Non-Gaming
24 Registration of Ryan Martelli. While employed as a
25 food and beverage server at Lady Luck Casino in

1 Nemacolin, Mr. Martelli was arrested for giving
2 outdated receipts to diners who pay with cash and then
3 pocketing the cash.

4 Lady Luck's surveillance department
5 confirmed Mr. Martelli's actions on four separate
6 occasions. As a result, the Pennsylvania State Police
7 questioned Mr. Martelli about his actions and Mr.
8 Martelli admitted to the scam. PSP ultimately charged
9 Mr. Martelli with one count of theft by unlawful
10 taking, a third degree misdemeanor. Additionally,
11 Lady Luck terminated Mr. Martelli's employment. To
12 date, Mr. Martelli has not notified the Board of his
13 arrest.

14 In light of the circumstances and the
15 corresponding arrests, on April 2nd, 2014, the OEC
16 filed a Petition Seeking the Revocation of Mr.
17 Martelli's Non-Gaming Registration. They attempted to
18 serve Mr. Martelli with this Petition via first class
19 mail and certified mail. On April 30th, 2014, the
20 certified mail was returned to OEC as unclaimed.
21 However, to date, the first class mail has not been
22 returned.

23 The Petition directed Mr. Martelli to
24 request a hearing within 30 days of its receipt. Mr.
25 Martelli has not requested a hearing on the matter,

1 therefore, Mr. Martelli has waived his right to a
2 hearing and all facts alleged in OEC's Petition are
3 deemed admitted.

4 On May 21st, 2014, OEC filed a request
5 to enter default judgment in this matter. As such,
6 the Revocation of Ryan Martelli's Non-Gaming
7 Registration is now ripe for Board's consideration.

8 CHAIRMAN:

9 Is Ryan Martelli in the hearing room?
10 Any questions or comments from the Board? Ex-Officio
11 members? May I have a motion?

12 MR. MCCALL:

13 Mr. Chairman, I move that the Board
14 issue an Order to approve the Revocation of Ryan
15 Martelli's Non-Gaming Employee Registration as
16 described by the OEC.

17 MR. MCNALLY:

18 Second.

19 CHAIRMAN:

20 All in favor? Opposed?

21 ALL SAY AYE

22 CHAIRMAN:

23 Motion carries.

24 ATTORNEY PITRE:

25 The next matter on the Board's agenda is

1 a Petition for the Revocation of the Non-Gaming
2 Registration of Warare Wilkerson. On August 14th,
3 2013, the Board issued Mr. Wilkerson a Non-Gaming
4 Registration in connection with his employment as a
5 valet attendant at Lady Luck Casino in Nemacolin.
6 Prior to Mr. Wilkerson beginning work, Mr. Wilkerson's
7 employment officer was rescinded due to lack of patron
8 volume.

9 On August 26th, 2013, the Board's Casino
10 Compliance Supervisor at Lady Luck was notified of a
11 Pittsburgh Tribune Review newspaper article reporting
12 that Mr. Wilkerson had been arrested. Specifically,
13 the arrest involved Mr. Wilkerson and three other
14 individuals allegedly placing advertisement on
15 Craigslist luring the potential buyer to a home in
16 Uniontown, Pennsylvania, and then robbing that
17 individual at gunpoint.

18 Mr. Wilkerson's fingerprint results
19 obtained from the Pennsylvania State Police on July
20 26th, 2013 did not report this arrest. According to
21 the Uniontown City Police Department, Mr. Wilkerson
22 was responsible for going to a booking station after
23 his arrest to submit fingerprint samples. However,
24 Mr. Wilkerson failed to appear at any booking station
25 to provide his fingerprint samples. Mr. Wilkerson

1 also did not disclose his arrest on his Non-Gaming
2 Registration Application.

3 On September 11th, 2013, the BIE
4 received an arrest notification from the State Police
5 in relation to this arrest showing that Mr. Wilkerson
6 was charged with one count of conspiracy for robbery,
7 threat of immediate serious injury, a felony, one
8 count of conspiracy, theft by unlawful taking,
9 moveable property, and one count of recklessly
10 endangering another person.

11 On November 20th, 2013, State Police
12 notified BIE of a second arrest of Mr. Wilkerson.
13 This arrest occurred on November 19th, 2013 by the
14 Uniontown City Police Department. Specifically, Mr.
15 Wilkerson was charged with one count of firearms not
16 to be carried without a license, a felony, after an
17 authorized search of a motor vehicle Mr. Wilkerson was
18 known to have driven. To date, Mr. Wilkerson has not
19 notified the Board of either arrest, and Mr. Wilkerson
20 is not currently working at any licensed facility in
21 Pennsylvania.

22 In light of the circumstances and the
23 corresponding arrests, on February 11th, 2014, the OEC
24 filed a Petition Seeking the Revocation of Mr.
25 Wilkerson's Non-Gaming Registration. OEC attempted to

1 serve Mr. Wilkerson with this Petition via first class
2 mail and certified mail. On March 26th, 2014, the
3 certified mail was returned to OEC as unclaimed.
4 However, to date, the first class mail has not been
5 returned. The Petition directed Mr. Wilkerson to
6 request a hearing within 30 days of its receipt. Mr.
7 Wilkerson has not requested a hearing on the matter,
8 therefore, Mr. Wilkerson has waived his right to a
9 hearing and all facts alleged in OEC's Petition are
10 deemed admitted.

11 On May 21st, 2014, OEC filed a request
12 to enter default judgment in the matter. As such, the
13 Revocation of Warare Wilkerson's Non-Gaming
14 Registration is now ripe for Board consideration.

15 CHAIRMAN:

16 Is Warare Wilkerson in the hearing room?
17 Can I have a motion?

18 MR. MCNALLY:

19 Mr. Chairman, I move that the Board
20 issue an Order to approve the Revocation of Warare
21 Wilkerson's Non-Gaming Employee Registration as
22 described by the OEC.

23 CHAIRMAN:

24 Second?

25 MR. MOSCATO:

1 Second.

2 CHAIRMAN:

3 All in favor? Opposed?

4 ALL SAY AYE

5 CHAIRMAN:

6 The motion carries.

7 ATTORNEY PITRE:

8 The next three matters on the agenda
9 will be presented by Assistant Enforcement Counsel,
10 Carmelia Estriplet. The first of which is a
11 Revocation of Tracy Renee Baker's Non-Gaming Employee
12 Registration.

13 ATTORNEY ESTRIPLET:

14 Good afternoon, Chairman Ryan, members
15 of the Board. Carmelia Estriplet, E-S-T-R-I-P-L-E-T,
16 Assistant Enforcement Counsel, OEC. The first matter
17 I have for the Board's consideration is regarding
18 Tracy Baker. On February 24th, the OEC filed a
19 complaint to revoke the Non-Gaming Employee
20 Registration of Tracy Renee Baker.

21 Ms. Baker was employed by Lady Luck
22 Casino and was terminated on or about October 17th,
23 2013 and is not currently employed by any casino in
24 the Commonwealth of Pennsylvania. OEC filed the
25 complaint for revocation as a result of notification

1 that Ms. Baker had been arrested and charged with
2 third degree felony for insurance fraud and second
3 degree misdemeanor for providing false reports to law
4 enforcement and falsely incriminating another.

5 The complaint was sent to Ms. Baker by
6 first class and certified mail. Ms. Baker failed to
7 respond to the complaint in any way. Therefore, all
8 facts alleged in the complaint are deemed admitted. A
9 request to enter judgment upon default was filed on
10 May 23rd, 2014, and at this time the OEC requests that
11 Tracy Renee Baker's Non-Gaming Employee Registration
12 be revoked. We're happy to answer any questions you
13 may have at this time.

14 CHAIRMAN:

15 Is Tracy Renee Baker in the hearing
16 room? Questions or comments from the Board?
17 Ex-Officio members? May I have a motion?

18 MR. MOSCATO:

19 Mr. Chairman, I move that the Board
20 issue an Order to approve the Revocation of Tracy
21 Renee Baker's Non-Gaming Employee Registration as
22 described by the OEC.

23 MR. WOODS:

24 Second.

25 CHAIRMAN:

1 All in favor? Opposed?

2 ALL SAY AYE

3 CHAIRMAN:

4 The motion carries.

5 ATTORNEY ESTRIPLET:

6 The next matter I have for the Board's
7 consideration is regarding Robert Roberts. On April
8 2nd, 2014, the OEC filed a complaint to revoke the
9 Gaming --- excuse me, the Gaming Employee Permit of
10 Robert Roberts. Mr. Roberts was employed by the
11 Meadows Racetrack and Casino and was terminated on or
12 about February 21st, 2014 and is not currently
13 employed by any casino in the Commonwealth of
14 Pennsylvania.

15 OEC filed the Revocation as a result of
16 notification that Mr. Roberts had been arrested and
17 charged with one count of engaging in wholesaling or
18 bookmaking, eight counts of possession with intent to
19 deliver for possession of marijuana and
20 dihydrocodeine, and four counts of possession of
21 controlled substances for possession of marijuana and
22 dihydrocodeine.

23 The complaint was sent to Mr. Roberts by
24 first class and certified mail. Mr. Roberts failed to
25 respond to the complaint in any way, therefore, all

1 facts alleged in the complaint are deemed admitted. A
2 request to enter judgment upon default was filed on
3 May 23rd, 2014. And at this time the OEC requests
4 that Robert Roberts's Gaming Employee Permit be
5 revoked. Again, we're happy to answer any questions
6 you may have at this time.

7 CHAIRMAN:

8 Is Robert Roberts present in the hearing
9 room? Any questions or comments from the Board?
10 Ex-Officio members? May I have a motion?

11 MR. WOODS:

12 Mr. Chairman, I move that the Board
13 issue an Order to approve the Revocation of Robert
14 Roberts's Gaming Employee Permit as described by the
15 OEC.

16 MR. FAJT:

17 Second.

18 CHAIRMAN:

19 All in favor? Opposed?

20 ALL SAY AYE

21 CHAIRMAN:

22 The motion carries.

23 ATTORNEY ESTRIPLET:

24 The final matter I have for the Board's
25 consideration concerns Summer Thomas. On April 3rd,

1 2014, the OEC filed a complaint to revoke the
2 Non-Gaming Employee Registration of Summer Thomas.
3 Ms. Thomas was employed by the Meadows Casino and
4 Racetrack and resigned from her position on or about
5 September 30th, 2013 and is not currently employed by
6 any casino in the Commonwealth of Pennsylvania.

7 OEC filed the Revocation as a result of
8 notification that Ms. Thomas had been arrested and
9 charged with two counts of aggravated assault, one
10 count of burglary, six counts of simple assault, one
11 count of disorderly conduct for engaging in fighting,
12 five counts of harassment for subjecting others to
13 physical contact, two counts of conspiracy to commit
14 aggravated assault and six counts of conspiracy to
15 commit simple assault.

16 The complaint was sent to Ms. Thomas by
17 first class and certified mail. Ms. Thomas failed to
18 respond to the complaint in any way, therefore, all
19 facts alleged in the complaint are deemed admitted. A
20 request to enter judgment upon default was filed on
21 May 23rd, 2014, and at this time, the OEC requests
22 that Summer Thomas' Non-Gaming Employee Registration
23 be revoked. Again, we're happy to answer any
24 questions you may have.

25 CHAIRMAN:

1 Is Summer Thomas in the hearing room?
2 Any questions or comments from the Board? Ex-Officio
3 members? May I have a motion?

4 MR. FAJT:

5 Mr. Chairman, I move that the Board
6 issue an order to approve the Revocation of Summer
7 Thomas' Non-Gaming Employee Registration as described
8 by the OEC.

9 MS. KAISER:

10 Second.

11 CHAIRMAN:

12 All in favor? Opposed?

13 ALL SAY AYE

14 CHAIRMAN:

15 The motion carries.

16 ATTORNEY ESTRIPLET:

17 Thank you.

18 ATTORNEY PITRE:

19 The next three matters that we have on
20 the agenda will be presented by Assistant Enforcement
21 Counsel, Dustin Miller. The first of which is the
22 Revocation of Dennis Higgins' Non-Employee --- Non-
23 Gaming Employee Registration.

24 ATTORNEY MILLER:

25 Good afternoon, Chairman Ryan, members

1 of the Board. Dustin Miller on behalf of the OEC.
2 M-I-L-L-E-R. As Mr. Pitre said, the next matter is a
3 request for Revocation involving Dennis Higgins. Mr.
4 Higgins was employed as a food court attendant at Parx
5 Casino and registered as a Non-Gaming Employee. The
6 OEC filed an enforcement complaint to revoke Mr.
7 Higgins' Non-Gaming Registration for failing to
8 maintain a suitability on March 10th, 2014.

9 On or about August 20th, 2013, Mr.
10 Higgins appeared at Parx East while off duty and
11 collected his tip money from behind the bar at the
12 Circle Bar on the third floor of Parx East. While
13 collecting his tip money, Mr. Higgins also took money
14 out of the tip cup of another attendant. Mr. Higgins
15 combined his tips with the other attendant's and
16 placed the money in his pocket and exited Parx East.

17 A nearby bartender observed Mr. Higgins
18 conduct and relayed this information to a third
19 attendant that confronted Mr. Higgins about his
20 actions and recovered the stolen tip money in the
21 parking lot of the casino. The tip money taken out of
22 the victim's tip cup totaled \$20. Subsequently, the
23 third attendant reported the incident to his
24 supervisor. After a surveillance review of the
25 incident, Mr. Higgins was terminated by Parx on August

1 22nd, 2013. Pennsylvania State Police were notified
2 of Mr. Higgins' actions, but criminal charges were not
3 filed against him. He's not currently employed at any
4 Pennsylvania Casino.

5 Enforcement Complaint was properly
6 served upon Mr. Higgins to his last known address.
7 Mr. Higgins did not respond to the filing in any way.
8 Due to Mr. Higgins' failure to respond, the averments
9 in the Enforcement Complaint are deemed to be admitted
10 as fact and his right to a hearing has been waived.
11 On May 23rd, 2014, the OEC filed a request to enter
12 judgment upon default. The matter is now before the
13 Board to consider the Revocation of Dennis Higgins'
14 Non-Gaming Employee Registration.

15 CHAIRMAN:

16 Is Dennis Higgins in the hearing room?
17 Any questions or comments from the Board? Ex-Officio
18 members? May I have a motion?

19 MS. KAISER:

20 Mr. Chairman, I move that the Board
21 issue an Order to approve the revocation of Dennis
22 Higgins' Non-Gaming Employee Registration as described
23 by the OEC.

24 MR. MCCALL:

25 Second.

1 CHAIRMAN:

2 All in favor? Opposed?

3 ALL SAY AYE

4 CHAIRMAN:

5 The motion carries.

6 ATTORNEY MILLER:

7 The next matter today is a request for
8 placement on the Board's Excluded Person's list
9 involving John H. Musser, Jr. The OEC filed a
10 Petition to place Mr. Musser on the Exclusion List for
11 cheating while playing blackjack at Parx Casino on
12 August 21st, 2013. On August 21st, 2013, Mr. Musser
13 either capped his bet or pinched his bet three times
14 between 1:28 p.m. and 1:33 p.m. Mr. Musser was
15 arrested by onsite Pennsylvania State Police troopers
16 and charged with one count of unlawfully taking or
17 claiming money from a slot machine or table game with
18 intent to defraud. On November 21st, 2013, Mr. Musser
19 plead guilty to a lesser charge of disorderly conduct.

20 The Petition to place him on the
21 Exclusion List was properly served upon Mr. Musser to
22 his home address by way of certified and first class
23 mail. Mr. Musser did not respond to the filing in any
24 way. Due to Mr. Musser's failure to respond, the
25 averments in the Petition are deemed to be admitted as

1 fact and his right to a hearing has been waived. On
2 May 23rd, 2014, the OEC filed a request to enter
3 judgment upon default. The matter is now before the
4 Board to consider the placement of John H. Musser,
5 Jr., on the Board's Excluded Persons List.

6 CHAIRMAN:

7 Is John H. Musser in the hearing room?
8 Any questions, comments from the Board? Ex-Officio
9 members? May I have a motion?

10 MR. MCCALL:

11 Mr. Chairman, I move that the Board
12 issue an Order to approve the addition of John H.
13 Musser to the Pennsylvania Gaming Control Board
14 Involuntary Exclusion List as described by the OEC.

15 MR. MCNALLY:

16 Second.

17 CHAIRMAN:

18 All in favor? Opposed?

19 ALL SAY AYE

20 CHAIRMAN:

21 The motion carries.

22 ATTORNEY MILLER:

23 The next matter today is a request for
24 placement on the Board's Excluded Persons List
25 involving Yu Long Ye. The OEC filed a Petition to

1 place Mr. Ye on the Exclusion List for leaving his 11
2 year old son and eight year old daughter in his
3 automobile in the parking lot of Parx Casino on
4 October 19th, 2013 while he went inside the casino and
5 gambled.

6 In the October 19th, 2013 incident, Mr.
7 Ye entered Parx Casino at 8:24 p.m. and began playing
8 Baccarat. At 10:22 p.m., Parx Casino patrons spotted
9 the children alone in Mr. Ye's vehicle in the parking
10 lot and reported the matter to Parx Casino security
11 personnel. Bensalem Township Police were called to
12 the scene. The children were found to be in good
13 physical condition, and Mr. Ye was identified as the
14 owner of the vehicle and father of the children using
15 surveillance footage and through his vehicle
16 registration. Mr. Ye was charged with two counts of
17 endangering the welfare of children for the incident.

18 The Petition to put him on the Exclusion
19 List was properly served upon Mr. Ye to the address
20 listed on the criminal complaint filed against him by
21 both certified and first class mail. Mr. Ye did not
22 respond to the filing in any way. Due to Mr. Ye's
23 failure to respond, the averments in the Petition are
24 deemed to be admitted as fact and his right to a
25 hearing has been waived. On May 23rd, 2014, the OEC

1 filed a request to enter judgment upon default. The
2 matter is now before the Board to consider the
3 placement of Yu Long Ye on the Board's Excluded
4 Persons List.

5 CHAIRMAN:

6 Is Yu Long Ye in the hearing room?
7 Questions or comments from the Board? Ex-Officio
8 members? May I have a motion?

9 MR. MCNALLY:

10 Mr. Chairman, I move that the Board
11 issue an Order to approve the addition of Yu Long Ye
12 to the PGCB Involuntary Exclusion List as described by
13 the OEC.

14 CHAIRMAN:

15 Second?

16 MR. MOSCATO:

17 Second.

18 CHAIRMAN:

19 All in favor? Opposed?

20 ALL SAY AYE

21 CHAIRMAN:

22 The motion carries.

23 ATTORNEY MILLER:

24 Thank you.

25 CHAIRMAN:

1 Thank you.

2 ATTORNEY PITRE:

3 And the final two matters that we have
4 for the Board's consideration will be presented by
5 Assistant Enforcement Counsel, David Tepper. The
6 first of which is the placement of Christopher
7 Brownell on the PGCB Involuntary Exclusion List.
8 David?

9 ATTORNEY TEPPER:

10 Good afternoon, Chairman Ryan, members
11 of the Board. David Tepper, T-E-P-P-E-R, Assistant
12 Enforcement Counsel with the OEC. I have for your
13 consideration today a Petition to place Christopher R.
14 Brownell on the Board's Exclusion List. The OEC filed
15 the Petition on January 14th, 2014 after Mr. Brownell
16 left his five year old child alone in the car for
17 approximately 50 minutes while he gambled at Mount
18 Airy on December 5th, 2013.

19 The Petition was sent to Mr. Brownell by
20 both first class and certified mail. Mr. Brownell did
21 not respond to the Petition within 30 days, therefore,
22 all facts alleged in the Petition are deemed admitted.
23 The OEC filed a request for default judgment on May
24 20th, 2014, and at this time requests that Mr.
25 Brownell be placed on the Board's Exclusion List.

1 CHAIRMAN:

2 Is Christopher Brownell in the hearing
3 room? Any questions, comments from the Board?
4 Ex-Officio members? May I have a motion?

5 MR. MOSCATO:

6 Yes, sir. I move that the Board issue
7 an Order to approve the addition of Christopher
8 Brownell to the PGCB Involuntary Exclusion List as
9 described by the OEC.

10 MR. WOODS:

11 Second.

12 CHAIRMAN:

13 All in favor? Opposed?

14 ALL SAY AYE

15 CHAIRMAN:

16 The motion carries.

17 ATTORNEY MILLER:

18 Next, I have for your consideration a
19 Petition to place Brian Lee Ginsburg on the Board's
20 Exclusion List. The OEC filed the Petition on April
21 17th, 2014 after Mr. Ginsburg stole an empty cash box
22 from the gaming floor at Mount Airy Casino on March
23 23rd, 2014. The cash box service was recovered at the
24 time of Mr. Ginsburg's arrest on the same date of the
25 crime.

1 The Petition was sent to Mr. Ginsburg by
2 both first class and certified mail. Mr. Ginsburg did
3 not respond to the Petition within 30 days, therefore,
4 all facts alleged in the Petition are deemed admitted.
5 The OEC filed a request for default judgment on May
6 19th, 2014, and at this time requests that Mr.
7 Ginsburg be placed on the Board's Exclusion List.

8 CHAIRMAN:

9 Is Brian Lee Ginsburg in the hearing
10 room? Any questions or comments from the Board?
11 Ex-Officio members? May I have a motion?

12 MR. WOODS:

13 Mr. Chairman, I move that the Board
14 issue an Order to approve the addition of Brian Lee
15 Ginsburg to the PGCB Involuntary Exclusion as
16 described by the OEC.

17 MR. FAJT:

18 Second.

19 CHAIRMAN:

20 All in favor? Opposed?

21 ALL SAY AYE

22 CHAIRMAN:

23 The motion carries.

24 ATTORNEY PITRE:

25 Thank you.

1 CHAIRMAN:

2 Thank you, Cyrus. Thank you all very
3 much. Next, we have our public comment period. As I
4 understand it, we do not have anyone who registered to
5 speak today. Is there anyone in the audience wishing
6 to make public comment? Seeing no response, I will
7 next state that this concludes today's meeting. Our
8 next scheduled public meeting will be held on
9 Wednesday, July 9th at 10:00 a.m.

10 Any final comments from the Board? May
11 I have a motion to adjourn?

12 MR. FAJT:

13 So, moved, Mr. Chairman.

14 MS. KAISER:

15 Second.

16 CHAIRMAN:

17 Thank you very much, ladies and
18 gentleman. Have a good afternoon.

19 * * * * *

20 MEETING CONCLUDED AT 1:04 P.M.

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CERTIFICATE

I hereby certify that the foregoing proceedings,
meeting held before Chair Ryan was reported by me on
6/11/2014 and that I Jared Walker read this transcript
and that I attest that this transcript is a true and
accurate record of the proceeding.



Court Reporter