

OHIO CASINO CONTROL COMMISSION
MEETING MINUTES
10:00 A.M. – November 14, 2012
RHODES TOWER, LOBBY HEARING ROOM
30 W. BROAD STREET
COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission was called to order at 10:10 a.m. by Chair Jo Ann Davidson. Commissioners McKinley Brown, Ranjan Manoranjan, Peter Silverman, John Steinhauer, and June Taylor were also in attendance. The minutes of the October 17, 2012 meeting were approved following a motion by Commissioner Silverman, seconded by Commissioner Steinhauer.

Kevin Kline, General Manager of the Horseshoe Cincinnati Casino, gave a progress report on the construction of the casino, saying they are on schedule for a Spring 2013 opening.

Dr. Orman Hall, Director of the Ohio Department of Alcohol and Drug Addiction Services, (ODADAS), reviewed the strategy that will be used by ODADAS and others to address and prevent problem gambling. The gambling survey completed in September will be the benchmark which will be updated every four years. The Commission members expressed interest in details on prevention strategies and measurements of effectiveness of those options. ODADAS will provide additional detail at the next Commission meeting.

Executive Director Matt Schuler began his report with OCCC Division staff providing updates. David Acosta, Licensing Division, said 4,040 gaming employee and key employee license applications have been received and 3,750 have been issued to date. In early December, licensing staff will be in Cincinnati to accept and process an expected 1,200 applications. Patrick Martin, OCCC Director of Regulatory Compliance, introduced Garry Cosby, newly hired Commission Financial Auditor assigned to the Columbus Hollywood Casino; and reported that 600 slot machines have already been delivered to Cincinnati.

OCCC Director of Enforcement, Karen Huey, provided an update on criminal cases at the casinos, listing nineteen indictments in Toledo and thirty-one in Cleveland during the May to October period. Ms. Huey noted that OCCC hosted a conference of gambling investigators from across the country, at which information and techniques were shared. The hiring process for Cincinnati gaming agents and a gaming agent supervisor and investigator is underway, with a goal of having agents hired six weeks prior to the casino opening and training for those agents occurring in February.

Laura Clemens, Responsible Gambling Program Coordinator, reported 146 individuals have signed up for the Voluntary Exclusion Program. Calls to the shared problem gambling helpline have increased.

Rick Anthony, Director of Operations, reviewed the Commission's revenue and expenditures.

Executive Director Schuler presented a revised Scope of Services from Spectrum Gaming Group. Spectrum is providing updates to the background investigations for Rock Ohio Caesars in preparation for the consideration of licensure for the Horseshoe Casino Cincinnati, and will be completing an annual review of Caesars Entertainment Corporation's financial status as a condition of licensure. Commissioner Steinhauer made a motion to authorize the services by Spectrum. Commissioner Taylor seconded the motion and it was approved. The report is expected to be completed by early February.

The Commission then considered granting gaming-related vendor licenses to TCS John Huxley America Inc. and TCS John Huxley Europe Ltd. The entities had been granted vendor licenses in May, 2012, but due to a change in ownership, are required under law to seek new licenses. Commissioner Silverman made a motion to approve Commission Resolution 2012-88, granting the three-year vendor licenses. The motion was seconded by Commissioner Manoranjan and approved.

Tony Forchione, OCCC Manager of Investigations, presented key employee licenses to be considered by the Commission:

Commission Resolution 2012-84, granting a plenary key employee license to Atul Bali of Aristocrat Technologies, Inc., was offered in a motion by Commissioner Silverman. Commissioner Brown seconded and the Resolution was approved.

Commission Resolution 2012-85, granting a plenary key employee license to Joshua Faish of KGM Gaming, was offered in a motion by Commissioner Manoranjan. Commissioner Taylor seconded and the Resolution was approved.

Commission Resolution 2012-86, granting a plenary key employee license to Robert Jackson of Gaming Partners International, was offered in a motion by Commissioner Steinhauer. Commissioner Taylor seconded and the Resolution was approved.

Commission Resolution 2012-87, granting a plenary key employee license to Todd Mick of Atlantic City Coin and Slot Service Company, was offered in a motion by Commissioner Brown. Commissioner Manoranjan seconded and the Resolution was approved.

Administrative Rules ready for initial filing into the mandatory rule review process, were presented to the Commission by Hannah Smith, OCCC staff. With Commission approval, these rules will be filed with the Joint Committee on Agency Rule Review, and for review under the Common Sense Initiative. The rules filed are:

3772-3-06 Passive Investor (new rule)

3772-5-06 Key employee license temporary credential (new rule)

- 3772-8-06 Casino gaming employee license temporary credential (new rule)
- 3772-10-03 Casino operator or casino operator applicant's organization (amended rule)
- 3772-10-29 Slot machine tournaments (new rule)
- 3772-11-42 Poker room; banks and transactions (amended rule)
- 3772-13-02 Advertising; promotion of responsible gaming (amended rule)

Commissioner Taylor made a motion to approve the rules for initial filing. The motion was seconded by Commissioner Brown and approved.

Patrick Martin, OCCC Director of Regulatory Compliance, reviewed proposed amendments to internal controls being requested by the three operating casinos. All of the proposed amendments had been reviewed by OCCC staff and recommended for approval.

Hollywood Casino Toledo proposed a name change in one table game rule. Commissioner Steinhauer made a motion to approve the change. Commissioner Taylor seconded the motion and it was approved.

Hollywood Casino Columbus proposed five changes to their player services and table game operations plan. Commissioner Silverman made a motion to approve the changes. Commissioner Manoranjan seconded the motion and the changes were approved.

Horseshoe Casino Cleveland requested a waiver to a table game rule, adding additional personnel to a required function. Commissioner Manoranjan made a motion to approve the waiver. Commissioner Taylor seconded the motion and the waiver was approved.

Horseshoe Casino Cleveland also proposed numerous changes that have accumulated over the past four months, to five of their internal control plans. Commissioner Silverman made a motion to approve the changes. Commissioner Steinhauer seconded the motion and the changes were approved.

John Barron, OCCC Deputy Executive Director and General Counsel, reviewed the final orders for gaming employee license applicants that are before the Commission. The adjudicatory hearings have been completed and a Report and Recommendation for each license applicant has been issued by the Hearing Examiner. OCCC Staff has also provided a recommendation. The license applications of three individuals were considered:

In re: Lekia Mitchell, Casino Gaming Employee License Applicant (Case # 2012-0010), Chair Davidson made a motion to approve and adopt the recommendation of the Hearing Examiner, to deny the license application. The motion was seconded by Commissioner Brown and approved.

In re: Brian Noggle, Casino Gaming Employee License Applicant (Case # 2012-0011), Chair Davidson made a motion to approve and adopt with modification, the recommendation of the Hearing Examiner, to deny the license application. The motion was seconded by Commissioner Taylor. Commissioner Steinhauer asked to be excused from voting on the motion. In discussion on the motion, the chair requested that a review of the code of conduct as it applies to ex parte communication in licensing matters be provided at the next meeting. The motion was approved.

In re: Jeremy Maddox, Casino Gaming Employee License Applicant (Case # 2012-0048), Chair Davidson made a motion to approve and adopt with modification, the report and recommendation of the Hearing Examiner, to deny the license application. The motion was seconded by Commissioner Taylor and approved.

A fourth gaming license applicant, Gordon Maddox (Case # 2012-0131), was issued an intent to deny the license by the Commission, and did not request a hearing. Chair Davidson made a motion to deny the license application. The motion was seconded by Commissioner Taylor and approved.

John Barron reviewed proposed Resolution 2010-89 for the Commission. The Resolution proposes to delegate to the Executive Director, the authority to issue notices of proposed sanctions and thereby begin the administrative hearing process. Upon completion of the administrative hearing process, all decisions would come before the Commission for final determination. Commissioner Steinhauer proposed changing the language in the Resolution by adding the word "may" after "3772.01," in the first paragraph of the 'Resolved' section of the Resolution. Commissioner Steinhauer then made a motion to approve Resolution 2012-89 with the amended language. The motion was seconded by Commissioner Silverman and approved.

There being no further business to come before the Commission, the meeting was adjourned at 12:32 P.M.

Signed,

Katherine L. Kelly

Commission Clerk