

**OHIO CASINO CONTROL COMMISSION
MEETING MINUTES**

**10 A.M. –September 21, 2011
RIFFE CENTER, 77 SOUTH HIGH STREET
31st FLOOR, SOUTH B AND C
COLUMBUS, OH 43215**

The meeting was called to order at 10:05 a.m. by Chair Jo Ann Davidson. Commissioners McKinley Brown, Martin Hoke, Peter Silverman, Ranjan Manoranjan, John Steinhauer and June Taylor were in attendance. The minutes of the September 7, 2011 meeting were approved.

Resolution 2011-19 to appoint Matt Schuler as Executive Director of the Ohio Casino Control Commission was unanimously adopted upon a motion made by Commissioner Hoke and seconded by Commissioner Manoranjan.

Marcus Glover, Senior Vice President and General Manager of Horseshoe Casino in Cleveland provided a progress report on the Cleveland casino. In preparation for the anticipated March 2012 Grand Opening, there are 135 workers working in two shifts. The executive team is in place and preparations are underway for hiring 500 dealers/supervisors through an online application process.

Ryan Sullivan, Director of Business Development with Rock Gaming provided an update on the ROC debt transaction. The transaction was closed on August 19th and included \$25 million of revolving credit, \$150 million term loan and \$380 million bond issue for second lien notes, as well as \$125 million delay draw term loan and \$125 million FF&E. Because of market conditions, the final interest rates caused an increase in the total debt by \$25 million to accommodate the higher rates. The project will remain on schedule due to the timely closing.

Resolution 2011-17 was adopted by the Commission to extend the contract for John Williams through November 2011 upon a motion made by Commissioner Silverman and seconded by Commissioner Taylor. Resolution 2011-18 was adopted by the Commission to approve a 90-day personal services contract for Rick Anthony following a motion from Commissioner Manoranjan and seconded by Commissioner Silverman.

Chair Davidson indicated that the Ohio Revised Code authorizes the Commission to hire gaming agents to handle gaming-related offenses on the casino floor. With the opening of two of Ohio's casinos within a six month period, both representatives from the Bureau of Criminal Identification (BCI) and the Ohio State Highway Patrol (OSHP) have been asked to make presentations on the scope of services their organizations can provide. Attorney General Mike DeWine, Assistant Superintendent of BCI Steve Schierholt and several other staff provided the presentation on behalf of BCI. Ohio Department of Public Safety Director Tom Charles and OSHP Superintendent, Colonel John Born, provided the presentation on behalf of OSHP. The cost estimate provided by BCI was \$5.1 million for the first year and \$4.75 million for subsequent years for all four casinos. The cost estimate provided by OSHP was \$1,144,200 per casino or \$4,576,800 for all four casinos. After discussion it was determined that a legislative change may be needed to allow gaming agents to be able to have arrest powers for non-gaming offenses on the gaming floor.

After both BCI and OSHP responded to questions from members of the Commission, Chair Davidson thanked the presenters and indicated the Commission will continue to study the options in providing law enforcement on the gaming floors of the casinos.

Resolution 2011-16 to give final approval to the following rules 1) Definitions; 2) Authority and Purpose; 3) Adoption, Amendment and Repeal; 4) Waivers and Variances; 5) Construction; 6) Organization; 7) Commission Procedure; 8) Commission Meetings; 9) Requests to Address the Commission; 10) Delegation of Commission Authority; 11) Subpoena Power; 12) Ethics and Code of

Conduct; 13) Insurance; and 14) Security, Surveillance System and Commission Facilities which have been approved by the Joint Committee on Agency Rule Review (JCARR) was adopted upon a motion from Commissioner Steinhauer and seconded by Commissioner Brown.

John Williams of the Casino Control Commission reviewed the Third Party Accounting and Engineering Rule draft dated 9-20-11. He thanked Commissioner Manoranjan for his assistance with the language on CPA certification. Additional language received the day prior to the meeting requiring additional changes had not been incorporated into the current draft. Additional changes requested at the meeting are to make it clear that the report will be submitted to the casino companies which retained the firms with a copy to be provided to the Ohio Casino Control Commission and clarification the firms are certifying that casino companies have expended the investment amounts required. The Commission will review the final draft of the rule for approval at the October 5, 2011 meeting.

Sue Choe of the Attorney General's office reviewed the Gaming Related Vendor License Application draft dated 9-20-11. Counsels for WMS Gaming, Multi Media Games, IGT and Shufflemaster, as well as Spectrum Gaming, have all reviewed the application. Because of the urgency in approving the application which is necessary for vendors to have available to them by the second week of October, the Commission approved the application with one change to question 2-H on page 11 inserting the words "doing business in Ohio and" after the word "entity" and one caveat that any necessary changes regarding fingerprinting can be added if needed. Commissioner Steinhauer moved and Commissioner Taylor seconded a motion to approve the Gaming Related Vendor License Application. The motion was adopted.

Matt Oyster of the Attorney General's office reviewed the draft of the Gaming Employee License Application dated 9-21-11 which has undergone significant changes including the deletion of 13 questions which reduced the application from 25 to 16 pages and the removal of tax and reference questions. There was discussion regarding whether or not to require that the application be completed on line, as well as who will pay the cost of the fingerprinting and background investigation. Chair Davidson indicated that she would put together a working committee of Commissioners and operators to determine how to best handle the cost issue. It was noted that the work of the committee would be subject to the open meeting law.

Commission members were provided with a memo from Spectrum Gaming Group outlining their Scope of Services for Investigation Services for Ohio Casinos dated September 16, 2011. Chair Davidson explained that the Ohio Casino Control Commission needs to enter into an agreement with Spectrum Gaming Group to provide investigative services within a four month timeframe, operating within the legal constraints laid out by the State of Ohio. Discussion included questions regarding the high cost of investigations which is caused partially because Ohio may be unable to access information available from other states due to confidentiality issues. Chair Davidson agreed to pursue whether or not a legislative change would be possible to allow use of information from other states. Commissioner Hoke moved to approve investigative services for Ohio casinos as proposed by Spectrum Gaming Group in their Scope of Services dated 9-16-11 subject to passage of emergency legislation to deal with confidentiality issues and subject to cost adjustments by Spectrum if legislative changes can be made. Commissioner Taylor seconded the motion which was approved.

Resolution 2011-20 was adopted to accept Spectrum Gaming Group's recommendations on the Blueprint Review for Hollywood Casino in Toledo as stated in the review letter provided to members of the Commission at the meeting on September 7, 2011.

Chair Davidson noted that the timetable on filing the briefs on the Scope of Licensing has been delayed to September 27 due to circumstances that require an extension of time. This will allow Spectrum Gaming to review the briefs and report to the Commission on September 29, 2011.

The Commission meeting adjourned at 3:25 p.m.