

**Regular Meeting, Open Session Minutes - Video
Illinois Gaming Board
Chicago, Illinois
April 21, 2017**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Friday, April 21, 2017, a Regular Meeting - Video of the Illinois Gaming Board (“Board”) was held on the 1st floor at the Wyndham Hotel in Springfield, Illinois immediately following its Regular Meeting - Riverboat. Present were the following: Chairman Don Tracy, Members Hector Alejandre, Steve Dolins and Thomas Dunn. Member Robinson participated via telephone.

APPROVAL OF OPEN SESSION MINUTES:

Member Alejandre moved that the Board approve the open session minutes from its Regular Meeting of March 23, 2017. Member Dunn seconded the motion. The motion passes unanimously by roll call vote.

ADMINISTRATOR'S REPORT

Administrator Ostrowski stated that video gaming continues to expand. There are 6,019 locations along with 26,350 video gaming machines that are operational.

PUBLIC COMMENTARY

Bob Willenborg – J&J Ventures Gaming, LLC – Player Rewards Presentation
Konami Gaming, Inc. – Jay Barch – Player Rewards Presentation
Donna More – Fox Rothschild, LLP – Statutory Interpretation of the Video Gaming Act.

BOARD POLICY ITEMS

- Presentation by Caleb Melamed

Member Dunn moved to amend the Video Gaming Rules by making technical changes and deleting unnecessary or duplicative language by authorizing staff to submit a proposal for First Notice Filing with the Secretary of State upon final review and approval by the Administrator. Member Alejandre seconded the motion. The motion passes unanimously by roll call vote.

TERMINAL OPERATOR LICENSEE ITEMS

Initial Terminal Operator License – Lucky Day LLC

Member Alejandre moved that the Board approve the Terminal Operator License application of Lucky Day LLC, as the applicant has demonstrated its qualifications and

suitability for licensure. Member Dunn seconded the motion. The motion passes unanimously by roll call vote.

License Renewals

Member Dolins moved to renew the following Terminal Operator Licenses for a term of one year, expiring in April 2018:

- **Advantage Gaming, LLC**
- **Da Route LLC**
- **Grand River Jackpot, LLC**
- **Great Lakes Vending Corporation**
- **Illinois Operators, Inc.**
- **Lucky Lincoln Gaming, LLC**
- **Midwest Electronics Gaming, LLC**
- **Schaffner Gaming LLC**
- **Sinbad's Castle Arcade, Ltd.**
- **Stellar Gaming LLC**
- **T's Gaming, LLC**
- **Velasquez Gaming, LLC**

In addition, Member Dolins moved to renew the Terminal Operator License of Abraham Gaming, LLC for a term of one year, retroactive to March 2017 and expiring in March 2018. Member Alejandro seconded the motion. The motion passes unanimously by roll call vote.

TECHNICIAN & TERMINAL HANDLER LICENSEE ITEMS

Initial Terminal Handler and Technician Licenses - Approvals and Denials

Member Dunn moved that the Board approve 32 Terminal Handler Licenses valid for a period of one year expiring in April 2018, and authorize the Administrator to issue Notices of Denial to:

- 1. Scott Northcutt**
- 2. George Washington III**

Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Renewal of Technicians and Handlers (second motion)

Member Dunn moved to approve the renewal of the licenses of Technicians and Terminal Handlers who were licensed or renewed in April 2016, and who have properly updated their applications, timely paid their annual fees and otherwise remained in compliance with the requirements of the Video Gaming Act and the Board's Rules. Member Alejandro seconded the motion. The motion passed unanimously by roll call vote.

VIDEO GAMING LOCATION LICENSEE ITEMS:

Initial Video Gaming Location Licenses - Approvals & Denials

Member Dolins moved to approve 111 Video Gaming Establishment Licenses, for a period of one year, expiring in April 2018, and authorize the Administrator to issue Notices of Denial to:

- **Main Street Bar and Grill LLP d/b/a Main Street Bar & Grill**
- **Jason Lacy d/b/a Jay Lay Sport's Bar**
- **100 Proof Gaming LLC d/b/a The Hot Spot**
- **Gxander LLC d/b/a Taqueria Mi Tierra**
- **Chalkey's Tavern, Inc. d/b/a Chalkey's Tavern**
- **Julia L Reaves d/b/a Ed & Millies Tavern**
- **A&A Gas Inc. d/b/a A&A Gas & Food**
- **Team Coleman L.L.C. d/b/a Uptown Bar & Grill**
- **2001 N. Mannheim Corporation d/b/a J's Sports Bar & Grill in Melrose**

Member Alejandro seconded the motion. The motion passed unanimously by roll call vote.

Renewal of Locations (second motion)

Member Dolins moved that the Board approve the renewal of licenses held by Retail Establishments, Truck Stops, Veteran and Fraternal Establishments previously licensed or renewed in April 2016, that have properly updated their applications, timely paid their annual fee, and are otherwise in compliance with the requirements of the Act and the Board's Rules, and authorize the Administrator to issue a Notice of Non-Renewal to:

- **Waterfront Tavern LLC d/b/a Waterfront Tavern LLC**
- **K & T Behm Inc. d/b/a Big Behms Sports Bar & Grill**
- **Mazzarisi Gaming Inc. d/b/a Maria's Gaming Lounge**

Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

ADMINISTRATIVE REQUESTS FOR HEARING, REQUESTS TO REAPPLY

Requests for Hearing

Member Alejandro moved that the Board deny the Requests for Hearing submitted by Karzelle, Inc. d/b/a One Eye Jack's #1, as they have failed to establish a prima facie case for hearing. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Member Dunn moved that the Board grant Taco Stan's LLC and The Dead Tree Tavern, Inc. leave to reapply for an Establishment License. Member Alejandro seconded the motion. The motion passed unanimously by roll call vote.

DISCIPLINARY ACTIONS

Failure to Properly Monitor VGTs

Member Dolins moved that the Board issue a Disciplinary Complaint revoking the establishment licenses of:

- **Galesburg Properties, LLC d/b/a Best Western Prairie Inn;**
- **Road Ranger, L.L.C. d/b/a Road Ranger (License No. 121004155) and**
- **Pete's Pub Inc. d/b/a Sunset Lanes**

for failing to properly monitor VGTs, said action to take effect 21 days from the date of service of the Complaint, unless a fine of \$5,000 is paid or an Answer is properly filed within that timeframe. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

Underage Access to VGTs and Obstructing Board Agents

Member Alejandro moved that the Board issue a Disciplinary Complaint revoking the establishment license of Stellas – Plaza Westlake, LLC d/b/a Stella's Place for permitting underage gambling and obstructing Board Agents, said action to take effect 21 days from the date of service of the Complaint, unless a fine of \$10,000 is paid or an Answer is properly filed within that timeframe. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Operating VGTs Without a Valid Liquor License

Member Dunn moved that the Board issue a Disciplinary Complaint revoking the establishment license of D's Bistro Inc. d/b/a D's Bistro Inc. due to operating VGTs for a period of 4 months without a valid liquor license, said action to take effect 21 days from the date of service of the Complaint, unless an Answer is properly filed within that timeframe. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Active Tax Liability and Failure to Meet the Minimum Qualifications for Licensure

Member Dolins moved to issue a Disciplinary Complaint revoking the establishment license of Schmoe's Inc. d/b/a Schmoe's Inc for having an active tax liability and for failing to maintain the minimum qualifications for licensure, said action to take effect 21 days from the date of service of the Complaint, unless an Answer is properly filed within that timeframe. Member Alejandro seconded the motion. The motion passed unanimously by roll call vote.

Undisclosed PSIC

Member Alejandro moved that the Board issue a Disciplinary Complaint revoking the establishment license B&R Just One More, LLC d/b/a Just One More for failing to timely disclose a Person of Significant Influence or Control, said action to take effect 21 days from the date of service of the Complaint, unless a fine of \$5,000 is paid or an Answer is properly filed within that timeframe. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

Undisclosed PSIC, Active Tax Liability and Failure to Meet Minimum Qualifications for Licensure

Member Dunn moved that the Board issue a Disciplinary Complaint revoking the establishment license of Bruce D. Hertz d/b/a Town Pump Bowl & Lounge and OAD Management, Inc. d/b/a Mt. Olive Bowl due to active tax liabilities, undisclosed Persons of Significant Influence or Control and failure to meet minimum qualifications for licensure, said action to take effect 21 days from the date of service unless an Answer is properly filed within that timeframe. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Undisclosed PSIC, Misrepresenting Information to the Board and Failure to Meet Minimum Qualifications for Licensure

Member Dolins moved that the Board issue a Disciplinary Complaint revoking the establishment license of Nancy L. Derubeis d/b/a Steve and Nancy's Boardwalk due to the criminal history of a Person of Significant Influence or Control and the failure to properly disclose the criminal history, said action to take effect 21 days from the date of service of the Complaint, unless an Answer is properly filed within that timeframe. Member Alejandro seconded the motion. The motion passed unanimously by roll call vote.

Criminal Activities and Associations

Member Alejandro moved that the Board issue a Disciplinary Complaint revoking the establishment license of Las Adelitas Mexican Restaurant, Inc. d/b/a Las Adelitas Mexican Restaurant, due to criminal activity at the establishment, said action to take effect 21 days from the date of service of the Complaint, unless an Answer is properly filed within that timeframe. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

Member Dunn moved that the Board issue a Disciplinary Complaint revoking the establishment license of Sapphyre, Inc. d/b/a Sapphyre, Inc., as the license was issued in error, and the establishment is not suitable for licensure since it is located in a video gaming mall, said action to take effect 21 days from the date of service of the complaint, unless an Answer is properly filed within that timeframe. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Settlements of Disciplinary Complaints

Member Dolins moved that, based on Staff's recommendation and information provided by Michael B. Stillman, the Board rescind its March 2017 Order directing Gold Rush Amusements, Inc. to economically disassociate from Michael B. Stillman and MB Stillman Group, LLC. Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandre moved to delegate to the Administrator the authority to enter into settlement agreements with, and to administratively dismiss the complaints against the following licensees or to provide the settlement agreements to the administrative law judge for disposition:

- **Dennis Strader d/b/a Champ's**
- **Joken Inc. d/b/a Kens Viaduct Lounge**

Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

At 10:21 A.M., Member Dunn motioned to adjourn and Member Alejandre seconded the motion. All members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta
Secretary to the Administrator