

**Regular Meeting, Open Session Minutes - Video
Illinois Gaming Board
Chicago, Illinois
August 24, 2017**

On Thursday, August 24, 2017, a Regular Meeting – Video of the Illinois Gaming Board (“Board”) was held on the 5th floor at the Michael Bilandic Building in Chicago, Illinois immediately following its Regular Meeting - Riverboat. Present were the following: Chairman Don Tracy, Members Hector Alejandre, Steve Dolins, Thomas Dunn and Dee Robinson.

APPROVAL OF OPEN SESSION MINUTES:

Member Dunn moved that the Board approve the open session minutes from its Regular Meeting of June 28, 2017. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

BOARD POLICY ITEM

- Dissemination of Closed Session Minutes

Member Dunn moved, upon a review of the minutes of closed sessions held by the Board from January 2017 through June 2017, that the Board approve the dissemination of those minutes, since they no longer require confidential treatment. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

PROPOSED RULEMAKING

- Legislative Liaison, Caleb Melamed

Member Dunn moved to amend the Video Gaming Rules 110 and 420 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 Dolins seconded the motion. The motion passed unanimously by roll call vote.

TERMINAL OPERATOR LICENSEE ITEMS

Initial Licenses

- Game On Entertainment, LLC d/b/a Game On Entertainment

Member Robinson moved that the Board issue a Terminal Operator license to Game On Entertainment, LLC d/b/a Game On Entertainment for a term of one year, expiring in August 2018, as the applicant has demonstrated its qualifications and suitability for licensure. Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

- Veterans VGT, LLC

Member Robinson moved that the Board issue a Terminal Operator license to Veterans VGT, LLC for a term of one year, expiring in August 2018, since the applicant has demonstrated its qualifications and suitability for licensure. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

License Renewals

Member Alejandro moved that the Board renew the following Terminal Operator Licenses for a term of one year, expiring in August 2018:

- Donico Gaming, LLC
- LH I, LLC

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

Member Alejandro moved that the Board renew the Terminal Operator Licenses of the following licensees for a term of one year, retroactive to July 2017, expiring in July 2018:

- FJC Technologies LLC
- G.F.M. Gaming, LLC
- Illinois Gaming and Coin-Op LLC
- Pocket Aces Gaming Inc.
- Universal Gaming Group, LLC

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

MANUFACTURER, DISTRIBUTOR AND SUPPLIER LICENSEE ITEMS

License Renewals

- Bally Gaming, Inc. – Renewal of Manufacturer, Distributor and Supplier Licenses

Member Dunn moved that the Board renew the Manufacturer, Distributor and Supplier Licenses of Bally Gaming, Inc., for a period of one year, expiring in August 2018. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

- Aristocrat Technologies, Inc. – Renewal of Manufacturer and Distributor Licenses
- IGT – Renewal of Manufacturer and Distributor Licenses
- Konami Gaming, Inc. – Renewal of Manufacturer and Distributor Licenses

Member Dunn moved that the Board renew the Manufacturer and Distributor Licenses of Aristocrat Technologies, Inc.; IGT; and Konami Gaming, Inc., for a period of one year, expiring

in August 2018. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

- American Vending Sales, Inc. – Renewal of Distributor License
- H. Betti Industries, Inc. – Renewal of Distributor License

Member Dolins moved that the Board renew the Distributor licenses of American Vending Sales, Inc. and H. Betti Industries, Inc. for a period of one year, expiring in August 2018. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

- JCM American Corporation – Renewal of Supplier License

Member Alejandro moved that the Board renew the Supplier license of JCM American Corporation for a period of one year, expiring in August 2018. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

- CountR GmbH – Renewal of Supplier License
- M3 Technology Solutions, LLC – Renewal of Supplier License

Member Dolins moved that the Board renew the Supplier Licenses of CountR GmbH and M3 Technology Solutions, LLC for a period of one year, retroactive to July 2017 and expiring in July 2018. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

OTHER INTERESTED PARTIES - DISASSOCIATIONS

Member Robinson moved that the Board issue a notice to Accel Entertainment Gaming, LLC, ordering it to disassociate from sales agent Alicia Denise Wilson, said disassociation to become effective 21 days from the date of service of the notice, unless an Answer is properly filed within that timeframe. Member Alejandro seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandro moved that the Board issue a notice to Compact Disc Amusements, Limited, ordering it to disassociate from PSIC Richard Satoshi Tado, said disassociation to become effective 21 days from the date of service of the notice, unless an Answer is properly filed within that timeframe. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandro moved that the Board issue a notice to Illinois Gaming Systems, LLC, ordering it to disassociate from sales agent Dennis John Mullen, said disassociation to become effective 21 days from the date of service of the notice, unless an Answer is properly filed within that timeframe. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

Member Dolins moved that the Board issue a notice to Laurel Gaming LLC, ordering it to disassociate from sales agents Mark Cosmo Laudadio and Michael Racanelli, said disassociation

to become effective 21 days from the date of service of the notice, unless an Answer is properly filed within that timeframe. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

TECHNICIANS & TERMINAL HANDLER LICENSEE ITEMS

Initial Licenses - Approvals and Denials

Member Robinson moved that the Board approve (69) Terminal Handler License(s) and (3) Technician License(s), and authorize the Administrator to issue Notices of Denial to:

- Francisco Javier Romero
- Shawn David Carmona
- Alisha Denise Wilson
- Michael Boyk
- Jeremy Holley
- Nicholas Veasley
- Melinda Lee Winning
- Albert James Johnson
- Jeremy Julius Jackson
- Frank David Pierce

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

Member Robinson moved the Board authorize the Administrator to issue a Notice of Denial to:

- Terrence Patrick Maloney

Member Dolins seconded the motion. The motion passed by vote of 4-1, with Member Alejandre abstaining from the vote.

License Renewals and Non-Renewals - (second motion)

Member Dunn moved that the Board renew the licenses of technicians and terminal handlers who were licensed or renewed in July and August 2016, and who have properly updated their applications, timely paid their annual fees and remained in compliance with the requirements of the Video Gaming Act and the Board's Rules. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

VIDEO GAMING LOCATIONS

Initial Licenses - Approvals and Denials

Member Robinson moved that the Board approve 155 Video Gaming Establishment Licenses, for a period of one year, expiring in August 2018, and authorize the Administrator to issue Notices of Denial to:

- JS Bar Inc. d/b/a One More
- Aurora Latin American Club Inc. d/b/a LATIN AMERICAN CLUB
- Hard Luck LLC d/b/a Hard Luck LLC
- THE BLUE NOTE LOUNGE, LLC d/b/a THE BLUE NOTE LOUNGE

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

License Renewals and Non-Renewals - (second motion)

Member Dolins moved that the Board renew the licenses held by Retail Establishments, Truck Stop Establishments, Veteran Establishments and Fraternal Establishments that were previously licensed or renewed July and August 2016, and that have properly updated their applications, timely paid their annual fees, and remained in compliance with the requirements of the Video Gaming Act and the Board's Rules, and authorize the Administrator to issue Notices of Non-Renewal to:

- KJE5A, INC. d/b/a BINO's
- HOT SHOTZ SPORTZ BAR INC. d/b/a HOT SHOTZ SPORTZ BAR
- Copa's Inc. d/b/a The Blue Taco Bar
- Brian T. Charley d/b/a O'Charley's Irish Pub
- Zaynah Petroleum, Inc. d/b/a Zaynah Petroleum, Inc.

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

REQUESTS FOR HEARING, REQUESTS TO REAPPLY

Requests for Hearing

Member Dunn moved that the Board rescind its June 2017 denial of PIG DOG PUB INC.'s Retail Establishment License application and place it back into pending status. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Member Robinson moved that the Board rescind its June 2017 denial of GMG Enterprises, LLC d/b/a Pub 29's Retail Establishment License application and place it back into pending status. Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandre moved that the Board deny the Request for Hearing submitted by 1807 Partners, Inc. d/b/a IL Poveretto for failing to comply with the requirements of Rule 615. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandre moved that the Board deny the Request for Hearing submitted by Illinois Interactive Gaming, LLC. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

Requests to Reapply

Member Robinson moved that the Board grant Mr. William Beckmann leave to reapply for a Terminal Handler License. Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandre moved that the Board grant Ike's Enterprises, Inc. leave to reapply for a Retail Establishment License. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandre moved that the Board grant DDJ, Inc. leave to reapply for a Retail Establishment License. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

Member Robinson moved that the Board grant Andrew's Mart, Inc. leave to reapply for a Retail Establishment License. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

DISCIPLINARY ACTIONS

Misconduct

Member Robinson moved that the Board issue a Disciplinary Complaint revoking the Terminal Handler Licenses the following individuals for misconduct, these actions to take effect 21 days from the date of service of the Complaint, unless Answers is properly filed within that timeframe.

- Ryan Jacob Douthitt
- Benjamin Friday
- Patrick Nicholas Orlando
- Jason Lloyd Hudson

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

Failure to Cooperate with Board Agents

Member Dolins moved that the Board issue a Disciplinary Complaint revoking the Terminal Handler License of Dennis John Mullen for failing to respond to communications from the Board's Agents, said actions to take effect 21 days from the date of service of the Complaints, unless an Answer is properly filed within that timeframe. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

Failure to Disclose Sales Agent

Member Dolins moved that the Board issue a Disciplinary Complaint fining LZ Entertainment LLC \$26,166.57 for failing to timely disclose one of its sales agents, said action to take effect 21

days from the date of service of the Complaint, unless an Answer is properly filed within that timeframe; and further moved to delegate authority to the Administrator to enter into a settlement agreement with LZ Entertainment, LLC related to this Complaint. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

Failure to Disclose Ownership Interests and Changes Thereto

Member Dolins moved that the Board issue Disciplinary Complaints revoking the Retail Establishment Licenses of:

- Dale & Jackie's Discount Liquors, Inc. d/b/a 22nd Street Discount Liquors
- Decatur Package, Inc. d/b/a Friendly Bar & Package

for failing to disclose their ownership or failing to update a change in ownership, said actions to take effect 21 days from the date of service of the Complaints, unless the licensees pay a fine of \$2,500 each, or properly file Answers within that timeframe. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandro moved that the Board issue a Disciplinary Complaint revoking the Truck Stop Establishment License of Pilot Travel Centers LLC d/b/a Pilot Travel Center #482 for failing to timely inform the Board of a new video gaming manager, said action to take effect 21 days from the date of service of the Complaints, unless a fine of \$1,000 is paid or an Answer is properly filed within that timeframe. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

Failure to Prevent Underage Access to VGTs

Member Dolins moved that the Board issue Disciplinary Complaints revoking the Retail Establishment Licenses of:

- Blackhawk Restaurant Group LLC Series WCMorton d/b/a Betty's Bistro
- AF TRUCK CENTER, LLC d/b/a AF TRUCK CENTER, LLC
- Illinois Café & Service Company, LLC d/b/a Dotty's (140701122)
- Mr. D's 12th Street Rag, INC. d/b/a Mr. Dee's 12 Street Rag
- LUCKY'S LLC d/b/a LUCKY'S
- 1715 INC. d/b/a Blue Note Jazz Club
- Vinny's Gambling Café Group, Inc. d/b/a Vinny's Café

for permitting persons under the age of 21 to access, use or play video gaming terminals, said actions to take effect 21 days from the dates of service of the Complaints, unless the establishments each pay a fine of \$5,000, or properly file Answers within that timeframe. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandro moved that the Board issue a Disciplinary Complaint revoking the establishment license of Café Amore, Inc. d/b/a The Winning Circle for failing to inform the Board of changes in ownership and permitting a person under the age of 21 to access, use or play

video gaming terminals, said action to take effect 21 days from the date of service of the Complaints, unless a fine of \$7,500 is paid, or an Answer is properly filed within that timeframe. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

Failure to Properly Monitor VGTs

Member Robinson moved that the Board issue a Disciplinary Complaint revoking the establishment license of LINCOLN USA LLC d/b/a CHARLEY'S, for failing to properly monitor video gaming terminals in its establishment, this action to take effect 21 days from the date of service of the Complaint, unless a \$5,000 fine is paid or an Answer is properly filed within that timeframe. Member Alejandro seconded the motion. The motion passed unanimously by roll call vote.

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

Member Robinson moved to issue Disciplinary Complaints revoking the Retail Establishment Licenses of:

- C. & D. Waterfall, Inc. d/b/a C & D Waterfall
- Winnie's Café of Bridgeview, LLC d/b/a Winnie's Bistro
- Tavern on LaGrange Corp. d/b/a Tavern on LaGrange

for failing to remain current on their obligations and debts to the State, said actions to take effect 21 days from the date of service of the Complaints, unless an Answer is properly filed within that timeframe. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Member Dolins moved that the Board issue a Disciplinary Complaint revoking the Retail Establishment License of Dixie Wine & Tobacco, Inc. d/b/a Dixie Wine & Tobacco, for failing to maintain a valid liquor license, this action to take effect 21 days from the date of service of the Complaint, unless a \$1,000 fine is paid or an Answer is properly filed within that timeframe. Member Dunn seconded the motion. The motion passed unanimously by roll call vote.

Failure to Respond to Administrator-Issued Disciplinary Complaint

Member Alejandro moved that the Board issue Disciplinary Complaints revoking the Retail Establishment Licenses of:

- Alfonso & Mau, Inc. d/b/a El Corral Bar & Grill
- Hogs & Hydrants Inc. d/b/a Hogs & Hydrants
- TKW Group, LLC d/b/a Tilted Kilt

for their failure to Answer the Complaints issued by the Administrator, or pay the assessed fines, said actions to take effect 21 days from the dates of service of the Complaints, unless an Answer to this complaint is properly filed to this complaint within that timeframe. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

Settlements

Member Dunn moved that the Board rescind Disciplinary Complaint DC-V-17-106 issued at the June 2017 meeting to Ms. D's Kitchen Bar & Grill Inc. d/b/a Ms. D's Kitchen. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Member Dunn moved that the Board rescind the December 2016 denial of the Terminal Operator License application of Global Gaming Industries, LLC, and issue it a Terminal Operator License. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

Member Dunn moved that the Board delegate authority to the Administrator to enter into a settlement agreement with G3 Gaming, LLC, and I further move that the Board renew the Terminal Operator License of G3 Gaming, LLC, retroactive to May 2016, expiring in May 2017; and further renew the Terminal Operator License of G3 Gaming, LLC, retroactive to May 2017, expiring in May 2018. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Member Robinson moved that the Board delegate authority to the Administrator to enter into settlement agreements with the following locations and, where necessary, to administratively dismiss the filed Complaints or provide settlement agreements to the Administrative Law Judge for disposition:

- Gaming & Entertainment Management – Illinois LLC (DC-V-17-77)
- Ricky R. Kwit & Mary Jo Boland d/b/a Jackpot Bingo Too! (DC-V-17-35)
- EPM 12th Street Company d/b/a Pat's Pub
- D's Bistro Inc. d/b/a D's Bistro Inc. (DC-V-17-50)

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

Member Dunn moved that the Board delegate authority to the Administrator to enter into a partial settlement agreement with respect to the pending Circuit Court of Cook County case: Dotty's Cafe et al v. Illinois Gaming Board, Case No. 17-CH-4854. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

OTHER MATTERS

Member Alejandro moved that the Board adopt the Administrative Law Judge's Recommended Decision in DC-V-16-1 in its entirety, and enter a Final Order revoking the Retail Establishment License of CHASERS TAP INC. d/b/a CHASERS TAP for failing to fully disclose its owner's criminal history on its application. Member Robinson seconded the motion. The motion passed unanimously by roll call vote.

At 10:32 AM, Member Dunn motioned to adjourn and Member Robinson seconded the motion. All members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta
Secretary to the Administrator