

ORDER 2016-076
AN ORDER OF THE INDIANA GAMING COMMISSION
IN RE SETTLEMENT AGREEMENT
GAMING ENTERTAINMENT (INDIANA), LLC dba RISING STAR CASINO
16-RR-01

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

APPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS 24th DAY OF FEBRUARY, 2016.

THE INDIANA GAMING COMMISSION:



Cris Johnston, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
GAMING ENTERTAINMENT (INDIANA),)	16-RR-01
LLC)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Gaming Entertainment (Indiana), LLC (“Rising Star”) (collectively, the “Parties”) desire to settle this matter prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree that the following facts are true:

FINDINGS OF FACT

COUNT 1

1. IC 44-33-8-3(4) states the permanent identification badge shall be worn by all occupational licensees during working hours. Permanent identification badges shall be clearly displayed.
2. On October 8, 2015 a Gaming Agents while conducting a surveillance review observed that the Controller was not properly displaying his occupational gaming license while at work. This was the sixth time since June 2015 that he failed to properly display his badge.
3. On October 14, 2015 two Gaming Agents conducted a surveillance review and noted that the Controller was not displaying his occupational gaming license. Since this was a recurring problem the Agents contacted the Commission’s Director of Compliance about the violation. The Director of Compliance instructed the Agents to ask the Controller why his license was not properly displayed. The Agents spoke to the Controller and informed him that he was observed on video not displaying his badge. The Controller demanded to see the video and complained he was not getting answers to his question (he question Gaming Agents to give dates and times of previous violations. The information was given to his immediate supervisor). The Controller then advised he “keeps getting crap from Indy” about not wearing his badge and told the Agents to get out of his office.

COUNT II

4. 68 IAC 1-8-2 states the facilities used by a casino license or proposed by a casino license applicant to support casino gambling operations shall be constructed and maintained in accordance with the applicable federal, state, and local statutes, rules, and regulations, including, but not limited to, those pertaining to safety and accessibility.

5. On December 3, 2015, the American Bureau of Shipping ("ABS") consultants conducted an annual inspection of the Rising Star Casino. During the inspection the ABS consultants noted that the ingress/egress ramp was obstructed by Christmas decorations. The ABS consultants notified the Commission of the obstruction and recommended that the obstruction be removed immediately. On December 7, 2015 at 4:44pm the Commission's General Counsel emailed the Full House Resorts Secretary & General Counsel and the Rising Star General Manager to inform them that the Commission was aware of the ABS inspection and the recommendation of the consultants. The Commission's General Counsel instructed them to remove the obstruction immediately. On December 8, 2015 at 11:19am the Commission's General Counsel sent an email to the Gaming Supervisor inquiring if the decorations had been removed. The Gaming Supervisor noted that the decorations had not been removed so he spoke to the Engineer Supervisor. The Engineer Supervisor told the Gaming Supervisor that he was aware of the concern from the ABS inspection and that the Rising Star Executive staff was meeting on the issue to determine how to handle it. The Engineer Supervisor further advised that he was not given any instructions to remove the decorations from the ramp at that time. The decorations were removed by 3:30pm. The Gaming Supervisor interviewed the Engineering Manager, who stated that the issue of reducing the ingress/egress ramp had not been raised prior to the installation of the Christmas decorations. The Manager also stated he was unaware of the ABS requirement for ingress/egress. According to the job descriptions submitted by the casino, the Engineering Manager and Engineering Supervisor must understand and adhere to Federal, State and County codes and regulations involving construction, repair, installation, fire safety, sanitation and waste management. On December 7, 2015 the ABS consultant sent an email to the Marine manager the following regulations regarding egress:

a. In the Guide for Alternate Certification of Continuously Moored, Self Propelled, Riverboat Gaming Vessels in the State of Indiana, Section 18, Riverboat Gaming Superstructures and Adjacent Structures Through Which Patrons Exit, A. 3. (b) states: Should alterations of the egress ways be sighted by ABS Consulting incidental to routine vessel inspection, such discrepancies will be reported immediately to IGC and DFBS for appropriate action.

b. NVIC 8-93 (Coast Guard Policy that is applicable to Gaming Riverboats) states: Other means of egress components, such as doors and passageways, must be at least 82 cm (32in) in width or 0.846 cm/person (0.333 in/person) multiplied by the number of people to be served by that egress component, whichever is greater. All egress components must allow for the easy movement of persons wearing life preservers. There must be no protrusions which could cause injury, ensnare clothing, or damage life preservers. Except as indicated in paragraph 14.c above, doors must open in the direction of Stage I Egress from the space and must open clear of the egress path such that flow is not impeded. The number and dimensions of the means of egress components for each space must be sufficient for the maximum number of persons assumed to occupy that space as determined using the guidelines provided in the section above on "Determination of Maximum Number of Persons Permitted."

6. Also in the ABS report, it was noted that there was oil in the budge from the generator oil leaks. This was noted as an issue in an ABS report after responding to an oil spill at the casino on December 11, 2014.

COUNT III

7. 68 IAC 12-1-4(a) states the surveillance system must be capable of monitoring activities on the:
 - (1) casino floor;
 - (2) support areas;
 - (3) areas of the pavilion through which monies are transported; and
 - (4) all other areas necessary to further the purpose of the surveillance system
8. 68 IAC 12-1-3(c)(13)(D)(ii)(DD) states digital video systems shall be equipped with hot swappable backup storage components, which will automatically resume recording in the event of failure of any single component of the storage system, such that the failure of any single component will not result in the loss of data from the storage system.
9. 68 IAC 12-1-5(b)(1) states the surveillance system shall provide coverage of areas of the main bank, including the following:
 - (B) Dedicated coverage with sufficient clarity to identify the following:
 - (i) Currency.
 - (ii) Coin.
 - (iii) Cash.
 - (iv) Cash equivalents.
 - (v) Chip values.
 - (vi) Amounts on credit slips in an area where fills and credits are transacted.
10. 68 IAC 12-1-5(g) states the surveillance system must include cameras dedicated to monitoring areas where the following items are transported or stored:
 - (1) Cash.
 - (2) Cash equivalents.
 - (3) Chips.
11. On October 20, 2015 a Gaming Agent was asked to investigate a violation that was reported by the Director of Surveillance. The Agent found that on October 19, 2015 while a "hot swap" was being conducted fourteen cameras on the casino floor failed to record for approximately 3 to 4 minutes. One camera failed to record for 26 minutes. The casino asked a vendor from Technical Security Integration to look at the system to determine what had occurred. The Vendor was unable to determine the exact cause for the failure, but noted that the surveillance system is antiquated and may need to be rebooted regularly to help prevent possible re-occurrence.
12. On December 29, 2015 the Gaming Supervisor received an email from the Surveillance Manager regarding a surveillance issue. The Gaming Supervisor asked a Gaming Agent to investigate the incident. The email indicated that eight cameras were affected by the encoder on the surveillance system failing. The cameras were not in service for two hours and twenty eight minutes. The list of the camera that were affected and the coverage areas were included in the

email and three of the cameras covered sensitive areas. Two of the cameras covered slot storage areas and one covered the Commission's record storage cage. The Agent met with the Surveillance Manager and found that the surveillance system in the land based equipment room had overheated since the air conditioning for the equipment room had stopped working properly. An alarm sounded when the temperature rose above 72 degrees, but before the temperature of the room could be reduced one of the encoders stopped working. The affected encoder and the air condition system were repaired.

13. On January 5, 2016 at approximately 1636 hours a Gaming Agent was contacted by the Surveillance Supervisor that the camera which covered the cash drawer in window #4 had been intermittently losing coverage. The Supervisor told the Agent that the Cage Supervisor was advised and the Cashier at that window was moved to another window. The Agent reviewed the video coverage and discovered that on January 4, 2016 the camera coverage had failed several times during the day and was completely lost at approximately 1949 hours until the camera was replaced on January 6, 2016 at approximately 0938 hours. Coverage was lost the first time on January 4, 2016 from approximately 1348 hours to 1356 hours (eight minutes), then from approximately 1803 hours to 1931 hours (128 minutes) and finally at 1949 hours until the cashier was moved on January 5, 2016 at approximately 1636 hours (20 hours). Three surveillance employees conducted a camera check at the beginning of their shifts and failed to notice the lack of coverage in cage window #4.

COUNT IV

14. 68 IAC 15-6-4(b) and (d) state vendors and visitors must report to security to complete the vendor and visitor log and to obtain a badge. When the vendor or visitor leaves the casino, the vendor or visitor must complete the appropriate portion of the log. Vendors and visitors in the casino must wear, in a conspicuous location, a badge issued by the security department.
15. On December 11, 2015 a Gaming Agent observed an individual not wearing a vendor badge. The Agent observed the individual walk outside around the security dispatch land building, pass the EDR exterior exit door and onto the Level 2 employee entrance boarding ramp. The individual was with two other people (one who was the individual's wife) and both were wearing vendor badges. The three continued onto the employee ramp and past the security dispatch window. The Security Officer in dispatch did not look in the direction of the three individuals as they passed the window. The Agent followed the three individuals as they descended to the Level 1 of the casino. Once on the casino floor the Agent asked the individual were his vendor badge was and the individual replied he did not have one. The Agent asked the individual to accompany her to the security dispatch. The individual was asked for his identification and replied that he did not have it with him. The Agent discovered that the individual and his wife worked for a vendor currently working at the casino, but was not assigned to the current crew that was on property. The individual was at the casino to get his paycheck. The Agent spoke to the owner of the company and the Security Director about the incident. The owner confirmed the individual and his wife worked for his company, was not assigned to the present crew working at the casino and had come to the casino to get his paycheck. The Security Director reviewed with the owner the vendor rules and reminded him of an incident earlier in the week when one of his crew members was found not displaying a vendor badge. The Agent also reviewed video coverage and found that the wife had entered the Land Security Dispatch. The

wife exchanged her state issued identification for a vendor badge, which indicates that the individual knew he needed a vendor's badge and since he did not have his identification on him, ignored the vendor badging process.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Rising Star by and through its agents as described herein constitute a breach of IC 4-33, 68 IAC and/or Rising Star's approved internal control procedures. The Commission and Rising Star hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Rising Star. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

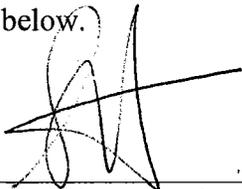
Rising Star shall pay to the Commission a total of \$51,000 (\$10,000 for Count I; \$20,000 for Count II; \$20,000 for Count III; and \$1,000 for Count IV) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. This agreement extends only to those violations and findings of fact, specifically alleged herein. If the Commission subsequently discovers facts that give rise to additional or separate violations, which are not described herein, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described herein.

Upon execution and approval of this Settlement Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Settlement Agreement by the Commission, Rising Star agrees to promptly remit payment in the amount of \$51,000 and shall waive all rights to further administrative or judicial review.

This Settlement Agreement constitutes the entire agreement between the parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Settlement Agreement. This Settlement Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Settlement Agreement shall be binding upon the Commission and Rising Star.

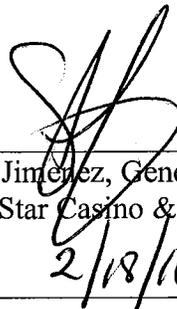
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

2/24/16

Date



Steven Jimenez, General Manager
Rising Star Casino & Resort

2/18/16

Date