



Meeting Minutes

Date/Time: January 22, 2015 – 10:30 a.m.

Place: **Boston Convention and Exhibition Center**
415 Summer Street, Room 102A/B
Boston, Massachusetts

Present: Chairman Stephen P. Crosby
Commissioner Gayle Cameron
Commissioner James F. McHugh
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

Call to Order

See transcript page 2

10:32 a.m. Chairman Crosby called to order the 143rd Commission Meeting.

Regulations Hearing

See transcript pages 3-13

10:32 a.m. Chairman Crosby opened hearing on public comments for regulations: 205 CMR 134 Licensing, 205 CMR 138 Internal Controls, 205 CMR 149 Race Horse Development Fund, and 205 CMR 14 Supplemental Licensing.

10:32 a.m. Public comment from Attorney General Maura Healey. Attorney General Healey presented on gaming enforcement priorities and consumer protection recommendations for the commission.

10:42 a.m. Public comment from Graham Lewis. Mr. Lewis raised matters pertaining to the filing of an application for an occupational license to race horses. He was advised that comments presented today must relate to the regulations that are the subject of the hearing. He was further advised that he may submit written comments on any topic through the Commissions MGCcomments section on the Commission website.

10:44 a.m. Chairman Crosby suspended hearing on regulations.

Approval of the Minutes

See transcript pages 13-19

- 10:44 a.m. *Commissioner McHugh moved for the approval of the January 8, 2015 minutes. Motion seconded by Commissioner Cameron with correction to indicate when Commissioner Stebbins joined the meeting. Motion passed unanimously.*
- 10:46 a.m. Chairman Crosby noted Treasurer and Receiver General Deborah Goldberg's priority and the Commission's mandate to protect lottery revenues.

Ombudsman Report

See transcript pages 20-56

- 10:51 a.m. Ombudsman Ziembra and Robert DeSalvio, President of Wynn MA, presented the Commission with an update on design changes to the Wynn Resort in Everett and unveiled two renderings.
- 11:05 a.m. Jennifer Pinck, of Pinck & Co.; John Rauen, Vice President of Development, Penn National Gaming; and Lance George, General Manager, Plainridge Park Casino presented the quarterly update for Penn National Gaming.
- 11:28 a.m. Chairman Crosby closed the formal hearing for public comments on regulations.
- 11:29 a.m. Commission recessed.
- 11:44 a.m. Meeting resumed.

Administration

See transcript pages 56-187

- 11:44 a.m. Director Day presented the Commission with an administrative overview.
- 11:46 a.m. Director Wells presented an update on a potential conflict of interest matter regarding a Central Management System ("CMS") vendor and provided recommendations on the matter.
- 12:02 p.m. Michael Mathis, President & Chief Operating Officer for MGM Springfield and Joshua Soliz, Vice President of Technology for MGM, presented on CMS/G2S systems. Robert DeSalvio, President of Wynn MA, provided comments on his experience with CMS.

- 12:58 p.m. Commission recessed for lunch.
- 1:49 p.m. Meeting resumed.
- 1:49 p.m. CFAO Derek Lennon; Ethan Tower, Protocol Director, Gaming Standards Association; and Matthew Cedor, Regional Vice President of Operations, GTECH; presented on CMS/G2S systems.
- 2:40 p.m. *Commissioner McHugh moved that the staff be authorized to commence contract negotiations with GTECH for a CMS system that includes the safeguards recommended by the IEB; that includes an out clause; that includes consideration of a payment schedule reflective of when machines will come online; that includes a warranty sufficient to protect the Commission from introduction of a CMS system in a SAS environment, a G2S environment or a hybrid environment; and that the staff be requested to return to the Commission with a recommendation for an amended regulation that deletes, changes or in some other way postpones for the requirement of an all G2S by January 1, 201. Motion seconded by Commissioner Stebbins. Commissioner McHugh added that the staff return after the negotiations are completed with the completed contract for the Commission's approval and that the contract not be awarded until and unless there is a satisfactory completion of the background investigation of GTECH. Motion passed unanimously.*
- 2:42 p.m. Director Day presented on recommendations for second half of 2015 schedule.

Workforce, Supplier and Diversity Development

See transcript pages 187-247

- 2:56 p.m. Director Griffin; Mike Mathis, President & Chief Operating Officer for MGM Springfield; Gerri Harris, Executive Director of Diversity and Contracts, MGM; Mary Kate Murren, Director of Training & Workforce Development, MGM Springfield; and Jed Nosal, Attorney for MGM Springfield, Brown Rudnick LLP; presented on MGM Springfield Diversity Report.
- 4:00 p.m. *Commissioner Stebbins moved that the Commission give approval to the Diversity and Affirmative Marketing Program as presented by MGM. Commissioner McHugh clarified that the Commission give approval in principle with clarifications and amendments to come. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- 4:03 p.m. Commission recessed.
- 4:16 p.m. Meeting resumed.

Legal Division

See transcript pages 247-256

- 4:16 p.m. General Counsel Blue presented on the General Records and Redaction Policies for review by the Commission.
- 4:23 p.m. *Commissioner McHugh moved that the Commission adopt a Commission policy defining records of the Commission and that the Commission revisit its implementation. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- 4:24 p.m. *Commissioner McHugh moved that the policy statement entitled Redaction of Public Records as it appears in the Commission packet be adopted. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- 4:24 p.m. General Counsel Blue presented the Small Business Impact Statement for 205 CMR 129 – Transfer of Interest.
- 4:24 p.m. *Commissioner Stebbins moved that the Commission approve the Small Business Impact Statement with respect to 205 CMR 129 Transfer of Interest. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

Research and Responsible Gaming

See transcript pages 256-293

- 4:25 p.m. Director Vander Linden presented on the first draft of the Play Management Regulations.

Other Business Not Reasonably Anticipated

See transcript pages 293-299

- 5:13 p.m. Commissioner Crosby reported on a matter to be brought before the Legislature regarding withholding and reporting on winnings.
- 5:17 p.m. *Motion made by Commissioner Cameron to adjourn the meeting. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission January 22, 2015 Notice of Meeting/Hearing and Agenda
2. 205 CMR 134 Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives, and Labor Organizations
3. 205 CMR 138 Uniform Standards of Accounting Procedures and Internal Controls and attachments
4. 205 CMR 149 Race Horse Development Fund
5. 205 CMR 14 Supplemental Licensure Procedures
6. Massachusetts Gaming Commission January 8, 2015 Draft Meeting Minutes
7. Wynn Resorts Development January 15, 2015 Memorandum Regarding New Renderings for Proposed Wynn Resort in Everett
8. Penn National Quarterly Report as of December 31, 2014
9. Email from Martin Nastasia, Brown Rudnick, to Derek Lennon and John Glennon, dated January 19, 2015, with regard to CMS Package for Commissioners and MGC Staff, with attachments.
10. Massachusetts Gaming Commission January 18, 2015 Memorandum Regarding Central Management System – Technical Discussion Summary with attachments
11. MGC January 16, 2015 Schedule Update/Slot Parlor Activities
12. MGM Springfield Diversity & Affirmative Action Marketing Program
13. Massachusetts Gaming Commission Records of the Commission Policy and Redaction of Public Records of the Commission Policy
14. Small Business Impact Statement 205 CMR 129
15. 205 CMR 138 Uniform Standards of Accounting Procedures and Internal Controls DRAFT
16. 205 CMR 143 Gaming Devices and Electronic Gaming Equipment DRAFT

/s/ Catherine Blue
Catherine Blue
Assistant Secretary