



Meeting Minutes

Date/Time: November 10, 2016 – 10:00 a.m.

Place: Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, Massachusetts

Present: Chairman Stephen P. Crosby
Commissioner Lloyd Macdonald
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

Absent: Commissioner Gayle Cameron

**Time entries are linked to
corresponding section in
Commission meeting video**

Call to Order

See transcript page 2

10:01 a.m. Chairman Crosby called to order the 203rd Commission meeting.

Approval of Minutes

See transcript page 2

10:01 a.m. *Commissioner Macdonald moved for the approval of the October 26, 2016 Commission meeting minutes subject to any corrections, typographical errors, or other nonmaterial matters. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*

Administrative Update

See transcript pages 2-21

10:02 a.m. Executive Director Edward Bedrosian, Jr. recognized Commissioners Zuniga and Stebbins for celebrating Movember (a men's health awareness campaign).

10:03 a.m. CFAO Derek Lennon presented on a request to add an exception to the competitive procurement policy. The exemption would allow staff to use the three bid requirement for small value procurements without utilizing the full RFR competitive process. The exemption would eliminate an administrative burden while still being competitive.

10:19 a.m. *Commissioner Zuniga moved that the Commission approve the exception to the procurement regulation as discussed today and included in the packet, and set a guideline number to apply to procurements under \$1,500 as discussed today, and that the finance team will come back to the Commission and report on the results of implementing this approach one year after its implementation. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

Workforce, Supplier and Diversity Development

See transcript pages 21-53

10:20 a.m. Director Jill Griffin presented on a request for Commission authorization for a grant award of \$20,000 to the Association of Black Business and Professionals in Springfield. Director Griffin stated that the grant is intended to build capacity for small businesses to increase their chances of working with casinos. She stated that the Association of Black Business and Professionals will implement the Interise StreetWise MBA program to assist Springfield's small businesses with growth and expansion. She noted that letters of support were received from MGM Springfield and the Springfield Office of Planning and Economic Development.

10:26 a.m. *Commissioner Stebbins moved that the Commission authorize a grant award of \$20,000 from the FY'17 budget to the Association of Black Business and Professionals to help Springfield small business owners grow and expand their businesses, and, hopefully, increase their opportunities to do business with our licensees. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

10:27 a.m. Director Griffin stated that our licensees have set diversity goals that include opportunities for veterans. She recognized Christopher King, formerly with the Department of Veterans' Services, for his work helping the Commission reach out to veterans. Commissioner Stebbins noted the assistance that Mr. King has provided the Commission. He also provided a summary of Mr. King's educational, military, and professional background. He presented Mr. King with a certificate of appreciation.

Christopher King stated that it was a pleasure to work with the Commission and he commended the Commission for their integrity, professionalism and focus on veterans.

10:32 a.m. A video, created by Michael Sangalang, was shown that highlighted the impact that the gaming statute has had on veterans in Massachusetts. Veterans employed by MGM Springfield and Wynn Boston Harbor spoke about their employment and their military skills and training that they bring to the job.

Commissioner Stebbins noted that on Veterans Day, MGM Springfield is having a SkillSmart session for veterans and Wynn will be distributing red, white and blue construction helmets to veterans on their construction site. He also noted that our licensees attended the Veterans' Service Officers training in Leominster.

10:45 a.m. Director Jill Griffin reported on a new recruitment initiative to enhance diversity participation during construction of the casinos. She stated that the initiative will focus on the challenges of recruiting women and women of color in construction.

She stated that there will be two areas of focus: (1) an advertising and marketing campaign, and (2) a program administrator to serve as a point of contact between the unions and residents of the surrounding communities to increase women of color applicants into the building trades and make referrals to unions, GED programs, or other services.

10:50 a.m. Elaine Driscoll, Director of Communications, presented highlights of a concept paper for a diversity marketing and advertisement campaign to address recruitment challenges. She stated that a number of states have implemented a similar initiative and she cited an example of a campaign - Go Build Alabama. She stated that an RFP will be issued to seek a marketing/advertising firm to develop a brand concept, marketing materials, and media campaign. She noted that expanded gaming is at the forefront of a building boom and there may be partners, beyond the gaming industry, that may want to participate in this initiative.

Commissioner Zuniga inquired about a budget and Director Griffin responded that the administrator position will be about \$40,000 per year and funds in the current budget have been allocated for the marketing campaign. Director Griffin stated the RFPs will be posted on our website.

11:09 a.m. The Commission took a brief recess.

11:15 a.m. The meeting resumed.

Racing Division

See transcript pages 53-83

11:15 a.m. Dr. Alexandra Lightbown, Director of Racing, stated that the Commission received two applications to conduct live horseracing in 2017. She stated that applications were received from Plainville Gaming and Redevelopment, LLC (Plainridge Racecourse) to conduct 125 days of harness racing from April 10th through November 24th; and Sterling Suffolk Racecourse, LLC (Suffolk Downs) to conduct six days of running horseracing on July 8th and 9th, August 5th and 6th, and September 2nd and 3rd, with the possibility of adding more days. She stated that public hearings have been conducted and she provided a summary of the criteria to be considered by the Commission. She noted that Plainridge Racecourse meets the requirements under Chapters 128A, 128C and 23K.

11:15 a.m. Lenny Calderone, Announcer from Plainridge Racecourse, stated that they are having a tremendous season and an increase in purses has helped. He stated that he believes that they are on their way to being one of the premier racetracks in the country. He noted that there has been a significant increase in new people at the track as a result of the casino. He also noted the addition of the Virginia Equine Alliance, a new export entity.

11:20 a.m. *Commissioner Stebbins moved that the Commission approve the application of Plainville Gaming & Redevelopment, LLC, Plainridge Racecourse for live harness horseracing in 2017, with the addition of Virginia Equine Alliance to Exhibit 28, and with the condition that they have an independent expert review the track surface prior to racing for safety purposes. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

- 11:21 a.m. Douglas O'Donnell, Senior Financial Analyst, presented on a request for consideration for the Suffolk Downs Capital Improvement Trust Fund. He stated that the projects were conducted in 2014 for a total of \$90,476.15.
- 11:22 a.m. *Commissioner Zuniga moved that the Commission approve the disbursement, or the consideration request from Suffolk Downs Capital Improvement Trust Fund in the amount of \$90,476.15 as detailed in the packet here today. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*
- 11:23 a.m. Dr. Lightbown presented on the Suffolk Downs 2017 racing application. She stated that there is no purse agreement but they will come back to the Commission with what they are requesting. She noted that Suffolk Downs wants to include a new ADW, b Spot, and that will be placed on the agenda for a demonstration at a future meeting. She stated that the Suffolk Downs application meets the requirements for 128A and the Session Laws.
- 11:25 a.m. Chip Tuttle, COO of Suffolk Downs, stated that they will accept the Commission's recommendation to postpone the b Spot request. Commissioner Zuniga inquired about the purse agreement. Mr. Tuttle responded that their conversations with the NEHBPA (New England Horsemen's Benevolent and Protective Association) have been positive. Mr. Tuttle reported on racing expenses.

Commissioner Stebbins inquired about the forecast of racing beyond 2017. Mr. Tuttle stated that it is taking longer with the development of the property and as a result, the property remains available for racing. He stated that unless there is a radical change they will apply for an application in 2018, but they cannot make any assurances to the Commission beyond that.

- 11:40 a.m. Executive Director Bedrosian noted that staff has met with racing stakeholders and discussed legislative filings.
- 11:45 a.m. *Commissioner Zuniga moved that the Commission approve the recommendation from the racing division to approve the application from Sterling Suffolk Racecourse, for live running horseracing in 2017 with the following conditions: Suffolk Downs will have an independent expert review the track surface prior to racing. Second, that after each weekend of racing Suffolk will report to the Commission the numbers and percentage of recent Suffolk horsemen and horses that benefited from the races. Third, that Suffolk Downs would request, in writing to the Commission, how much money they would like from the Race Horse Development Fund, and detail how it will be spent, and provide, to the Commission, their purse agreement with the NEHBPA or anyone else. Fourth, that Suffolk Downs will notify the Commission, in writing, if they're going to race more than six days, at least 30 days before the races are conducted. Finally, that b Spot will not be considered part of the vote of the Suffolk Downs license application and this Commission may take that matter at a later time, if Suffolk Downs wishes to pursue approval of b Spot, and notify the Commission in writing. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

Ombudsman

See transcript pages 83-136

- 11:47 a.m. Ombudsman John Ziemba presented on the continuing review of the draft 2017 community mitigation fund guidelines. He stated that he has met with the local community mitigation advisory committees in regions A and B and the subcommittee on community mitigation. He recommended that the Commission approve a draft to post for public comment. He provided an overview of the recommended changes.
- 12:45 p.m. Ombudsman Ziemba stated that his second agenda item (Springfield Community Mitigation Fund application) will not go forward as they are still collecting information.

Investigations and Enforcement Bureau (IEB)

See transcript pages 137-140

- 12:48 p.m. Director Karen Wells presented on the results of the suitability investigation for Lisa McKenney, an applicant for a key gaming employee executive license. Ms. McKenney was hired as a Compliance Manager at Plainridge Park Casino. Director Wells stated that an investigation and interviews were conducted, and she provided a summary of her educational and professional background. She stated that the IEB recommends that the Commission approve her application.
- 12:51 p.m. *Commissioner Stebbins moved that the Commission approve Lisa McKenney as a key gaming employee executive licensee as recommended by the IEB. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

Commissioner's Update

See transcript pages 141-150

- 12:51 p.m. Commissioner Stebbins reported that an AOC (Access and Opportunity Committee) meeting was held in Springfield. He stated that after the meeting they discussed licensing qualification standards with stakeholders from the region. He also reported that a licensing information sheet was developed and distributed to the stakeholders.
- 12:53 p.m. Commissioner Macdonald reported that he attended the Community Mitigation Fund meeting in Springfield and he was struck by the fact that none of the representatives had concerns about immediate impacts in the surrounding communities. He also stated that there was unanimity amongst the representatives that proceeds from the licensing fees paid by MGM should remain in the western part of the state rather than for Metropolitan Boston or eastern Massachusetts impacts.
- 12:57 p.m. Chairman Crosby reported that he attended the public meeting of the Lower Mystic Valley Working Group (Sullivan Square). He stated that the public was invited to brainstorm issues and solutions.
- 12:59 p.m. Commissioner Zuniga stated that he attended the first meeting of the online gaming and DSF Commission. He noted that Chairman Crosby was unable to make the

meeting due to a traffic jam. He stated that the meeting was brief and administrative in nature. He also stated that he believes that they are looking to the MGC for their expertise and guidance on topics and a process. He noted that the matter of on-line lottery games is excluded from this online/DFS Commission.

1:02 p.m. Executive Director Bedrosian noted that the office will be closed on Friday, November 12th due to the holiday and that there is a tentative Commission meeting scheduled for November 22nd.

Other Business Not Reasonably Anticipated

See transcript page 150

1:03 p.m. *Having no further business, a motion to adjourn was made by Commissioner Zuniga. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda dated November 10, 2016
2. Massachusetts Gaming Commission, Draft Meeting Minutes dated October 26, 2016
3. Massachusetts Gaming Commission, Memorandum dated November 9, 2016 regarding Additional Procurement Exception – Small Dollar Procurements
4. Massachusetts Gaming Commission, Memorandum dated November 10, 2016 regarding Request for Association of Black Business Professionals Grant Approval, with attachments
5. Massachusetts Gaming Commission Access and Opportunity Committee Public Outreach Concept for Gaming Workforce and Diversity Development in Construction Trades, dated November 8, 2016
6. Massachusetts Gaming Commission, Racing Division Memorandum, dated November 7, 2016 regarding Applications to Conduct Live Horse Racing in 2017
7. Letter from Penn National to the Massachusetts Gaming Commission, dated November 7, 2016 regarding Off Track Wagering Site (Virginia Equine Alliance)
8. Letter from Suffolk Downs to the Massachusetts Gaming Commission, dated November 7, 2016 regarding Income and Expense Summary, with attachments
9. Letter from the Massachusetts Thoroughbred Horsemen's Association, Inc. to the Massachusetts Gaming Commission, dated November 9, 2016 regarding Suffolk Downs 2017 Racing Application
10. Letter from the Massachusetts Thoroughbred Horsemen's Association, Inc. to the Massachusetts Gaming Commission, dated October 17, 2016 regarding Suffolk Downs 2017 Racing Application
11. Massachusetts Gaming Commission, Racing Division Memorandum, dated November 10, 2016 regarding Request for Consideration, Suffolk Downs Capital Improvement Trust Fund, with attachments
12. Massachusetts Gaming Commission, recommended changes to the Guidelines for the 2017 Community Mitigation Fund from the 2016 Guidelines
13. Massachusetts Gaming Commission 2017 Community Mitigation Fund Guidelines
14. Massachusetts Gaming Commission 2017 Community Mitigation Fund Guidelines (redline)
15. Massachusetts Gaming Commission 2016 Community Mitigation Fund Guidelines

/s/ Catherine Blue

Catherine Blue, Assistant Secretary