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## Meeting Minutes

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- Date/Time:** March 17, 2016 – 10:00 a.m.
- Place:** Massachusetts Gaming Commission  
101 Federal Street, 12<sup>th</sup> Floor  
Boston, Massachusetts
- Present:** Chairman Stephen P. Crosby  
Commissioner Gayle Cameron  
Commissioner Lloyd Macdonald  
Commissioner Bruce Stebbins
- Absent:** Commissioner Enrique Zuniga

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

### Call to Order

See transcript page 1-4

10:01 a.m. Chairman Crosby called to order the 182<sup>nd</sup> Commission Meeting.

Chairman Crosby acknowledged the passing of Massachusetts State Trooper Thomas Clardy. He stated that it was a horrible senseless loss. He also stated that the Massachusetts State Police who serve us are a distinguished law-enforcement body made up of men and women who are intelligent, committed, thoughtful, decent, hard-working, and honorable. He extended his personal regards, and regards on behalf of the Commission, to the family of Trooper Clardy.

A moment of silence was observed for Trooper Clardy.

### Approval of Minutes

See transcript pages 4-5

10:04 a.m. *Commissioner Macdonald moved for the approval of the March 3, 2016 Commission meeting minutes subject to any corrections, typographical errors, or other nonmaterial matters. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

## **Administration**

See transcript pages 5-11

[10:04 a.m.](#) Executive Director Edward Bedrosian, Jr. stated that due to the absence of Commissioner Zuniga, we will not proceed with agenda items 3(c) – Plainridge Park Casino Reconciliation Issues and 6(a) – Wynn Section 61 Presentation. He stated that in an abundance of caution, and the potential for a lack of a quorum, the Wynn/Region A matter will be held off until all three Commissioners are present. Chairman Crosby noted that he had recused himself from Region A matters and Chairman Macdonald was not present when Region A was decided.

Executive Director Bedrosian stated that an offer was made to Joseph Delaney for an in-house construction manager position. He stated that in-house expertise is needed as we move toward the construction phase of the casinos. He provided a summary of his professional background and noted that he will be starting the first week in April.

Executive Director Bedrosain stated that the Commission met with the Wampanoag Tribe in Mashpee on March 15<sup>th</sup> for a presentation and Mass Gaming and Entertainment, LLC (“MG&E”) will have an opportunity to respond to the Tribe’s presentation at the Commission meeting next week.

Executive Director Bedrosain stated that the Commission will close the Brockton Host Community meeting on March 28<sup>th</sup>. He stated that he anticipates deliberations on the Region C license award to take place the last week of April.

## **Workforce, Supplier and Diversity Development**

See transcript pages 11-53

[10:12 a.m.](#) Director Jill Griffin stated that the Commission has made diversity and inclusion a top priority and has approved diversity strategy plans for construction and goods and services from our licensees. She introduced Chelan Brown, Jason Roswell, Seth Stratton, and Jason Garand, who will provide an update on diversity progress with the MGM Springfield project.

[10:15 a.m.](#) Chelan Brown, Diversity Specialist: Construction & Operations for MGM Springfield, thanked the Commission for establishing the Access and Opportunity Committee. She provided an overview of their diversity activities which included the following: outreach to community groups and minority, women and veteran owned businesses; one-on-one meetings with unions and groups to explain MGM goals and commitments; increased community-based organizations for the Community Partners Network; the construction diversity task force held a meeting in February and it was attended by three unions; in February, they focused on Veteran outreach and held an open house which was attended by 18 local Veterans; a tour was conducted of the site with high school seniors which included an information session with local trade unions; and construction open houses will be scheduled for women and minorities.

[10:35 a.m.](#) Jason Roswell, Executive Director of Design and Construction for MGM Springfield, reported on workforce diversity statistics, design and construction commitments, and status on project goals.

[10:45 a.m.](#) Jason Garand, Business Manager for the Carpenters Local 108, noted that the Community Partners Program and the unions are coming together to provide people with opportunities. He noted work with a homeless program and youth groups (Roca and Youth Build) and stated that this project will change lives and careers. He stated that unions need the help of community organizations to help individuals with GED's, transportation, and building soft skills.

### **Legal Division**

See transcript pages 54-76

[10:59 a.m.](#) General Counsel Catherine Blue presented on four small business impact statements for emergency amendments to regulations 205 CMR 134 and 205 CMR 116 pertaining to qualifiers, temporary license, and term of license.

[10:59 a.m.](#) *Commissioner Cameron moved that the Commission approve the small business impact statements for 205 CMR 134, licensing and registration of employees, and the small business impact statement for 206 CMR 116, persons required to be licensed or qualified through the promulgation process. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

[11:00 a.m.](#) Deputy General Counsel Todd Grossman presented on requests received from Plainridge Park Casino to enter into a non-disclosure agreement. He recommended that the Commission approve the following three requests: disciplinary reports, standard operation procedure, and surveillance recordings. He further recommended that the Commission deny the request pertaining to floor plans. He stated that we have already released the floor plans with redactions.

Commissioner Macdonald inquired about the disciplinary reports. Deputy General Counsel Grossman stated that the reports list the disciplinary matters that have been taken against Penn National in other jurisdictions. Roberta Gregoire, Compliance Manager at Plainridge Park Casino, responded that the report is prepared by Penn corporate and it contains regulatory actions in other jurisdictions. She stated that it is information that they feel is sensitive and needs to be protected. She also stated it is provided to the IEB upon request.

IEB Director Karen Wells stated that the disciplinary information is helpful to the IEB in their obligation to evaluate the continuing suitability of Penn National. Commissioner Cameron stated that she would want more information from Penn National about what the risk is that makes this a confidential document. Chairman Crosby suggested holding this matter off for a week to get more information.

[11:21 a.m.](#) *Commissioner Stebbins moved that the Commission approve the request for non-disclosure agreements for standard operating procedures and item 29 – the video recordings, audio recordings, photographs, etc., from the casino's surveillance system. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

[11:22 a.m.](#) *Commissioner Stebbins moved that the Commission accept the staff recommendation on the request for non-disclosure on the floor plans, item number 30 as presented in the packet. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

[11:22 a.m.](#) Deputy General Counsel Grossman stated that he will bring a draft agreement back to the Commission when they receive more information about the disciplinary reports.

11:22 a.m. The Commission took a short recess.

11:34 a.m. The Meeting resumed.

### **Research and Responsible Gaming**

See transcript pages 77-108

[11:34 a.m.](#) Director Mark Vander Linden provided an update on Play My Way, formerly called the Play Management System. The Commission adopted an innovative budget setting tool for voluntary use by patrons. Patrons who elect to use the tool will receive incremental notices on the screen that they are approaching their budget limit. The tool isn't designed to cut off a patrons play but designed to help them make informed decisions. This tool has not been used in the United States. It has been used in other jurisdictions around the world. They will work on developing an evaluation component to determine its value and usefulness.

[11:39 a.m.](#) Elaine Driscoll, Director of Communications, reported on the Play My Way brand and plan for distribution. She stated that a communications plan was developed to give guidance to MORE Advertising in developing the brand. She also stated that Ontario shared their marketing collateral. She stated that they will educate employees and increase general awareness about the program. She stated that they worked with Digital Mass to create an animation about Play My Way that will be used across digital platforms. She also reported that the brand will be used in direct mail to reward card holders, on banners, wraps, brochures, digital signage, and posters throughout Plainridge Park Casino.

[11:47 a.m.](#) The Play My Way video was shown.

[11:59 a.m.](#) Director Vander Linden provided an overview of the Play May Way screens that have been changed. He stated that the prior versions were content heavy and they now have concise information. He reported on a timeline which included the following: during the next four weeks the content will be integrated into the gaming machines and kiosks, there will be a month long period of testing so all parties are comfortable using the product, onsite training will be provided for staff, and an anticipated launch date is in May. He stated that they will continue to look for ways to reduce the timeline. He also reported that they are also working on ways to quickly provide the \$5 incentive to patrons who enroll in the program.

12:13 p.m. The Commission recessed for lunch.

1:15 p.m. The meeting resumed.

### **Legal Division**

See transcript pages 109-137

[1:15 p.m.](#) Chairman Crosby announced that Commissioner Gayle Cameron has been reappointed to the Gaming Commission by the Governor, Attorney General, and the Treasurer for a new five-year term.

[1:16 p.m.](#) General Counsel Catherine Blue reported on the request by the Town of Easton for a hearing to review and vacate the arbitrators award. She stated that Easton and Mass Gaming & Entertainment, LLC (“MGE”) were unable to finalize a surrounding community agreement. They entered into arbitration and the arbitrators issued a decision selecting MG&E’s best and final offer. She stated that representatives are here today to present their arguments on why the Commission should or should not grant a hearing.

[1:20 p.m.](#) Attorney Jason Talerman, representing the Town of Easton, stated that Easton engaged in arbitration with MG&E regarding a surrounding community agreement. He stated that the arbitration process unfolded in a tight window and the arbitrators expressed their inability to reach a fair result. He stated that they objected to the arbitrator’s decision on several grounds. He stated that he believes that the Commission has authority to vacate the arbitration decision and to direct the arbitrators to correct errors. He noted that they only had a few weeks to prepare their case and there was in inequitable set of resources. He stated that Easton addressed a variety of impacts from the casino, including impacts to public safety; however, MG&E only addressed impacts to traffic. He believes that the Commissioners have the power and authority to send the matter back to the arbitration panel or hold a hearing.

[1:30 p.m.](#) Attorney Charles LeRay, representing MG&E, stated that the statutes and regulations do not provide the Commission with the authority to vacate the arbitrator’s decision. He stated that arbitrator’s decisions are rarely overturned, the arbitrators were selected by the parties, and the arbitrators unanimously voted for the best and final offer of MG&E. He cited the Chelsea matter, Commissioner McHugh’s standard, and noted that the Commissioners voted not to award a hearing. He stated that Easton is trying to get another bite of the apple. He asked the Commission to deny the request and leave in place the arbitrator’s decision selecting MG&E’s best and final offer.

Commissioner Cameron stated that she is not persuaded that this process was egregiously outside the pale of reasoned decision making. Commissioner Macdonald stated that the regulations do not provide an avenue of appeal, the arbitration panel’s decision was well articulated and they found MG&E’s traffic assessment to be more persuasive, and he does not see a basis for an exception to the statutory and regulatory structure that has been created for resolving disputes. Commissioner Stebbins and Chairman Crosby agreed with his assessment. Chairman Crosby noted that surrounding communities can apply for community mitigation funds if they experience impacts.

[1:45 p.m.](#) *Commissioner Macdonald moved that the Commission deny a hearing. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

### **Investigations and Enforcement Bureau**

See transcript pages 137-147

[1:46 p.m.](#) Director Karen Wells presented on the suitability of Jane Scaccetti as a qualifier for Penn National. Ms. Scaccetti was appointed a member of the Board of Directors and the chair of the audit committee for Penn National. Director Wells provided a summary of Ms. Scaccetti’s professional and educational background. She stated

that there are no records of any disciplinary actions. The IEB has no concerns regarding her suitability.

1:49 p.m. *Commissioner Stebbins moved that the Commission approve Jane Scaccetti as a casino qualifier. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

1:50 p.m. Director Wells presented on the suitability investigation of Modern Gaming East, LLC, an applicant for licensure as a gaming vendor-primary, and two individual qualifiers (Mr. Jason deGrandmaison and Mr. Michael Tessmer). She stated that Modern Gaming East is a New Jersey based company that acts as a sales agent for Konami. She stated that their licenses are in good standing and they have no derogatory information. The IEB recommended that the Commission approve the application of Modern Gaming East for licensure as a gaming vendor primary.

1:55 p.m. *Commission Stebbins moved that the Commission approve the license for gaming vendor primary for Modern Gaming East, LLC a.k.a. MGE. Motion seconded by Commissioner Cameron. Motion amended to include individual qualifiers – Mr. Jason deGrandmaison and Mr. Michael Tessmer. Motion passed unanimously.*

#### **Other Business Not Reasonably Anticipated**

See transcript page 147

1:56 p.m. *Having no further business, a motion to adjourn was made by Commissioner Cameron and passed unanimously.*

#### **List of Documents and Other Items Used**

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda dated March 17, 2016
2. Massachusetts Gaming Commission, Draft Meeting Minutes dated March 3, 2016
3. Massachusetts Gaming Commission, Region C Timeline, dated March 16, 2016
4. MGM Springfield Diversity Update Presentation, dated March 17, 2016
5. Small Business Impact Statement, 205 CMR 134.04 (New Qualifiers Gaming Vendors)
6. Small Business Impact Statement, 205 CMR 134.12 (Temporary License)
7. Small Business Impact Statement, 205 CMR 134.16 (Term of License)
8. Small Business Impact Statement, 205 CMR 116.00 (Persons Required to be Licensed or Qualified)
9. Massachusetts Gaming Commission/Plainridge Park Casino, Non-Disclosure Agreement
10. Plainridge Park Casino, Request for Non-Disclosure Agreement dated March 3, 2016
11. Plainridge Park Casino, Request for Non-Disclosure Agreement dated March 11, 2016
12. Massachusetts Gaming Commission, Comprehensive Communications plan for the Launch of Play My Way Program, dated March 14, 2016 (last updated)
13. Play My Way User Interface Upgrades Presentation, dated March 17, 2016
14. Letter from Attorney Jason Talerma (Town of Easton), to the Massachusetts Gaming Commission, dated February 11, 2016 regarding Objection to Arbitration Decision
15. Report and Final Arbitration Award pertaining to the Surrounding Community Arbitration between Mass Gaming and Entertainment, LLC and the Town of Easton, with exhibit
16. Massachusetts Gaming Commission, Suitability Investigation of Modern Gaming East, LLC, Applicant for Licensure as a Gaming Vendor-Primary

/s/ Catherine Blue

Catherine Blue, Assistant Secretary