



Meeting Minutes

Date/Time: March 3, 2016 – 10:00 a.m.

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

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

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

Call to Order

See transcript page 2

[10:00 a.m.](#) Chairman Crosby called to order the 180th Commission meeting.

Approval of Minutes

See transcript pages 2-3

[10:01 a.m.](#) *Commissioner Macdonald moved for the approval of the February 18, 2016 Commission meeting minutes subject to any corrections, typographical errors, or other nonmaterial matters. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

[10:01 a.m.](#) Chairman Crosby noted a change in the schedule and stated that agenda item 9(c), Investigations and Enforcement Bureau, will go first.

Investigations and Enforcement Bureau (IEB)

See transcript pages 3-25

[10:01 a.m.](#) IEB Director Karen Wells reported on the gaming vendor primary license application investigation for Konami Gaming and their qualifiers. Konami Gaming is a large scale manufacturer of gaming machines and is based in Nevada. Director Wells provided a summary of the suitability background investigation and company

highlights. She acknowledged Sergeant Gina Joyce and Financial Investigations Supervisor Marlon Polite for their work on the investigation. Director Wells recommended that the Commission find Konami Gaming suitable for licensure.

[10:11 a.m.](#) Attorney Nicholas Casiello, representing Konami Gaming, responded to an inquiry from Chairman Crosby pertaining to the Kozuki Trust and Foundation. Attorney Casiello stated that the Trust has not distributed a significant amount to beneficiaries yet but it intends to do so. The Trust has made significant contributions to the University of Nevada and it continues to look at other endeavors in North America. He also stated that he has represented Konami for sixteen years and this has been one of the most professional and thorough investigations that he has been involved with. He noted that the staff understood the company and was appreciative of the cultural differences.

[10:18 a.m.](#) *Commissioner Stebbins moved that the Commission accept the report of the IEB and approve the application of Konami Gaming, Inc. for licensure as a gaming vendor primary. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

Administration

See transcript pages 25-33

[10:25 a.m.](#) Executive Director Edward Bedrosian, Jr. reported on the following: the water damage to the office from the Valentine's Day flood has been mitigated and the building management was very responsive, a Host Community meeting was held in Brockton, the Commission has accepted an invitation from the Mashpee Tribe to meet with them on March 15th for a presentation, and the Commission anticipates returning to Brockton at the end of March to accept public comments and close out the Host Community meeting - which will result in a delay of Region C deliberations until the end of April.

[10:29 a.m.](#) Commissioner Zuniga reported on the annual risk assessment and internal audit memorandum. He stated that internal risks and procedures for risk mitigation are discussed with directors. External (casino) risks are mitigated with the IEB. He noted that coordination and consistency within the agency are critical and the Commission will get a compliance update in several months.

Workforce, Supplier and Diversity Development

See transcript pages 33-144

[10:34 a.m.](#) Director Jill Griffin reported on casino career opportunities for Massachusetts residents and the need to ensure there will be qualified candidates. She introduced representatives from the Massachusetts Casino Careers Training Institute who will provide an update on the gaming, culinary and hospitality training schools in Massachusetts.

[10:36 a.m.](#) Robert Le Page, from Springfield Technical Community College, provided a general workforce update and noted workforce development challenges. He also noted that there is a need for vocational training and a labor pool for casinos. He stated that they want to ensure that the certificates are transferable and career resources are available for individuals. The gaming school will provide career

assessment, standardized curriculum, pre-CORI review process, student data tracking, career awareness, and pre-assessment process. Commissioner Macdonald inquired about the transferability of casino training and Mr. Le Page responded that the students will receive workforce readiness and customer service skills that can move into retail, sales, call center and hospitality areas.

- [11:02 a.m.](#) Jeff Hayden, from Holyoke Community College, reported on the need to find other sources of funding for training. He stated that they have serviced over 228 people with a 90% completion rate and 82% have been placed in employment or have advanced in their jobs. He also reported they are gearing up for the next round.
- [11:08 a.m.](#) Mr. Le Page reported that customer service is a fundamental skill and they now offer a certificate which qualifies for federal aid. He stated that due to limited resources they have a waiting list for the program. He also reported on net job gains and return on investment. They have started focusing on construction and trades and offer entry level training and workforce readiness classes. He reported that next steps include developing a school funding model and hospitality workforce needs assessment for Boston.
- [11:29 a.m.](#) Darrell LeMar and Dr. Wayne Wormley, from Bunker Hill Community College, stated that they have an existing culinary and hospitality program and they are eager to collaborate with other institutions to move things forward.
- [11:30 a.m.](#) John Caressimo, Director of the Culinary Arts, Tourism, Casino and Hospitality Institute (“CATCH”) at Bristol Community College, reported on CATCH and the creation of a new degree program – Associate of Applied Science in Hospitality Management. He stated that the goal is to educate and train workers in the hospitality industry. He provided an overview of the CATCH and casino concentration courses. He reported on the casino lab at the Taunton campus located in the Galleria Mall. He stated that they are working on a promotional campaign and the college is committed to the success of the program. They have been in touch with the Mashpee Tribe and discussed opportunities.
- [11:42 a.m.](#) Paul Vigeant, from Bristol Community College, stated that they conducted a needs survey for the Mashpee Tribe, they secured funding to do workforce training, and they are offering hospitality and customer service trainings onsite. He also noted that they offer non-credit courses and vocational certificates for individuals that are not interested in pursuing an associate’s degree.
- [11:51 a.m.](#) Chairman Crosby suggested that maybe the schools could offer a responsible gaming certificate for GameSense Advisors. Director Griffin stated that she will follow up on this idea with Director Mark Vander Linden.
- [11:53 a.m.](#) The Commission took a short recess.
- [12:00 p.m.](#) The meeting resumed.
- [12:00 p.m.](#) Director Griffin stated that she invited several vendors to report on their experiences with Plainridge Park Casino (“PPC”). She reported that as of February 15th, PPC has contracted with 210 Massachusetts vendors with a spend totaling

about \$12.5 million. She also noted that 4.6 percent of PPC contracts went to minority, woman and veteran business enterprises totaling about \$850,000.

[12:02 p.m.](#) Gary Gomes, Owner of Logistico, LLC, reported on his experience as a vendor with PPC. He reported that his company, located in Webster, is a minority-owned business focused on procurement operations. He stated that 90% of his business is with the federal government and includes supplying equipment to help fight the war on drugs. He stated that working with PPC has provided stability for his company, increased hours for his workers, exposed his company to other Penn National properties, and allowed his company to diversify and not just work with the federal government. He stated that his company has provided PPC with hard to find equipment such as a display case for Flutie's restaurant.

[12:10 p.m.](#) Wendy Webber, President of Kittredge Foodservice Equipment & Supplies, reported on her experience as a vendor with PPC. She reported that her company, located in Agawam, is a woman-owned business that offers full-service restaurant equipment throughout New England. She reported that the business is growing and they are in the process of hiring new employees. Dennis Reardon reported on their relationship with PPC and the opportunity to do work on a national level. He also reported on their work with MGM and the Mission project in Springfield, which resulted in a \$260,000 kitchen project.

[12:16 p.m.](#) Mary Ann Campisano, Owner of M.A.C. Graphics, reported on her experience as a vendor with PPC. She reported that her company, located in Mansfield, is a woman-owned business that provides high quality printing and marketing materials. She stated that PPC is a major client for her company and she has provided PPC with elevator wraps, wall graphics, invitations, banners, and marketing collateral. She also stated that she appreciates the support she received from the MGC licensing staff – Bill Curtis and Maryann Bratton-Davis – as they were helpful and encouraged her to get her license.

[12:25 p.m.](#) Corean Reynolds, Intern for the Office of Workforce, Supplier and Diversity Development, reported on the baseline survey sent to Massachusetts PPC vendors to gain insight on the impact of gaming on local businesses, the licensing process, and identify any needs for technical assistance. She stated that the voluntary and anonymous survey was sent out to 94 vendors in October 2015 and they received 28 responses. She stated that she followed up with additional emails to solicit additional responses. She reported that the survey provided vendor demographics and vendor registration process feedback which included strengths (finding information on the MGC website) and challenges (fingerprinting process).

[12:31 p.m.](#) Paul Connelly, Director of Licensing, reported on the vendor survey feedback and noted that more vendors answered the free-form questions than the multiple choice. He stated that the feedback was positive and where it was critical, it was in areas they have already identified and have been working on. The vendors requested completion certificates and a streamlined process for DOR certificates of good standing. He also addressed the issue of fingerprinting and noted scheduling challenges and discomfort expressed by those who have never gone through the process.

[12:37 p.m.](#) Ms. Reynolds reported that the largest technical assistance need identified by vendors was in the areas of social media and marketing. She stated they plan to connect the vendors with technical assistance resources. She also stated that vendors reported they were optimistic about their growth in the next few years. She reported they plan to review and revise the survey and create a timeline for future surveys.

[12:42 p.m.](#) Director Griffin noted that Ms. Reynold's last day as an intern will be March 11th and she thanked her for her service to the Commission. Ms. Reynolds thanked the Commission and noted that Director Griffin was a great mentor.

Research and Responsible Gaming

See transcript pages 144-159

[12:44 p.m.](#) Director Mark Vander Linden and Marlene Warner, from the Massachusetts Council on Compulsive Gambling ("Council"), reported that March is National Problem Gambling Awareness Month. Ms. Warner highlighted some Council activities which included: advocacy, public awareness, collaboration with MA State Lottery on a problem gambling awareness poster campaign, participation at problem gambling conferences, March 8th screening day activities, and outreach to recovery centers. Ms. Warner also highlighted a client story about Thomas, who was convicted of crimes relating to a gambling addiction. When Thomas was in prison he participated in a Council gambling addiction program called Square One. A Square One advocate assisted Thomas with prison release supports which included securing a job managing a catering program.

[12:59 p.m.](#) The Commission recessed for lunch.

[1:34 p.m.](#) The meeting resumed.

[Agenda taken out of order in order to file emergency regulations]

Investigations and Enforcement Bureau

See transcript pages 159-170

[1:34 p.m.](#) Loretta Lillios, Chief Enforcement Counsel and Deputy Director, presented on amendments to regulations: 205 CMR 134 and 205 CMR 116, and went through the changes pertaining to temporary licensing for employees and vendors, terms of license for employees, new qualifiers, and gaming vendor qualifiers. She requested that the Commission adopt the regulations as an emergency and start the formal promulgation progress.

[1:45 p.m.](#) *Commissioner Macdonald moved that the Commission approve the recommended changes to draft regulations 205 CMR 134.12, 205 CMR 134.16, 205 CMR 134.04(7), and 205 CMR 116.7 on an emergency basis. Motion seconded by Commission Cameron. Motion passed unanimously.*

Commissioner Macdonald moved that the Commission approve the draft regulations 205 CMR 134.12, 205 CMR 134.16, 205 CMR 134.04(7), and 205 CMR 116.7 for formal promulgation. Motion seconded by Commission Cameron. Motion passed unanimously.

Legal Division

See transcript pages 170-197

- [1:48 p.m.](#) General Counsel Catherine Blue stated that the Commissioners need to nominate and elect a Secretary and Treasurer for the Commission.
- [1:48 p.m.](#) *Commissioner Stebbins moved to nominate Commissioner Macdonald to serve as Secretary of the Commission for the year beginning March 2016. Motion seconded by Commissioner Cameron. Commissioner Macdonald abstained from the vote. Motion passed 4-0 with one abstention.*
- [1:49 p.m.](#) *Commissioner Stebbins moved to nominate Commissioner Zuniga to serve as Treasurer of the Commission for the year beginning March 2016. Motion seconded by Commissioner Cameron. Commissioner Zuniga abstained from the vote. Motion passed 4-0 with one abstention.*
- [1:50 p.m.](#) Ombudsman John Ziemba reported on the draft and review process for Section 61 Findings for the Wynn project in Everett. He stated that the Secretary of Energy and Environmental Affairs issued a Certificate and required enhanced public review. The Massachusetts Department of Transportation is having a public hearing next week on the draft findings. He also reported on a proposed schedule for an MGC consultant presentation and public hearing, along with an option to post a pre-Commission review draft for early comment.
- [2:00 p.m.](#) General Counsel Blue provided an update on the Mohegan Sun litigation concerning the Region A Wynn license. She reported on the protective order and Mohegan Sun's request to expand the record. Mohegan Sun is seeking unredacted versions of the RFA-1 and RFA-2 applications. She requested that the Commission delegate authority to the General Counsel and Executive Director to review the documents and make a determination on confidential treatment.
- [2:04 p.m.](#) Commissioner Macdonald stated that he has met with General Counsel Blue and she has made available to him all the documents identified at issue. Commissioner Macdonald stated that he reviewed a sample of the documents, he is comfortable with the process, and he recommended that the Commission adopt General Counsel Blue's proposal.
- [2:08 p.m.](#) *Commissioner Macdonald moved that the Commission approve the recommendation of General Counsel Blue with regard to the release of the documents that are at issue in the Mohegan Sun litigation and the recommended process for the Commission's determination of confidential documents as described by General Counsel Blue. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- [2:09 p.m.](#) General Counsel Blue presented on the Small Business Impact Statements for regulations 205 CMR 133: Voluntary Self-Exclusion and 205 CMR 152: Individuals Excluded from a Gaming Establishment.
- [2:10 p.m.](#) *Commissioner Cameron moved that the Commission approve the Small Business Impact Statements for regulations 205 CMR 133: Voluntary Self-Exclusion and 205*

CMR 152: Individuals Excluded from a Gaming Establishment. Motion seconded by Commissioner Macdonald. Motion passed unanimously.

[2:11 p.m.](#) Ombudsman Ziemba presented on the 2016 Community Mitigation Fund Reserve applications. Ombudsman Ziemba requested approval to establish \$100,000 reserves for eight communities and approval for a grant to the City of Springfield for \$350,000 for the Springfield Historic Preservation Trust. He noted that rollover applications from 2015 include the following communities: Attleboro, North Attleboro, Hampden, and Melrose.

[2:14 p.m.](#) *Commissioner Zuniga moved that the Commission approve the Community Mitigation Fund Reserve applications as outlined in the packet for the communities of Attleboro, Everett, Hampden, Melrose, North Attleboro, Plainville, Revere, and Springfield. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

[2:15 p.m.](#) *Commissioner Stebbins moved that the Commission approve a one-time grant from the Community Mitigation Fund in the amount of \$350,000 to the Springfield Historic Preservation Trust Fund. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

Racing Division

See transcript pages 197-204

[2:16 p.m.](#) Dr. Alexandra Lightbown, Director of Racing, reported on proposed changes to regulation 205 CMR 149: Race Horse Development Fund and noted that the informal comment period has ended. General Counsel Blue presented on the Small Business Impact Statement and noted that a lot of comments were received pertaining to recognition of a horseman's group. She stated that the amendments to this regulation were not designed to recognize a horseman's group but to get purse money out to as many people who can race.

[2:22 p.m.](#) *Commissioner Cameron moved that the Commission approve regulation 205 CMR 149: Race Horse Development Fund for formal promulgation and the Small Business Impact Statement. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

Investigations and Enforcement Bureau

See transcript pages 204-216

[2:23 p.m.](#) Bruce Band, Assistant Director and Gaming Agents Division Chief, reported on the Fair Deal tip program. He stated that the tip program is part of an effort to ensure integrity of the state's gaming industry. He acknowledged Gaming Agent Luis Lozano for coming up with a structured tip program and also acknowledged MGC staff Mike Sangalang, Elaine Driscoll and Dan Macdonald for their work on the program awareness campaign. The tip line will be checked on a regular basis, the information will be logged, and staff will follow up on the tips. Ms. Driscoll stated that they will look into expanding to other social media applications such as texting a tip. The Commissioners were presented with a mock design of signage that will be posted in the casino alerting patrons, gaming employees, and the public on ways to provide helpful information to the IEB.

Other Business Not Reasonably Anticipated

See transcript pages 216-217

2:36 p.m. *Having no further business, a motion to adjourn was made by Commissioner Cameron. 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 March 3, 2016
2. Massachusetts Gaming Commission, Draft Meeting Minutes dated February 18, 2016
3. Massachusetts Gaming Commission, Memorandum dated February 4, 2016, regarding Internal Audit/Quality Assurance Status Report
4. Community College Hospitality and Resort Casino Workforce Development Progress Update
5. CATCH Institute at Bristol Community College Update
6. Massachusetts Gaming Commission Survey of MA-Based Plainridge Park Casino Vendors
7. Vendor Presentations
8. Small Business Impact Statement for 205 CMR 152
9. Small Business Impact Statement for 205 CMR 133
10. Massachusetts Gaming Commission, Memorandum dated March 1, 2016, regarding 2016 Community Mitigation Fund Applications with attachments
11. Draft 205 CMR 149: Race Horse Development Fund
12. Small Business Impact Statement for 205 CMR 149: Race Horse Development Fund
13. Massachusetts Gaming Commission Communications Plan for the Launch of the Fair Deal Tip Program, dated February 26, 2016
14. Draft 205 CMR 134: Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives and Labor Organizations
15. Draft 205 CMR 116: Person Required to be Licensed or Qualified
16. Massachusetts Gaming Commission, Memorandum dated February 29, 2016, regarding Suitability Investigation of Konami Gaming, Inc., Applicant for Licensure as a Gaming Vendor-Primary

/s/ Catherine Blue

Catherine Blue, Assistant Secretary