



Massachusetts Gaming Commission Meeting Minutes

Date/Time: May 10, 2017 – 10:00 a.m.

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

Present: Chairman Stephen P. Crosby (via telephone)
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 pages 2-3

[10:00 a.m.](#) Commissioner Stebbins called to order the 216th Commission meeting. Chairman Crosby participated remotely due to personal illness. Chairman Crosby stated that he could hear Commissioner Stebbins and Commissioner Stebbins stated that he could hear Chairman Crosby. Commissioner Stebbins noted that Commissioner Cameron and Executive Director Bedrosian are absent due to work travel.

Approval of Minutes

See transcript pages 3-4

[10:01 a.m.](#) *Commissioner Macdonald moved for the approval of the April 27, 2017, Commission meeting minutes subject to any corrections, typographical errors, or nonmaterial matters. Motion seconded by Commissioner Zuniga. Roll call vote: Commissioner Macdonald – Aye, Commissioner Zuniga – Aye, Chairman Crosby – Aye, and Commissioner Stebbins – Aye. Motion passed unanimously.*

Administrative Update

See transcript page 4

[10:02 a.m.](#) Karen Wells, Director of the Investigations and Enforcement Bureau, stated that she was filling in for Executive Director Edward Bedrosian and he has no updates to report.

Research and Responsible Gaming

See transcript pages 4-47

[10:02 a.m.](#) Director Mark Vander Linden stated that the Donahue Institute, at the University of Massachusetts, is a key member of the SEIGMA (Social and Economic Impacts of Gaming in Massachusetts) team. He stated that the institute will present today on a study of employees at Plainridge Park Casino hired during the first two years of operations.

[10:04 a.m.](#) Dr. Mark Melnik, Director of the Economic and Public Policy Research Group at the UMass Donahue Institute and the Co-Principal Investigator on the SEIGMA project, provided an overview of the SEIGMA project which included the Expanded Gaming Act research requirements and activities. He also presented on the Plainridge Park Casino New Employee Survey which included the following: purpose of survey, new employee definition, licensing process, data collected, and linkage to other employee data. Dr. Melnik also provided highlights of the survey which included: over 1000 new employees were surveyed, approximately half were unemployed or worked part-time at the time of hire, most sought employment to advance careers and pay, and most did not receive pre-employment training. The survey also included frequency of hiring, work status prior to hire, reasons for seeking employment, previous gaming work experience, origins of new employees, and training. He noted summary findings and next steps which included: survey revisions, linking results with other data, and beginning data collection from resort casinos. He stated that the survey results revealed good news but there is absent data on who is turning over and why.

[10:41 a.m.](#) The Commission took a brief recess due to technical difficulties with live streaming of the Commission meeting.

[10:44 a.m.](#) The meeting resumed. Commissioner Stebbins noted that several state agencies were having technical difficulties. He also noted that a film and transcript of the meeting will be available.

Ombudsman

See transcript pages 47-109

[10:53 a.m.](#) Ombudsman John Ziemba requested to join agenda item 6a (Diversity Recognition Program) with agenda item 5a (Wynn Boston Harbor Quarterly Report).

[10:54 a.m.](#) Robert De Salvio, President of Wynn Boston Harbor, introduced the Wynn team and stated that there is a lot of advancement on the site.

Chris Gordon, President of Wynn Design Development MA, provided a construction update which included the following: Permitting (Notice of Project

Change, Chapter 91 modifications, dredging, federal permits and local permits); Construction (photographs of the construction site, podium, excavation, concrete pour, hotel elevator core, CUP (central utility plant) area, garage, hotel, concrete truck loads, and waterfront work); and Project Schedule (podium steel will be arriving soon, steel work will increase over the summer, and the schedule is moving along). He noted that the excavation is complete and 630,000 tons of dirt has been removed from the site. He reported that safety events were conducted during National Safety Week. He stated that they collect data to identify trends and when they noticed an increase in hand injuries - they started using a heavier glove. He stated they received three reportable injuries.

[11:14 a.m.](#) President De Salvio presented on Project Resources and Diversity. He stated that he has good news on the diversity front – their overall diversity goal for design contracts was 18.9% and they exceeded it with 20.9%; their overall diversity goal for construction contracts was 11.4% and they are currently at 12.1%; their construction workforce diversity goal for minorities was 15.3% and they are currently at 25.3%, they have met their female goal of 6.9%, and they are currently at 6.2% for their Veterans, exceeding their Veteran goal of 3%.

President DeSalvio also provided an overview of their community outreach and events which included a furniture, fixtures and equipment procurement event in January, a Girls in Trades event, and a Charlestown Community meeting. He stated that the outreach team has been active and he showed photographs of their events. He also reported that an event was held for current and former employees at Suffolk Downs and it was a great turnout. He stated that they are building their database and they hope to hire a number of them. He also reported that he met with a potential boat builder and he will meet with a potential operator for the water shuttles.

[11:26 a.m.](#) Jill Griffin, Director of Workforce, Supplier and Diversity Development, congratulated Wynn Boston Harbor on their diversity numbers and hard work. She stated that the purpose of the diversity programs is to cure past discrimination and eliminate barriers for economic opportunity. She stated that our licensees are required to set construction diversity goals. She reported that Wynn Boston Harbor and Suffolk Construction have introduced a diversity incentive program that is being described as innovative and a best practice in the industry.

[11:29 a.m.](#) Jacqui Krum, Senior Vice President and General Counsel for Wynn Resorts Development, provided an overview of the Diversity Recognition Program which is a collaborative effort with Suffolk Construction. She stated that the objective of the program is to recognize outstanding subcontractor achievements in meeting and exceeding workforce diversity goals. She provided an overview of the selection criteria and incentives which include: certificate of achievement, letter of recognition, dining gift cards, lunch, Wynn dice, and entry into a drawing for a Wynn Las Vegas package. She announced that the first diversity recognition award went to the J. Derenzo Company and best effort awards went to Bob Steel, Edward G. Sawyer, Liberty Construction, Lund Rebar Services, and TREVIICOS.

[11:36 a.m.](#) Ombudsman Ziemba introduced members of the Plainridge Park Casino (“PPC”) team who will present on their quarterly report.

Lance George, General Manager at PPC, presented on the first quarter operations which included employment. There are approximately 474 employees as of March 31st and their full-time/part-time mix remains stable at 66/34. He also reported that their diversity goal of 10% has grown to 22%.

Ruben Warren, Chief Financial Officer at PPC, presented on the first quarter financial performance which included revenue, taxes, spend by state, local spend, vendor diversity spend, lottery sales, and compliance with regulations.

Michele Collins, Vice President of Marketing at PPC, presented on local community events, charitable giving, sponsorships, marketing partnerships, and marketing giveaways.

[11:47 a.m.](#) Ombudsman Ziemba requested approval for an amendment to the Community Mitigation Fund Grant for the Hampden County Sheriff's Department to allow them to use one month's worth of lease assistance in FY18. The initial award was for FY17 but they had a one month delay in their lease.

[11:48 a.m.](#) *Commissioner Zuniga moved that the Commission approve the request from the Hampden County Sheriff's Department to use the monthly lease of \$35,000 for the next fiscal year '18. Motion seconded by Commissioner Macdonald. Roll Call Vote: Chairman Crosby – Aye, Commissioner Zuniga – Aye, Commissioner Macdonald – Aye, and Commissioner Stebbins – Aye. Motion passed unanimously.*

[11:49 a.m.](#) Chairman Crosby exited the meeting.

Investigations and Enforcement Bureau (IEB)

See transcript pages 109-114

[11:50 a.m.](#) Director Karen Wells presented on the suitability qualifier results for retired Admiral J. Lynn Johnson. She provided a summary of his professional and educational background. She stated that a background check was conducted and he was interviewed by the State Police and financial investigators with positive results. She noted that Mr. Johnson is new to the gaming industry. Director Wells stated that the IEB recommends that the Commission find Mr. Johnson suitable as a qualifier for Wynn Resorts.

[11:54 a.m.](#) *Commissioner Zuniga moved that the Commission approve the suitability of Admiral Johnson as applied by Director Wells. Motion seconded by Commissioner Macdonald. Roll Call Vote: Commissioner Zuniga – Aye, Commissioner Macdonald – Aye, and Commissioner Stebbins – Aye. Motion passed unanimously.*

Legal Division

See transcript pages 115-142

[11:55 a.m.](#) General Counsel Catherine Blue reported that all items listed under agenda item 8a are ready to start the promulgation process.

[11:56 a.m.](#) *Commissioner Macdonald moved that the Commission approve the small business impact statement for 205 CMR 136.08 (removing names from alcoholic beverage license) as included in the packet and authorize the staff to take all steps necessary*

to begin the regulation promulgation process. Motion seconded by Commissioner Zuniga. Roll Call Vote: Commissioner Macdonald – Aye, Commissioner Zuniga – Aye, and Commissioner Stebbins – Aye. Motion passed 3 to 0.

[11:57 a.m.](#) *Commissioner Macdonald moved that the Commission approve the small business impact statement for 205 CMR 143.02 (transfer of progressive jackpot) as included in the packet and authorize the staff to take all necessary steps to begin the regulation promulgation process. Motion seconded by Commissioner Zuniga. Roll Call Vote: Commissioner Macdonald – Aye, Commissioner Zuniga – Aye, and Commissioner Stebbins – Aye. Motion passed 3 to 0.*

[11:59 a.m.](#) *Commissioner Macdonald moved that the Commission approve the small business impact statements for 205 CMR 143.01, 205 CMR 138.56, and 205 CMR 139.04, as included in the packet and authorize the staff to take all steps necessary to begin the regulation promulgation process. Motion seconded by Commissioner Zuniga. Roll Call Vote: Commissioner Macdonald – Aye, Commissioner Zuniga – Aye, and Commissioner Stebbins – Aye. Motion passed 3 to 0.*

[12:00 p.m.](#) General Counsel Blue presented on the final draft and the amended small business impact statement for 205 CMR 147 – regulation on rules of the game. She reported that these regulations have gone through the promulgation process and a public hearing was held. Staff Attorney Carrie Torrisi noted that redlined edits were from comments received during the informal comment period.

[12:01 p.m.](#) *Commissioner Zuniga moved that the Commission approve the amended small business impact statement and final version of regulations 205 CMR 147, the Uniform Standards and Rules of the Games as included in the packet and authorize the staff to take all steps necessary to file the regulations with the Secretary of the Commonwealth and complete the formal regulation promulgation process. Motion seconded by Commissioner Macdonald. Roll Call Vote: Commissioner Macdonald – Aye, Commissioner Zuniga – Aye, and Commissioner Stebbins – Aye. Motion passed 3 to 0.*

[12:03 p.m.](#) General Counsel Catherine Blue presented on the amendments to the administrative closure regulation – 205 CMR 134.14.

Commissioner Macdonald moved that the Commission approve the amendments to 205 CMR 134.14 as included in the packet and authorize staff to take the steps necessary to file the regulation with the Secretary of the Commonwealth and to proceed with a regulation promulgation process. Motion seconded by Commissioner Zuniga. Roll Call Vote: Commissioner Macdonald – Aye, Commissioner Zuniga – Aye, and Commissioner Stebbins – Aye. Motion passed 3 to 0.

[12:04 p.m.](#) General Counsel Blue presented on updates to the surveillance regulation – 205 CMR 141. She stated that this is the initial review for the Commission and no vote is required. Staff Attorney Justin Stempeck stated that these amendments will be put out for informal public comment for two weeks.

[12:07 p.m.](#) Staff Attorney Justin Stempeck presented on amendments to 205 CMR 143.02 – which supplement the previously adopted GLI (Gaming Laboratory International)

standards pertaining to progressive slot machines and wide area progressive slot machines. Floyd Barroga, Gaming Technology Manager, provided a summary of a progressive gaming device. Attorney Stempeck stated that these amendments will be put out for informal public comment.

[12:12 p.m.](#) Deputy General Counsel Todd Grossman presented on amendments to 205 CMR 115.01. He stated that these amendments attempt to clarify reporting requirements from our licensee to the IEB. He stated that these amendments will be put out for informal public comment.

Commissioner's Update

See transcript page 142

[12:22 p.m.](#) Commissioner Stebbins stated that the AOC (Access and Opportunity Committee) is represented by our licensees, general contractors, and stakeholders. He noted that they are doing great work.

Other Business Not Reasonably Anticipated

See transcript page 143

[12:23 p.m.](#) *Having no further business, a motion to adjourn was made by Commissioner Zuniga. Motion seconded by Commissioner Macdonald. Roll Call Vote: Commissioner Macdonald – Aye, Commissioner Zuniga – Aye, and Commissioner Stebbins – Aye. Motion passed unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda dated May 10, 2017
2. Massachusetts Gaming Commission, Draft Meeting Minutes dated April 27, 2017
3. SEIGMA Overview: Measuring the Social & Economic Impacts of Gambling in Massachusetts, Dr. Mark Melnik, Co-Principal Investigator, study dated May 10, 2017
4. Wynn Boston Harbor, Quarterly Report as of March 31, 2017
5. Plainridge Park Casino, Quarterly Report, Q1 2017
6. Massachusetts Gaming Commission, Memorandum dated May 5, 2017 regarding Hampden County Sheriff's Department Grant Amendment
7. Wynn Boston Harbor, Quarterly Diversity Recognition Program
8. 205 CMR 136.00: Sale and Distribution of Alcoholic Beverages, Small Business Impact Statement and draft amendments
9. 205 CMR 143.00: Gaming Devices and Electronic Gaming Equipment, Small Business Impact Statement and draft amendments
10. 205 CMR 143.00: Gaming Devices and Electronic Gaming Equipment, 205 CMR 138.00: Uniform Standards of Accounting Procedures and Internal Controls, and 205 CMR 139.00: Continuing Disclosure and Reporting Obligations of Gaming Licensees, Small Business Impact Statement and draft amendments
11. 205 CMR 147.00: Uniform Standards of Rules of the Games, Amended Small Business Impact Statement and final draft amendments
12. 205 CMR 141.00: Surveillance of the Gaming Establishment, draft amendments
13. 205 CMR 143.00: Gaming Devices and Electronic Gaming Equipment, draft amendments

14. 205 CMR 115.00: Phase 1 and New Qualifier Suitability Determination, Standards, and Procedures, draft amendments
15. 205 CMR 134.00: Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives, and Labor Organizations, draft amendments

/s/ Catherine Blue
Catherine Blue, Assistant Secretary