



Meeting Minutes

Date/Time: June 26, 2014 – 10:30 a.m.

Place: Boston Convention and Exhibition Center
415 Summer Street, Room 102
Boston, Massachusetts

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

Absent: None

Call to Order

See transcript page 2.

10:30 a.m. Chairman Crosby called to order the 126th public meeting

Approval of Minutes

See transcript pages 2-6.

10:30 a.m. Commissioner McHugh stated that two sets of minutes are ready for approval.

Motion made by Commissioner McHugh that the minutes of June 10th, 11th, and 13th be accepted. These are one set of minutes over the span of several days. Motion seconded by Commissioner Cameron. The motion passed unanimously

Motion made by Commissioner McHugh that the minutes of June 12th be accepted. Motion seconded by Commissioner Stebbins. The motion passed unanimously.

Workforce Development and Supplier Diversity

See transcript pages 6-135.

- 10:34 a.m. Director Jill Griffin presented an updated on the Community College Institute and their partnering with the Massachusetts Casino Career Training Institute (MCCTI).
- 10:36 a.m. President Messner from Holyoke Community College (HCC) presented an update regarding their partnership with MCCTI and the collaboration being done with the community colleges in the area.
- 10:47 a.m. John Caressimo from Bristol Community College (BCC) presented an update on their work and collaboration with Penn National Gaming to design a degree program at BCC.
- 10:53 a.m. Theresa Romanovitch from BCC discussed the collaboration with Bristol and New Bedford career centers for a training program for potential future gaming employees.
- 11:02 a.m. Jeff Hayden from Holyoke Community College gave a presentation on the collaboration of HCC and the Hotel Training School in Boston for training potential employees. HCC and MGM are working together to fill the demand for employees and moving employees through a career pathway.
- 11:19 a.m. Bogusia Wojciechowska, Dean of Professional Studies at Bunker Hill Community College presented on their work with community colleges, investment boards, career centers and the Hotel Training School in Boston.
- 11:25 a.m. Patricia Gentile, president of North Shore Community College, discussed their education programs geared towards the gaming industry and their collaboration with the employers human resource departments to develop training programs to fit the employment needs.
- 11:48 a.m. Commission took a short break
- 11:59 a.m. Meeting resumed
- 12:00 p.m. Director Jill Griffin gave an update on the Department of Professional Licensure's application process and the timeline for receiving a license from DPL. The Commission wants to ensure the schools are able to move through the process in timely manner.

- 12:10 p.m. Penn National discussed their vendor diversity plan and their workforce hiring plans.
- 12:51 p.m. *Motion made by Commissioner Stebbins to approve Penn National's vendor operational development plan and workforce development report with conditions and edits made as suggested. Motion seconded by Commissioner Cameron. Motion passed unanimously.*
- 12:52 p.m. Director Griffin presented a mockup workforce and vendor statistical data report and proposed posting such reports on the website.

Racing Division

See transcript pages 135-142

- 12:55 p.m. Director Durenberger presented an administrative update relative to live racing, the occupational licensees licensed by the Commission, the independent audit report, and the approval for Suffolk Downs to reschedule several live racing days.
- 12:58 p.m. Ed Nowak on behalf of the Standardbred Owners of Massachusetts (SOM) asked the Commission to recognize SOM, pursuant to M.G.L. c.128(2)(j), as the representative organization for the Sire States program for Standardbred racing in Massachusetts.
- 1:01 p.m. *Motion made by Commissioner Cameron to formally recognize the Standardbred Owners of Massachusetts to be the organization representing the Standardbred owners and breeders in the Commonwealth. Motion seconded by Commissioner McHugh. Motion passed unanimously.*
- 1:02 p.m. The Commission broke for lunch.

Administration

See transcript pages 143-168

- 1:56 p.m. CFAO Derek Lennon gave an administrative update regarding licensing fees, the hiring process, and the fiscal year 2015 budget, including public comments made on the budget.
- 2:20 p.m. *Commissioner Zuniga moved for the Commission to approve the budget as presented as well as the assessment to the licensees as presented and discussed. The motion was seconded by Commissioner McHugh. Motion passed unanimously.*

Ombudsman Report

See transcript pages 168-254.

- 2:21 p.m. Ombudsman Ziemba reported on the public comments received regarding the Commission's actions regarding region C.
- 2:23 p.m. Director Wells of the IEB gave an update on the background investigations for region C applicants.
- 2:30 p.m. Ombudsman Ziemba, Director Wells, and the Commissioners discussed the region C licensing schedule, and amending the regulations to state that the applications should be substantially complete upon the deadline set.
- 3:04 p.m. *Motion made by Commissioner Cameron to extend the deadline and open Region C to new applicants. Commissioner Cameron proposed that the new deadline to be extended to December 1, 2014 for the RFA 1 application to be substantially complete, including operator and equity interests, and the RFA 2 deadline is extended to March 27, 2015. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*
- 3:25 p.m. Commissioner Zuniga asked the Commission to revisit the question of the costs included in the calculation of minimum capital investment, in particular land costs and capitalized interest costs. The Commission discussed the state of competition in Region C and whether it makes sense to include land costs and/or capitalized interest costs as part of the calculation of capital investment in Region C.

Motion made by Commissioner Zuniga to amend the Commission's regulations, either in the regular process or by emergency amendment, to allow for the inclusion of capitalized interest in the calculation of the minimum capital investment for Region C. Motion seconded by Commissioner Cameron. The motion carries by a vote of 3 to 2, with Commissioners McHugh and Crosby voting nay.

Motion made by Commissioner Zuniga to amend the Commission's regulations, either in the regular process or by emergency amendment to include the cost of the land in the calculation of minimum capital investment in Region C. Motion seconded by Commissioner Stebbins. The motion fails by a vote of 4 against, 1 in favor, with Commissioner Zuniga voting in favor.

Chairman Crosby left the meeting after this motion and was not present for the balance of the meeting.

Legal Report

See transcript pages 255-306

4:00 p.m. Deputy General Counsel Grossman presented a status update on the meeting with the Department of Banking regarding the rules about the placement of ATMs at gaming establishments. Mr. Grossman stated that he and Chairman Crosby had a productive meeting with the staff at the Department of Banking and that further research needs to be done regarding how other states address this issue. Mr. Grossman will report back to the Commission once this research and further discussions with the Department of Banking are completed.

Deputy General Counsel Lillios, IEB Director Well and Assistant Director Band presented an update on the proposed surveillance and administrative search regulations. Ms. Wells discussed the comments received to date on the regulations and asked the Commission to approve starting the regulations through the formal promulgation process.

Motion made by Commissioner Stebbins that the Commission approve draft regulations 205 CMR 141 and 205 CMR 142 for the purposes of initiating the public comment phase of the regulatory process. Motion seconded by Commissioner Cameron. Motion carried unanimously.

General Counsel Blue presented item 8 on the agenda which is a request by the City of Chelsea for a hearing to vacate the arbitrator's award selecting Wynn MA LLC's best and final offer as the surrounding community agreement between Wynn MA LLC and the City of Chelsea. Ms. Blue explained the regulatory basis for the arbitration process and the process by which the arbitrator made its decision. She stated that representatives of Wynn MA LLC and the City of Chelsea are present and ready to present their position to the Commission. Attorney Josh Monahan addressed the Commission on behalf of the City of Chelsea. Attorney Tony Starr addressed the Commission on behalf of Wynn MA LLC. After listening to the presentations, the Commissioner McHugh presented the choices before the Commission in making a decision on the request.

Motion made by Commissioner Cameron that the City of Chelsea's request to have a hearing with regard to the arbitrator's decision be denied. Motion seconded by Commissioner Zuniga. The motion carried unanimously.

4:40 p.m. *The Commission having no further business, a motion was made by Commissioner Cameron to adjourn the meeting. The motion was seconded by Commissioner Stebbins. The motion carried unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission June 26, 2014
2. Massachusetts Gaming Commission June 10-13, 2014 Meeting Minutes
3. Massachusetts Gaming Commission June 12, 2014 Meeting Minutes
4. Massachusetts Casino Careers Training Institute presentation
5. Division of Professional Licensure updates to license renewal application process. September 10, 2013.
6. Division of Professional Licensure, Initial and Renewal License Application and Checklist.
7. DRAFT Massachusetts Gaming Commission Gaming School Certification Form
8. Plainridge Park Casino Purchasing Practices Plan for Local and Traditionally Disadvantaged & Diverse Businesses
9. Plainridge Park Casino Strategic Plan to Engage & Recruit the Diverse, Under & Unemployed Workforce Population
10. E-mail regarding comments on Penn National's Vendor and Workforce Plans.
11. DRAFT Proposed website mock-up
12. June 11, 2014 Suffolk Downs letter regarding canceling some racing days.
13. June 13, 2014 Massachusetts Gaming Commission approval of Suffolk Downs request to reschedule live racing days
14. June 26, 2014 Massachusetts Gaming Commission memorandum regarding the request from Standardbred Owners of Massachusetts
15. June 5, 2014 Letter from Standardbred Owners of Massachusetts regarding request for recognition.
16. June 22, 2014 Massachusetts Gaming Commission Memorandum regarding Fiscal Year 2015 budget.
17. Massachusetts Gaming Commission 5-21-2014 Licensing Schedule Update
18. Host Community Agreements- Region C schedules
19. Additional Potential Region C RFA-2 Application Dates
20. Comment Letters for Time Period Ending 6/23/2014, Summary of Issues
21. Public comments regarding region C timeline and expanding the definition of capital expenditure.
22. DRAFT 205 CMR 141.00 regulations
23. DRAFT 205 CMR 142.00 regulations
24. Public comments on draft regulations
25. City of Chelsea Objection to Arbitrator's Final Report and Request for Vacatur

/s/ Catherine Blue
Catherine Blue
Assistant Secretary