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## Meeting Minutes

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**Date/Time:** July 21, 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 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

[10:03 a.m.](#) Chairman Crosby called to order the 195<sup>th</sup> Commission meeting. He noted the absence of Commissioner Gayle Cameron.

### Approval of Minutes

See transcript pages 2-3

[10:03 a.m.](#) *Commissioner Macdonald moved for the approval of the June 23, 2016 Commission meeting minutes subject to any corrections, typographical errors, or other nonmaterial matters. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

### Administrative Update

See transcript pages 3-21

[10:04 a.m.](#) Executive Director Edward Bedrosian, Jr. reported that Terrance Lanier will be completing his internship with Director Mark Vander Linden. He thanked him for his work and wished him well. He noted that new employees include Financial Investigator Susan LaRosa and IEB Intern Tiffany Coyle. He provided an update on staff performance evaluations. He stated that the Commissioners will conduct

his performance evaluation. General Counsel Catherine Blue presented options for the Commissioners on how to conduct the executive director's performance evaluation and comply with the open meeting law. The Commissioners discussed the options available. The matter was deferred to the end of the meeting.

### **Commissioner's Update**

See transcript pages 21-22

[10:20 a.m.](#) Commissioner Zuniga suggested postponing this agenda item to the end of the meeting to accommodate guests.

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

See transcript pages 22-92

[10:21 a.m.](#) Director Jill Griffin provided an update on the Commission's partnership with the community colleges consortium – Massachusetts Casino Careers Training Institute ("MCCTI"), which was formed to provide a trained workforce for the casinos. She noted that representatives from various regions will provide an update on progress in workforce training, especially hospitality and gaming occupations. She introduced and congratulated Robert LePage on his new position as Assistant Secretary for Career Education in the Executive Office of Education. Mr. LePage provided an update on the Governor's Workforce Skills Cabinet.

[10:26 a.m.](#) Darrell LeMar, Executive Director of Workforce Development at Bunker Hill Community College, reported on demographics which included the following: there are approximately 17,000 students, 57% are women, the average age is 26, 64% of the student body is of color, international students represent over 101 different countries, and there are more than 100 degree and certificate programs - including hospitality and culinary arts. Mr. LeMar also reported on the campus facilities. He stated that there is a need to locate funding mechanisms for the noncredit courses. He also stated there is a need to get a date for when the casino will open so that they can start training.

[10:41 a.m.](#) Dean William Berardi, from Bristol Community College ("BCC"), provided an update on the CATCH (Culinary Arts Tourism Casino and Hospitality) Institute at BCC. He reported that a degree in hospitality management, with four concentration areas (food, tourism, hotel, and casino management), was approved by the Department of Higher Education. He also provided an update on the Casino Lab in Taunton which included an overview of the gaming tables. He stated that there will also be a surveillance lab for students. He reported that he will reach out to the Tribe for workforce training.

[10:53 a.m.](#) Jeffrey Hayden, Vice President of Business and Community Services at Holyoke Community College, reported on workforce challenges, partnering efforts and training, ESL programs, and highlights which included: the launch of Skill Smart - a tool to help people identify career opportunities, MGM Resorts HCC Center for Hospitality and Culinary Arts at Holyoke, and the Career Pathways Map. Jeremiah Riordan, Vice President of Workforce Training at Springfield Technical Community College, reported on customer service trainings and partnership with Holyoke Community College.

[11:09 a.m.](#) Marikate Murren, Director of Workforce and Development at MGM Springfield, reported that the City of Springfield was awarded a working city challenge grant. She noted that the grant is for \$475,000 over a three year period.

[11:27 a.m.](#) Robert DeSalvio, President of Wynn Boston Harbor, stated that Wynn has experience with opening casinos in a jurisdiction without a large talent pool and he cited their experience in Bethlehem. Marikate Murren stated that MGM recognizes that there is a lot of work to do, but they are confident in their partnerships, information sessions, and use of the Skill Smart program to help identify skill gaps and connect folks to education partners.

11:32 a.m. The Commission took a brief recess.

11:38 a.m. The meeting resumed.

### **Research and Responsible Gaming**

See transcript pages 92-135

[11:38 a.m.](#) Director Mark Vander Linden noted that Terrance Lanier, a Legal Fellow with the Commission, will be leaving and he thanked him for his work on Play My Way, voluntary self-exclusions and other matters.

Director Vander Linden provided an update on Play My Way. He stated that Play My Way is a voluntary budgeting tool in place at Plainridge Park Casino. He reported that the initial data for Play My Way revealed 2,723 marquee reward patron enrollments from June 9<sup>th</sup> through July 14<sup>th</sup>. He also reported that approximately ten percent unenrolled.

[11:48 a.m.](#) Michele Collins, Vice President of Marketing at Plainridge Park Casino, stated that she was pleased with the smooth rollout of the Play My Way program. She stated that the collaboration and employee training made it successful. She also stated that the program is a great benefit for the patrons. She noted that enrollment at other properties using a similar product was less than one percent.

[11:55 a.m.](#) Executive Director Marlene Warner, with the Massachusetts Council on Compulsive Gambling, gave credit to Elaine Driscoll, Director of Communications for the Commission, for the Play My Way roll out and signage. She stated that the GameSense Advisors have assisted patrons with Play My Way enrollment and they have reported positive patron experiences. She noted that the messages are clear and it is easy for patrons to change their amounts. She also noted that high-end players are signing up for the program, as well as couples to plan a household gambling budget. She also noted that older adults on a fixed income find this service useful.

[12:08 p.m.](#) Terrance Lanier reported on his experience with the Play My Way launch. He stated that he distributed materials and engaged in conversations with patrons about the process. He stated that it was effective to assist the patrons with enrollment and he described the enrollment process as user friendly.

Mr. Lanier thanked the Commissioners for the opportunity to work at the Commission. He stated it was an interesting experience.

[12:12 p.m.](#) Director Vander Linden reported on Responsible Gaming Education Week – August 1-5<sup>th</sup>, and partnership with Plainridge Park Casino and the Massachusetts Council on Compulsive Gambling. Michelle Collins reported on plans for responsible gaming week which included: a new slogan – Play My Way Everyday – to promote a 365 day commitment to responsible gaming, daily events, balloon drop and pop with messages, prizes, food specials offered at \$3.65, tips calendar, promotion board, a GameSense information tent at the James Taylor and Florida Georgia Line concerts, Be Good Play My Way smoothie samples, and a carnival for employees and patrons. She stated that the objectives are to make the public aware of what is going on and increase participation in the program. Marlene Warner reported on the carnival highlights which will include games, tattoos, and information on odds and probability.

12:23 p.m. The Commission recessed for lunch.

1:04 p.m. The meeting resumed. Chairman Crosby noted that Dr. Alexandra Lightbown, Director of Racing, is en route and the Commission will take up the racing matter as soon as she arrives.

### **Legal Division**

See transcript pages 136-163

[1:06 p.m.](#) General Counsel Catherine Blue reported on the Mass Gaming & Entertainment (“MG&E) final written license decision. She noted that two letters were received from Attorney John Donnelley, representing MG&E, requesting that the Commission not finalize the decision pending resolution of matters in court pertaining to the tribal land in trust. General Counsel Blue stated that the vote in April was final and this is just the written decision of that vote. She requested the Commission approve the final draft of the written decision. Deputy General Counsel Todd Grossman reported that the finance section may need a slight addition to clarify numbers taken from a report.

[1:10 p.m.](#) *Commissioner Stebbins moved that the Commission approve the written decision denying the license for operator Category 1 gaming establishment Region C as presented in the packet subject to typographical and mechanical corrections and instruct staff to provide a copy of the written decision to the applicant, MG&E, and post the decision on the Commission’s website. Motion seconded by Commissioner Macdonald. Chairman Crosby clarified that there is not a link between the decision and the tribal land in trust lawsuit, they are two separate matters. Commissioner Zuniga noted for the record that the potential edits to numbers in the marketing assessment will be treated as mechanical or typographical corrections. Motion passed unanimously.*

[1:12 p.m.](#) Chief Information Officer John Glennon reported on amendments to the slot machine regulations and noted that the changes will make operating easier. Deputy General Counsel Grossman reported on the amendments which included protocols for removal, delivery and installation of slot machines, and clarification of terms electronic gaming device and prototype.

[1:24 p.m.](#) *Commissioner Stebbins moved that the Commission direct staff to start the formal promulgation process for changes in regulation 205 CMR 138 and 205 CMR 144 as included in the packet. Motion Seconded by Commissioner Macdonald. Motion*

*amended by Commissioner Stebbins to include section 145. Amended motion seconded by Commissioner Macdonald. Motion passed unanimously.*

[1:26 p.m.](#) Chief Information Officer Glennon, Gaming Technology Manager Floyd Barroga, and Deputy General Counsel Grossman, provided an update on skill based gaming, which included revisions to GLI Standards, solicitation of comments from regulators, and potential adoption of version 3.0.

[1:33 p.m.](#) General Counsel Blue presented on the small business impact statement for regulation 205 CMR 138.00: Uniform Standards of Accounting Procedures and Internal Controls (ATM changes), and requested to start the formal regulation promulgation process.

[1:34 p.m.](#) *Commissioner Macdonald moved that the Commission approve the small business impact statement for 205 CMR 138.00: Uniform Standards of Accounting Procedures and Internal Controls as included in the packet and authorize staff to take all steps necessary to file a small business impact statement with the Secretary of the Commonwealth and proceed with the regulation promulgation process. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

### **Investigations and Enforcement Bureau**

See transcript pages 163-174

[1:35 p.m.](#) Director Karen Wells reported on a proposed emergency change to regulation 205 CMR 134.13. She stated that the proposed change would make the fingerprint requirement for non-gaming vendors discretionary as opposed to automatic. She stated that an operational review revealed it was overly burdensome and they will focus on the entity using a risk-based approach. She also stated that she is not aware of any other state that requires fingerprinting for this level of vendor. Licensing Director Paul Connelly stated that the changes will save time for both the Commission and the registrants. He also noted that it will bring us in line with other jurisdictions.

[1:45 p.m.](#) *Commissioner Stebbins moved that the Commission adopt by emergency the included changes to 205 CMR 134 with respect to fingerprinting. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

### **Racing Division**

See transcript pages 174-220

[1:46 p.m.](#) Doug O'Donnell, Senior Financial Analyst, reported on local aid distributions to Boston, Revere, Plainville and Raynham. He stated that .35% of the total handle is distributed to cities and towns.

[1:48 p.m.](#) *Commissioner Zuniga moved that the Commission approve the local aid quarterly payments for June 30<sup>th</sup> of 2016 for a total of \$180,970.07 to the cities of Boston, Plainridge, Raynham and Revere in the manner that is broken out in the packet here today. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

- [1:49 p.m.](#) Chairman Crosby noted for the record that he received a call from George Carney yesterday and Mr. Carney told him that he heard rumors that the Commission was going to decline his proposal. Chairman Crosby stated that no one would know if the Commission was going to approve or disapprove the proposal because the Commission has never discussed it. Chairman Crosby stated that they did not discuss any particulars of the proposal.
- [1:51 p.m.](#) Director of Racing, Dr. Alexandra Lightbown, reported on a request for Race Horse Development Funds from the Middleboro Agricultural Society, which included \$2.5 million for purses, \$262,000 for the Massachusetts Thoroughbred Horsemen's Association to cover administrative costs, and \$1,473,947 for administrative and operational expenses. She noted that they are not going to simulcast so they won't have income from simulcasting to use towards these costs. She recommended that the Commission approve the request for \$2.5 million from the fund for purses, approve the request for money to the Thoroughbred Horsemen's Association for administrative costs, and deny the request for administrative money to run the meet.
- [1:55 p.m.](#) General Counsel Blue reported that she and Dr. Lightbown have given this a lot of thought, they looked at the statutes, they have had several meetings with folks from Brockton explaining the legislation regarding operational and administrative expenses, and she is in support of Dr. Lightbown's recommendation.
- [1:57 p.m.](#) Attorney Michael Morizio, representing George Carney, stated that they have worked with staff and applied for and received a placeholder license last fall. He stated that they want to bring back racing and expand it to a location that hasn't seen racing in 15 years. He also noted the efforts by Bill Lagorio to bring racing back. He stated that he was surprised by the recommendation that it is not possible to provide for operational and administrative expenses. He stated that if Mass THA and NEHBPA can receive funds for administrative and operational expenses, then why can't the track receive funds. He feels that the language is broad and is intended to support the horse racing industry. He stated that the Commission has the authority to approve the money for these purposes.
- [2:14 p.m.](#) William Lagoria, President of the Massachusetts Thoroughbred Horsemen's Association, stated that he has attended every meeting with General Counsel Blue and Dr. Lightbown and he was not told that the money could not be used for administrative and operating expenses. He stated that they did talk about limitations regarding capital and general operating expenses.

General Counsel Blue stated that their proposal has evolved over time and we have looked at ways to make it work within the law.

Chairman Crosby stated that we are all trying to figure out how to say yes and be flexible with the Race Horse Development Fund. He noted that there is pending legislation that would give the Commission flexibility over the Fund. Attorney Morizio requested that the Commission give him an opportunity at the next Commission meeting to thoroughly explain his argument that the Commission has the authority to approve the Fund for these purposes. Chairman Crosby stated that he would be willing to set up a meeting next week to further discuss the question - does the Commission have the authority under the law to use the Race Horse Development Fund money for anything other than purses, and if so, would that

include a track. Chairman Crosby stated he will get back to Mr. Morizio with a date for the next meeting.

2:32 p.m. The Commission took a brief recess.

2:40 p.m. The meeting resumed.

### **Ombudsman**

See transcript pages 221-347

[2:40 p.m.](#) Ombudsman John Ziemba provided an overview of the 2016 Community Mitigation Fund applications. He noted that East Longmeadow has withdrawn its application. He reported on the following Reserve grant requests: Lynn requested \$100,000 to conduct studies relative to casino traffic; Malden requested \$100,000 for a senior planner, marketing program, and citizens engagement program for employment opportunities; Saugus requested \$35,000 to assess potential opportunities for Saugus businesses to benefit from the Wynn Boston Harbor project; and Wrentham requested \$50,000 for a Route 1 corridor study. The Commissioners discussed the reserve grant applications.

[3:20 p.m.](#) *Commissioner Macdonald moved that the Commission approve the recommendation of the review team as it relates to Lynn's proposed use of the reserve of \$100,000 as summarized in the summary memorandum. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

*Commissioner Macdonald moved that the Commission approve the recommendation of the review team as it relates to Malden's use of reserve of \$100,000 as described in the summary memorandum submitted by the review team. Motion seconded by Commissioner Stebbins. Commissioner Stebbins, Commissioner Macdonald, and Chairman Crosby approved the motion. Commissioner Zuniga opposed the motion. Motion passed 3 to 1.*

*Commissioner Macdonald moved that the Commission approve the recommendation of the review team as it relates to Saugus' request of the use of reserves in the amount of \$35,000 as described in the summary memorandum. Motion seconded by Commissioner Stebbins. Commissioner Stebbins, Commissioner Macdonald, and Chairman Crosby approved the motion. Commissioner Zuniga opposed the motion. Motion passed 3 to 1.*

*Commissioner Macdonald moved that the Commission approve the recommendation of the review team as it relates to the Wrentham proposal as to the use of \$50,000 of its reserve account as described in the summary memorandum submitted by the review team. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

[3:24 p.m.](#) Ombudsman Ziemba provided an overview of the 2016 Transportation Planning grants. He reported that Chelsea is requesting a reserve grant for \$100,000 and a transportation planning grant for \$167,150 to assess current and future conditions of the Beacham and William Street corridor. The Commissioners discussed Chelsea's grant request.

- [3:39 p.m.](#) *Commissioner Macdonald moved that the Commission approve the recommendation of the review team in regard to Chelsea's proposed use of the reserve of \$100,000 and transportation planning grant of \$167,150 as described in the summary memorandum that was provided to us. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*
- [3:40 p.m.](#) Ombudsman Ziemba presented on a request from Everett to utilize \$100,000 of its reserve and \$50,000 of the transportation planning grant for a study to expand the Everett portion of the Northern Strand Community Trail bike path. The Commissioners discussed Everett's grant request.
- [3:47 p.m.](#) *Commissioner Macdonald moved that the Commission approve the recommendation of the review team with regard to Everett's transportation planning grant of \$100,000 from the reserve fund and \$50,000 from the transportation fund. Motion seconded by Commissioner Zuniga. Commissioners Zuniga, Stebbins and Macdonald approved the motion. Chairman Crosby opposed the motion. Motion passed 3 to 1.*
- [3:49 p.m.](#) Ombudsman Ziemba presented on a request from Malden for a \$100,000 transportation grant to assess parking capacities and pedestrian safety. The Commissioners discussed Malden's grant request. Commissioner Zuniga suggested obtaining additional information from Malden. No vote taken and the matter was postponed.
- [4:03 p.m.](#) Ombudsman Ziemba presented on a request from Medford for a \$600,000 transportation planning grant for a multiyear transportation planning program which includes a transportation planner, consultant, and water transportation matching funds. The Commissioners discussed Medford's grant request. Ombudsman Ziemba recommended that the Commission authorize \$267,000 in one year funding for the City of Medford for the provision of transportation planning services and in addition to consultant services as delineated in the Commission's packet, the memorandum from the review team. He stated that such funding will include \$150,000 for the water transportation study. He also stated that staff will work with Medford through the grant contract process to identify, in future applications, specific allocation of transportation planning dollars for gaming-related versus general municipal activities. He also noted that the water transportation funds would be contingent upon obtaining an earmark and inclusion of gaming-related stops such as Station Landing and the Wynn facility.
- [4:41 p.m.](#) *Commissioner Macdonald moved that the Commission approve the review team's [Medford] recommendation as just summarized by John [Ziemba]. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*
- [4:41 p.m.](#) Chairman Crosby discussed the remaining meeting schedule. He suggested covering the West Springfield grant and postponing the remaining matters until the next meeting.
- [4:42 p.m.](#) Ombudsman Ziemba presented on a request from the Town of West Springfield for \$247,500 for the design and permitting of a project to reconstruct Memorial Avenue. Joseph Delaney, Construction Project Oversight Manager, stated that it was a reasonable fee for design work.



[4:46 p.m.](#) *Commissioner Macdonald moved that the Commission approve the recommendation of the review team for \$246,000 in transportation planning grant funds to assist the Town of West Springfield for the design costs of Memorial Avenue Complete Streets design. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*

[4:47 p.m.](#) Chairman Crosby stated that the remaining agenda items will be picked up at the next Commission meeting. Commissioner Macdonald acknowledged the work of the stenographer.

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

See transcript pages 347-348

[4:47 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 July 21, 2016
2. Massachusetts Gaming Commission, Draft Meeting Minutes dated June 23, 2016
3. Game-Maker Valve Moves to Choke Off \$7.4 Billion Gambling Market, Joshua Brustein and Eben Novy-Williams, dated July 13, 2016
4. eSports and Skin Gambling: The Elephant in the Room, Mark McGuinness, dated July 11, 2016
5. Massachusetts Casino Careers Training Institute powerpoint presentation, dated July 21, 2016
6. Massachusetts Gaming Commission, Memorandum dated July 21, 2016 regarding Play My Way Update
7. Plainridge Park Casino Responsible Gaming Education Week powerpoint presentation
8. Massachusetts Gaming Commission, Memorandum dated July 20, 2016 regarding 2016 Community Mitigation Fund Application Review with attachments
9. Massachusetts Gaming Commission, Memorandum dated July 19, 2016 regarding Middleboro Agricultural Society request for Race Horse Development Funds
10. Letter from the Middleborough Agricultural Society to Dr. Lightbown, Director of Racing, dated July 18, 2016 regarding the Recognition and Purse Agreement and Budget
11. Letter from Senator Michael Brady to the Massachusetts Gaming Commission, dated July 20, 2016 regarding local aid payments and Brockton Fairgrounds
12. Letter from Representative Gerard Cassidy to the Massachusetts Gaming Commission, dated July 19, 2016 regarding the Brockton Racing Track
13. Letter from George Brown, from the Massachusetts Thoroughbred Breeders Association, to Chairman Crosby, received July 15, 2016 regarding the Horse Racing Committee recommendation on split
14. Brockton Racing Public Comments, 7 emails dated July 20, 2016
15. Draft Amendment to 205 CMR 134.00: Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives, and Labor Organizations (Fingerprinting)
16. MGC Draft Decision Denying a License to Operate a Category 1 Gaming Establishment in Region C
17. Letter from Attorney John Donnelly to General Counsel Catherine Blue, dated July 19, 2016 regarding Decision Denying a License to Operate a Category 1 Gaming

- Establishment in Region C
18. Letter from Attorney John Donnelly to General Counsel Catherine Blue, dated July 8, 2016 regarding Decision Denying a License to Operate a Category 1 Gaming Establishment in Region C
  19. Draft amendments to 205 CMR 138.00: Uniform Standards of Accounting Procedures and Internal Controls; 205 CMR 144.00: Approval of Slot Machines and Other Electronic Gaming Devices and Testing Laboratories; and 205 CMR 145.00: Possession of Slot Machines and Other Electronic Gaming Devices
  20. Executive Summary of Changes for GLI-11 V3.0, Gaming Devices Public Comment Draft, Issued May 25, 2016
  21. Gaming Labs Certified (“GLP”) Standard Series – GLI-11: Gaming Devices, Public Comment Version 3.0, Public Comment Release Date: dated May 25, 2016
  22. Small Business Impact Statement for regulation 205 CMR 138.00: Uniform Standards of Accounting Procedures and Internal Controls
  23. Brockton Racing Public Comments, 4 emails dated July 20, 2016
  24. Massachusetts Gaming Commission, Memorandum dated July 21, 2016 regarding Local Aid Distribution
  25. Letter from Representative Claire Cronin to the Massachusetts Gaming Commission, dated July 20, 2016 regarding Brockton Fairgrounds and Race Horse Development Funds

/s/ Catherine Blue  
Catherine Blue, Assistant Secretary