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THE COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS GAMING COMMISSION
RACING DIVISION
PUBLIC MEETING

RE: HARNESS HORSE RACING LICENSE APPLICATION

BEFORE: COMMISSIONER GAYLE CAMERON

October 20, 2014 1:30 p.m.
PLAINVILLE SENIOR CENTER
9 School Street
Plainville, Massachusetts

1 APPEARANCES:

2

3 MASSACHUSETTS GAMING COMMISSION:

4 Danielle Holmes, Staff Attorney

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7 GUEST SPEAKERS:

8 Steve O'Toole, Plainridge

9 Chief Justin Alexander, Plainville Fire Depart.

10 Chief James Alfred, Plainville Police Department

11 Michael Perpall, HHANE

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P R O C E E D I N G S :

COMMISSIONER CAMERON: Good
afternoon. Today is Monday, October 20, 2014.
This is a public hearing before the
Massachusetts Gaming Commission. I am
Commissioner Gayle Cameron representing the
Commission today. The hearing is being convened
pursuant to Massachusetts General Law Chapter
128A section 3.

We are here today in Plainville to
accept public comments on the live racing
application submitted by Springfield Gaming and
Redevelopment, LLC for a live racing meet to be
held at Plainridge Racecourse.

Before we begin, the Commission
would like to thank all of you for being here
today. This is a public hearing and it is
critically important that you the public be part
of our process to ensure that the Commission
achieves the best possible results.

The purpose of this public hearing
is to offer any interested person or group an
opportunity to comment on the racing license

1 application. This is not a question-and-answer
2 period or debate. Once we begin, anyone who
3 wishes to comment on the proposal may raise
4 their hand and be recognized by the Commission.

5 They may then proceed to offer that
6 comment. The Commission requests that all
7 speakers identify themselves prior to comment.
8 Also, please be sure to keep your voices up as
9 this hearing is being recorded.

10 With that we will now open the floor
11 for comment. First speaker, yes, Mr. O'Toole.

12 MR. O'TOOLE: Steve O'Toole,
13 Springfield Gaming and Redevelopment, LLC.
14 Commissioner at this time, should we be
15 recognized as a party to these proceedings?

16 COMMISSIONER CAMERON: As a party,
17 meaning a group, you're representing -- Yes, you
18 can absolutely identify. You're speaking on
19 behalf of the LLC?

20 MR. O'TOOLE: Correct.

21 COMMISSIONER CAMERON: So noted.

22 MR. O'TOOLE: Springfield Gaming and
23 Redevelopment is a wholly owned subsidiary of
24 Penn National Gaming. We request to be

1 recognized as a party to these proceedings.

2 At this time I would like to
3 introduce members of Springfield Gaming and
4 Redevelopment. Today with me is Lance George,
5 vice president and general manager, Dominick
6 Longobardi, operations manager of Plainridge
7 Racecourse. And I'm Steve O'Toole, the general
8 manager of racing operations at Plainridge
9 Racecourse.

10 I would like to also request that
11 the application that we submitted on October 1
12 be made part of the record. We have the burden
13 of seven criteria in order for licensure:
14 Financial ability for an applicant to operate
15 the racetrack. The maximization of state
16 revenues, suitability of racing facility for
17 operation at the time of year for which the
18 dates are assigned. The circumstances that
19 large groups of spectators requires safe and
20 convenient facilities. That interested members
21 of the public and racing competition are
22 honestly managed and of good quality. The
23 necessity of having and maintaining proper
24 physical facilities for racing meetings. And

1 the necessity of according fair treatment for
2 the economic interest and investments of those
3 who in good faith have provided and maintained
4 such facilities.

5 Through the application that we
6 submitted and that's been made part of the
7 record, as well as testimony from myself and
8 others today, and any questions that you might
9 have will establish as evidence that Springfield
10 Gaming and Redevelopment meets the required
11 criteria.

12 What I'd like to do is just kind of
13 highlight some of the things that touches on
14 those seven criteria. The transition that SGR
15 and Penn National took over the racetrack last
16 year. It was our first year, 2014 was our first
17 year license to conduct racing in the
18 Commonwealth. That transition went fairly
19 smoothly. It was a lot to do over the New
20 Year's holiday, but we got it done and it came
21 out good.

22 We've implemented some Penn policies
23 and procedures that were not in place in the
24 past. And some of the policies and procedures

1 that were ongoing as an operating racetrack were
2 maintained.

3 Success of the 2014 racing season
4 was evident. Over 80 days of racing in 2013
5 compared to what is going to be our 80th day on
6 Wednesday in 2014 resulted in an over 10 percent
7 live handle at the track. Wagers placed by
8 people that were at the track was up 10 percent,
9 which is kind of phenomenal considering the
10 constraints that we've been under this year.

11 The facility itself, which has
12 always been very good for racing at the time of
13 year that the dates have been assigned is
14 changing but it is all for the better. We have
15 actually this year we actually implemented in
16 our schedule you'll notice that instead of going
17 to a 4:00 post time to a 1:00 post time, we've
18 locked the post times back from 4:00 to 2:30 to
19 1:00 to try to stay in the late afternoon as
20 long as possible.

21 As far as the safety of the patrons,
22 we do have a lot of construction issues. There
23 are ongoing safety meetings at the track on a
24 weekly basis. Fire Chief Alexander is in a lot

1 of those meetings and maintains a weekly
2 presence at the track. And all of our
3 procedures as far as safety of the patrons and
4 the ongoing operations all live up the code
5 which is double-checked by the Fire Chief.

6 We thought it was important to
7 maintain ongoing operations for the horseman as
8 well as the employees given the stability not
9 only of the transition of this year going
10 forward into next year.

11 As far as our racing goes, we've
12 maintained and had a very good relationship with
13 not only local enforcement but also State
14 Police, the judges at the track, veterinarians,
15 everybody on the racing side working with Alex
16 and the testing barn and all of those aspects.

17 As a matter of fact, this year to
18 highlight a couple things on the racing side, we
19 had a new track record on the trot, which was
20 154. It crushed an old record that was set in
21 2000. So, it was 14-year record that went down
22 in smoke. So, that is a good indication that
23 our track is just as good as it has always been.

24 As a matter fact, yesterday we set a

1 new Mass. Sires Stakes record for two-year-old
2 fillies and that was 156 just yesterday. So,
3 the track's in good shape.

4 We do have improvements to the
5 racing side with the ongoing construction. We
6 have a short-term plan as well as a long-term
7 plan. The short-term plan, we're trying to
8 incorporate as much as we can with the
9 construction to some of the ideas we have for
10 the racing side. Since those areas are being
11 worked on now, we want make as much as we
12 possibly can. So, there will be improvements to
13 the racing side not just the refresh of the
14 upstairs and downstairs of the racing building
15 but also in the parameters wherever any work is
16 being done. We're trying to improve as much
17 cosmetics and get benefits as we can with the
18 construction being in those areas and not
19 waiting to do it two years out, three years out.

20 But for the most part, I think we
21 will address almost every area that needs to be
22 addressed on the racing side. We had a couple
23 of good meetings last week landscaping,
24 ancillary benefits that construction can bring

1 to us.

2 Also on January 1 of this coming
3 year, we're going to be switching our tote
4 company from United Tote to Sporttech. That
5 means all brand-new equipment which is a good
6 thing. A lot of our equipment, tote equipment
7 has probably been at the track for about 10
8 years. And in 10 years' time the technology has
9 changed considerably. Also, with the
10 renovations comes a new TV production room. And
11 that will have all new equipment also.

12 So, I think we have benefited this
13 year from the Penn influence as far as
14 resources. We had a problem before opening, our
15 backup starting gate wasn't operating too good.
16 Penn had just closed Raceway Park and we
17 immediately got that starting gate out to the
18 facility. So, we had a good backup. So, the
19 resources are going back and forth.

20 As a matter of fact, I'm sending
21 Thursday morning our racetrack conditioner is
22 going to Dayton because they have problem
23 getting -- supply and demand I guess with
24 racetracks opening up, they had a problem

1 getting a new conditioner out there. So, we're
2 sending ours out the next day.

3 So, those resources are greatly
4 appreciated. We don't feel like we're backed
5 into a corner at any point in time at least this
6 season. And we really appreciate that backup
7 and that help which wasn't available to us
8 before.

9 So, I'll take any questions. And I
10 think other people may want to say something.

11 COMMISSIONER CAMERON: I think I'm
12 up-to-date on everything going on. I thank you
13 for your statement. Who would like to speak
14 next?

15 CHIEF ALEXANDER: Would you like me
16 to speak next?

17 COMMISSIONER CAMERON: I always
18 enjoy hearing from the chiefs. So, if you have
19 comments, I'd love to hear them.

20 CHIEF ALEXANDER: Justin Alexander,
21 Plainville Fire Department, Chief of the
22 Department. This year has been interesting as
23 everybody knows up there trying to maintain
24 operations through construction. I've been to

1 plenty of meetings as Steve pointed out.

2 What I can say is that anything that
3 has come up has been minor and has been dealt
4 with promptly. Never has the public been in
5 jeopardy nor have the workers been. And I think
6 that there really stands out to the fact that
7 all in operation up there maintain a really good
8 safety program and the things are identified
9 early.

10 I think the biggest problem is just
11 dealing with the fact that you have a lot of
12 construction equipment and maintaining access
13 for large fire equipment. Any we haven't had
14 any days where we haven't been able to get in
15 there. I think that's important to point out.

16 As far as anything else goes, I
17 don't think we've really had any issues, just a
18 lot of meetings. So as far as the fire
19 department is concerned, we are in pretty good
20 shape.

21 COMMISSIONER CAMERON: Great. Thank
22 you, sir. Chief, good to see you also.

23 CHIEF ALFRED: Jim Alfred,
24 Plainville Police Department. It's been a quiet

1 year. We continue to maintain good
2 relationships with Penn National and Steve
3 O'Toole on the racing side.

4 We've had a couple of incidents up
5 there, nothing major. One was an internal
6 investigation in the money room, which I think
7 everyone is aware of which we were in touch with
8 State Police on that. Other than that it's been
9 relatively quiet

10 We continue to maintain a presence
11 up there every day and really nothing to note
12 since Penn has taken over. It's been smooth.

13 COMMISSIONER CAMERON: Great. Thank
14 you, Chief.

15 COMMISSIONER CAMERON: Sir?

16 MR. PERPAL: Michael Perpall,
17 president of the Horsemen's Association. As
18 Steve mentioned, this is our first year racing
19 under Penn. And I can tell you that it was a
20 very successful year, a very pleasant year.
21 Very safe year for both horses and trainers and
22 drivers. And we're delighted to race under
23 Penn.

24 COMMISSIONER CAMERON: Thank you.

1 Anyone else want to speak?

2 MR. O'TOOLE: I'd like to touch on
3 one other thing also. We had an agreement with
4 the Horsemen's Association. That agreement
5 called for payment of a certain minimum for the
6 purses, which is an over payment to our
7 statutory requirements. We are going to hit the
8 nail on the head on Wednesday. So, we're going
9 to meet that.

10 Because of the terms of the
11 agreement, it was very important that we hit
12 that number and not go over by too much because
13 there is a payback in years to come from the
14 horsemen. So, we nailed it right on the head at
15 \$2.4 million will be paid to purses this year.

16 So, that's a pretty good
17 accomplishment because we were not sure if it
18 was going to be 100 or 80 days so had to walk a
19 tightrope on that. But it came out good all in
20 all.

21 COMMISSIONER CAMERON: Good,
22 excellent. Why don't we -- It's quarter of.
23 Why don't we adjourn for 15 minutes. We'll come
24 back at 2:00 just in case anyone else chooses to

1 come in and speak before we conclude the
2 hearing. Thanks for your comments everyone.

3
4 (A recess was taken)

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6 COMMISSIONER CAMERON: It's now
7 2:00. We are reconvening this hearing. Are
8 there any further comments? Hearing none, we
9 will officially close the hearing. Thank you
10 everybody.

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12 (Hearing closed at 2:00 p.m.)
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C E R T I F I C A T E

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I, Laurie J. Jordan, an Approved Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Laurie J. Jordan, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive on Transcript Format.

I, Laurie J. Jordan, further certify I neither am counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken and further that I am not financially nor otherwise interested in the outcome of this action.

Proceedings recorded by Verbatim means, and transcript produced from computer.

WITNESS MY HAND this 21st day of October, 2014.



LAURIE J. JORDAN
Notary Public

My Commission expires:
May 11, 2018