

1 COMMONWEALTH OF MASSACHUSETTS
2 MASSACHUSETTS GAMING COMMISSION
3 PUBLIC MEETING #202
4
5

6 CHAIRMAN

7 Stephen P. Crosby
8

9 COMMISSIONERS

10 Lloyd Macdonald

11 Enrique Zuniga

12 Bruce Stebbins
13 -----
14
15

16 THE CONNOLLY CENTER

17 90 Chelsea Street

18 Everett, Massachusetts

19 October 26, 2016

20 10:00 a.m. - 1:37 p.m.
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22
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P R O C E E D I N G S

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3 CHAIRMAN CROSBY: All right, ladies
4 and gentlemen, if everybody can come
5 forward. We are now calling to order the
6 202nd meeting of the Massachusetts Gaming
7 Commission. Today we are back at The
8 Connolly Center in Everett, the home of the
9 great Wynn hotel, I mean, casino, grand
10 hotel and casino. And we are privileged
11 today to welcome the mayor of Everett,
12 Mayor Carlo DeMaria, to welcome us and to
13 speak on behalf of his city.

14 Welcome, Mr. Mayor.

15 MAYOR DEMARIA: Thank you, Mr.
16 Chairman and members of the gaming
17 commission. Welcome to the City of
18 Everett. Home to not only the best
19 football team in the state, as you know
20 about that, but also home to the 2.1
21 billion Wynn Resort development project,
22 which I am proud to say is the third
23 largest privately financed development
24 currently underway in the United States of

1 America and a great point of pride for this
2 community.

3 Thank you for holding your meeting
4 here in the community today. I understand
5 that you have now held, as you said, over
6 200 of these commission meetings and I
7 applaud the care and commitment that you
8 have shown to making this process
9 transparent and accessible to the public.

10 This does not happen without a
11 deliberate and methodical approach to
12 policy making, and I want to really thank
13 you for your hard work and consistency. I
14 appreciate the opportunity to have you here
15 in Everett once again.

16 I would also like to thank the
17 members of the Massachusetts Gaming
18 Commission for their vote two years ago
19 awarding Wynn Resorts the loan
20 Massachusetts Gaming License for eastern
21 Massachusetts. I also want to thank all of
22 those residents, business owners and
23 individuals who worked so long and hard to
24 support this development. Your relentless

1 and tireless efforts did not go unnoticed.
2 I would like to acknowledge all the state
3 agencies, planning boards and courts that
4 are approved of this project.

5 As we all know, the Wynn Resort is
6 at the center of Everett's environmental
7 and economic revitalization. We have
8 already seen and every day we continue to
9 see tremendous progress and tremendous
10 benefits for the City of Everett. Wynn has
11 almost completed the environmental
12 remediation of the Monsanto Chemical Plant
13 site at their own expense.

14 This site was one of the largest
15 undeveloped and contaminated sites and not
16 only in our city but our country, and it
17 had sat vacant for decades untouched due to
18 a contamination. They have hauled hundreds
19 of truckloads and tons of railcars of
20 contaminated soil out of Everett, completed
21 the slurry wall, have begun excavation work
22 and driving piles and laying the foundation
23 for this great resort.

24 I am pleased with the true

1 collaboration that has been in place with
2 the Wynn development team since this
3 project's inception. From the very first
4 moment that Steve Wynn came to visit
5 Everett in 2012, we have been involved in
6 every major step of the design process.
7 We've been informed and consulted all along
8 the way. This high level of attention to
9 detail and consideration of how the
10 development impacts and interfaces with the
11 city has huge long-term value to me and to
12 the residents of Everett.

13 As you know, this landmark project
14 has changed in the landscape of the city
15 and it is important to all of us that it
16 does so in a way that enhances our built
17 environment. The resort's design makes
18 excellent use of its location on the
19 waterfront, and it includes public access
20 to recreational space along the riverfront,
21 a unique amenity to the City of Everett.

22 The distinctive architecture is
23 beautiful and unique, and I remain
24 impressed with the level of attention to

1 detail that guests will experience both
2 inside and outside. The resort's design
3 certainly enhances the neighborhood, and it
4 is also consistent with our vision for the
5 Lower Broadway area of Everett, which acts
6 as a gateway to the city for many of our
7 visitors. From landscaping to signage to
8 lighting to layout, we continue to
9 regularly discuss ways to ensure this
10 project exceeds expectations.

11 We have worked with the Wynn team on
12 all aspects of the resort's design, and I
13 am confident it will be a truly spectacular
14 anchor for the district. Wynn alone is
15 providing the resources to build this
16 destination resort and the infrastructure
17 needed to make our harbor and the riverways
18 inviting and accessible to all whether by
19 walking, biking, kayaking or public
20 transit.

21 The City of Everett is quickly
22 becoming a world-class city with a
23 world-class destination resort attracting
24 tourists from all over the world. Next

1 spring our first boutique hotel located on
2 the Revere Beach Parkway will open, a sure
3 sign of economic development opportunities
4 to come and an invitation to visitors to
5 come see all that we have to offer.

6 This project is also having a
7 dramatic impact on our local economy. It
8 is providing real jobs for working men and
9 women of Massachusetts residents. 4,000
10 construction jobs, and 4,000 hospitality
11 jobs when the casino opens. I have been
12 impressed with the willingness of the
13 people like Bob DeSalvio and all of his
14 team to work with me on ways to ensure that
15 our residents have access to these careers.
16 And the willingness of people like John
17 Fish and his staff to find ways to get
18 Everett residents on site for construction
19 jobs.

20 This is an initiative that requires
21 strong partnerships and continuous efforts
22 to ensure that Everett residents benefit
23 from these jobs, and I look forward to
24 continuing to work with all of our partners

1 to ensure success. I understand that the
2 gaming commission's community mitigation
3 advisory groups are considering now the
4 issue whether to open up the next round of
5 commission community mitigation funding to
6 workforce development initiatives to
7 prepare workers for these jobs. I can
8 think of no better use for these funds, and
9 I would welcome the opportunity it would
10 provide for the training of Everett
11 residents.

12 The yearly benefits of this project
13 extend far beyond jobs. Everett was
14 recently named one of the top ten places to
15 live in the Commonwealth. Our commercial
16 and residential property values are on the
17 rise, and our waterfront is being restored
18 as a wonderful natural resource and
19 recreational asset for our residents. With
20 a new harbor walk, we realize a once in a
21 lifetime opportunity to open a waterfront
22 that's been fenced off for more than a
23 century and then invite all our residents
24 and neighbors and guests to enjoy it for

1 generations to come.

2 In fact, we are in the process of
3 partnering with Wynn to develop a beautiful
4 playground and playing field recreational
5 complex on the former GE site near the
6 Malden River, another formally blighted
7 site being returned to productive reuse as
8 a result of the Wynn project. I can't wait
9 to get there.

10 These things are happening because
11 of our partnerships with Wynn and the
12 infusion of energy, possibility and
13 vibrancy that the development has brought
14 to the city. I fought for this development
15 because of the opportunity it offers to
16 Everett residents for jobs that provide a
17 living wage for families and good benefits.
18 I still find it exciting every day to see
19 the cranes at the site and construction
20 workers going through the turn styles.

21 These are exciting times for the
22 City of Everett. It was a long and tough
23 road, but it's been worth it. I thank the
24 gaming commission for its thoroughness and

1 openness through the process, and I ask
2 that you accept and approve the final
3 design of the Wynn Boston Harbor Resort in
4 Everett. Thank you.

5 CHAIRMAN CROSBY: Thank you, Mayor.
6 Anybody comments?

7 COMMISSIONER ZUNIGA: You know,
8 Mr. Mayor, I'm curious, could you expand a
9 little bit on the boutique hotel that you
10 mentioned? I never heard that development.

11 MAYOR DEMARIA: Sure. So right on
12 Route 16, which is not too far -- actually,
13 if you just head out the doors and walk
14 straight down the street, you actually see
15 it. It's right at the end of the street,
16 end of Vine Street. It's 101 room boutique
17 hotel. It was a former -- at one time
18 probably it was a former factory. They
19 manufactured furniture, or I forget was it
20 was years ago. But for years it was kind
21 of a stagnant building. It just stood
22 empty.

23 And one of the reasons or main
24 reason why these people came into town, the

1 Envision Brand, they actually have other
2 hotels in the area, was that all of the
3 attention that the city was getting with
4 the Wynn resorts, with the new train
5 station being built on the Everett/Chelsea
6 line, which kind of runs parallel to this
7 hotel, and we have had some other interest
8 from other people looking at other sites
9 along Route 16 that want to build around
10 Steve Wynn. So it's been exciting.

11 And, I think, inside it's about 30
12 full-time jobs, you know, some good tax
13 revenue for the community, and we are
14 excited to see -- a lot of the blighted
15 properties -- you have probably seen them,
16 and I know you have been in Everett a long
17 time -- around Route 16 and 99 that it's
18 going to happen. It's going to transform
19 and it's because of your -- it's because of
20 this group that voted for the license. I
21 think early on we saw the full potential of
22 that this development what it would do for
23 the City of Everett. So that's just one of
24 many more hotels probably to be built in

1 our city.

2 COMMISSIONER ZUNIGA: That's good to
3 hear.

4 MAYOR DEMARIA: Thank you,
5 Commissioner.

6 COMMISSIONER ZUNIGA: Thank you.

7 CHAIRMAN CROSBY: I actually had
8 three things that I wanted to comment on.
9 First of all, as you well know, Everett has
10 played great football, not just this year.
11 But about exactly 54 years to today on a
12 Saturday afternoon, I was down at Veteran's
13 Field losing to Everett and Bobby Leo when
14 Newton High got whomped, so this has been
15 going on for a while, your football.

16 Your mitigation comment is
17 interesting. The mayor referred to the
18 idea that is bubbling up through our
19 mitigation advisory committees to maybe be
20 willing to use -- that Jill and
21 Commissioner Stebbins have suggested --
22 maybe be willing to use some of the
23 mitigation money for workforce training
24 when there isn't workforce training money

1 available until the casinos are up and
2 running, which we are taking that under
3 advisement.

4 Now, the mayor mentioned also to me
5 some other ideas he's had about how maybe
6 the mitigation fund could be used even in a
7 host community for some prep -- some other
8 activities trying to expand the impacts in
9 the neighborhood. I don't know whether
10 we'd do that or not, but I welcome you to
11 expand on either both of those ideas
12 anytime you want to.

13 But the third point is really the
14 most important one, and we all know, but
15 it's hard to remember, that when the
16 legislature did this they were interested
17 in jobs and revenue for sure. But they
18 were more interested in a sense in an
19 overall economical development impact. You
20 can get jobs in revenue just by putting a
21 box down in the middle of the parking lot.
22 That would give you jobs and revenue.
23 That's not what they wanted.

24 They talked about destination resort

1 casinos, and they talked about maximizing
2 the overall economic development impact.
3 And the concept was to see whether or not
4 you could take a casino complex and use it
5 as a broad-base economic development tool,
6 not typically done. Once in a while, maybe
7 like Bethlehem, Pennsylvania where Bob
8 DeSalvio came from, but typically that's
9 not the model where you really see an
10 anchoring broad-based mixed-use
11 development.

12 It appears that that is happening in
13 both of our casino communities, Springfield
14 and Boston. And it's really important.
15 It's hugely exciting to imagine that or to
16 see that Everett might be being lifted as
17 an entire community. Individual peoples'
18 residential property values going up, you
19 know, by this development. It's really
20 exciting, and that's really what we were
21 hoping for.

22 And two stories that I hope will be
23 told as this comes to fruition are the
24 stories of Mayor DeMaria and Mayor Sarno,

1 both of whom took this as an opportunity to
2 leverage their communities and played their
3 cards very, very well and are playing their
4 cards very, very well and have paid a
5 tremendous service, done a tremendous
6 service to your community, and Mayor Sarno
7 is doing the same thing in Springfield.

8 So it's really exciting. We're glad
9 to be here, and I appreciate the update and
10 I hope you'll keep us updated because it
11 means a lot to us to have this broader
12 impact than just the facility itself, so
13 congratulations to you and your city.

14 MAYOR DEMARIA: Thank you. And I
15 happened to be with Bobby Leo, as you know,
16 at homecoming a couple of weeks ago and he
17 had told me about you might have been
18 opponents in high school but were teammates
19 at Harvard after that. He spoke very
20 highly of you.

21 CHAIRMAN CROSBY: Yes, that's right.
22 Bobby was the star, and I warmed the bench.

23 MAYOR DEMARIA: That's all right.
24 But you were at Harvard. And just to touch

1 upon the community mitigation --

2 CHAIRMAN CROSBY: By the way,
3 Commissioner Macdonald played with Bobby
4 also.

5 MAYOR DEMARIA: Oh, he did.

6 CHAIRMAN CROSBY: Yes, we were all
7 teammates together.

8 COMMISSIONER MACDONALD:

9 Miraculously, I sat on the bench
10 with Steve.

11 MAYOR DEMARIA: Congratulations to
12 you also. That's quite an accomplishment.
13 Just talking about, you know, the community
14 mitigation, I don't want to take it further
15 now and I definitely am going to come to
16 some of those meetings. I was just hearing
17 what was going on, and it's been a task for
18 us get people into the unions. And as the
19 jobs, you know, the construction is going
20 on, you know, thankfully we have Bob and
21 John Fish and everyone helping and putting
22 it together.

23 But what I'm fearing is that the
24 full-time jobs at the casino itself, will

1 my people be ready for those jobs and, you
2 know, in making sure there is somewhere
3 they can go to sit down and build their
4 resume, understand what jobs are available,
5 how do -- what qualifications they need or
6 classes they need to take.

7 And even talking to high school kids
8 about how they drug test for these jobs and
9 how it's important that they, you know,
10 stay clear of, you know, the ills of
11 society and how to get one of these great
12 jobs inside of this hotel and resorts. So
13 just thinking about using some of those
14 dollars to provide those resources to our
15 residents.

16 And then I was thinking, you know,
17 people fear that -- businesses fear that
18 once the casino is built that the local
19 businesses will lose out. You know, I
20 always kind of think about Disney World and
21 how once you get there it's so endless, but
22 you walk the whole thing because it's so
23 inviting. You don't want to stop looking
24 at what's happening.

1 So if we have this resort, how do we
2 bring in the city square into the resort?
3 Well, the only way you can do that is if
4 you mitigate it with the same exact
5 lighting and the same exact signage and the
6 same exact landscaping. And, you know, I
7 think by doing that, we can bring these
8 people coming in from all over the world to
9 some of our different ethnic restaurants
10 that we have in the square that they may
11 not try.

12 But if they are in the area and
13 there is, you know, a trolley cart bringing
14 them up and down from the square to the
15 Wynn site, they will get out and walk
16 around and they will shop at maybe some of
17 the boutiques in the square and not just
18 shop inside the Wynn Resorts. And I know
19 the Wynn people would love that. They are
20 all for that.

21 I'm definitely going to come to
22 those mitigation meetings. I know I've
23 sent some representatives but I also want
24 to be really part of that because I think

1 we can mitigate a lot of the issues, things
2 like loss of business and making sure our
3 residents get the proper training for these
4 jobs. Thank you.

5 CHAIRMAN CROSBY: Those are really
6 great thoughts. Anybody else?

7 COMMISSIONER ZUNIGA: Thank you, Mr.
8 Mayor.

9 CHAIRMAN CROSBY: Thank you very
10 much. I appreciate you having us.

11 MAYOR DEMARIA: No problem. Thank
12 you for being here.

13 CHAIRMAN CROSBY: Okay. We are onto
14 the approval of minutes, Commissioner
15 Macdonald.

16 COMMISSIONER MACDONALD: Yes. I
17 move that we approve the minutes of the
18 meeting of October 13, 2016 subject to
19 corrections, some typographical errors and
20 other nonmaterial matters.

21 COMMISSIONER STEBBINS: Second.

22 CHAIRMAN CROSBY: Any discussion?
23 All in favor? Aye.

24 COMMISSIONER ZUNIGA: Aye.

1 COMMISSIONER MACDONALD: Aye.

2 COMMISSIONER STEBBINS: Aye.

3 CHAIRMAN CROSBY: Opposed? The ayes
4 have it unanimously. We are then to the
5 administrative update, Executive Director
6 Bedrosian.

7 MR. BEDROSIAN: Good morning,
8 Commissioners.

9 COMMISSIONER ZUNIGA: Good morning.

10 COMMISSIONER MACDONALD: Good
11 morning.

12 CHAIRMAN CROSBY: Good morning.

13 MR. BEDROSIAN: I have two items for
14 you this morning. One is a hiring update
15 to let you know, although they are not
16 present because they are new gaming agents,
17 we have hired two individuals, Dallas
18 Dentin who came from us from the Pittsburgh
19 area in the casino industry and Andrew
20 Staff from the Baltimore area also from the
21 casino industry.

22 A couple comments on that. I think,
23 first, they're replacements for people
24 recycling out, so we are not adding to our

1 FTE account. We are staying stable.
2 Secondly, I think it reflects also a bit of
3 what the mayor just reflected is that
4 people are seeing opportunities in
5 Massachusetts, even in the regulatory
6 world, are excited because of the licensees
7 that we have and the facilities that will
8 be built. I think even within the casino
9 regulatory world it's an exciting time to
10 see these locations be built. And to our
11 benefit, I think we're able then to attract
12 people who are looking towards the future,
13 so just to give you that update.

14 The second issue is in conjunction
15 with hiring, it came to my attention and I
16 revisited the portion of the Gaming Act
17 that talks about the executive director and
18 the executive director's authority and,
19 specifically, it's under Chapter 23K
20 Section 3, and I won't bore you. But it's
21 Subsection I, and I want to read you a
22 particular sentence and then give you my
23 interpretation and make sure we are on the
24 same page.

1 The sentence says, "The executive
2 director shall appoint an employee chief
3 financial and accounting officer and may,
4 subject to the approval of the Commission,
5 employ other employees, consultant, agents
6 and advisers, including legal counsel and
7 shall attend the meetings of the
8 Commission." I'm here, that's good.

9 The other -- but the other portion
10 is, and I have been operating under the
11 presumption I have the mandate to hire
12 other employees, consultants, agents and
13 advisers. But you could read that to say
14 every time there was a hiring position, I
15 would need to come to the Commission and
16 seek approval.

17 I have been operating under the
18 presumption I have the broad authority to
19 hire and take care of those types of
20 decisions below the executive director
21 level. And as a consequence or collateral
22 issue with that, there would be times where
23 I might have to enter into reasonable
24 contracts and agreement within the

1 budgeting, within our current budget to
2 employ legal counsel or agents or advisers
3 or even with employees. Again, I've been
4 operating under the presumption I have that
5 authority but I just want to make sure I am
6 on the same page. You guys are my bosses.
7 I'm on the same page as all of you.

8 CHAIRMAN CROSBY: Anybody else?

9 COMMISSIONER ZUNIGA: Yes. Well, I
10 actually remember an early discussion about
11 this with a prior executive director, and I
12 think that's a fair assumption. That's
13 effectively what we do by virtue of the
14 approval of the budget and then you operate
15 under the confines of that budget however
16 you see fit.

17 We can talk about budget
18 adjustments, and we have done that from
19 time to time. And, you know, that's also
20 part of the approval piece of that section
21 that you read from the statute. So, I
22 think, it's a fair assumption.

23 COMMISSIONER STEBBINS: I also think
24 just going through the vetting and

1 screening process we did to hire you, you
2 know, it's part of the bill of goods we
3 gave you to get you to come work for us.
4 But, you know --

5 CHAIRMAN CROSBY: Bill of goods?
6 That was --

7 COMMISSIONER STEBBINS: I'm sorry.
8 But I do believe, you know, I think you're
9 aware enough that if something pops up that
10 might be considered somewhat out of the
11 traditional line of our work or might be an
12 exceptional case that, you know, you still
13 have the authority but it's something, you
14 know, probably want to share with the rest
15 of us.

16 MR. BEDROSIAN: Sure. I know it
17 when I see it.

18 CHAIRMAN CROSBY: I think part of
19 the reason we're comfortable with it is
20 because we know that's the case, so I
21 completely agree as well. We do have this
22 kind of funny matrix situation where each
23 of us has relationships, direct working
24 relationships with a number of the

1 directors, and you're sensitive to that and
2 I think we figured out how to work that
3 out, which is a pretty big challenge, but
4 we have done that. I think both financial
5 matters, you know, the every day
6 run-of-the-mill contracting as well as
7 personnel relations, you know, that's for
8 you to handle.

9 COMMISSIONER MACDONALD: Let me just
10 say that as the newest member of the
11 Commission, I have reviewed the statute
12 since this issue was raised recently and
13 I've also familiarized myself with the past
14 practice of the Commission and the scope of
15 authority that had been delegated by the
16 Commission to the executive director. And
17 I am, you know, independently comfortable
18 with what Executive Director Bedrosian has
19 recited as his understanding of the scope
20 of his authority.

21 CHAIRMAN CROSBY: Great, thank you.

22 MR. BEDROSIAN: Thank you. That's
23 all I have.

24 CHAIRMAN CROSBY: I have a question

1 for you or for somebody. We agreed to file
2 two pieces of legislation last meeting, the
3 GPAC operating ethics amendment and the
4 racing legislation. Have those been filed?
5 Is that --

6 MR. BEDROSIAN: You will now see how
7 I delegate authority.

8 MS. BLUE: They have not been filed
9 yet, but they will be filed before the
10 November 2nd date.

11 CHAIRMAN CROSBY: Okay, great, good.
12 Anything else for Director Bedrosian?

13 MR. BEDROSIAN: Thank you.

14 CHAIRMAN CROSBY: Now we are moving
15 to item number five, research and
16 responsible gaming, Director Vander Linden,
17 et al.

18 MR. VANDER LINDEN: Good morning,
19 Commissioners.

20 CHAIRMAN CROSBY: Good morning.

21 COMMISSIONER ZUNIGA: Good morning.

22 COMMISSIONER MACDONALD: Good
23 morning.

24 COMMISSIONER STEBBINS: Good

1 morning.

2 MR. VANDER LINDEN: I'm joined here
3 with a number of people from the Cambridge
4 Health Alliance Division on Addiction, and
5 I thought rather than kind of having me
6 introduce them if you could introduce
7 yourselves.

8 MR. SHAFFER: Sure. Thank you,
9 Mark. Good morning, Commissioners.

10 CHAIRMAN CROSBY: Good morning.

11 COMMISSIONER MACDONALD: Good
12 morning.

13 COMMISSIONER ZUNIGA: Good morning.

14 COMMISSIONER STEBBINS: Good
15 morning.

16 MR. SHAFFER: I'm Howard Shaffer and
17 I'm the director of the Division on
18 Addiction. Layne Keating is one of our
19 research associates, and Dr. Heather Gray
20 is one of our senior staff members who is
21 responsible for -- primarily responsible
22 for preparing the GameSense report.

23 CHAIRMAN CROSBY: Great.

24 MR. VANDER LINDEN: Thank you. So

1 in 2014 the Commission adopted a
2 responsible gaming framework. One of the
3 key strategies in that framework is
4 strategy two, supporting informed players.
5 It ensured informed player choices
6 providing casino patrons with information
7 so they can make an informed choice about
8 when to gamble, how much to spend and when
9 to walk away.

10 A key responsible gaming initiative
11 under that specific strategy was this idea
12 of a responsible gaming information center
13 that the Commission then proceeded to adopt
14 the GameSense program.

15 The GameSense program is a first of
16 its kind in the nation. And, so, when we
17 decided to use the space that's required by
18 statute as a GameSense information center
19 with staff there 16 hours a day, seven days
20 a week, we said we really need to bake
21 evaluation into this program. We want to
22 know how effective is it at achieving this
23 goal of supporting informed player choice,
24 not only supporting informed player choice

1 but across the range of gambling behaviors.
2 We wanted it to appeal to recreational
3 gamblers. We wanted to have a space for at
4 risk and problem gamblers as well.

5 So that's part of the goal of the
6 evaluation. And what we have for you today
7 is the first sort of major deliverable in
8 this evaluation. There are more to come.
9 The first step in this evaluation was a
10 basic epidemiology of who is coming to the
11 responsible -- to this GameSense
12 information center and what is their
13 understanding of the GameSense information
14 center.

15 And, I think, that our team from the
16 Cambridge Health Alliance Division on
17 Addiction is going to cover that largely
18 with you this morning. I'm not going to
19 elaborate on that any further. I think
20 instead I'd like to turn it over to them to
21 present their findings for this initial
22 stage of the evaluation.

23 MR. SHAFFER: Thank you, Mark. Mark
24 has done the difficult task of introducing

1 the project, and so I won't do that again.
2 But I am going to introduce a few things.
3 And on behalf of Layne and Heather, I want
4 to thank you all for inviting us here to
5 talk about this today.

6 We're going to describe just
7 selected issues related to responsible
8 gambling and to the results of this
9 GameSense project. We will do that in five
10 areas. We are going to talk a bit about
11 responsible gambling interventions, what
12 are they; a need for evaluation, why do we
13 need to evaluate programs like this; some
14 selected findings, as I mentioned; the
15 conclusions that we might be able to draw
16 at this particular time and some of the
17 future directions that we might go
18 considering, and I'll repeat this and I
19 think others will too, that the evaluation
20 tends to be a plastic --

21 COMMISSIONER ZUNIGA: Mr. Shaffer,
22 can you make sure that the microphone --
23 yes, just one closer to you and the other
24 one away.

1 MR. SHAFFER: Is this better?

2 COMMISSIONER ZUNIGA: You make sure
3 it's closer to the mike.

4 CHAIRMAN CROSBY: Mark, move it up
5 closer to his.

6 COMMISSIONER ZUNIGA: Just one.

7 CHAIRMAN CROSBY: Pull the other one
8 up closer.

9 COMMISSIONER MACDONALD: Help is on
10 the way.

11 MR. SHAFFER: So as I said, we'll
12 talk about this in five basic areas. And
13 let me begin by introducing the idea of
14 responsible gaming programs. People might
15 wonder what are these programs, where did
16 they come from, how did they begin.
17 Interestingly, they began at Harris Casino
18 with Project 21 where there were attempts
19 to keep young people under the age of 21
20 from getting involved in gambling. And it
21 was the first organized effort to get
22 involved in responsible gambling.

23 But responsible gambling programs
24 had their systematic framework birth around

1 2004 when with my colleagues around the
2 world we offered what was called the then
3 the Reno Model and the Reno Model was a
4 science-base framework for conducting
5 responsible gambling programs.

6 And a responsible gambling program
7 is an evidence-based, science-based, if you
8 will policies, and practices designed to
9 prevent reduced harms potentially
10 associated with gambling. So in the
11 technical sense, these are programs that
12 are designed to prevent the incidents, new
13 cases and reduce the prevalence, existing
14 cases of gambling related harm.

15 Responsible gambling programs
16 reflect the blueprint for action to
17 advance, evaluate and coordinate efforts to
18 limit gambling-related problems. So it's
19 not only the doing, but it's a systematic
20 approach to the doing. Responsible
21 gambling programs provide informed choice,
22 consumer protection and access to effective
23 treatment for those who need it.

24 Massachusetts has selected three

1 strategies for developing responsible
2 gambling initiatives. Those three
3 strategies are voluntary self-exclusion,
4 pre-commitment or setting voluntary
5 gambling limits and player education, which
6 these three areas translate into voluntary
7 self-exclusion, Massachusetts style,
8 setting limits in PlayMyWay style,
9 Massachusetts PlayMyWay of style and player
10 education, which is GameSense. And we're
11 here to talk primarily about GameSense
12 today.

13 We might wonder what can we learn
14 from an evaluation. There are all kinds of
15 things but examples to illustrate. In the
16 voluntary self-exclusionary area, we might
17 ask questions about who self-excludes; what
18 happens to those self-excluders overtime;
19 is it a benefit to them or a problem for
20 them and, ultimately, how can
21 self-exclusion protocols be improved to
22 make them both more accessible and more
23 effective.

24 What can we learn from voluntary

1 pre-commitment programs? We might wonder
2 do the subscribers who do choose to
3 pre-commit, are they different from
4 non-prescribers; is there something unique
5 about people who subscribe to a
6 pre-commitment program? And the question
7 that gets asked most often is: Do people
8 change the way they gamble; do they change
9 their gambling patterns after they get
10 involved with pre-commitment?

11 And the question we're here today to
12 talk about is GameSense. What services do
13 GameSense advisers provide; how do the
14 patrons perceive these services; how does
15 exposure to GameSense relate to responsible
16 gambling knowledge and behaviors; does
17 GameSense change behavior?

18 Now, we can ask all of these
19 science-based questions, but we should
20 remember that we don't have to have
21 scientific support for efficacy. We might
22 decide to engage in an information
23 education program simply because we believe
24 it's the right thing to do. In that case

1 we want, and in every case, we want to be
2 sure that programs don't cause inadvertent
3 harm.

4 We get asked often, I would say, why
5 evaluate; why do we have to evaluate
6 safety, efficacy, impact? And Tom Frieden,
7 the director of the CDC, Center for Disease
8 Control here in the United States perhaps
9 said it best, and I'm going to quote him
10 twice.

11 First, he said, and I quote,
12 "Rigorous monitoring and evaluation, with
13 mechanisms to avoid bias in the data or
14 misplaced confidence in program
15 effectiveness are essential for both
16 progress and sustainability," when we try
17 to develop and implement public health
18 programs. You might think about this as
19 the first principal of medical ethics,
20 which is to do no harm.

21 Tom Frieden continues, "Honest and
22 transparent assessment of progress or the
23 lack thereof -- even or especially if
24 temporarily inconvenient or embarrassing

1 because of lack of progress -- is critical
2 to allow continuous refinement of and
3 improvements in program strategy and
4 implementation." So under the best of
5 conditions, evaluation has its place.
6 Under the worst of conditions, evaluation
7 has its place.

8 Program evaluation is different from
9 basic research because it's plastic. The
10 program changes, the evaluation changes,
11 the program changes again and so on.
12 That's different from basic research where
13 we try and keep our measures fairly strict,
14 fairly intransient so that we know that the
15 measures are not influencing the results
16 that we draw. So if we think about
17 evaluation, we think about it in terms of
18 feedback and reporting loop.

19 The first step, which we've moved
20 through, is to develop the program and the
21 monitoring system. So GameSense is in
22 place. It's been developed. And the
23 monitoring system at this stage of
24 evaluation is also in place, and you'll

1 hear about that in just a moment.

2 The monitoring system should be used
3 to evaluate, again, safety, effectiveness
4 and impact. You might wonder, well, what
5 could possibly go wrong with an information
6 education program? It must be safe. There
7 are a variety of information education
8 programs that have been adopted across the
9 country that have demonstrated increases in
10 drug use, for example, or ineffectiveness
11 with drug use. So we simply have an
12 obligation to do no harm and be careful.
13 And to that extent, we put together this
14 evaluation program.

15 Then we summarize the findings,
16 which we're about to share with you. And
17 once we talk about those findings, we try
18 to identify areas both in the program and
19 the evaluation activities that can be
20 revised and improved, and then the cycle
21 starts over again.

22 You might wonder what the history of
23 responsible gambling research has to tell
24 us, what can they inform us. There have no

1 been no studies of responsible gambling
2 information centers in the United States,
3 but there have been two in Canada. And I
4 don't know of any at this particular point
5 in time around the world. So this is a new
6 undertaking from the evaluation side.

7 First these information centers are
8 designed to support the idea that
9 information and education will mitigate
10 potential harms associated with gambling.
11 In an Ontario responsible gambling
12 information center, visitors reported being
13 very satisfied with the information they
14 received and they rated the staff very
15 highly. I think you'll hear some of that
16 today about GameSense at Plainridge Park.

17 In Montreal a more systematic and
18 careful study was done where the
19 investigators were trying to understand
20 randomness, have visitors understand
21 randomness and they did that looking at
22 slot machine play in particular.

23 And what they learned was that
24 people understood randomness after having

1 this information and education, but they
2 really didn't change their gambling
3 behavior. So knowledge changed, some
4 attitudes changed but behavior really
5 didn't change. So now I'm going to turn
6 the microphone to Layne Keating who is
7 going to talk about the Plainridge Park
8 gambling GameSense project.

9 COMMISSIONER ZUNIGA: Before you do
10 that, Dr. Shaffer, can I ask, you don't
11 include British, Columbia as the examples
12 of GameSense evaluation; is that the
13 distinction you're making?

14 MR. SHAFFER: My understanding is
15 that they have not done systematic research
16 about GameSense.

17 COMMISSIONER ZUNIGA: Okay, thanks.

18 MS. KEATING: Thank you. So just
19 quick go over the timeline of this. So
20 before Plainridge opened in June of 2015,
21 the division worked with the Commission and
22 the Mass. Council to develop two evaluation
23 tools, which we will discuss in more detail
24 in a little bit.

1 GameSense advisers began using these
2 tools when Plainridge opened and continued
3 to use those for about five to six months.
4 During this time we used incoming data, GSA
5 feedback and our own draft observations to
6 continue refine these evaluation tools in
7 addition to the grouter protocol. We began
8 what we're referring to as Wave 1 of data
9 collection.

10 In December 2015, this lasted about
11 six months or exactly six months. And we
12 downloaded Wave 1 data May 31, 2016. Two
13 months later we delivered a report of our
14 findings to the MGC, and we'll report today
15 on these data. Made further refinements to
16 the data collection tools and launched Wave
17 2, which will also last six months this
18 August of this year. Wave 2 will run for
19 six months or until February 2017. And in
20 June 2017, we will prepare a report that
21 combines the data from both Waves 1 and
22 Waves 2 of the GameSense evaluation along
23 with findings from our other evaluations of
24 PlayMyWay involuntary self-exclusion.

1 So, again, with help from the Gaming
2 Commission and the Mass. Council, we
3 developed an online checklist for the GSA's
4 to act as a formal and enduring
5 recordkeeping system for them to record the
6 number and nature of their interactions.
7 We categorized these interactions into four
8 types with help from the GSA's based on an
9 increasing level of engagement. So we have
10 simple, instructive, demonstration and
11 exchange interactions.

12 Simple interactions represent
13 interactions between the visitor or
14 visitors and the GSA regarding an issue
15 other than a problem or responsible
16 gambling, such as directions with the
17 casino or simple greetings. Both
18 instructive and demonstration interactions
19 involved one-way communications from the
20 GSA to the visitor, involving information
21 about responsible or problem gambling.
22 While instructive might involve explaining
23 a topic verbally or using written materials
24 like pamphlets to discuss the topic,

1 demonstrations, interactions used,
2 demonstrations or games or the GameSense
3 information center kiosk to convey the
4 material.

5 And if the interaction began or is
6 involved into a two-way conversation
7 between the visitor and the GSA about a
8 responsible or problem gambling topic, then
9 refer to these interactions as exchanged
10 interactions. And I can provide examples,
11 if necessary.

12 So right now we're going to present
13 a very abridged version of our findings
14 from the checklist. So during the six
15 months of Wave 1, GSA's completed 5,659
16 checklists, which translates into about 31
17 interactions per day. Because these
18 interactions could include more than one
19 visitor, this translate into about 9,000
20 visitors or about 52 visitors per day.

21 As a reminder, these aren't
22 necessarily unique visitors because
23 visitors could be reflected multiple times
24 in different checklists. And since the

1 GSA's did not collect any identifying
2 information, we're unable to calculate the
3 count of unique visitors.

4 So looking at the services that the
5 GSA has provided, most of their
6 interactions were simple interactions about
7 71 percent, 15 percent were exchanged,
8 12 percent were instructive and about
9 2 percent were demonstration interactions.
10 We then broke down using the GSA checklist
11 and responses to the visitor survey.

12 We broke down GSA services down into
13 five categories or providing information
14 about responsible gambling, providing
15 information about PlayMyWay, information
16 about voluntary self-exclusion, enrolling
17 visitors in voluntary self-exclusion or
18 referring visitors to professional help or
19 professional treatment or self-help
20 resources.

21 Looking at the breakdown of all
22 interactions, we found that GSAs provided
23 responsible gambling information in about
24 28 percent of these interactions. When we

1 remove simple interactions from our
2 denominator, this percentage increases to
3 about 92 percent.

4 GSAs were less likely to provide
5 information specifically about PlayMyWay or
6 VSE, and fewer interactions involved
7 referring visitors to self-help or
8 treatment or enrolling them in involuntary
9 self-exclusion. Just as a reminder, both
10 GSA's and visitors can endorse more than
11 one type service, so these are not mutually
12 exclusive categories.

13 We also asked the GSAs to report how
14 their non-simple interactions began. So
15 for specifically for exchange interactions,
16 GSAs reported that most of these began as
17 simple intenerations or about 78 percent.
18 Only few began as instructive or
19 demonstration interactions, and 11 percent
20 began as exchange interactions or not
21 another type of interaction. This pattern
22 was very similar across instructive and
23 demonstration interactions where about
24 three quarters of each began as simple

1 interactions.

2 And, finally, GSAs recorded across
3 all interaction types that 41 percent of
4 visitors were repeat customers or that they
5 had previously interacted with those
6 specific visitors. And for specifically
7 exchanged interactions, GSAs reported that
8 7.5 percent of exchanged visitors were
9 emotionally distressed and about point 5
10 percent of those same visitors were -- of
11 exchange visitors in general were under the
12 influence of drugs or alcohol at the time
13 of their interaction.

14 Now, I'll introduce Heather from the
15 division to talk about specifically
16 findings related to the visitors' surveys.

17 MS. GRAY: Thanks, Layne. So as
18 Layne mentioned, I will be providing some
19 findings from the visitors' survey and also
20 some conclusions in future directions. And
21 one of the most important findings from the
22 visitor's survey has to do with response
23 rate, which is simply that the portion of
24 people who were eligible to complete a

1 visitor survey who actually did complete a
2 survey. And we want this to be as close to
3 100 percent as possible, because that gives
4 us confidence that the responses we do have
5 are representative of the whole population
6 at hand.

7 As a reminder, the visitor survey
8 was only administered after exchange
9 interactions, which as Layne mentioned,
10 those people represent about 15 percent of
11 all the people who visited GameSense during
12 our window of observation. So all the
13 findings that I'll be presenting are just
14 about that subset of visitors to GameSense.

15 The flowchart that you see there --
16 I won't go through all of the numbers. At
17 this point, the most important piece of the
18 flowchart is that we observed an 85 percent
19 response rate, which is excellent. It
20 gives us confidence in the responses that
21 we have in terms of their
22 representativeness.

23 We worked with the GSAs to get a
24 high response rate. The GSAs worked really

1 hard to try get as many people to complete
2 a survey after an exchanged interaction is
3 possible, so credit to the GSAs for that
4 response rate.

5 So now on to some findings. So one
6 of the questions we asked was about the
7 visitor's impression of the GameSense
8 adviser with whom they spoke. So we asked
9 them to answer the question. My GameSense
10 adviser listened to me, was knowledgeable,
11 was helpful and was caring. And we asked
12 this question because we intuited that
13 building rapport with visitors would be an
14 important goal for the GameSense advisers
15 for anything else they wanted to
16 accomplish. So this is why we asked this
17 question in Wave 1.

18 And what we found was that the vast
19 majority of visitors agreed or strongly
20 agreed with these statements. They really
21 tended to feel that their GameSense adviser
22 listened to them, was knowledgeable and so
23 on. Only a small subset had uncertainty
24 about this. And, again, only a small

1 subset disagreed or strongly disagreed with
2 these statements, so that is one finding
3 from Wave 1.

4 We also asked, "Did you have any of
5 these concerns when you began your
6 conversation with the GameSense adviser?"
7 We wanted to know what concerns or
8 questions they had when they approached or
9 started to speak with the GameSense
10 adviser. And we found that the most
11 frequent response was that they were simply
12 curious about GameSense.

13 So GameSense was pretty visible in
14 the casino. They could see it on their way
15 in from the parking lot, and they were
16 probably just wondering what is it all
17 about. And, so, they ended up speaking to
18 a GameSense adviser for that reason. But
19 they could check off as many of these answers
20 as they wanted.

21 And the second most frequent
22 response was that they wanted to learn more
23 about how gambling works, and then about
24 31 percent or so said that they wanted to

1 learn more about strategies to keep
2 gambling fun, and the other responses were
3 less frequent. So just to pull out some
4 examples here, 2.5 percent of people said
5 that they wanted help or information about
6 problem-gambling. So problem-gambling
7 didn't seem to be on their minds much when
8 they first started speaking to a GameSense
9 adviser.

10 Another question we asked was, "To
11 what extent was your primary question
12 answered?"

13 CHAIRMAN CROSBY: Excuse me. That
14 is sort of a funny conclusion. Because if
15 one of them says, I wanted information
16 about getting legal or financial help,
17 another one wanted voluntary
18 self-exclusion, all those people clearly
19 had problem-gambling on their mind.

20 MS. GRAY: Yes. I'm just talking
21 comparatively, so that's a small subset,
22 but that subset did have those concerns.

23 CHAIRMAN CROSBY: Almost all of
24 those single digit categories are people

1 who had some serious problem with
2 problem-gambling, right?

3 MS. GRAY: Absolutely.

4 CHAIRMAN CROSBY: It was more like
5 20 percent, not 2.5.

6 MS. GRAY: You can't just add all of
7 those up.

8 COMMISSIONER ZUNIGA: You can have
9 more than one concern.

10 CHAIRMAN CROSBY: Right.

11 MS. GRAY: So we asked them to what
12 extent their primary question was answered
13 or their primary concern was resolved.
14 Again, we see that the majority of people
15 are saying, whatever their concern was,
16 whether they wanted legal help or referral
17 to problem-gambling services or whether
18 they were just curious about GameSense,
19 that question was answered. That concern
20 was resolved completely. A smaller
21 proportion said it was somewhat resolved.
22 Only one percent said not at all, and then
23 the remaining 7 percent didn't answer the
24 question.

1 We wanted to get a little bit of
2 information about their backgrounds,
3 especially as they relate to gambling
4 involvement and gambling-related problems.
5 So we asked them, "Have you ever had any of
6 these problems with your gambling?" I
7 should point out this question wasn't
8 included on all versions of the survey. It
9 was only included in one version and so
10 these data are based on a sample of 171
11 people.

12 So what we found was that most
13 people who saw this question reported that
14 they had not experienced gambling-related
15 problems. 83 percent didn't endorse any of
16 these problems. The most frequently
17 reported problems were having money
18 problems because of gambling. So 12 people
19 said that that was the case for them in
20 their lifetimes, and 11 people or
21 6.4 percent said that they had had problems
22 with friends or family members because of
23 their gambling, so they are experiencing
24 some of these social consequences of

1 gambling problems. And then the other
2 responses were less frequent.

3 We wanted to begin to explore how
4 speaking with a GameSense adviser might
5 change their behavior. So we asked them,
6 "As a result of your conversation with the
7 GameSense adviser, will you do any of the
8 following?" And they could select as many
9 responses as they wanted. The most
10 frequent response here looks like about
11 57 percent. I can give you the number if
12 you're interested. But the most frequent
13 response was, "Tell someone about the
14 GameSense information center."

15 So they might tell friends or family
16 members, you know, hey, I spoke with
17 someone at Plainridge and here is what it's
18 all about. Another frequent response was,
19 "Visit the GameSense website or think about
20 my own gambling."

21 We asked about changing their own
22 gambling behaviors and fewer visitors
23 indicated that they would change their
24 gambling behaviors, either reducing their

1 gambling behaviors or increasing their
2 gambling behaviors but some did. And this
3 is based on a sample of 144 people.

4 In this question we asked, "Which
5 groups of people might benefit from having
6 a conversation with the GameSense adviser?"
7 And we gave them three options, and they
8 could endorse as many as they chose. The
9 options were people who have a gambling
10 problem, people at risk for developing a
11 gambling problem and anyone who gambles.

12 So about 90 percent of people said
13 that anyone who gambles, might benefit from
14 talking with a GameSense adviser. And this
15 seems to be in line with some of the goals
16 of GameSense from the outset. That they
17 wanted GameSense to be seen as a resource
18 for anyone, not just for people with
19 problems. Because if it was seen as a
20 resource for people with problems, that
21 might be stigmatizing and it might turn
22 people off from going to the information
23 center. So fewer people reported that they
24 felt it was beneficial to people who have a

1 problem or are at risk for having a
2 problem.

3 So there are other findings in the
4 report. But to summarize the ones that I
5 have described today, we could conclude
6 that most visitors in the exchanged
7 interactions only reported that they liked
8 their GSA. By that I just mean they
9 thought the GSA was knowledgeable and
10 caring and so on.

11 They reported that they were
12 approaching the GSA mostly out of curiosity
13 and comparatively few approached the GSA in
14 need of problem-gambling help. Most people
15 felt that their concerns were completely
16 resolved after speaking with a GameSense
17 adviser. We have a few more here.

18 Most people reported that they had
19 not experienced problem-gambling
20 consequences in their lifetimes. They
21 don't -- they say that they don't plan to
22 change their gambling behavior as a result
23 of their conversation in either direction
24 to reduce or increase. And the majority of

1 visitor survey respondents did not endorse
2 the options that GameSense was beneficial
3 to people who have a gambling problem or
4 are at risk for a gambling problem.

5 And we also had a place on the
6 survey just to write an open-ended
7 comments. I believe there were about 150
8 comments or so and they were nearly all
9 positive, well over 90 percent were on the
10 positive side.

11 We were laughing there were a lot of
12 comments saying there should be more coffee
13 at Plainridge. People were saying things
14 about they wish they could play Bingo
15 there. We kind of just put those to the
16 side. Not much we can do about that.

17 So some conclusions from this first
18 wave of data collection for GameSense.
19 This goes back to the evaluation loop that
20 Howard mentioned at the beginning. So we
21 are right now in the stage of using that
22 monitoring system if we look at the green
23 box to measure safety, effectiveness and
24 impact and summarizing the findings.

1 What we can conclude from this
2 preliminary evaluation of the two waves is
3 that it does -- GameSense does appear to be
4 safe for the visitors who had those
5 exchanged interactions with GameSense
6 advisers. We don't have any evidence that
7 it's unsafe for those people who, again,
8 represent about 15 percent of GameSense
9 visitors.

10 We can conclude that it appears to
11 be effective in establishing rapport. So
12 in the findings that I discussed, as well
13 as some of the other findings in the
14 report, they're saying that they are
15 satisfied with their GameSense services.
16 They felt that their concerns were
17 resolved. They had positive feelings about
18 the GameSense adviser. So if we look at
19 that as just one goal of the project of
20 establishing rapport, that does seem to be
21 effective at least at this point in time.

22 We are going to learn more about
23 effectiveness in Wave 2, because we are
24 going to start to look at how does exposure

1 to GameSense relate to peoples' knowledge
2 and behavior about responsible gambling,
3 because that of course might be another
4 goal of the program itself is to change
5 peoples' behavior in healthy ways. We
6 can't conclude anything about that at this
7 point.

8 And finally for impact, which is the
9 third criteria that we want to look at in
10 the evaluation loop. Layne mentioned that
11 there were about 52 people who visited
12 GameSense each day. Some of those people
13 are counted twice just with the monitoring
14 system that we have in place, which doesn't
15 collect identifying information.

16 So 52 visitors a day, we know from
17 communications with Penn that that
18 translates into about 6.67 percent of daily
19 Plainridge Park visitors who, again, could
20 be counted more than once in that estimate,
21 people coming in twice in the same day. So
22 that is just one way to measure impact. Of
23 course there are lots of ways to measure
24 impact.

1 We know that people who visited
2 GameSense a lot of them said that they
3 would talk to friends and family about
4 GameSense, and that is a whole other way
5 that we could measure the impact of these
6 conversations. The foot traffic, the
7 proportion of the foot traffic is another
8 way to measure impact at least during the
9 six-month window of observation that we're
10 reporting about today.

11 CHAIRMAN CROSBY: Thank you very
12 much. Sorry, were you done?

13 MS. GRAY: I just wanted to mention
14 a few limitations, and then I'll wrap up.
15 So the limitations, on one of them is that
16 the findings are not representative of
17 everyone who interacted with GameSense
18 advisers, and that group is not necessarily
19 representative of all Plainridge Park
20 casino patrons, and that group is not
21 necessarily representative of all people
22 who will be visiting Massachusetts casinos.
23 So we just want to keep that in mind when
24 we're looking at the findings from the

1 visitor survey.

2 We mentioned that there's a
3 possibility of a halo effect in the visitor
4 survey. And by that I mean, this is a
5 finding that has been in the psychology
6 literature for nearly 100 years now is that
7 if I have a positive feeling about you on
8 one dimension, that tends to spill over
9 into lots of other dimensions. And we
10 think there's a possibility that that had
11 happened when we ask people to give their
12 impressions of the GameSense advisers.

13 So if they said that the GameSense
14 adviser was knowledgeable, they were very,
15 very likely to say that person was caring;
16 whereas, you know, those things don't
17 necessarily always go together. Someone
18 could be knowledgeable and not caring. So
19 that's just one limitation when we ask
20 those kinds of questions in any study like
21 this. Of course there was some missing or
22 incomplete data. Again, the
23 generalizability not beyond Plainridge Park
24 Casino GameSense services.

1 So in some future work, we want to
2 start to look at more general perceptions
3 of GameSense, and we're going to try to
4 work with Rachel Volberg and her sigma
5 "patron intercept" to get a better sense of
6 how other people at the casino view
7 GameSense, not just those who have an
8 interaction with the GameSense adviser.

9 We have proposed doing a survey with
10 Plainridge Park employees to see what they
11 think about GameSense. And as I mentioned
12 in Wave 2, we want to start to look at
13 visitors, responsible gambling knowledge
14 and behavior. Thank you.

15 CHAIRMAN CROSBY: Thank you very
16 much. Questions or comments?

17 COMMISSIONER MACDONALD: Yes, I do
18 have a question, Heather, that on that
19 slide of visitor survey summary that you
20 say that most visitors in the exchanged
21 interactions reported that they and then
22 the third bullet point, and this is on the
23 second slide, was that they don't perceive
24 GameSense to be beneficial for those who

1 have a gambling problem or are at risk for
2 a gambling problem.

3 I spent some time going through the
4 backup material here. I spent some time
5 going through the backup material as part
6 of your submission, and I didn't see where
7 in the data that that conclusion was based
8 upon.

9 MS. GRAY: Okay. Layne is going to
10 try to bring it up. So this goes back to
11 this question of which groups of people
12 might benefit from having a conversation
13 with a GameSense adviser. So people could
14 endorse as many options as they wanted.
15 The majority of people said that anyone who
16 gambles, but only a minority of people said
17 that people who have a gambling problem
18 would benefit from a conversation with a
19 GSA. And, again, only a minority of people
20 said that people at risk for developing a
21 gambling problem would benefit, so that's
22 where that conclusion comes from.

23 MR. VANDER LINDEN: If I could just
24 take that a little bit further. It seems

1 to me like it could easily be interpreted
2 that anyone who gambles would be
3 inconclusive of those with a gambling
4 problem or at risk. And perhaps in next
5 steps if this question is asked again, you
6 would add a category of people who are
7 recreational gamblers. And that way you
8 would technically cover the spectrum of
9 gambling behavior, and you could better
10 kind of interpret the results of that
11 question.

12 MS. GRAY: I think adding another
13 option would make sense if we were to
14 include this question again.

15 CHAIRMAN CROSBY: Yes, it's a good
16 point. Anybody else? Go ahead.

17 COMMISSIONER MACDONALD: I would
18 endorse that as well. Because just taken
19 on its own, it seems to suggest that the
20 program at least at this stage of first
21 wave is not perceived as beneficial for
22 those who actually have a gambling problem.

23 CHAIRMAN CROSBY: Right.

24 COMMISSIONER MACDONALD: So this

1 bear is really drilling down.

2 CHAIRMAN CROSBY: Yes, good point.
3 Anybody else? Heather, do I remember
4 correctly that we didn't do interviews,
5 follow-ups with the VSEs, people who were
6 in an exchange transaction but wanted to
7 become on the self-exclusion list that they
8 were not interviewed? They did not have
9 the questionnaire?

10 MS. GRAY: They didn't complete a
11 visitor survey, because they had a whole
12 other set of surveys.

13 CHAIRMAN CROSBY: Does that suggest
14 anything? I can't quite if there were --
15 if in that period of time there were what,
16 like 80 to 100 people, something like that?
17 How many people were on the VSE list?

18 MS. GRAY: 54 during this window.

19 CHAIRMAN CROSBY: So we took out of
20 the questionnaire 54 of the most troubled
21 people. Does that say anything -- had they
22 been in there, does that suggest something
23 might have looked a little different? I
24 mean, it suggests it but I am not quite

1 sure which way it cuts. Can you just sort
2 of imagine or extrapolate what would that
3 have done to the data?

4 MS. GRAY: Imagining isn't anything
5 I'm particularly good at.

6 MS. KEATING: You only represent
7 about 5 percent.

8 MS. GRAY: So that would be about
9 5 percent. Yes, it's hard to say how it
10 might have changed the pattern of visitor
11 survey responses. I could imagine it going
12 in any particular direction. I mean,
13 anecdotally and, again, anecdotally, the
14 GSAs have come here and talked about
15 positive experience that they have had.

16 I know Amy had some examples of
17 people who tell her that they have a
18 positive experience with voluntary
19 self-exclusion. Now, that's not based on
20 any evidence that we have collected. So it
21 could go in any direction really.

22 CHAIRMAN CROSBY: And I guess that
23 represents 5 percent of those respondents,
24 did you say?

1 MS. KEATING: Yes, 50 out of
2 thousand exchanged interactions.

3 CHAIRMAN CROSBY: So it couldn't
4 have a dramatic impact on anything in terms
5 of the statistics. Okay, interesting. And
6 we didn't do that because we felt it would
7 not be constructive with these folks,
8 right?

9 COMMISSIONER ZUNIGA: We were
10 evaluating the voluntary self-exclusion.

11 MS. GRAY: Separately.

12 COMMISSIONER ZUNIGA: Separately.
13 That's the other evaluation they are doing.

14 MS. KEATING: So we are surveying a
15 percentage of those people but not --

16 CHAIRMAN CROSBY: For something
17 else, right.

18 MS. KEATING: Yes, not through
19 GameSense evaluation.

20 CHAIRMAN CROSBY: Okay. Anybody
21 else, questions?

22 COMMISSIONER STEBBINS: Just two
23 quick questions. You had a very strong
24 response rate. What do you think was the

1 reason for that?

2 MS. GRAY: Very hard work. When we
3 first started -- so when we first started,
4 I want to say it was done around 15,
5 20 percent. And so, you know, the GSAs to
6 their credit they were taking on a lot of
7 responsibilities from the very beginning,
8 surveying, the checklist and then learning
9 their jobs is the first in the country to
10 be doing this.

11 So we really worked hard with them.
12 We took their feedback into consideration
13 and tried to make it easier for them to
14 administer the survey. We monitored it
15 very carefully every week. We looked at
16 the numbers, met with them, got their
17 feedback and kept working at it. And I'm
18 hoping that it stays that high for Wave 2.

19 COMMISSIONER STEBBINS: The second
20 question was more of your experience in
21 research and obviously on addiction issues.
22 When you're asking somebody in the
23 questions, you know, do you have money
24 problems because of your gambling, is there

1 a cushion or a margin that you kind of say
2 we're only going to get a certain percent
3 that will be factual and truthful with us
4 or that people will try to hide the answer
5 and kind of brush off those questions?

6 MR. SHAFFER: That's a terrific
7 question for many reasons. But we're in a
8 unique position when we ask these questions
9 and the GSAs when they hand out the
10 checklists are in a unique position, so
11 it's surprising that people will answer
12 these questions much more accurately than
13 you think, particularly under certain
14 circumstances, for example, doctor/patient,
15 we talk about all kinds of intimate things
16 that we wouldn't talk about with others.

17 And there is a spillover effect when
18 professionals ask these kinds of questions
19 in a professional way with professional
20 demeanor, people will respond to them.
21 There's still some percentage of
22 misdirection or impression management, but
23 overall we can get pretty good information.

24 COMMISSIONER STEBBINS: Thank you.

1 COMMISSIONER ZUNIGA: Dr. Shaffer,
2 you mentioned instances in which programs
3 like this and other areas like drug
4 prevention that you've also researched
5 extensively result in harm. Can you give
6 us an example -- and so far this has not
7 been the case in these programs, which to
8 me is good news. Can you give us an
9 example of what that might mean to the
10 GameSense program? I know you may not like
11 to speculate. But what in our world
12 could --

13 MR. SHAFFER: Well, I think the
14 examples are actually fairly simple. In
15 the drug field, in the drug prevention
16 field, there is a situation that has
17 occurred more than we would like where we
18 teach young people, for example, about the
19 dangers of using drugs. And people who are
20 on the fence, they are thinking about it
21 but not doing it want to know what all the
22 hollering is about and they begin to use
23 drugs when they might not have. And that's
24 happened in more occasions than we'd like

1 to report.

2 So in this circumstance, there are
3 people who might be curious about gambling,
4 they might learn about gambling, they might
5 gamble more than they intended after they
6 are armed with certain information and
7 knowledge because they think that they
8 understand it couldn't happen to them. I'm
9 not suggesting that's the case. But in
10 terms of what the likely adverse reaction
11 would be, I think that would be it.

12 COMMISSIONER ZUNIGA: Thank you.

13 CHAIRMAN CROSBY: I wanted to
14 actually follow-up on Commissioner
15 Macdonald's question and I hadn't really
16 thought about this before. But if you ask
17 people for whom GameSense would be useful
18 and they say "all gamblers," how do you
19 interpret that to say that they don't
20 perceive it to be beneficial for people who
21 are at risk who have a gambling problem?

22 MS. GRAY: I think that our
23 interpretation is based mostly on the way
24 that we ask the question and gave them the

1 instruction to select as many responses as
2 were applicable, and about 20 to 30 percent
3 of people were able to say that, yes,
4 people who gamble, and also there's more
5 specific categories of people who have a
6 gambling problem or people who are at risk
7 of having a gambling problem.

8 Now, if no one endorses those other
9 two options, we might be a little less
10 confident about peoples' interpretation of
11 that question. But the fact that at least
12 some people interpreted that question the
13 way that we intended, which was to select
14 as many as apply and gives us some
15 confidence. And of course there's always
16 some room for interpretation of any
17 question you include in the survey.

18 That's the way that we interpret
19 that finding. Again, it's consistent with
20 the way that GameSense was implemented from
21 the outset as something that would be seen
22 as a resource to anyone and not stigmatized
23 as a resource just for people with
24 problems.

1 CHAIRMAN CROSBY: That seems like an
2 odd conclusion to me. I think the idea of
3 breaking that out and letting people, you
4 know, so that we know what they are saying
5 rather we are trying to guess what they are
6 saying would be positive. Anybody else?

7 COMMISSIONER MACDONALD: Actually, I
8 have a comment, which is directed more to
9 my fellow Commissioners than it is to the
10 team. Very early in my professional life,
11 I was involved with issues of survey design
12 and research programs in connection with
13 criminal justice reformed projects, and I
14 very early became an advocate for objective
15 evaluation and the whole idea of the
16 feedback loop of evaluation to refine the
17 operation of the program at issue or even
18 do away with the program at issue.

19 And those quotes which Dr. Shaffer
20 included in this presentation from Dr.
21 Frieden of the director of the CDC, I
22 think, expressed in my mind exactly why
23 this is so important for us, specifically
24 that just rereading, "Rigorous monitoring

1 and evaluation, with mechanisms to avoid
2 bias in the data or misplaced confidence in
3 program effectiveness are essential for
4 both progress and sustainability."

5 And then the second, "Honest and
6 transparent assessment or lack thereof,
7 even or especially if temporarily
8 inconvenient or embarrassing because of a
9 lack of progress is critical."

10 In those early experiences that I
11 had, I firsthand developed the hostility
12 that was exhibited by certain people who
13 were basically invested in the programs
14 that were being implemented to kind of the
15 bright light of objective assessment coming
16 on them.

17 So I could not more strongly support
18 this effort in order that we not only get
19 information that we might welcome, but also
20 to get information, frankly, that we don't
21 welcome in order to be able to refine the
22 efforts that we're making to address the
23 issues that underlie this -- underlie this
24 part of our mission.

1 CHAIRMAN CROSBY: Yes, that's a good
2 point.

3 COMMISSIONER MACDONALD: So you're
4 doing great work.

5 CHAIRMAN CROSBY: And it's a
6 critical part of the legislation, too. You
7 know, that the legislature wanted to find
8 out what happens when you introduce casinos
9 to Massachusetts for good or ill, you know.
10 And that's an important reminder for all of
11 us that our job here is not to get pats on
12 the back. Our job here is to try to figure
13 out if we are doing things well. And if
14 we're not, to try to adjust it.

15 So this is where we, as you know,
16 are tremendously committed to this whole
17 range of programs and take this mandate
18 very seriously, but that makes the
19 evaluation of it, you know, really
20 critical, so I totally endorse that. It's
21 a point well reminded.

22 COMMISSIONER ZUNIGA: I do have a
23 comment for the research team, Dr. Shaffer,
24 and all your colleagues. I had the benefit

1 of being apprized of all the progress, you
2 know, and all your methods and the report
3 that I read a little while ago when you
4 first presented it to us, and now we're
5 presenting it publically.

6 I just want to thank you for your
7 methodical approach, your very objective
8 way of going about it and I think there's a
9 lot of information here that of course you
10 only summarized. The report is of course
11 in our packets for the members of the
12 public, but thank you for all your hard
13 work.

14 MR. SHAFFER: Thank you all for the
15 opportunity.

16 CHAIRMAN CROSBY: Okay, thanks very
17 much. Mark?

18 MR. VANDER LINDEN: I just wanted to
19 say one last thing about our GameSense
20 advisers and just the amazing work that
21 they have done that from day one when the
22 Plainridge Park Casino opened, they have
23 been there seven days a week, 16 hours a
24 day under intense scrutiny all through the

1 evaluation, as well as a lot of eyes on
2 them and the job that they are doing they
3 have -- I believe that they have passion
4 and commitment to their jobs and the
5 mission of the program and of the
6 Commission and to have an 85 percent
7 response rate and do their job, learn their
8 job every day is a great testament to their
9 hard work.

10 CHAIRMAN CROSBY: And thank you to
11 Marlene Warner and the Mass. Council for
12 taking this on. Thank you. Great, thanks
13 everybody.

14 MR. BEDROSIAN: Mr. Chairman, can we
15 take a quick break? We need to swap out
16 some technology.

17 CHAIRMAN CROSBY: Yes, we'll take a
18 quick break.

19
20 (A recess was taken)

21
22 CHAIRMAN CROSBY: We are reconvening
23 public meeting number 202. We are on
24 item -- are you saying something to me,

1 Mike? Item number six, racing division.

2 MS. LIGHTBOWN: Good morning,
3 Commissioners.

4 COMMISSIONER ZUNIGA: Good morning.

5 COMMISSIONER MACDONALD: Good
6 morning.

7 MS. LIGHTBOWN: Today I've got with
8 me our chief pari-mutual officer, Doug
9 O'Donnell, and then I'd like to introduce
10 the people that we have from Penn Gaming
11 with us, Chris McErlean, the Vice President
12 of Racing for Penn National Gaming, Micah
13 Lloyd from Ebet Technologies and Sportech,
14 the Vice President and General Manager
15 Digital. Next we've got Josh Pearl, Penn
16 National Gaming, the I-gaming project
17 manager and then Steve O'Toole, the
18 Director of Racing for Plainridge Park
19 Casino. And now I'll turn it over to
20 Chris.

21 MR. MCERLEAN: Thank you, Alex.
22 Thank you, Commissioners, for the time to
23 address this matter. I think as everyone
24 was aware Plainridge has had an ongoing

1 account wagering operation included under
2 the Massachusetts statute approved by the
3 Commission. What we're bringing forward
4 today is an expansion of that existing
5 account wagering operation.

6 As you may be aware, Penn National
7 Gaming, the parent company of Plainridge,
8 operates a number of racetracks across the
9 country, 12 racetracks. We're the largest
10 pari-mutual operator in the country. We
11 also have account wagering operations that
12 have been based in Pennsylvania, and that's
13 been in operation since the early 1980s.
14 So we have a lot of experience in this
15 area.

16 In account deposit wagering,
17 obviously ADW is one of the growing parts
18 of the pari-mutual business. We started at
19 Penn National with our telephone wagering
20 operations said in the early '80s. One of
21 the first operations in the country. We
22 were one of the first companies to actually
23 be online with our Ebet's USA platform in
24 the late 1990s.

1 And with our purchase of Plainridge
2 racecourse in 2014, we acquired the Wynn
3 line operation and have been running that.
4 And, I think, our past couple of license
5 applications, we had indicated we were
6 continuing to look at the feasibility of
7 merging that into our overall ADW
8 operations.

9 This past year Penn National has
10 established a separate eye gaming division,
11 which is working on a number of projects in
12 that space, both social and paid gaming.
13 And with that, the ADW is part of that
14 division and we have been trying to
15 re-brand the ADW, tried to expand it and,
16 hence, our new name "Hollywood Races,"
17 which was launched this past April.

18 We integrated it into our Penn
19 operation, and we are now going national
20 with it. And we look today to get approval
21 from the Commission to implement it in the
22 State of Massachusetts very shortly.

23 So, Hollywood Races right now
24 operates in 18 states. Content is we have

1 all thoroughbred tracks, standardbred
2 tracks, quarter horse tracks from around
3 the country, full menu. For our
4 Massachusetts operation, as we do right
5 now, we do offer telephone wagering on
6 greyhounds. We plan to offer for
7 Massachusetts residents only greyhound
8 racing online. To my knowledge, we will be
9 the only operator in the state offering
10 that to Massachusetts residents.

11 We have a desktop version. We have
12 mobile application, and we will continue
13 with the telephone wagering option as well
14 for customers. We have a short demo on the
15 desktop and mobile application for you.
16 The desktop and mobile includes live video
17 of replay for all the races. And we also
18 have enhanced funding operations options
19 for the Hollywood Races platform that will
20 speed up both funding and the deposits and
21 withdrawals.

22 One of the other advantages that we
23 feel we have, a competitive advantages
24 being having a bricks-and-mortar location

1 here in Massachusetts. As they can right
2 now, customers can come in, fund that
3 track, withdraw the track. A lot of our
4 competitors are internet only, online only
5 and they don't have that option to do it.
6 So we think that will certainly be an
7 advantage for us.

8 The platform is provided by Ebet
9 technologies. Ebet is a subsidiary of
10 Sportech, which is also our tow provider at
11 Plainridge and for all our Penn National
12 gaming tracks. Sportechs has been our
13 partner for several years, and Ebet has
14 been our partner on the online portion
15 since 1999 when we started with our online
16 account wagering.

17 Ebet also provides white label
18 solutions for other entities around the
19 country, and they are licensed as a
20 multi-jurisdictional simulcast interactive
21 tote wagering hub in the State of Oregon.
22 So, Ebet basically is our vender providing
23 the front-end platform. Obviously
24 everything is running through this

1 Massachusetts license for purposes of
2 wagering for residents of the State of
3 Massachusetts.

4 COMMISSIONER MACDONALD: Excuse me,
5 what does this phrase "white label" mean?

6 MR. MCERLEAN: It's sort of a
7 template. So it's when you see the
8 website, it's we can fill in the blanks.
9 It's a similar template for other
10 locations, and then we personalize it. You
11 may hear the word "skin," so we can
12 customize it look and feel for our use but
13 it's a similar skin that other companies
14 may use as well. So they have, I think,
15 about 10 or 12 other entities that use
16 their account wagering platform. It may
17 look similar. But, again, logos coloring,
18 schemes, some of the content might be a
19 little bit different.

20 I don't know if anyone has any
21 questions. We had want a short -- just
22 wanted to give sort of short demo feel to
23 see -- give you a feel for what's going to
24 be coming. We do have a timetable.

1 Assuming that we're confirmed today with
2 Commission approval, we hope in December to
3 be transitioning or existing accounts or
4 existing Wynn line customers. We'll be
5 doing communications, marketing
6 communications and reach out for those
7 customers to let them know the new
8 platforms that are available and in terms
9 of, you know, how they can gain access to
10 that.

11 We are hopeful that that will be
12 done by the end of the year. You will
13 start seeing us being a little abreast in
14 terms of customer acquisition, marketing
15 for getting new customers onto the
16 platform. And when we return to live
17 racing in the spring, we will be doing a
18 lot of promotions tied directly to
19 promoting Plainridge Park slide races.

20 Right now we're promoting all our
21 Penn National tracks, special incentives,
22 wagering incentives to get people to watch
23 and wager on our races. And, obviously,
24 that's a benefit, you know, not obviously

1 not only for us but for the horsemen and
2 the state as well in terms of promoting the
3 live racing at Plainridge Park. So we are
4 excited about the ability to introduce this
5 new platform to the residents of the State
6 of Massachusetts.

7 As I said, we have a short demo here
8 both our desktop version and our mobile app
9 to give you a feel for what it looks like
10 and how a customer can make their wagers.
11 And certainly if there's any questions
12 either during that demo or afterwards, we
13 are more than happy to answer those.

14 COMMISSIONER MACDONALD: I just
15 might ask a preliminary question of
16 Director Lightbown and perhaps General
17 Counsel Blue. From the materials it
18 appears, and correct me if I'm wrong, that
19 pursuant to General Laws Chapter 128A
20 Section 5C that it's clear that there is
21 authority for an account holder to place
22 wagers in person by telephone or other
23 electronic media; is that so --

24 MS. LIGHTBOWN: Yes, that's correct.

1 COMMISSIONER MACDONALD: So there's
2 no question as to the legality of a
3 platform like this, correct?

4 MS. LIGHTBOWN: Correct.

5 CHAIRMAN CROSBY: Okay. Go ahead.
6 Do you want to do your demo?

7 MR. MCERLEAN: Yes, if we could.

8 MR. LLOYD: Good morning,
9 Commissioners.

10 CHAIRMAN CROSBY: Good morning.

11 COMMISSIONER MACDONALD: Good
12 morning.

13 MR. LLOYD: I want to make sure this
14 is streaming okay to the internet. Do I
15 need to move it to the left? I'm starting
16 off on our, quote, unquote, front page.
17 This is what patrons would see when they
18 first approach the site, and we can display
19 promotional aspects as Penn National
20 desires.

21 We have information that's
22 available, promotional and help menus,
23 wager online. We are going to show you the
24 main wagering interface. It's a bit small.

1 Is this all right for you guys?

2 COMMISSIONER ZUNIGA: Yes, it's
3 fine.

4 MR. LLOYD: It paints a story from
5 left to right for upcoming races in terms
6 of business to post so you can quickly get
7 to the races you wish to see. It shows the
8 upcoming tracks, which is filterable by
9 ones that you find as your favorite or
10 greyhound racing or harness racing or
11 thoroughbred racing, whichever you wish to
12 drill down and additional carryover and top
13 pooled information at the bottom. If you
14 wish to collapse these things to make room
15 for others, you can do so and grow your
16 widget accordingly.

17 Painting to the next site, we have
18 our wagering pad where you can select your
19 track that is coming up, place a wager. Do
20 it quick. We will place will play -- I
21 can't pick a winner to save my life, so
22 I'll pick the favorite. And an option to
23 cue the bet if you wish to put it in a
24 store of sorts and place the wagers all at

1 once later or place the bet now. I will
2 confirm the bet. We submit this to the
3 tote, the tote sends this to the approval
4 and we have a confirmed bet.

5 Your wager is tracked on the
6 right-hand side. It shows you a number of
7 active wagers. It shows that you have
8 active wagers in my bets, so you can
9 quickly pull up and find the active wagers
10 if you wish to go back and review them.
11 You can also click on them over here and
12 get to the page. And additional
13 information in terms of orders placed, your
14 account information if you want to go back
15 to your wager.

16 Viewing the video can be handled on
17 the left, middle or right-hand side of the
18 screen if you wish to see video for the
19 center, a larger screen, you can simply
20 pull it up there or extract it to another
21 window. I'm not sure that the speed here
22 is conducive to showing you live video, so
23 I'll defer that for now.

24 The completed wagers I showed some

1 earlier in the day. I'm hearing myself too
2 loudly then. It looks like the video may
3 not be doing too well with my shared
4 network here. If I could hop over to the
5 mobile device, I'm going to unplug this
6 real quick and this is my iPhone app. We
7 have dedicated native apps available for
8 Android and for Apple. It is showing the
9 same account that I was showing you earlier
10 through the website.

11 My account balance is \$23.37. I do
12 not -- I will place a wager, and we paint a
13 story this way vertically on the right-hand
14 side selecting the tracks and the race and
15 the bet types and the amounts and the
16 runners as a breadcrumb of a wager journey.
17 We will select something a little bit down
18 the road.

19 We will take a place bet, a \$2 place
20 bet, and we can display the number of
21 runners in a very quick just push the
22 buttons or by clicking on the expand button
23 at the top you can pull up more of the
24 details of each runner. We'll place a

1 wager on this guy, because I can't pick a
2 winner to save my life. There we go.

3 Now, from this screen you have the
4 option to go back and place wagers on the
5 same track or place a new wager anytime.
6 Clicking on the upper left-hand corner, we
7 have options to move back to the home
8 screen, view my bets and wallets and
9 wagers. You can display your balance in
10 the upper right-hand corner or hide it if
11 anyone is looking over your shoulder.
12 Video is also available. Probably not -- I
13 do not have the audio turned on.

14 COMMISSIONER ZUNIGA: Is this the
15 race happening right now?

16 MR. LLOYD: Yes, this is live. The
17 information is seen between the phone app
18 and your online app. And if I take the
19 screen back to my laptop, you will see that
20 it will pop up. The wager I just placed on
21 my phone is showing in the bet details on
22 the right for active wagers. That is a
23 quick summary of the online and phone apps
24 available right now.

1 CHAIRMAN CROSBY: That's really cool
2 if you ask me. Anybody else, questions,
3 comments?

4 COMMISSIONER ZUNIGA: I have a
5 couple of questions perhaps for Chris or
6 whomever. So have you just understanding,
7 better understanding the business model,
8 what do you see in other tracks where you
9 have done this increasing simulcasting
10 activity or what could we expect, let's
11 say, from the Plainridge customers or other
12 customers?

13 MR. MCERLEAN: Well, we have a
14 couple of different experiences. In
15 Pennsylvania we have been doing account
16 wagering for over 30 years, so there is an
17 establish-base there. It's obviously has a
18 evolved from just telephone wagering to
19 online wagering and, you know, it
20 compliments the live racing. It's
21 obviously a good distribution source in
22 terms of getting people the convenience
23 factor. It's hard to put in a vacuum,
24 because there are so many other variables

1 affecting pari-mutual wagering.

2 But just in general, I mean, I know
3 you're very up on the trends about what is
4 happening in racing in general, but account
5 wagering is probably 25 to 30 percent of
6 the national wagering marketing right now,
7 and it's probably the segment that is
8 growing the fastest from that standpoint.

9 Now, the pari-mutual pie in general
10 has been fairly stagnant over the past
11 five, six years, so a lot of it's been
12 shifting market share. I think the
13 specific opportunity here in Massachusetts
14 for us is we have been restricted to
15 telephone only at Plainridge. So, I think
16 this opens up while some -- there are
17 competitors operating in the state right
18 now that have been approved that offer
19 online wagering. So this puts us on a
20 level playing field with those competitors.

21 Again, I think we have some
22 advantages being a brick-and-mortar in this
23 state so we can have one-on-one customer
24 service with those customers. I am

1 expecting that we should see a nice uptake
2 in overall pari-mutual handling.

3 COMMISSIONER ZUNIGA: Now, the
4 customer-base of racing in general is, you
5 know, if I could characterize it a little
6 bit overly-simplistic, is aging a little
7 bit, if you will.

8 MR. MCERLEAN: That's generous.

9 COMMISSIONER ZUNIGA: Is it fair to
10 say that, you know, there's good customer
11 acceptance of this kind of technology
12 online, phone? Having the phone app looks
13 very simple.

14 MR. MCERLEAN: It is. I mean,
15 there's always an education process. Some
16 people are more depth than others. I mean,
17 granted an older audience, especially the
18 ones who are used to just calling in on the
19 telephone, a lot of those will remain,
20 those type of customers. There are a lot
21 of people, as I said, already using online
22 racing, whether it's mobile apps or desktop
23 right now with competitors. So we know
24 that they are, you know, comfortable with

1 that. So there is that core audience that
2 we certainly need to appeal to.

3 We are also working -- you know, we
4 obviously know, as you said, racing has
5 somewhat of a limited audience right now or
6 shrinking audience and we realize -- and
7 it's not going to happen overnight but we
8 need to find some ways of -- creative ways
9 of either getting new people or lapse
10 people back in.

11 And that's actually something Josh
12 and his team are working on some projects
13 that, you know, hopefully, you know,
14 satisfying the existing customers but
15 looking for new customers as well and, you
16 know, I think this is going to be a good
17 vehicle for us to do that.

18 COMMISSIONER ZUNIGA: That's great.

19 CHAIRMAN CROSBY: All right. Is
20 there discussion about we have before us
21 the proposition of approving this at
22 Plainridge, any discussion or questions
23 about whether or not we want to approve
24 this? We have been recommended by Director

1 Lightbown that we do approve it.

2 MS. LIGHTBOWN: Yes, and I'd just
3 like to add one thing. They did have a
4 temporary vender's license now. They went
5 through the background check with the
6 Investigative and Enforcement Bureau and
7 with our licensing department, so they are
8 all set that way also.

9 CHAIRMAN CROSBY: Okay. Somebody
10 want to present a motion?

11 COMMISSIONER STEBBINS: Mr. Chair,
12 I'd move the Commission approve the request
13 of the Plainridge Park Casino to offer
14 account wagering using the Ebet
15 Technologies, Ebet wagering platform under
16 Hollywood Races. Plainridge will provide
17 the Gaming Commission with a timetable for
18 the orderly transition of account wagering
19 operations from Wynn line Hollywood Races.
20 If this orderly transition can be completed
21 in 2016, Plainridge may begin using
22 Hollywood Races, Ebet in 2016.

23 CHAIRMAN CROSBY: Second?

24 COMMISSIONER MACDONALD: Second.

1 COMMISSIONER ZUNIGA: Second.

2 CHAIRMAN CROSBY: Further
3 discussion? All in favor? Aye.

4 COMMISSIONER ZUNIGA: Aye.

5 COMMISSIONER MACDONALD: Aye.

6 COMMISSIONER STEBBINS: Aye.

7 CHAIRMAN CROSBY: Opposed? The ayes
8 have it unanimously. Thank you. I have a
9 couple of questions for you, Dr. Lightbown.
10 Have you heard anything -- we had a 30-day
11 time period for Raynham to pay up. Have
12 you heard anything about what's going on?

13 MS. LIGHTBOWN: I haven't heard
14 anything. I believe tomorrow will be the
15 two weeks into it, so I have not heard
16 anything on that.

17 CHAIRMAN CROSBY: And we also asked
18 Suffolk Downs to give us an analysis of the
19 incremental income and expense of
20 additional racing days. I guess, that
21 was -- maybe that was during the racing
22 hearing.

23 MS. LIGHTBOWN: Yes, that was during
24 the hearing.

1 MS. BLUE: It's only about a week.

2 CHAIRMAN CROSBY: Yes. I just want
3 to make sure we don't lose track of that
4 and follow-up on that.

5 MS. LIGHTBOWN: Exactly. We'll keep
6 after it. I know Chip was out of the
7 country for a little bit, so we'll
8 follow-up on that.

9 CHAIRMAN CROSBY: Great. Anybody
10 else anything for this group? Thanks very
11 much.

12 COMMISSIONER ZUNIGA: Thank you.

13 COMMISSIONER MACDONALD: Thank you.

14 CHAIRMAN CROSBY: All right. We are
15 going to the ombudsman report.

16 MR. ZIEMBA: Thank you, Mr. Chairman
17 and Commissioners. Wynn joins us today to
18 present their quarterly report and then to
19 present its proposed opening date and
20 design for approval by the Commission.
21 Before Wynn begins its presentation, Joe
22 Delaney, the Commission's construction
23 project oversight manager, will provide
24 some brief remarks about the schedule and

1 the proposed design. I'd like to first put
2 the items for up consideration by the
3 Commission today, the context.

4 As you know, the Commissioners spent
5 considerable time and effort reviewing the
6 design of the Wynn facility. The
7 Commission's review of the design of the
8 Wynn facility goes back to the Region A
9 licensing period and resulted in a
10 condition on the Wynn license in late 2015
11 that Wynn should consider changes to the
12 design of it's hotel tower.

13 Following that request, the Wynn
14 team spent months reviewing the design and
15 made a presentation to the Commission in
16 January of 2015, I should have said '14,
17 with new renderings and a design of its
18 hotel. Several months later, Wynn provided
19 a more formal presentation to the
20 Commission on its new design, which was
21 still in development by the Wynn team.

22 The Commission further reviewed the
23 design again in October of 2015, and an
24 update on the design was an element of

1 Wynn's Section 61 findings approved earlier
2 this year. During both Wynn's design
3 review and during the Section 61 review
4 process, we received the benefit of reviews
5 by our consultant teams. Further, during
6 this design review process and also during
7 the design review process for MGM
8 Springfield, the Commission placed
9 important documents on design on its
10 website for the public to review more
11 easily and solicited comments from both
12 design and Section 61 comments.

13 Outside of Commission meetings,
14 staff has worked with Wynn on its design.
15 Wynn has attended numerous meetings in the
16 host community to refine its design, and
17 Commissioners have had the opportunity to
18 visit Wynn's construction site and review
19 its impressive design tool, such as its
20 building information management systems.

21 As you know, after the Commission
22 issued its Section 16 Massachusetts
23 Environmental Policy Act, MEPA, findings
24 and after Wynn received its Chapter 91

1 approvals earlier this year, Wynn was
2 authorized to begin full construction of
3 the facility. Out of respect to the
4 Chapter 91 process and as a result of the
5 value engineering effort undertaken by
6 Wynn, we determined that we would wait for
7 the appropriate time after Chapter 91 to
8 bring Wynn's design for a vote by the
9 Commission despite the fact that initial
10 construction is already underway.

11 As we mentioned in the past, design
12 for projects of this size evolved
13 throughout the construction period. The
14 Wynn presentation will show that it has
15 tried to keep such changes to a minimum but
16 that some changes have been necessary.
17 Indeed, the Commission has expressed its
18 support for many of these changes along the
19 way, such as the initial redesign of the
20 hotel as far back as January 2015.

21 Given that even after today some
22 changes may be necessary, we are asking the
23 Commission to consider approving the design
24 of the Wynn facility in a similar way to

1 which it recently approved the design of
2 the MGM Springfield facility. In that
3 approval, the Commission provided staff the
4 authority to approve changes to design only
5 if they are not material. In the event of
6 a material change, that would be brought
7 back to the Commission for its review.

8 However, since Wynn is so far along
9 in its design, we're optimistic that any
10 material changes would either be extremely
11 rare or nonexistent. Further, similar to
12 the design approval for the MGM Springfield
13 site, we would recommend that any approval
14 of the Wynn design shall not be construed
15 to amend or supersede any obligations
16 required to Wynn pursuant to the
17 Commission's Section 61 findings and shall
18 be subject to any changes resulting from
19 any future MEPA filings that may be
20 necessary.

21 Wynn will detail that it will need
22 to file a notice of project change in short
23 order. We recommend that the approval
24 today will be subject to the review of that

1 notice of project change filing. With that
2 as a historical context, let me turn to Joe
3 who will then introduce the Wynn team for
4 their presentations.

5 MR. BEDROSIAN: Mr. Chairman, if I
6 could just hop in here and put something
7 that I mentioned last week in context. You
8 may remember last week I raised the issue
9 about the number of slot positions changing
10 and that having a collateral budget impact.
11 I've had opportunities to talk with some
12 Wynn representatives during the week, and
13 I'd suggest what you're going to hear today
14 is, you know, the major design macro plan,
15 a subset, a micro subset of which is a
16 slight change or a change in the number of
17 gaming positions.

18 I think it's appropriate for you to
19 consider that in the context of all the
20 design changes you may hear about and to
21 separate the financial impact of that,
22 which is something, I think, we can work
23 with Wynn and our other licensees in a
24 fairness issue down the road.

1 So today -- I think last week I was
2 advocating for we need to do it all at once
3 and today I'm maybe betting against myself,
4 use a bad term, that I am saying let's
5 disassociate those issues and deal with the
6 other ones separately. So if you get to
7 that point, I'd just suggest that I can
8 talk to General Counsel Blue that we'd make
9 that clear in whatever motion you approve.

10 CHAIRMAN CROSBY: That's fine with
11 me.

12 MR. BEDROSIAN: Thank you.

13 MR. DELANEY: Thank you,
14 Commissioners. As John described, today
15 I'm going to talk a little bit about the
16 requirements around the project opening
17 date as well as the design review.

18 Under the Commission's regulations
19 at 205 CMR 135.02C, the Commission is
20 required to establish an opening date for
21 the gaming facility. Wynn has negotiated
22 with Suffolk a 34-month construction
23 schedule starting August 3, 2016, which was
24 the date the Chapter 91 license was issued

1 with a June 3, 2019 as the scheduled
2 opening date.

3 We reviewed the schedule. And while
4 it is aggressive and it involves multiple
5 workers shifts, it certainly appears to be
6 achievable. Of course, we will be closely
7 tracking and reviewing schedule updates as
8 they are released, and we'll certainly keep
9 the Commission informed as to construction
10 progress. Wynn will discuss the schedule
11 and the project milestones and the opening
12 date in more detail during their
13 presentation.

14 With respect to design review,
15 similarly the commission's regulations at
16 205 CMR 135.03, the Commission has the
17 authority to review and approve the final
18 site plans and architectural drawings for
19 the project. John just described the
20 Commission's extensive process for
21 reviewing the Wynn design, much of which
22 happened before I started working for the
23 Commission back in April.

24 So since last April, I've spent

1 significant amount of time reviewing the
2 previous design presentations that Wynn has
3 made to the Commission and to familiarize
4 myself with the particulars of those
5 designs and the concerns of the Commission.

6 The last time the Commission
7 formally reviewed the Wynn design was
8 almost exactly a year ago. And in that
9 intervening year, the project plans have
10 been refined and finalized and Wynn has
11 performed a value engineering exercise that
12 identified substantial cost savings for the
13 project.

14 I spent a significant amount of time
15 reviewing these revised plans, which by the
16 way now number over 5,000 plans on the
17 project. And in conjunction with Wynn, we
18 conducted a page turn exercise to compare
19 the previous plans to the current iteration
20 and to focus particularly on the larger
21 changes to the design as well as in
22 corporation of those identified value
23 engineering items.

24 Throughout these meetings and

1 reviews, I wouldn't describe what we have
2 seen as true design modifications, rather
3 they are more like an evolution of the
4 previous design. While there have been
5 some modifications to exterior and interior
6 finishes, some revised square footages of
7 spaces and some of the program elements
8 have undergone minor changes, there's
9 little here that would be visible to the
10 untrained eye.

11 The tower remains substantially as
12 shown on the previous plans, and the
13 building facades and interior spaces remain
14 consistent with what was shown on the
15 previous plans and renderings. Many of the
16 changes are truly invisible involving
17 changes to mechanical, electric, plumbing
18 materials and reconfiguring spaces such as
19 parking garage.

20 The biggest changes to the project
21 do not impact the overall design concept.
22 These include a change in the hotel key
23 count and a change in the back of house
24 areas, modifications to the number of

1 gaming positions, reconfiguration of the
2 parking garage and the elimination of the
3 swimming pool, which Wynn will describe in
4 much more detail in their presentation.

5 Unless the Commission has any
6 particular questions of me, I'll turn it
7 over to Bob DeSalvio, President of Wynn
8 Boston Harbor, Jacqui Krum, Senior Vice
9 President and General Counsel for Wynn and
10 Chris Gordon, President of Wynn Design and
11 Development for their presentation.

12 CHAIRMAN CROSBY: Joe, is there
13 anything that affected the lead
14 certification process as sustainability
15 criteria?

16 MR. DELANEY: No, we -- in fact,
17 Chris Gordon and I and some of his staff
18 had a specific meeting on the lead where we
19 went over the lead scorecard, and they are
20 firmly right now in the goal.

21 CHAIRMAN CROSBY: Good.

22 MR. DELANEY: In fact, they are not
23 that far from platinum, so I kind of
24 encouraged them to see if they could find a

1 few extra points.

2 CHAIRMAN CROSBY: Great. Anybody
3 else for Joe before we get started? Okay,
4 you're up.

5 MR. DESALVIO: Thank you, Joe.
6 Thank you, John, for the introduction.
7 Good afternoon, Commissioners. We're very
8 happy to be here in front of you today for
9 not only our normal quarterly update but,
10 in fact, this design review and hopeful
11 approval. To kick it right off, I'm going
12 to turn it right over to Chris because he
13 has a number of things on the construction
14 front to present. We've had great early
15 success out there, and I'm sure you will
16 agree after you hear Chris' presentation.

17 CHAIRMAN CROSBY: Excuse me, just
18 one second. Could you full screen the
19 presentation rather than have a bifurcated
20 screen?

21 MR. GORDON: Thank you, Bob. Thank
22 you, Commissioners, for having us. We're
23 going to go through quite a bit of update
24 on everything that's happened during the

1 last quarter, and also of course here in
2 the design issues that we're specifically
3 here for today. I'm starting on slide four
4 with the permitting state permits.

5 You know about these. And just to
6 quickly remind you, the MEPA certificate is
7 in, the Chapter 91 approval is in. We have
8 additional Chapter 91 approval to get for
9 the dredging, which we expect to file in
10 December. The Mass. Contingency Plan for
11 the phase one, this is the MCP work related
12 to contamination. That has been filed.
13 Our contamination work has been completed.
14 The phase one remediation is done now, and
15 the paperwork has been filed.

16 Also, the CZM, which is the Federal
17 Consistency Certification, that has been
18 received. And then finally, we have the
19 waterways activity for the sediment.
20 That's going to be filed as well for the
21 dredging. So all the work we need for the
22 resort itself is done, and now we're
23 working on the sediment removal.

24 On the federal level, similar story.

1 I won't read each one of these, but the
2 navigational work is done. We expect that
3 the Army Corp. approval in October, which
4 is an important one. We're working on
5 that. Locally we have been working with
6 the city on a number of approvals. We have
7 everything we need now for the resort. We
8 are now starting to work with their
9 Conservation Commission on the dredging.
10 So we are on schedule with the permitting.
11 We've got what we need, and we're going to
12 continue working through any additional
13 permitting.

14 On the design, the foyers we worked
15 on, the foundation, the garage. Let me
16 back up for a second. As Joe said, the
17 design is basically done. We have
18 completed actually 6,800 drawings that are
19 complete. They have been given out to the
20 various subcontractors. They are up for
21 bid now, so the design work is complete.
22 Most of it we have building permits for.
23 We're still waiting for a bit more building
24 permits. But as you'll see here for the

1 foundation, for the tower, for the podium,
2 and the site marina, all that work is done.

3 There is also is one of the
4 questions the Commission had before was
5 about the lighting plan. We were asked to
6 meet with some folks in Charlestown that
7 had questions about the illumination of the
8 building. We've done that. We've had
9 those meetings. I think they went well. We
10 got some constructive feedback on the
11 lighting. We have now completed a lighting
12 plan for the facility both how it's lit,
13 but also the effect of that lighting and
14 foot candles on the building and that will
15 be coming to the Commission soon for a
16 review.

17 On construction, as you can see from
18 the photo, I know some of you have been on
19 site visits, we are far along in
20 construction. We still are around 300
21 workers a day. The plan you have in front
22 of you on the screen, let me walk you
23 through it a bit.

24 In the middle of that plan, there's

1 a square that you can make out by the
2 barriers that are around it. That is the
3 parameter of the garage. That's actually a
4 foundation wall called a slurry wall. It's
5 about 100 feet deep around the entire
6 garage. That is now done.

7 At the end of the quarterly report,
8 it says 93 percent done. But since the end
9 of the quarter, we've actually finished it.
10 So that means the foundation wall all the
11 way down to bedrock around the entire
12 garage is finished. We are now starting
13 excavation. I'll show you slides in a
14 minute of removing soil.

15 On the right-hand end of that is
16 what we call the CUP. That is the Central
17 Utility Plant. That's where the
18 cogeneration is, the hot water, the backup
19 generators, as well as a lot of the back of
20 the house functions, including employee
21 spaces, training, cafeterias, all that is
22 in the right-hand end. That is a pile
23 supported slab. The piles are complete in
24 that area, and we are now starting to get

1 ready to put the slab in. I will show you
2 those dates in a minute.

3 On the left of the garage is the
4 convention area. Those piles will be done
5 very soon in the next week or so. Those
6 piles will be done, and that slab will go
7 on and they'll get ready to put steel up.
8 So the foundation is nearing completion,
9 which is great, we're anxious to get out of
10 the ground because that's always the
11 trickiest part, and we're getting close to
12 that completion.

13 Big issue in the middle of the
14 garage, there's two things going on. One,
15 load bearing elements, this are the columns
16 that hold the hotel up. There's 52 of
17 them. Those are also complete. We built
18 those underground using the slurry
19 technique. So they're there. So when we
20 excavate around them, all 52 columns of the
21 hotel already exist all the way down to
22 bedrock and they'll be available.

23 In addition, we're continuing to dig
24 and dig and dig. If you look in the back

1 of this photo, the back of the site, you'll
2 see a train. That's the new train we've
3 added to take soil out of there, and we're
4 also trucking it. So we're taking out
5 about 6,000 tons of soil a day off the
6 site.

7 The next photo is what we call
8 tie-backs. This is when the slurry wall is
9 starts to be excavated, you don't want it
10 to move, so you have to drill it into the
11 ground and grout it into place before the
12 garage holds it in place. So we're working
13 on our first row of tie-backs now, then
14 we'll do a second, then we'll do a third
15 and those tie-backs will hold those walls
16 perfectly in place as we excavate all the
17 way down and then come back up again.

18 One thing you might wonder about is
19 inside that garage wall we still have soil,
20 and the soil contains water. There's
21 30-million gallons of water inside the
22 garage today. So we have started pumping.
23 We're pumping about 500 gallons a minute.
24 That water all gets treated through a

1 treatment system and eventually it's
2 discharged. All that water has to go so as
3 we dig down the hole will be dry.

4 CHAIRMAN CROSBY: And putting it
5 back in the Mystic?

6 MR. GORDON: After it's treated.
7 Everything is treated, and it's all done
8 through a treatment system.

9 CHAIRMAN CROSBY: So the slurry wall
10 keeps it watertight as you take that --

11 MR. GORDON: You get a little
12 seepage through the bedrock forever. So
13 we've got a draining system under the
14 garage, but it's very little. So once we
15 pump it down, once we dig it out, pump it
16 out, dig it out and put the base slab in,
17 it will be generally dry forever. Now,
18 there's always little seepage through the
19 bedrock, so we have a pumping system below,
20 but it's a tiny fraction compared to what
21 we see today.

22 COMMISSIONER MACDONALD: Is that
23 seepage salt water from the Mystic or is it
24 fresh water?

1 MR. GORDON: It will mostly be fresh
2 water. It will be ground water. It comes
3 up through -- the hydrostatic pressure that
4 deep is pretty strong. In any of the
5 buildings around Boston, the water comes up
6 a little bit through the bedrock, so we'll
7 pump that out. But it's primarily fresh
8 ground water. And even though we're
9 treating it as we should, it's pretty
10 clean. There's not a big issue there, but
11 we treat it anyway to make sure it's fine.

12 Another shot is another shot of the
13 tie-backs. To give you a sense, in the
14 left-hand photo, you can see some people.
15 That gives you a sense of how big the hole
16 is. It's about a seven acre hole. The
17 first floor is 12 and a half acres, but the
18 garage itself is about seven acres. So if
19 you stand out there, you're making a
20 football record. This is many, many
21 football fields of garage laid out there
22 you will see.

23 CHAIRMAN CROSBY: How far down do
24 you go; what will the first floor be at?

1 MR. GORDON: The base level -- the
2 hole itself goes down about around 40 feet,
3 but then we build back up again with about
4 a 5-foot base slab. So we will be down
5 36 feet maybe down in the lower end of the
6 garage.

7 Next these are pile caps. This is
8 what we're putting in. The areas that have
9 piles, you actually have to put pile caps
10 on. Those are horizontal beams that then
11 support the slab above it. And then
12 finally, you will see a slide of what we
13 call Mass. excavation. This is the next
14 three or four months is just digging and
15 removing, digging and removing.

16 The trick here is finding what we
17 have. We found a large amount of debris.
18 Thank you to Monsanto. We have found
19 things like a three-story basement. We
20 found old bricks and concrete and timbers.
21 It's all anticipated, but now we're working
22 through everything in discovery you ever
23 checked out and you transport it to where
24 it needs to go. So, I think, we're making

1 quite good progress on all that.

2 Next you'll see the piles. These
3 are the precast piles we spoke about that
4 are going to hold up both the central
5 utility plant and the convention area. You
6 will see some more pile caps. Those big
7 blocks of concrete in the next photo, if
8 you go to the next photo, those are
9 actually the pile caps that hold up the top
10 of the slab. And you'll see in the
11 foreground this is all the piping for the
12 slurry.

13 And then you will see the service
14 road. It's a little hard to see in the
15 photo. But as you know, the service road
16 comes in around the MBTA site. It comes in
17 the old McDonald's location, around the
18 MBTA site and in the back door. That road
19 will be open in November. McDonald's has
20 been demolished. The new McDonald's is
21 under construction. They hope to open by
22 the end of the year, maybe the beginning of
23 next year. And the service road, including
24 the new MBTA entrance, will open in

1 November. And that will allow us to close
2 the existing MBTA entrance, which will make
3 Verizon Way much easier for traffic coming
4 in and out of there.

5 Utility relocations, as you probably
6 remember, our site was full of utilities.
7 We've had to relocate many of those,
8 waterlines, sewer lines, electrical lines.
9 We've had National Grid, Verizon, the
10 Everett Water Department on and on have
11 been out there, and we've got all the
12 utilities are relocated now out of the way.
13 So the utilities are now where they are
14 supposed to be.

15 Offsite infrastructure, we've got a
16 number of offsite projects we're working
17 on. As you know, everything from the
18 Mystic Valley Parkway, Wellington Circle,
19 Santilly Circle, Sweetser, Broadway
20 Sullivan Square, all of those are roughly
21 at 25 percent design. The reason that's
22 important is that's the major review time.
23 So we have had numerous meetings with the
24 cities and towns involved, with the

1 Department of Transportation, with DCR,
2 with DOT on and on. We have received most
3 of the comments in now. We have a 55-page
4 letter, very thoughtful comments from the
5 DOT and MBTA that we're working through
6 with them. We have some very good comments
7 from the City of Everett, and we're working
8 through all these comment.

9 As soon as we complete the comment
10 review, we will then go ahead to the next
11 level of design, including a continuation
12 of the pick process for Boston, for
13 Sullivan Square, approvals of the City of
14 Everett for Broadway, DCR for the parkway
15 and on and on.

16 So we are planning to start this
17 construction next summer and do it through
18 the summer of '17 and '18 and try not to do
19 too much during the winter, because the
20 highway work is a little bit difficult in
21 the wintertime.

22 CHAIRMAN CROSBY: Chris, is the GE
23 site that the mayor was talking about on
24 this map or is it further north?

1 MR. GORDON: If you look in the
2 middle of the page to the top there's a
3 green square, we have purchased that
4 property and we are working on that.

5 CHAIRMAN CROSBY: So that looks like
6 a stadium there.

7 MR. GORDON: No. That is a master
8 plan for the ball field that the mayor
9 mentioned. That's the high school
10 regulation track, which they don't have in
11 Everett. And part of the project is to
12 build a regulation track so they can have
13 their own home -- right now they can't have
14 track meets in Everett. They have them
15 elsewhere. So this would allow us to have
16 them in Everett, and inside that is a
17 multipurpose sports field, and next to it
18 is another multipurpose sports field so
19 they can have two additional turf fields
20 there.

21 CHAIRMAN CROSBY: And is there some
22 relocation?

23 MR. GORDON: Yes. Two properties
24 we're relocating there. Both the

1 properties across the street from the
2 casino that we're in the process of
3 acquiring. One is the truck dealership.
4 We have got approval from the Planning
5 Board of Everett to move the very large
6 truck dealership right in front of the
7 casino up to that site. And the other one
8 is to move the ball field that's across the
9 street from the casino to move that up to
10 that site.

11 In addition, there's about dozen --
12 about 12-acres left over that we would
13 probably be selling on the market to have
14 additional businesses be in Everett.

15 COMMISSIONER MACDONALD: What site
16 are you referring to, Chris? I am looking
17 on the -- is it right in the middle of
18 the --

19 MR. GORDON: Yes, the green -- it's
20 the very top of the page almost in the
21 middle there's a big green sort of triangle
22 shape on the river. That's the former
23 General Electric manufacturing site that
24 we've acquired.

1 COMMISSIONER MACDONALD: And that's
2 on the Malden River?

3 MR. GORDON: Yes.

4 CHAIRMAN CROSBY: How about the MBTA
5 maintenance facility; couldn't you put that
6 up there?

7 MS. KRUM: The City of Everett would
8 like it to be developed responsibly. It's
9 another waterfront property, so it would
10 open up more of the waterfront and give us
11 a lot opportunity.

12 CHAIRMAN CROSBY: I was only
13 kidding, someday.

14 MR. GORDON: Not that we've ever
15 thought about the MBTA facility. The next
16 page is Lower Broadway, which is we're
17 excited about Lower Broadway. Right now
18 it's a congested sort of undeveloped space
19 from a roadway point of view. We're going
20 to be making that much more functional,
21 including turning lanes. We're also going
22 to be adding landscaping, new lighting,
23 wider sidewalks and make Broadway look a
24 lot better but also function a lot better.

1 As you know right now, there are no
2 turning lanes coming in and out of
3 Broadway. The signals aren't signalized,
4 aren't coordinated. We're also working
5 with the City of Boston to coordinate these
6 signals with the Sullivan Square signals so
7 it all flows together. So we are very
8 excited about the Lower Broadway project.

9 Next is Wellington Circle. We're
10 working with the City of Medford and DCR on
11 significant improvements in Wellington
12 Circle. In addition to the physical
13 improvements, we're also funding a
14 long-term study, as you know, of how to
15 look maybe bigger picture of some of the
16 stuff around Wellington that they have been
17 thinking about for a long time.

18 Next is Santilli Circle. This is in
19 front of the Gateway Mall in Mellon Bank.
20 Again, some improvements there to make that
21 flow better so that -- the highway
22 department is doing the new bridge right
23 now next door. We're going to do this, and
24 then we're going to do Sweetser next door

1 so this whole quarter will flow better.
2 You asked about the GE site. If you went
3 north from this photo up Santilli Highway,
4 you get directly to the GE site.

5 Sweetser Circle, same thing. We
6 have improvements in Sweetser Circle to
7 make that flow better, and that we expect
8 to do as well next summer or into '18.
9 Finally, Sullivan Square, we're doing a
10 significant amount of work in Sullivan
11 Square. This is to rebuild the square
12 itself. It is a circle but called a square
13 and rebuild the travel lanes there, some
14 additional signals, phasing of the signals
15 and also rebuild the MBTA train station so
16 that it works much better from an access
17 point of view for trucks -- excuse me --
18 for trains and buses coming and going.

19 In addition, we're also doing a fair
20 amount of work at the Wellington Station
21 and the Malden Station to allow our own
22 shuttle buses better access to those
23 stations.

24 The project schedule, we've included

1 a very detailed schedule, which we weren't
2 going to dive into but we're happy to. But
3 we have some summary dates we want to go
4 over with you. The first two are
5 important. This is the beginning of
6 pouring slab. This is the concrete base of
7 the building in the CUP area and the
8 convention area.

9 The reason this is important is it
10 finally stabilizes that whole part of the
11 site, and we can start putting up steel and
12 really clean the site up quite a bit. So
13 those are going to start in November, and
14 they'll be done in November. So that will
15 get a very large part of the site with a
16 concrete slab on it.

17 That enables a third point, which is
18 December, roughly on the 5th and 6th of
19 December, we expect the steel to start
20 arriving. And this will be hundreds and
21 hundreds of truckloads of steel. It's
22 being manufactured right now. It will
23 start arriving, and we can start putting
24 that up. And that visually will be a great

1 step through the winter to get the steel
2 up.

3 Also, this weekend we're going to
4 put the first tower crane up. It's not the
5 biggest one. It's only about 120 feet, but
6 it will look pretty big from the street.
7 And that will be a nice symbol to see that
8 tower crane going up so they can start
9 putting steel up in the near future. The
10 mud mat --

11 CHAIRMAN CROSBY: Chris, can you
12 bring the steel in by rail or --

13 MR. GORDON: We looked at that. And
14 for this particular that -- we're looking
15 at if -- we brought the rail in for the
16 soil, and it's working really well. So now
17 we're thinking, gee, can we use it for
18 other things and we're investigating that
19 for the steel. It didn't work that well,
20 because the plant was not on rail.
21 Delivery and unloading it wasn't going to
22 work very well. We'd have to double and
23 triple handle it.

24 So for the steel, it doesn't look

1 like it's going to work. But for some of
2 the other parts of the building, it may
3 very well work and it's there. I mean,
4 it's a quite -- it's been surprisingly easy
5 the way it just comes and goes and been
6 fine.

7 CHAIRMAN CROSBY: That's great.

8 MR. GORDON: The mud mat, the reason
9 that's important is that's the bottom of
10 the hole. So in November we expect in one
11 corner, the southwest corner, we expect to
12 get the bottom of the hole start pouring
13 the mud mat and work east. And that's sort
14 of symbolical, because that means we're
15 done with the excavation in that corner and
16 start working away from there and allows us
17 to get access to the base of the hotel.

18 The top of the garage, by next April
19 we'll have the top of the garage and that
20 means the entire site will be aboveground
21 and we can start working up. And then the
22 first hotel slab will be in May. So by
23 next May, we'll start pouring the fifth
24 floor, which the first floor of the hotel

1 will start being poured and then the hotel
2 goes one floor a week after that. So that
3 will be quite quick.

4 And then the curtain wall starts in
5 July. Today while we were sitting in the
6 audience, I got a text that the final
7 mullion color was just approved up in
8 Ontario. We have a whole crew up there
9 today working on that. So we now have the
10 final colors approved, and they start
11 manufacturing.

12 CHAIRMAN CROSBY: Probably had Wynn
13 up there too, right, checking it out.

14 MR. GORDON: Mr. Wynn was not there
15 but a large contingent from Las Vegas was
16 there, and we did get the blessing. And so
17 now we are going to move forward, and
18 they'll be able to start delivering that
19 and erecting it in July, which is right
20 around the corner.

21 Finally in the lower left, not to be
22 minimized, as Joe mentioned, we have a
23 contractual date with Suffolk to be done
24 on June 3rd of 2019 and are planning to

1 open that day. And as of today, I can tell
2 you we're on that schedule. We don't have
3 any -- right now we do not have any
4 interruptions in that schedule.

5 CHAIRMAN CROSBY: Great.

6 MR. GORDON: There's a couple of
7 pages beyond that I wasn't going to dive
8 into. There's two pages of details, but
9 we're happy to answer any questions if you
10 have those either now or in the future.
11 Bob is going to talk to you a bit about the
12 workforce and the diversity efforts.

13 MR. DESALVIO: So do you want me to
14 just continue on and we will do any
15 questions later?

16 CHAIRMAN CROSBY: Anybody for Chris?
17 That's really cool though.

18 MR. DESALVIO: Great. It's
19 amazing -- every time -- Chris just took me
20 on a tour yesterday and the work on the
21 site, and I have to tell you, this team is
22 doing an amazing job. It's a difficult,
23 complicated site, very tight and we're
24 highly impressed with the professionalism

1 in the trade folks out there right now.

2 CHAIRMAN CROSBY: I told Mayor
3 DeMaria that my sister drove down Broadway
4 not knowing anything about the casino and
5 said to herself, "My God, that must be
6 where they make the cranes."

7 MR. DESALVIO: Interesting. That's
8 great. So on page 30, we are now starting
9 to really approach the ending part of the
10 design phase of the project, and you have
11 seen some of these numbers before, but they
12 have been updated for this current quarter.

13 So just to review, for MBEs for the
14 project, we had a goal of 7.9 percent. It
15 came in at 8.9 percent and about
16 \$4.7 million worth of work. For the WBEs,
17 we had a goal of 10 percent. We did come
18 in short at five percent. It's still about
19 \$2.6 million worth of work. And for the
20 Veteran portion of the job, we had a goal
21 of one percent and really exceeded that by
22 a large amount coming in at 6.4 percent or
23 3.4 million.

24 So when you blend that all out for

1 the design phase, it wound up being -- we
2 had a goal of 18.9 percent. We exceeded
3 that goal and came in at about
4 20.3 percent, and nearly \$11 million worth
5 of work. So there are still some design
6 projects outstanding, but I think we've
7 seen a good portion of the design work
8 done.

9 On page 31 we start moving into the
10 construction phase of the job. And in this
11 particular case for the MBE so far, 16
12 contracts have been awarded. We had a goal
13 of five percent. We're running about
14 5.8 percent now. But you can see because
15 of the size of the construction value,
16 these numbers are actually huge. That's
17 already about \$14 million worth of work for
18 the MBEs.

19 For the WBEs, we had a goal of
20 5.4 percent, and so far we're running at
21 about 4.8. And that is about 36 contracts
22 worth about \$11.6 million. And for the
23 Veteran work on the site, again, we far
24 exceeded here. We had a goal of one

1 percent. We're currently at six percent
2 with about \$14.4 million worth of work.
3 And then overall on our summary, we had a
4 goal of 11.4 percent. And as of right now,
5 we're running at 16.6 percent and already
6 about \$40 million worth of work has been
7 awarded to minorities, women and Veteran
8 businesses. So, again, off to a pretty
9 good start.

10 On the chart on page 32, we're now
11 talking about workforce participation. And
12 so far on the -- for the minority workers
13 on the site, we had a goal of 15.3 percent
14 and we're currently running at about
15 21.8 percent or about 85 workers so far on
16 the site. For women the goal was 6.9
17 percent, and we're running at 5.9 percent.
18 And, again, 23 workers so far on the job.
19 And then for Veterans, a 3 percent goal and
20 we're currently running at 5.4 percent.

21 And I wanted to make a comment. I
22 know the mayor addressed this earlier. You
23 might have saw a local news report about
24 participation for local workers, Everett in

1 particular. And I think it's important,
2 and I did have a meeting with the mayor and
3 some of his team about this. It's
4 important to understand that the very early
5 part of this job mainly involved what Chris
6 described earlier as that slurry wall and
7 foundation process for the site.

8 That particular aspect of the job is
9 highly specialized, and the crews that have
10 been working on that, primarily Trevey and
11 some work from DeRienzo, have what I am
12 going to describe as more of a regular
13 crew. That's not the kind of work where
14 they regularly go into the trades and look
15 for a lot of new folks to jump on board,
16 because it's highly specialized.

17 And so what's going to happen -- and
18 right now we're running about a little over
19 300 workers out on the site. So that
20 number is going to grow to 500 to 1,500 to
21 1,800 as we get into next year. And then
22 what happens is the trades open up to more
23 of the typical work that you're going to
24 see on any construction job, laborers,

1 carpenters, painters, you know,
2 electricians all the way through on the
3 list of the trades.

4 There are more of those folks that
5 are resident in our host and surrounding
6 community than folks that would have been
7 available to do the foundation work. And
8 so what you're going to see, I believe, as
9 this job progresses is a steady increase in
10 more centralized workforce that comes from
11 the surrounding area and our host and
12 neighboring communities. So I know that
13 was a question that the Commission had, and
14 I just wanted to make sure that I addressed
15 it.

16 Also, we are being cognizance of the
17 trying to hire some Everett folks even with
18 our -- what I will call our small office
19 staff. Currently, 20 percent of our office
20 staff is Everett residents. So anytime we
21 post a job, we're trying to find -- you
22 know, as we committed to the mayor, we want
23 to make sure that some of those
24 opportunities do go to local residents and

1 we are cognizance of that. But I just
2 wanted to address that while we were on
3 that particular slide.

4 COMMISSIONER MACDONALD: Bob, can I
5 ask you about the women data here? It
6 seems in each of the categories you come in
7 short of the goal. Could you help us there
8 to get some incite as to why that would be?

9 MR. DESALVIO: Because, you know,
10 try to -- first of all, if you go all the
11 way back to the design part of the job,
12 when we hit the ground running here,
13 there's a lot of work early on. Some of
14 that work was done by our design team out
15 in Las Vegas. You know we have a full team
16 of probably, what is it, about 100 folks in
17 Las Vegas. There were some design
18 companies that have traditionally worked on
19 Wynn projects early on.

20 And, so, when we hit the ground
21 running locally, we've done a lot of effort
22 to do outreach and try to grab as many
23 firms as we can. In particular on the
24 workforce front, we were a leader in

1 setting up a group called "the women in
2 trades" or "girls in trade" and we're very
3 active now trying to promote more females
4 to get involved in the construction front.

5 As you know, it's been a struggle
6 for the trades long before Wynn arrived on
7 the scene to try to get those numbers up.
8 But we are doing everything humanly
9 possible to try to do that on all fronts
10 but in women in particular.

11 COMMISSIONER STEBBINS: Bob, I think
12 it goes to -- I saw the article that you
13 referenced and, you know, I think back to
14 not only what Wynn was doing but I think in
15 conjunction with the mayor to bringing in
16 the different trades unions, have them talk
17 to Everett residents about the different
18 opportunities.

19 Again, as you pointed out, some of
20 those are a little bit further down the
21 road. But, you know, I think back on those
22 new stories. I think the mayor was out
23 shaking hands with people lined up in the
24 parking lot.

1 So, you know, that kind of continued
2 effort, which again, I know was started I
3 think probably now over a year ago, you
4 know, we obviously encourage you to keep
5 doing that and it sounds like you and the
6 mayor are committed to doing that.

7 MR. DESALVIO: You know, I have one
8 other update because we had a job fair
9 actually in Chinatown two nights ago and
10 Brian McPherson was with us from Suffolk.
11 They set up something that in the beginning
12 I wasn't sure if it would actually work,
13 but so far so good on early results.

14 We actually have what's called an
15 on-site application process. And so there
16 are people literally that come up to the
17 job trailers and want to try to get
18 involved. So Brian told me the other night
19 that he actually has 38 Everett residents
20 that have stopped by, given information and
21 he has now called every single one of them.
22 And they are working very hard to try and
23 see if there's any placement possibility
24 through any of the trades.

1 I mean, this is literally I will
2 call it hand-to-hand combat. We are
3 actually trying to find people and contact
4 them individually. We've asked the trades
5 to provide us with any lists of residents
6 they have both in Everett and in our
7 surrounding communities to try to make sure
8 that we are living up to those obligations
9 for the job preferences. But it literally
10 is going to be individual work where we
11 actually call them and see if we can help
12 get them slotted.

13 COMMISSIONER STEBBINS: Thank you.

14 MR. DESALVIO: Sure. I am going to
15 move on now to the community outreach
16 slides, which begin on 33 and moving to 34.
17 We have pages and pages of this work, so
18 I'm not going to sit here and read them all
19 to you, but just I will highlight a couple.

20 On page 33, I mentioned earlier, the
21 Massachusetts Girls and Trades Annual
22 Planning Summit. Most of you know, Jenny
23 Peterson who works with us is very active
24 and was one of the founding members of that

1 group, so we continue to do planning there.
2 Now working more diligently with
3 Somerville. As I mentioned at the last
4 meeting, we signed our cooperation
5 agreement. So we had an event there in
6 Somerville. That was in July.

7 On page 35, we met with the National
8 Council of Legislatures from gaming states.
9 I spoke at that conference, and I know the
10 Commission was represented there. I
11 thought that was actually a very good event
12 to share some stories of the successes here
13 in Massachusetts with some of the other
14 jurisdictions from around the country.

15 We have had some Apprenticeship USA
16 events, working with the Mystic River
17 Watershed Association, the Gold Star Wives
18 and Military Friends. On page 36, we had
19 another, as Chris mentioned, the RAM
20 completion public hearing that signified
21 really the end of the first phase of the
22 remediation. And then a whole series of
23 construction trade fairs that we did in
24 September with Malden a combo with

1 Cambridge and Somerville, Medford. We did
2 one in Roxbury in Chelsea and in Everett
3 and those, again, were very successful
4 events.

5 On page 37, we participated with
6 the -- at the Everett Village Fest and set
7 that up as sort of a career fair. We went
8 to another Chinatown Coalition Meeting,
9 Disabled American Veterans and an Everett
10 High School program.

11 On page 38, Malden Chamber of
12 Commerce, and we are doing these regional
13 chamber meetings that are critical, a small
14 business resource fair and Hispanic
15 heritage breakfast that we participated in.
16 The next few pages are just some slides
17 that show us out in the field working on
18 these events.

19 In particular, on page 40, I will
20 note that we are at the North Shore Latino
21 Business Association. You can see Jenny
22 and Nader, who is out at that event with
23 us, Apprenticeship USA. On 41 we have a
24 wonderful picture of Chris in action at one

1 of our events. You can see some of the
2 participation in these large events that we
3 have been doing.

4 On the next slide, it's a list of
5 all our career trade fair publications.
6 You can see we print in multiple languages
7 to try to make sure that we are reaching as
8 many people as possible. The next page has
9 a couple of the slides where the trades
10 were out there working with us on some of
11 the events.

12 And on page 44, that's a shot from
13 the stage of Everett City Fest, which is
14 now in its second year. And you can see in
15 the back, we had a Wynn set up there where
16 we engage with the community and talked
17 about different job opportunities in
18 between the acts that they had, so that was
19 a wonderful event.

20 I'm now going to move onto the
21 design portion of the presentation. If you
22 turn to -- basically now we're going to
23 move onto slide 46. This is really an
24 interesting slide. Instead of the original

1 rendering, this is actually a photo of the
2 model that's over in our office with the
3 sky superimposed on that. But you now can
4 get, I think, a lot more detail, much more
5 rich detail from the look and the feel of
6 the building.

7 As Chris mentioned earlier, we have
8 been working on the curtain wall system and
9 making sure that the glass and the mullions
10 have the right look and feel, and that work
11 was completed today up in Canada. If you
12 look on the next slide on page 47, as you
13 know --

14 CHAIRMAN CROSBY: Excuse me, seeing
15 the water reminded me. Are you building
16 ferries?

17 MR. DESALVIO: We are currently in
18 discussion with some folks about the ferry
19 service. The particular design of the
20 ferries is something that Mr. Wynn is
21 extremely interested, and so he's actually
22 been taking a lead on talking to some of
23 the companies involved. He's got a very
24 good sense of marine design, and he's

1 currently scheduling some meetings with
2 some builders and marine architects to talk
3 about some options.

4 Meanwhile locally we're working on
5 the dockage, and also talking about an
6 operating system for it, but nothing to
7 announce yet publically. But just so you
8 know, we are actively working on that plan.

9 CHAIRMAN CROSBY: Great.

10 MR. DESALVIO: Again, on page 47, as
11 you know, our current budget is around
12 \$2.1 billion for the project. There is a
13 typo here. It is about 10 million manhours
14 on the job, not 10,000 million. Because if
15 it goes to that number, I wouldn't want to
16 see the budget.

17 CHAIRMAN CROSBY: You'll be back in
18 Bethlehem, Bob.

19 MR. DESALVIO: Yes, on the first
20 train out. 34 months is the construction.
21 As you know, about 4,000 both construction
22 and permanent jobs, the remediation about
23 30 million, 58 million for the road
24 infrastructure plus another 208 million on

1 other transportation, mitigation and demand
2 management programs. And then over the
3 first 15 year period of our license when
4 you add up host and surrounding community
5 payments and other items, it's over a half
6 a billion dollars.

7 I am going to now switch gears and
8 talk about the program now. There was a
9 new slide that we introduced this morning.
10 So in your original package was a
11 comparison of our program that really
12 compared it from where we are today back to
13 about a year ago when we were in that last
14 design review with the Commission. But we
15 did get a request to do a comparison from
16 where we are today all the way back to the
17 SSFEIR.

18 And the reason I believe that's
19 meaningful, John, is because that really
20 goes back to when our license was awarded,
21 and we wanted to juxtapose where we are
22 today versus the last time that the
23 Commission gave us an approval on the
24 project. So I am going to work off of what

1 was requested that we work off of, which is
2 the SSFEIR comparison. So that will
3 actually be on your screen, but it might
4 not be exactly what's in your packet. I
5 want to highlight a couple of key areas on
6 the program differentials.

7 First and foremost is the change in
8 the number of rooms. So back when you did
9 your last approval, we were at 629 rooms.
10 We are now looking at 671 rooms. Couple of
11 thoughts on that. First of all, as I think
12 most everyone knows in this room, the hotel
13 market in the greater Boston area is
14 absolutely booming. Hotels are slammed.
15 Average daily rates and occupancy levels
16 are far exceeding what even most
17 hospitality professionals have thought of.

18 I think that's just a statement
19 about what is going on collectively in the
20 greater Boston region as it relates to
21 business and employment and develop of life
22 science and other industries that are
23 really making some headway.

24 Now, what this didn't do was it did

1 not change the actual shape or height of
2 the hotel tower. Because I think usually
3 when people hear more rooms, they think,
4 oh, did you add a floor? Actually, we
5 didn't do that. This involves really
6 involves the mix of the inventory in the
7 building. We actually looked at the number
8 of suites versus the number of resort rooms
9 and we tailored that a little bit. We
10 actually lowered the number of suites, and
11 we actually raised the number of resort
12 rooms.

13 As you know, our base room is a huge
14 room, the largest in the marketplace of
15 over 610 square feet. So when we looked at
16 the mix, that is what we felt would be
17 appropriate for the market. It also gave
18 us more rooms, which we were certainly
19 encouraged by any of the tourism
20 professionals in the area were saying, "You
21 guys should build as many rooms as possible
22 because we need them for meetings,
23 conventions, trade shows, all of the things
24 that support the greater tourism market in

1 the area." So you'll see that 42 change.
2 Of course that's subject to any approvals
3 that we would have to get along the way.

4 The other thing I want to highlight
5 is the change in the gaming square footage.
6 So on the original plan that you approved,
7 it was at 190,000 square feet. It's now
8 represented as 207,000 square feet. Part
9 of that had to do -- I know when you came
10 over to visit the model over in our offices
11 you saw that we have a mezzanine level.
12 And on that mezzanine level, Mr. Wynn and
13 the rest of the folks thought that would be
14 a great spot for the poker operation.

15 So as you know, we moved that off of
16 the main floor and put that up on the
17 mezzanine level, readjusted some of the
18 square footages but, hence, a change in the
19 gaming square footage.

20 The next item is actually the number
21 of gaming positions, which is actually
22 down. I think as you folks have learned
23 more about our industry and as you attend
24 various industry events like G2E, anyone

1 who is studying our industry knows there
2 are tremendous shifts going on in the
3 industry. Talking about changes on mix of
4 floors, number of slot machines, electronic
5 table games, mixes as markets mature.

6 And so we are doing the same thing
7 that any gaming operator would do as you go
8 through whether it's the design development
9 phase or actually will continue to do after
10 we open the doors. And that study, the
11 current market trends look at the casino
12 floor and try to figure out what's the
13 right mix of tables and slots and ETGs for
14 the customer-base in our area.

15 And so right now, we are presenting
16 a program that has 4,250 in terms of the
17 number of gaming positions. And by further
18 breakdown, and I know Ed mentioned this
19 this morning, for slots we have currently
20 on the floor 2,838 for the number of
21 machines. We have 230 tables, which count
22 as six positions each. So that gets you
23 1,380 positions.

24 We have also what we call 32

1 specialty gaming positions. That
2 represents two electronic table games that
3 have live dealers, and they also have 16
4 betting stations for each unit, so that
5 gets us another 32 units. So if you add
6 that all up, where the floor stands today,
7 we are at 4,250 in terms of number of
8 gaming units.

9 And that is down from the 4,580 that
10 you saw previously primarily due to a mix
11 of we increased the number of table games,
12 and we actually reduced the number of slot
13 machines from the last time you had
14 approved this, so in there lies that
15 difference.

16 CHAIRMAN CROSBY: Bob, where in your
17 design thoughts, if anywhere, program
18 thoughts, if anywhere, is the E-Sports
19 amphitheater kind of concept; is that
20 anything on your radar screen?

21 MR. DESALVIO: It's not really on
22 our radar screen. However, I will tell you
23 that I went to visit -- last time I was out
24 in Vegas, I stopped by and looked at a

1 couple of these operations. In particular,
2 there's one property downtown that is
3 really big in E-Sports in Vegas. You can
4 do those setups pretty much everywhere.

5 And, hypothetically, if that was
6 something we were interested in, it would
7 be something we could use our ballroom for.
8 It's not that we would take -- I don't see
9 us ever really taking a large space within
10 the building and doing that. But should
11 the interest be there, certainly you can do
12 that. You know, people are doing them in
13 small arenas. They're doing them in
14 theaters.

15 I heard there's going to be one
16 coming actually to Boston in the not too
17 distant future. They're going to do it in
18 a theater. So we could adapt the space if
19 we decided we wanted to get into a program
20 like that.

21 CHAIRMAN CROSBY: Interesting.

22 COMMISSIONER ZUNIGA: Bob, can you
23 mention a little bit more on the specialty
24 games, the one dealer for 32 positions; is

1 that --

2 MR. DESALVIO: Yes. There is a
3 product that we are currently looking at
4 and we went -- we had to see a couple of
5 live demos made by IGT. It's called their
6 Dynasty Game. And what you have is a
7 combination of roulette and baccarat. And
8 then you have 30 basically betting stations
9 that are associated with that live game.
10 So basically 16 people can actually play
11 simultaneously on one live table game by
12 using a betting station.

13 COMMISSIONER ZUNIGA: That betting
14 station is electronic, the interface is
15 electronic?

16 MR. DESALVIO: That is correct. But
17 in discussions with the Commission staff,
18 since it's not the traditional slot machine
19 with a random number generator, the
20 Commission's view is that's really being
21 viewed more of an electronic table game.
22 Even though it has a betting station, it
23 still operates the same way that a roulette
24 game or a baccarat game might operate.

1 So we've set up one area on the
2 floor where we'd like to do some
3 experimentation. We've had some
4 discussions with IGT. We may look at some
5 other products, but there's an area on the
6 floor that we really feel is worthy of us
7 doing a good test on that. And so right
8 now that has been included on our main
9 floor.

10 COMMISSIONER ZUNIGA: Thank you.

11 MR. DESALVIO: Sure. Other changes
12 I wanted to highlight in the program, there
13 was an increase on the food and beverage
14 space. Primarily, again, due to the fact
15 that we added that mezzanine level. And on
16 that mezzanine level, we're talking about a
17 couple of operations that would be there to
18 support the gaming and other facilities
19 that would be on there. Not much change in
20 convention and meeting.

21 You'll see in the spa and gym there
22 is an increase on our most recent chart of
23 10,000 square feet. But then if you go
24 further down on the chart, you'll see a

1 decrease of 10,000 feet on what was called
2 the indoor pool deck. So we had a couple
3 iterations of this design along the way.

4 When we first presented the design,
5 there was no indoor pool in the project.
6 And that was all the way back to Jacqui's
7 original application from day one.
8 Somewhere along the way we thought about
9 including an indoor pool. But then when we
10 gave it more thought, two things occurred
11 to us.

12 Number one, why would we do a small
13 indoor pool when we're sitting among some
14 of the great beaches in the area? And,
15 quite honestly, when you think about it, if
16 you're in the greater Boston area you want
17 to get some swimming in or get some outdoor
18 activity, there's so many opportunities for
19 people to go. And we are encouraging
20 people to go out and see what's in the
21 greater Boston area, especially if they're
22 guests from out-of-town. So, you know,
23 they can have at it. We can help them
24 arrange.

1 You know, we're going to be right on
2 the water. We've been thinking about
3 through our concierge service we can
4 arrange for somebody to go out to the
5 Boston Harbor islands on a tour. They can
6 get in their car and go over to Revere
7 Beach. They can do whatever.

8 So we decided we didn't think
9 that -- this is not what you would think of
10 at Vegas as those large outdoor pool areas.
11 This was a small indoor pool that,
12 honestly, we didn't get too excited about.
13 We also had a corresponding problem, which
14 right next door was our gym facility, and
15 what we are noticing is that, especially in
16 the gyms in the Boston area, there is heavy
17 use for the exercise equipment. That
18 appears to be very popular with corporate
19 and other guests that are traveling into
20 the area.

21 So what we really did was eliminate
22 the pool and increase the size of the gym
23 in that particular area up on our third
24 level of our main guest area. So you can

1 see the flip-flop in that 10,000 feet kind
2 of went from one to the other.

3 COMMISSIONER MACDONALD: Excuse me,
4 Bob, the increase in the food and beverage,
5 44 percent is very significant. Can you
6 give some perspective on that?

7 MR. DESALVIO: Sure. We added up on
8 the mezzanine level, right now our program
9 calls for us to do a pretty significant
10 sports bar. Again, looking at the local
11 market knowing how important sports are to
12 the guests and in this region in general,
13 we thought it would be kind of crazy not to
14 have a great sports bar in the building to
15 be honest. It's a pretty big operation.

16 And then right next to that, we
17 added what we call our Ultra Lounge. Now,
18 you remember that discussion previously and
19 originally we had a nightclub space that
20 was down on the main esplanade area. We
21 sort of took that off of there, and then we
22 moved that upstairs and that now counts as
23 part of that food and beverage add on the
24 other area. And then the rest of the

1 square footage just relates to size and
2 shapes of various food and beverage
3 operations as we further develop the
4 podium.

5 We are still in the process of doing
6 that. I certainly am not here to report
7 that we've locked down every detail. We
8 know sort of the size and shapes of these
9 spaces, but we're still going through an
10 evolutionary process about what exactly
11 each concept should be. And that is why
12 you haven't seen us announce any specific
13 concepts yet as we kind of work our way
14 through that. But we did provide for some
15 more space, because we thought it would be
16 important for the food and beverage area as
17 part of that.

18 Another number I want to highlight
19 because it's going to sort of jump off the
20 page, which is a big -- what appears to be
21 a big increase in the back of the house and
22 the supporting MEP or mechanical,
23 electrical and plumbing. But if you see
24 down towards the bottom of the page, you're

1 going to see sort of a corresponding
2 decrease the other way between the parking
3 garage area of the building where you see a
4 minus 155,000 square feet and a plus of
5 211.

6 Really all that represents, and
7 Chris could probably answer this better
8 than I, but we sort of shifted where things
9 were in the building. And so as Chris was
10 working with the team on the redo of the
11 garage, some of that space that might have
12 been classified earlier that was in the
13 garage has now been pushed up and is now
14 considered back of the house. So at the
15 end of the day, you have to look at those,
16 am I correct, Chris, as almost like a net
17 against each other.

18 MR. GORDON: Right.

19 MR. DESALVIO: And part of that had
20 to do at one point we were looking at the
21 elevation of the building as it related to
22 sea level rise. As we brought that up, I
23 think the last thing you want to do is have
24 mechanicals that are at too low a level

1 because that's a new technique and design
2 is to bring MEP up and out of the way for
3 any possible water or sea level issues. So
4 we have been thinking through all of those
5 issues with Jacobs and the design team as
6 we went along.

7 And then the rest of these are all
8 fairly small. At the end of the day when
9 you take out -- when you look at the
10 overall square footage of the building or
11 the GFA, we went from 2.933 to 3 million
12 zero, zero where it's a total of about a 6
13 percent increase. But when you take out,
14 all the way at the bottom, when you take
15 out the back of the house and the parking
16 and when you look at that true square
17 footage that's primarily guest-related,
18 it's actually about where it was. So it
19 was 2.5 million to now 2.4 million, so it's
20 roughly about a minus two percent. Or if
21 you look at the overall GFA, it's a plus
22 6 percent.

23 And, I think, this goes back to
24 John's comment earlier and Joe's comment

1 about a lot of things are sort of shifting
2 around within the building. But at the end
3 of the day, not much has changed in terms
4 of the overall footprint. Matter of fact,
5 the overall footprint of the building has
6 not changed at all, Chris; is that correct?
7 Basic footprint is exactly the way it was,
8 but a lot of shifting inside of the
9 building.

10 So, again, I thought -- sorry to
11 give you so much detail on that, but these
12 numbers have been moving around and I
13 wanted to make sure you understood what
14 caused that shifting.

15 So now I am going to move onto page
16 49. This is representative of the site
17 plan. And, again, nothing has changed as
18 it relates to the overall site plan. And
19 then page 50, this has not changed from a
20 year ago from when you looked at it last.
21 This is basically the layout of the main
22 podium area or the ground level of the
23 facility.

24 And it shows, you know, at the far

1 left-hand side of the page is the
2 convention space. The green that's
3 represented on the chart represents the
4 esplanade, including both retail and food
5 and beverage. The yellow portion is the
6 casino gaming area, and the blue on the far
7 right is primarily the back of the house
8 areas and central utility plant.

9 On slide 51, that represents the
10 mezzanine level that I talked about
11 earlier. In this particular case, you have
12 got back of the house and employee
13 functions on the far right in the blue.
14 The yellow represents the gaming space, and
15 the primary block there is the poker room
16 that you see that's elevated off of the
17 main floor. And to the left of the poker
18 room is an elevated area for our high limit
19 gaming salon. Again, this has not really
20 changed since the last time you saw it
21 either.

22 On page 52 that represents the third
23 floor of the building, and that is where
24 the spa and there's some office space, back

1 of the house, the spa and the gym and the
2 hair salon are represented on that floor.
3 And, again, the only real change there is
4 the elimination of the pool, and we
5 expanded the size of the gym area.

6 On the next page represents a
7 typical layout of the tower on one of the
8 guest room floors indicating where we have
9 suites and resort rooms that are both
10 doubles and kings. Slide 54 represents the
11 interior of what a guestroom would look
12 like. In this particular room, it's what
13 we call corner a panoramic king.

14 On slide 55, that's a rendering that
15 I know you have previously seen of how we
16 expect that arrival sequence and what the
17 guests would see when they come in the main
18 front door from the porte-cochere. It's a
19 beautiful garden lobby with an atrium roof,
20 the Preston Baley flower displays and in
21 the back the escalators that lead you up to
22 the mezzanine area.

23 Slide 56 shows you the escalators,
24 the curved escalators that lead up to a

1 three-meal period restaurant that's at the
2 top and to the left, and to the right is a
3 lounge and at the bottom is the Jeff Coon's
4 Popeye statue that will greet guests as
5 they arrive to ride up those escalators to
6 that next level.

7 Slide 57 shows an interior shot of
8 the casino. In this particular case, the
9 area that has got a what we call the center
10 bar right in the center of the casino and
11 then the area above, which is the high
12 limit gaming salons. And then the next
13 slide 58 represents an interior shot of the
14 main slot area of the casino floor with
15 some of the beautiful, you know, crystal
16 chandeliers that you see in there. And
17 that leads down at the far end to what
18 would be the buffet area, our food and
19 beverage outlet at the far end of the
20 casino.

21 Again, we continue to advance those
22 designs. And as John mentioned earlier, we
23 will keep the Commission staff informed as
24 any changes come along and certainly if

1 there were anything major that would wind
2 back up in front of the Commissioners. But
3 along the way, we continue to meet with Joe
4 on a regular basis and we will keep the
5 Commission informed -- bless you,
6 Chairman -- as this design develops. But
7 we feel very good about where we are today.

8 And at that, I was going to now turn
9 it back over to Chris. He wants to talk
10 about the BIM process that they go through
11 as part of the construction.

12 MR. GORDON: Thank you, Bob.
13 Briefly, there's a technique that we
14 demonstrated to the Commissioners earlier
15 but we wanted to show it to the whole group
16 of building information management. It's a
17 building information model, if you will,
18 that we use. This technology has been
19 around for a while, but it's been sort of
20 a, you know, in its infancy. It's now got
21 to a point where it's a highly effective
22 tool we're using.

23 What it means is we build the
24 building almost entirely on a computer

1 digitally, and it allows us to refine all
2 kinds of issues you'd normally refine on
3 the site between two people standing there
4 staring at a pipe in the wrong place. So I
5 want to give you an example here just
6 walking through a few slides of how we do
7 this.

8 But what happens is we design the
9 building in a traditional CAD model, a two
10 dimensional model. We then make it a three
11 dimensional model, which means we add to it
12 all the elevations. We combine all the
13 subcontractor's information, all the
14 sub-consultant's information, and it's in
15 one computer model.

16 What that allows us to do is look
17 for anything like conflicts, for example.
18 If the structural folks put a beam in and
19 six months later the guy -- plumber puts a
20 pipe in and they conflict, normally you'd
21 have to be on the site and somebody would
22 have to move the pipe and move the beam.

23 Now we do that all for every single
24 component of the building, every light

1 switch, every beam, every piece of
2 furniture, every generator, every piece of
3 roof, everything is modeled in the model.
4 It starts with our design at Jacobs. It
5 goes to our contractor Suffolk, eventually
6 goes to the subcontractors and then finally
7 our building management team and it's
8 working incredibly well.

9 I have used this in other projects.
10 This is the best I've ever seen it applied.
11 We have found hundreds of minor clashes
12 between parts of the building. We fix
13 them. It's easy. You move the pipe two
14 feet, you put the beam in, whatever you
15 have to do. And it is already
16 significantly saving us request for
17 information, you know, delays, questions,
18 that kind of stuff and things go together
19 much better in the field when they're
20 actually built on the computer.

21 So if you look at the slide, the
22 next slide after this, I'm going to walk
23 you through sort of a typical hotel room
24 how we do it. These are just the sequence

1 of events. The next one is an arrow just
2 pointing to a hotel room. So think about
3 one hotel room on one floor of this
4 building that we're going to model.

5 The next slide the first thing we do
6 is we put the structure together. So
7 obviously all the concrete, all the rebar,
8 all the steel, all the hangers, columns,
9 beams, everything is put in the computer.
10 It isn't just graphically represented.
11 It's the actual design. So it's right down
12 to, you know, 16th of an inch is all
13 modeled in the computer so we have the
14 structure together.

15 We then add to it a variety of
16 things. We add to it the partitions. We
17 add to it the plumbing. We add to it the
18 slab penetrations, electricity. So
19 everything -- every layer is added by a
20 different designer in the same model, so
21 it's one master model.

22 The next slide, for example, shows
23 all the slab penetrations. This is where
24 we need drill holes in the slab. If you

1 can just go to the next one. This is where
2 we're going to drill holes in the slab.
3 Simple, simple stuff. But in a building
4 with 3.1 million square feet, you have to
5 actually get it in the right place. So
6 this shows us exactly where we're going to
7 put slab penetrations in for utilities is
8 accurate enough so you can use it for
9 layout. You can download this. You can
10 put it in survey equipment and lay that out
11 and pour the slabs from there.

12 Next slide we're starting to add in
13 all the interior partitions, bathrooms,
14 fixtures, plumbing. Next slide we add in
15 the furniture. So this is the actual
16 furniture from the manufacturer. They give
17 us the cut sheets. We know the dimensions
18 of the bedside table, the chairs, the
19 tables. We put them in.

20 And, for example, we found one where
21 the light switches weren't totally
22 symmetric with the headboard. Simple, you
23 move the light switch, and then you check
24 behind the walls to make sure the stud is

1 not in the way. Then you check to make
2 sure the beam is not in the way. So you
3 can fix all these things now, and it goes
4 smooth in the field.

5 Next one we start to fill it out
6 with much more detail, especially in the
7 bathrooms. Next one you can start to see
8 we've actually got each and every stud, all
9 of the backing in the walls, conduit, all
10 the stuff that you don't normally think
11 about, you know, thousands and tens of
12 thousands of components are all put into
13 the model, and the model is a dynamic
14 model. We change it every day. We check
15 it every day. We share it with the
16 subcontractors.

17 So if you're the plumber who just
18 won the bid to be the plumber on the top
19 ten floors, we can give you this model
20 ahead of time and you know exactly where
21 the studs are going, the beams are going,
22 everything is going and you can figure out
23 how you're going to snake your wires
24 through thought.

1 And it's been amazing. And it's
2 also great to see how the subcontractors in
3 Massachusetts have adopted this, not just
4 in our project, but very sophisticated
5 advancement by all the subcontractors.

6 The next one is a graphic that shows
7 the inside of one of the hotel rooms.
8 That's not a rendering by an artist.
9 That's a computer-generated version of the
10 hotel room built up from parts, so the
11 floor, the walls, the ceiling, the
12 furniture, all that is individual design
13 components that are put together to result
14 in a rendering.

15 So on one hand, it's kind of neat.
16 You can walk through the building, and we
17 can show you the bathroom in the casino and
18 the restaurants. But more important, the
19 contractors look at this all day every day
20 and make sure that everything fits together
21 or they order everything it all works, the
22 amount of waste will be way lower, the
23 amount of request for information will be
24 way lower, and the speed we think will be

1 quite a bit quicker.

2 One area you don't think of, the
3 next slide, is that we also use this on the
4 site work. Our site is incredibly dense
5 from a site work point of view. We have
6 over 20,000 plants we're putting in here,
7 including around 600 very large trees. We
8 have 12,000 shrubs. We have all kinds of
9 plants we're doing. Below that we have a
10 very detailed utility plant, and below that
11 we have a contaminated soil.

12 So we can't make a mistake and say,
13 okay, gee, that tree we're just going to
14 move that 10 feet because it would make the
15 symmetry and the organization of the
16 landscaping incorrect. This is an example
17 of how we took all of the landscaping. We
18 put roof balls on them from knowing how big
19 the roof ball would be. We then overlay
20 that on the utility plant and our clean
21 quarter plant, and we found a handful of
22 conflicts that we've already fixed.

23 So now when the landscaper goes out
24 there, he or she can just go to work and

1 lay things out and not have to say, gee, I
2 just found a sewer line. What do I do now?
3 So on an ornamental landscaping like ours
4 is very organized. This was a critical
5 piece to it.

6 So the next page shows a blowup
7 of -- it's actually a large tree. I know
8 they're kind of funky shaped, but a large
9 tree on a sewer manhole that wouldn't have
10 worked. So we found it out probably three
11 years before that plant is planted. We
12 know it would have conflicted the sewer
13 line.

14 The sewer line goes in three years
15 before the plant does, so we have to solve
16 it now. We've already realigned that tree
17 so it's now a few feet away, no harm done.
18 The sewer is already in. We've surveyed it
19 and made sure it's accurate in the model,
20 so we know exactly where the sewer manhole
21 and the pipe is.

22 COMMISSIONER ZUNIGA: Can I say
23 something? As you mentioned, some of us
24 had the opportunity to see this in more

1 detail. I think you did a great summary,
2 and it's really remarkable the level of
3 design and coordination that you've done
4 using this technology and especially in the
5 context of the very fast track schedule
6 that you have, which is, you know, again, I
7 want to commend the team for doing it.

8 MR. GORDON: Thank you. And of
9 course we didn't invent it and we're not
10 creating it, but we appreciate the praise.
11 The Jacob is the designer who has really
12 been the first one to initiate the model
13 and Suffolk Construction has really run
14 with it and now the subcontractor. So a
15 lot of Massachusetts companies are jumping
16 in, and we're as happy with it as you are.
17 We can't take credit for doing it, but it's
18 been very, very helpful.

19 COMMISSIONER ZUNIGA: Well, the
20 level of design you can take credit, which
21 is having made those decisions. And
22 that's, I think, very important in a
23 project of this magnitude.

24 MR. GORDON: Well, it's also if you

1 go on the site, you will see a couple of
2 things. All of our inspectors have iPads
3 and not clipboards. And all the designers
4 and subcontractors are carrying around, in
5 most cases, iPads and eventually they'll
6 set up flat screens. So they are looking
7 at drawings on the site. They're swiping
8 through them and downloading stuff and
9 looking at it. They're not carrying around
10 an old crumply drawing, so it's nice to see
11 that advancement in the industry.

12 Next we want to talk about safety,
13 because no big project would be in its
14 proper place if we didn't take safety very
15 seriously. We're taking safety extremely
16 seriously on the site. We have 300 workers
17 now. We expect to get up to, you know,
18 2,500 to 3,000 people. We'll have 4,000
19 full-time equivalent, but on site it will
20 probably be between 2,500 and 3,000.

21 Construction is inherently a
22 dangerous sport, so we make sure we're very
23 careful about how we take care of all the
24 workers. We have gone, I think, beyond

1 what most projects do. Suffolk has a large
2 full-time safety staff. We have hired our
3 own full-time safety staff. We've got the
4 insurance company whose added a third
5 layer. There out there doing full-time
6 inspections, and we're really trying to
7 make sure that we've taken every precaution
8 we can for a project like this.

9 For example, the simple stuff. All
10 the personal protective equipment is
11 strictly enforced. If you're out there,
12 you see people hardhats, glasses, gloves,
13 boots and little things. We started
14 running metrics on all the minors. We've
15 had the usual minor cuts and scrapes, and
16 we started running the metrics on what time
17 of day do they happen, who's the
18 contractor, what was the injuries. And we
19 found out there was a handful of what we
20 would call sort of normal, you know, hand
21 injuries, minor cuts, abrasions. So we're
22 strictly enforcing a glove policy. So
23 everybody is wearing gloves, which will cut
24 that number way down.

1 So there's little things like that
2 that we're trying to focus on. Crisis
3 management communication, we don't expect
4 any crisis but we want to be fully
5 prepared, so we put a communication plan in
6 place. God for bid something happens,
7 people know who to call. They know what to
8 do. They actually know how to communicate
9 on this, not just for PR reasons, but for
10 emergency reasons how to call.

11 We've met repeatedly with the City
12 Everett police, fire, the ambulance
13 service. We know all the phone numbers.
14 They're programmed in, and we have
15 extensive work on that. We're also doing
16 the drills. I learned many times over the
17 years that when emergency happens, if you
18 haven't drilled, you're not going to get it
19 even close to right. So we started having
20 a full scale, large scale, emergency
21 drills.

22 We did one just recently. As the
23 excavation starts to open up, we want to
24 make sure that we can rescue somebody that

1 might be down in the hole. So we worked
2 with the fire department, police department
3 and the ambulance service. We've added
4 baskets to the cranes, so there's a person
5 basket on each crane they can lift out.
6 They've practiced actually getting the
7 cranes. They'll have a proper sized crane
8 on the site at all times. We've created a
9 path for ambulance to come and go from the
10 site and on and on and on.

11 So we did our first drill with
12 Everett Fire Department. It went very
13 well. We were happy. They were happy.
14 But of course there were things we can
15 learn from, and we're going to keep doing
16 them. So for now we're going to focus on
17 what we would call sort of below ground
18 events. And then as the tower comes up,
19 we'll start practicing aboveground events.
20 And the more you practice and, again, we
21 hope we never use it, but we are not going
22 to be caught without proper preparation.

23 COMMISSIONER MACDONALD: Chris, any
24 significant injuries yet?

1 MR. GORDON: No. We've had -- the
2 worst injury we've had is a gentleman who
3 dropped a pipe and almost took his finger
4 off. So he's had it stitched and pins. He
5 now has pins in his hand. Very serious for
6 him, and I don't mean to make like of it,
7 but that's the most serious injury we've
8 had. Almost all of them have been bumps,
9 scrapes, trips, so we've been very, very
10 lucky.

11 MS. KRUM: And, finally, we wanted
12 to share with you a video featuring our
13 director of construction, Peter Cambo.
14 This is part of a larger safety training
15 program, and this video will be viewed by
16 all the on-site workers.

17 MR. GORDON: As they cue that up,
18 you can't get access to the site without
19 going through about a three hour safety
20 program. This is part of it. And if you
21 don't go through and pass the safety
22 program and the drug test, you don't get a
23 badge. You don't get on the site. So
24 everybody goes through the program, and we

1 have turn styles to make sure that no one
2 gets on the site that isn't properly
3 approved.

4
5 (Video being played)

6
7 CHAIRMAN CROSBY: Great.

8 COMMISSIONER MACDONALD: Good
9 looking kids.

10 MS. KRUM: Are there any questions?

11 CHAIRMAN CROSBY: Anybody.

12 MR. BEDROSIAN: Commissioners, I
13 have a couple of comments. When I was in
14 Las Vegas recently, as a number of the
15 Commissioners were, Mr. DeSalvio was nice
16 enough to take me to the Wynn property next
17 door. I had never been to a Wynn property.
18 It was very impressive. I think the most
19 impressive part of it for me was actually
20 the back of the house, which is where the
21 employees are. It was very well-kept, and
22 it was not what I would expect for just
23 sort of the back of the house.

24 Two other things. He introduced me

1 to Popeye. He showed me Popeye, where
2 Popeye was. And the second thing was sort
3 of a personal pet peeve having been in a
4 job where I travel a lot, I commented to
5 him that I had stayed in a number of
6 high-end hotels where it was virtually
7 impossible to charge an item near your bed.
8 That you had to go across the room or
9 something. And Bob informed me that he was
10 aware of that, and there would be no such
11 issue in a Wynn hotel room in Boston.

12 The last one is relevant to my
13 comments early on that we are sort of now
14 breaking this general approval up to the
15 other collateral issue of the slot fee. So
16 I just ask whatever motion is made, it's
17 clear that we will address the slot fee
18 issue, which comes under Section 23K -- I'm
19 sorry, Chapter 23K Section 56A. That's the
20 reference to the yearly fee, and that is
21 something I will work with Mr. DeSalvio and
22 come back in front of the Commission to
23 understand and get approval of how we
24 address that in the future.

1 CHAIRMAN CROSBY: Yes, that's fine.
2 I just noticed that at least on my copy we
3 don't have vote down on this. Is that a
4 technical oversight that we can --

5 MS. BLUE: No. In fact, what we did
6 is we made that change on the revised
7 agenda and we reposted it, so you're fine.

8 CHAIRMAN CROSBY: Okay, good.

9 MR. BEDROSIAN: I think it says
10 approval. So there is an implication there
11 will be an approval, so I think we are
12 comfortable with taking a vote.

13 CHAIRMAN CROSBY: Okay. Any
14 discussion that precedes a vote? Somebody
15 have a motion?

16 COMMISSIONER ZUNIGA: I am happy to
17 make the motion here. I have accommodating
18 remarks here thanks to our legal team. I
19 will move that the Commission approve this
20 site plan on project design as submitted
21 and represented to the Commission here
22 today, and as submitted and approved by the
23 City of Everett on October 13th of 2015
24 subject to any changes or updates as maybe

1 approved by the City of Everett. Provided
2 further that this approval is subject to
3 the approval and conditions, if any, made
4 as part of such approval of any notice of
5 project change that may be submitted by
6 Wynn to the appropriate reviewing
7 authorities, provided further that this
8 Commission approval shall not be construed
9 to amend or supersede any obligations
10 required of Wynn pursuant to the
11 Commission's Section 61 findings.

12 I also move that the Commission
13 delegate the staff, the review and approval
14 of construction design plans as they are
15 completed and prepared for use in the
16 construction of the project. And if any
17 construction design plans contain any
18 material change from the site plan and
19 project design approved here today, that
20 staff will submit such plans to the
21 Commission for its review and approval. I,
22 therefore, move that the Commission approve
23 the request of Wynn Boston Harbor to set an
24 opening date of June 3rd of 2019.

1 MR. BEDROSIAN: And that I would
2 just add, Commissioners, if you could say
3 provided further this approval at this
4 point does not constitute approval of
5 approved gaming positions under 56A.

6 COMMISSIONER ZUNIGA: I further move
7 that this approval does not constitute the
8 approval of the change in gaming positions
9 as discussed here today.

10 MR. BEDROSIAN: Thank you.

11 CHAIRMAN CROSBY: Second?

12 COMMISSIONER STEBBINS: Second.

13 CHAIRMAN CROSBY: Further
14 discussion? All in favor? Aye.

15 COMMISSIONER ZUNIGA: Aye.

16 COMMISSIONER MACDONALD: Aye.

17 COMMISSIONER STEBBINS: Aye.

18 CHAIRMAN CROSBY: Opposed? The ayes
19 have it unanimously. Congratulations. It
20 is very exciting. Really greet. Can't
21 wait. Let's take a quick break.

22

23 (A recess was taken)

24

1 CHAIRMAN CROSBY: All right. We are
2 reconvening public meeting number 202, and
3 we are at item number eight. Director
4 Wells.

5 MS. WELLS: Good afternoon,
6 Commissioners. On the agenda this morning
7 are the results of the suitability
8 investigation for Steven Martinez. He's a
9 qualifier for MGM Resorts International.
10 He was hired by MGM as a senior vice
11 president Global Security in August of
12 2015. He replaced Larry Medford, who you
13 may recall from the licensing part of the
14 Commission's decision on Region B.

15 Based upon his position, he was
16 determined to be a qualifier for the Region
17 B casino licensee and, therefore, is
18 required to be found suitable by the
19 Commission. He submitted all the required
20 forms and supplemental document requests to
21 the Licensing Division and the IEB.

22 Investigators conducted a rigorous
23 background check that you're familiar with,
24 including employment history and criminal

1 record, education, directorships and
2 shareholder interest, civil litigation,
3 bankruptcies, property ownerships and local
4 contributions, references, media coverage
5 and et cetera.

6 He was interviewed in person by the
7 IEB, state police and financial
8 investigators as part of the investigation
9 protocol. Investigators also conducted a
10 financial responsibility evaluation with
11 positive results.

12 Mr. Martinez received a bachelor's
13 degree in government from St. Mary's
14 College in California and a master's degree
15 in political science from the University of
16 California Berkeley. He is currently a
17 senior vice president of Global Security of
18 MGM Resorts International. As I stated, he
19 has been employed in this position since
20 August of 2015.

21 Prior to his employment with MGM, he
22 was employed by Joe Frasburg in New York as
23 managing director security risk consulting
24 from January of 2014 until he took the

1 position with MGM Resorts International in
2 the summer of 2015.

3 Prior to that, Mr. Martinez
4 completed a 27 year career in the Federal
5 Bureau of Investigation. During this time,
6 he held many positions and received many
7 promotions throughout his career
8 culminating with the position as the
9 executive assistant director of science and
10 technology branch at FBI headquarters in
11 Washington, DC.

12 Prior to his position at MGM, he had
13 not held any gaming licenses. Currently
14 with the New Jersey Casino Controlled
15 Commission, he's had a temporary license
16 issued and that full background
17 investigation is in progress. There was
18 also a background investigation progress
19 with the Maryland Lottery Gaming Control
20 Commission.

21 There were no significant issues
22 uncovered related to Mr. Martinez's
23 application for licensure. He has
24 demonstrated by clear and convincing

1 evidence he is suitable for licensure in
2 Massachusetts. And, therefore, the IEB is
3 recommending the Commission find him
4 suitable as a qualifier for MGM Resorts.

5 CHAIRMAN CROSBY: Thank you. Any
6 questions or issues?

7 COMMISSIONER STEBBINS: Great
8 background.

9 CHAIRMAN CROSBY: Do I have a
10 motion?

11 COMMISSIONER STEBBINS: Mr. Chair,
12 I'd move that the Commission approve the
13 suitability report for MGM qualifier Mr.
14 Martinez.

15 COMMISSIONER MACDONALD: Second.

16 COMMISSIONER ZUNIGA: Second.

17 CHAIRMAN CROSBY: Further
18 discussion? All in favor? Aye.

19 COMMISSIONER ZUNIGA: Aye.

20 COMMISSIONER MACDONALD: Aye.

21 COMMISSIONER STEBBINS: Aye.

22 CHAIRMAN CROSBY: Opposed? The ayes
23 have it unanimously.

24 MS. WELLS: Also on the agenda this

1 morning the results of the suitability
2 investigation for Tony Amado. He's an
3 applicant for a key gaming employee
4 executive license. He was hired by Penn
5 National Gaming in April of 2015 as a
6 surveillance supervisor at Plainridge Park
7 Casino located in Plainville,
8 Massachusetts. And on October 29, 2016, he
9 was issued a full key gaming employee
10 standard license following a background
11 investigation conducted by the IEB for this
12 employment position.

13 He was then promoted to the position
14 of surveillance manager on May 2, 2016.
15 And by regulation, persons employed in that
16 position are required to be licensed as key
17 gaming employees executive.

18 In accordance with proper procedure,
19 he followed the appropriate application.
20 The application was reviewed by the IEB for
21 updates and changes and a modified
22 background investigation was conducted to
23 supplement the one previously completed
24 with similar provisions to the standard

1 categories of inquiry that I explained for
2 Mr. Martinez's statement.

3 He was interviewed in person by the
4 IEB, state police and financial
5 investigators as part of the protocol and a
6 financial responsibility evaluation was
7 conducted with positive results.

8 Mr. Amado graduated from East
9 Providence High School and attending
10 classes in law enforcement from the
11 Community College of Rhode Island. Prior
12 to his employment with PPC, Mr. Amado held
13 numerous jobs within the field of loss
14 prevention, security and investigations,
15 including a summit investigations, TGX
16 Command Security Corporation, EMSIICS
17 Merrill and the Ultra Nightclub.

18 He does not have any gaming licenses
19 outside of Massachusetts, and there was no
20 significant investigative issues uncovered
21 related to Mr. Amado's application for
22 licensure. Overall, Mr. Amado has
23 demonstrated by clear and convincing
24 evidence that he's suitable for licensure

1 in Massachusetts and, therefore, the IEB is
2 recommending the Commission find him
3 suitable for a key gaming executive
4 license.

5 CHAIRMAN CROSBY: Thank you.

6 COMMISSIONER STEBBINS: Mr. Chair,
7 when I saw this and, you know, immediate
8 reflection of nice to see one of our
9 licensees hiring from within, promoting
10 from within. Mr. Amado comes from a
11 neighboring state, but I think it speaks of
12 Penn National and Plainridge Park's
13 interest in hiring locally and giving local
14 folks a chance to move up into some of
15 these careers as opposed to trying to drag
16 somebody in from another gaming location.

17 I move that the Commission approve
18 the key gaming executive or key gaming
19 employee executive license for Tony Amado.

20 COMMISSIONER MACDONALD: Second.

21 COMMISSIONER STEBBINS: Second.

22 CHAIRMAN CROSBY: Further
23 discussion? All in favor? Aye.

24 COMMISSIONER ZUNIGA: Aye.

1 COMMISSIONER MACDONALD: Aye.

2 COMMISSIONER STEBBINS: Aye.

3 CHAIRMAN CROSBY: Opposed? The ayes
4 have it unanimously.

5 MS. WELLS: Thank you.

6 CHAIRMAN CROSBY: Thank you.

7 General Counsel Blue.

8 MS. BLUE: Good afternoon,
9 Commissioners. In your packet today, you
10 have small business impact statement for
11 205 CMR 134. As you might recall, there
12 were a number of amendments to this
13 particular regulation. We took the
14 fingerprinting amendment out of the pack,
15 and we did that already. This small
16 business impact statement will cover all of
17 the remaining amendments that the
18 Commission reviewed and discussed.

19 Those small business impact
20 statement, once you approve it will allow
21 us to start the promulgation process. The
22 regulation hearing is currently scheduled
23 for November 30th, so this will be out. We
24 will have opportunity for a great deal more

1 comments in both in writing and at the
2 regulation hearing itself. So we are
3 asking you to approve the small business
4 impact statement today so we can get that
5 process started.

6 CHAIRMAN CROSBY: Do I have a
7 motion?

8 COMMISSIONER MACDONALD: I move that
9 the Commission approve the small business
10 impact statement for 205 CMR 134, Licensing
11 and Registration of Employees, Venders
12 Junket Enterprises and Representatives and
13 Labor organizations, Vender Registration
14 administered to closure secondary vender
15 determinations and scoping de minimis
16 exemption and such other changes as
17 reviewed by the Commission as included in
18 the packet and authorize the staff to take
19 all necessary -- all steps necessary to
20 begin the regulation promulgation process.

21 CHAIRMAN CROSBY: Second?

22 COMMISSIONER ZUNIGA: I have a
23 comment before -- so was the impact
24 statement included in the packet?

1 MS. BLUE: Yes.

2 COMMISSIONER ZUNIGA: I didn't get
3 it.

4 MS. BLUE: It would be at the very
5 end. So it's only one page, and it might
6 have been kind of stuck with everything
7 else.

8 CHAIRMAN CROSBY: There's no
9 documents.

10 COMMISSIONER MACDONALD: It's under
11 tab nine.

12 CHAIRMAN CROSBY: Is there a second?

13 COMMISSIONER STEBBINS: I second.

14 CHAIRMAN CROSBY: Do you want to
15 look at it?

16 COMMISSIONER ZUNIGA: So is there no
17 impact or there is an impact because these
18 regulations affect small business, correct?

19 MS. BLUE: Some of them might, yes.

20 COMMISSIONER ZUNIGA: I'm good.

21 CHAIRMAN CROSBY: Further
22 discussion? All in favor? Aye.

23 COMMISSIONER ZUNIGA: Aye.

24 COMMISSIONER MACDONALD: Aye.

1 COMMISSIONER STEBBINS: Aye.

2 CHAIRMAN CROSBY: Opposed? The ayes
3 have it unanimously. Is that it for you?

4 MS. BLUE: That's all, yes.

5 CHAIRMAN CROSBY: Commissioner
6 updates, do we have anything?

7 COMMISSIONER STEBBINS: I just have
8 one quick one earlier this week. Director
9 Griffin and I and representatives from
10 Plainridge Park, MGM and Wynn did a
11 presentation, as well as our friends from
12 the Supplier Diversity Office, did a
13 presentation to almost 150 Veteran service
14 officers down in Leominster at their annual
15 training.

16 I was telling the folks from Wynn
17 that when Ms. Peterson put up the slide
18 showing the Wynn facility, you could almost
19 hear this kind of gasp in the room for a
20 lot of people who have never seen it before
21 like, wow. But it was great, good
22 connections, good local connections as all
23 of our representatives met up with local
24 Veteran service officers from the

1 communities and then around their
2 individual projects.

3 CHAIRMAN CROSBY: Great. Should we
4 mention the mitigation meeting?

5 COMMISSIONER MACDONALD: Sure.
6 Yesterday we had the first meeting of the
7 mitigation subcommittee of the gaming --
8 GPAC but the Gaming Policy Advisory
9 Committee and it went well. It was
10 directed substantially by Ombudsman Ziemba.
11 Each of the participants appeared to be
12 enthusiastically involved in the
13 perspective work of the Commission and of
14 the committee, of the subcommittee. And we
15 have the second meeting, which will be more
16 substantively directed I believe on
17 November 17th. I'm not sure. John, is
18 that the date?

19 CHAIRMAN CROSBY: Yes.

20 COMMISSIONER MACDONALD: November
21 17th, so it was a good start, great start.

22 CHAIRMAN CROSBY: I think people
23 were on the committee were astounded to
24 understand the resources that will be

1 available for further mitigation,
2 flexibility and that they're being asked to
3 help us figure out how should we use this?
4 But, also, I told them about the research
5 agenda and how much data is going to be
6 coming into mitigation.

7 Really it's a whole system that's
8 operating to study the consequences and
9 ameliorate the consequences of these
10 casinos. It's pretty exciting in general,
11 and I think people really appreciate it and
12 are interested in spending real time on
13 doing it, which is great.

14 COMMISSIONER MACDONALD: I might
15 make one more comment, which is to echo a
16 comment that the Chairman made in his
17 remarks at the outset, which I thought were
18 very constructive. And that was it was
19 extremely important for all of us members
20 of the committee to realize or to approach
21 this from the perspective of the long haul.

22 We are not under any kind of
23 pressure to make split decisions or split
24 second decisions in the near term. We have

1 got literally an 18 year window, and that
2 the real funds are going to be coming into
3 the mitigation fund and significant amounts
4 only after our resort casino licensees
5 actually begin their operations.

6 So, you know, we've got time to
7 refine our priorities here even while we
8 make these initial grant recommendations
9 pursuant to the mitigation fund or with the
10 mitigation fund proceeds.

11 CHAIRMAN CROSBY: Anything else?

12 COMMISSIONER ZUNIGA: Well, I had
13 the opportunity to attend a local community
14 mitigation meeting at Springfield led by
15 John and Joe, and of course in attendance
16 was also Commissioner Stebbins. I get a
17 sense that there's a real momentum, if you
18 will, building up at that level and a real
19 appreciation for, just what you say, the
20 fact that the input is going to be very
21 much a factor into the decisions, the
22 guidelines and a real eagerness to
23 participate and continue to participate, so
24 it was a great meeting.

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CHAIRMAN CROSBY: Kudos to Ombudsman Ziemba for sticking with this and making it finally happen. Anything else? Motion to adjourn?

COMMISSIONER ZUNIGA: So moved.

CHAIRMAN CROSBY: In favor?

COMMISSIONER MACDONALD: Second, aye.

COMMISSIONER ZUNIGA: Aye.

COMMISSIONER STEBBINS: Aye.

CHAIRMAN CROSBY: Aye. We're adjourned. Thank you everybody.

(Meeting adjourned at 1:37 p.m.)

1 MASSACHUSETTS GAMING COMMISSION STAFF:

2 Ed Bedrosian, Executive Director

3 Catherine Blue, General Counsel

4 Mark Vander Linden, Director of Research and
5 Responsible Gaming

6 Alex Lightbown, Director of Racing

7 Joseph Delaney, Construction Project Oversight
8 Manager

9 John Ziemba, Ombudsman

10 Karen Wells, Investigations and Enforcement
11 Bureau

12 Michael Sangalang, Digital Communications
13 Coordinator

14
15 GUEST SPEAKERS:

16 Carlo DeMaria, Mayor of City of Everett

17 Howard J. Shaffer, Ph.D., C.A.S., Director of
18 Division on Addiction

19 Heather Gray, Ph.D, Associate Director of Academic
20 Affairs

21 Layne Keating, Research Coordinator

22 Christopher McErlean, Penn National Gaming

23 Micah Lloyd, Ebet Technologies, Inc./Sportech

24 Josh Pear, iGaming Product Manager

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GUEST SPEAKERS:

Robert DeSalvio, President, Wynn Boston Harbor

Chris Gordon, President, Wynn Design &

Developmental in Massachusetts

Jacqui Krum, General Counsel, Wynn Resorts

Development

COMMONWEALTH OF MASSACHUSETTS

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I, KRISTEN M. EDWARDS, COURT REPORTER,
do hereby certify that the foregoing is a true and
accurate transcription of my stenographic notes,
to the best of my knowledge and ability.

WITNESS MY HAND, this 31st day of
October, 2016.

Kristen M. Edwards