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THE COMMONWEALTH OF MASSACHUSETTS  
MASSACHUSETTS GAMING COMMISSION  
PUBLIC MEETING #182

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Gayle Cameron

Lloyd Macdonald

Bruce W. Stebbins

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March 17, 2016 10:00 a.m.- 1:56 p.m.

MASSACHUSETTS GAMING COMMISSION

101 Federal Street, 12th Floor

Boston, Massachusetts

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

CHAIRMAN CROSBY: I would like to call order the 182nd meeting of the Massachusetts Gaming Commission today at our offices on Federal Street.

Before I start the rest of the meeting, I want to take a minute to talk about a horrible tragedy that took place yesterday. One of the extraordinary experiences that I've had as a Commissioner, and I know it's true of others of us on a number of our staff has been to get to know members of the Massachusetts State Police. All I knew about the State Police is what most people know about them, seeing them out on the roads and had no other idea anything about them.

What I have come to understand is that this is an extraordinarily distinguished law-enforcement body made up of men and women who are incredibly intelligent, committed, thoughtful, decent, very hard-working, honorable folks who serve us most of the time almost unbeknownst to us. And much of the time

1 we ask them to do some of the grungiest work  
2 that has to be done to make the Commonwealth  
3 the kind of place we want.

4           It's been an amazing experience to  
5 meet these men and women and to be able to  
6 serve with them. One of their compatriots,  
7 Thomas Clardy, was killed in a wildly senseless  
8 accident yesterday standing on the side of the  
9 road having stopped an SUV, completely innocent  
10 of any activity. And somebody crashed across  
11 multiple roads, multiple lanes crashed into him  
12 and killed him. He has six kids and apparently  
13 was a distinguished man.

14           It's a horrible senseless loss. I'm  
15 sure it's felt incredibly personally by the men  
16 and women on our troop as well as all of the  
17 troopers in Massachusetts. I want to give my  
18 personal regards, which I hope you guys will  
19 carry forward for me, and on behalf of the  
20 Commission our regards to Trooper Clardy and  
21 his family. And by the way, our incredible  
22 respect for you all and for the work that you  
23 do. Maybe a moment of silence for Thomas  
24 Clardy.

1 (A moment of silence)

2

3 CHAIRMAN CROSBY: Thank you folks.  
4 We really appreciate your service. I know the  
5 IEB must feel this in a personal way. So, take  
6 care of yourselves. Thank you.

7 With that note, and when my  
8 goosebumps go away, I will ask Executive  
9 Director Bedrosian to pick it up.

10 MR. BEDROSIAN: Mr. Chairman, did  
11 you want me to do my administrative update  
12 before the approval of the minutes?

13 CHAIRMAN CROSBY: No, I'm sorry. I  
14 lost my mind there for a minute. Let's do the  
15 approval of the minutes. Customarily, we go to  
16 Judge Macdonald.

17 COMMISSIONER MACDONALD: Unless any  
18 members of the Commission have any issues with  
19 the accuracy of the minutes, I would move that  
20 the minutes of the meeting of the Commission of  
21 March 3, 2016 be approved subject to any  
22 corrections, typographical errors or other  
23 nonmaterial matters.

24 COMMISSIONER CAMERON: Second.

1                   CHAIRMAN CROSBY: Discussion? All  
2 in favor, aye.

3                   COMMISSIONER MACDONALD: Aye.

4                   COMMISSIONER CAMERON: Aye.

5                   COMMISSIONER STEBBINS: Aye.

6                   CHAIRMAN CROSBY: Opposed? I will  
7 note by the way, Executive Director Bedrosian  
8 will speak to this, but usually to my left is  
9 Commissioner Enrique Zuniga who is out with a  
10 pretty serious case of the flu. Now  
11 administration, Executive Director Bedrosian.

12                   MR. BEDROSIAN: Thank you. As you  
13 did point out, we found out this morning that  
14 Commissioner Zuniga is indeed ill. As a result  
15 of that Commission members, we will not be  
16 having the update on 3(c) which is the  
17 Plainridge Park reconciliation issues. And  
18 Commissioner Zuniga just wanted to be clear,  
19 the term reconciliation might have some  
20 negative connotations, but when he presents  
21 this I think it will be a positive update. So,  
22 that will have to be put off.

23                   And also item 6(a), which is the  
24 Wynn 61 presentations, in an abundance of

1 caution, we're going to also put that off.

2 CHAIRMAN CROSBY: Explain why that  
3 is Ed.

4 MR. BEDROSIAN: So, because this is  
5 associated with a Region A issue, and at this  
6 point it's Commissioner Cameron and  
7 Commissioner Stebbins who are the deliberating  
8 Commissioners, and without Commissioner Zuniga  
9 there is a strong argument we lack the proper  
10 quorum.

11 In an abundance of caution, we are  
12 going to put that off until all three  
13 Commissioners can be present in-person to  
14 listen and then ask questions of the  
15 presenters.

16 CHAIRMAN CROSBY: Because  
17 Commissioner Macdonald was not here Region C  
18 (SIC) was decided, and I recused myself  
19 voluntarily from those deliberations, we  
20 decided it would be appropriate for me to stick  
21 with that as we go back and retrod that ground.

22 MR. BEDROSIAN: That is correct.  
23 So, we anticipate a meeting next week. So,  
24 this will be a short delay. We actually may

1 try and get our staff's Section 61 draft up on  
2 the website as soon as possible so people  
3 interested can have that time also to comment  
4 on our staff proposal, which will be presented  
5 to the Commission we anticipate probably next  
6 week.

7 CHAIRMAN CROSBY: Apologies to the  
8 Wynn folks for another week, but we are being  
9 careful to dot every (I) and cross every (T) on  
10 this one.

11 MR. BEDROSIAN: I do have two  
12 additional updates, Mr. Chairman and  
13 Commissioners. The first is an update that we  
14 have offered a position of an in-house  
15 construction manager to a gentleman by the name  
16 of Joseph Delaney.

17 Mr. Delaney currently works at the  
18 Department of Environmental Protection and had  
19 a long career also at the town of Redding. And  
20 he has accepted. We are excited about that.

21 And a word about why our thought  
22 process behind them. As the Commission in the  
23 past years went through its deliberation on  
24 different regions, and what would happen in

1 those regions, there were a lot of  
2 environmental concerns there were a lot of  
3 traffic concerns. There are a lot of concerns  
4 that required us to engage outside experts.  
5 Staff just had the concern. And we've been  
6 truly fortunate to have the outside consultants  
7 Pinck and Company and PMA who have served us  
8 incredibly well in those roles and brought a  
9 level of expertise that we never could have in-  
10 house established.

11 Now that we are moving towards what  
12 might be considered a more traditional  
13 construction phase after all of the  
14 environmental permits are done and the traffic  
15 approvals are given, we have made a decision to  
16 bring that expertise in-house. And one person  
17 who can work for us with Ombudsman Ziemba and  
18 with myself to keep the Commission up-to-date  
19 on what will be happening on these major  
20 construction projects.

21 Pinck and PMA have been wonderful,  
22 wonderful partners in this role. We anticipate  
23 there will be a transition period of at least a  
24 few months. Depending upon what Mr. Delaney



1 decides, we may have some ongoing role for  
2 them. We just don't know that yet. We made a  
3 decision to bring this expertise in-house and  
4 think Mr. Delaney who was picked among a great  
5 pool of distinguished candidates, will be a  
6 great addition to our staff.

7 CHAIRMAN CROSBY: I just want to add  
8 one comment to that. I knew the PMA folks less  
9 well because by the time they came onboard, we  
10 had a lot more staff and I was further removed  
11 from it. But I did get to know the Pinck  
12 people or Jennifer Pinck in particular.

13 And at an early stage in our  
14 development when we had very little staff, very  
15 little expertise, Jennifer and her staff were a  
16 critical part of our team, particularly in the  
17 assessment and the evaluation phases. So, I  
18 just want to throw in my two-cents worth too to  
19 thank them very much for their work.

20 MR. BEDROSIAN: Thank you. And I  
21 anticipate Mr. Delaney, he's through the  
22 background check. We hope he will join us the  
23 first week of April.

24 CHAIRMAN CROSBY: Great.

1                   MR. BEDROSIAN: The last update I  
2 have is a Region C update, Mr. Chairman,  
3 Commissioners. As you know, we were down in  
4 Mashpee on the 15th, just a couple of days  
5 ago --

6                   CHAIRMAN CROSBY: Really? I'd  
7 forgotten that.

8                   MR. BEDROSIAN: -- for a  
9 presentation from the Mashpee Wampanoag Tribe.  
10 What we anticipate is as we continue the  
11 Section 61 next week we'll also have a meeting  
12 next week, it will be the applicant MG&E's  
13 opportunity to respond if they choose to, and I  
14 believe they will, to the Tribe's presentation.

15                   We will then close the host  
16 community hearing. We had made a commitment to  
17 the folks in Brockton that we would not close  
18 it back on March 1. We would come back down  
19 after the announcement we were going to hear  
20 from the Tribe.

21                   We believe that will be March 28  
22 back down in Brockton. I think it's at the  
23 Shaw's Center not where we were before. But we  
24 will firm that up and give people notice of

1 that soon. That then would trigger that  
2 timetable in the statute of not less than 30  
3 nor more than 90 days. We would anticipate  
4 deliberations the last week of April on the  
5 Region C license award.

6 CHAIRMAN CROSBY: Okay.

7 MR. BEDROSIAN: Having said that, as  
8 I said, we are taking item 3(c) off the agenda.  
9 So, if it's okay with the Chairman, I would  
10 give this over to Director Griffin.

11 CHAIRMAN CROSBY: Director Griffin.

12 MS. GRIFFIN: Good morning,  
13 Commissioners. I have some guests who have  
14 joined me today. I'll introduce them and then  
15 I have some introductory remarks to set some  
16 context.

17 I am joined by Chelan Brown,  
18 Diversity Specialist for Construction and  
19 Operations from MGM Springfield. Seated to her  
20 right is Jason Rosewell, Executive Director of  
21 Design and Construction for MGM, and Seth  
22 Stratton Vice President and General Counsel for  
23 MGM. Seated to his right the Jason Garand,  
24 Business Manager for Carpenters Local 108.

1           Just to set some context, they're  
2 going to update us on their diversity work and  
3 we will focus also -- This is an update that we  
4 received at the last access and opportunity  
5 committee.

6           So, to set some context, we  
7 frequently hear news reports about the  
8 frustrating lack of diversity in areas like  
9 corporate boards and company workforce hiring  
10 practices that don't reflect the diversity of  
11 the community. And these practices perpetuate  
12 exclusionary practices, income inequality,  
13 excluding people of color and women from  
14 opportunities from advancement.

15           The arrival of expanded gaming in  
16 the Commonwealth brings with it opportunities  
17 for new models of diversity engagement and  
18 advancement. Mass. Gaming has made diversity  
19 and inclusion a top priority and has  
20 implemented practices and systems to encourage  
21 it. The Commission approved diversity strategy  
22 plans for construction and goods and services  
23 from our licensees.

24           Additional goals and strategies were

1 required for workforce as well as the diverse  
2 business vendors and for the hiring of the  
3 unemployed. The Commission voted unanimously  
4 to implement a best practice, the establishment  
5 of the access and opportunity committee where  
6 regular reporting of progress towards the  
7 diversity goals takes place. This focused  
8 attention on workforce and supplier diversity  
9 seems to be working.

10 We are encouraged by the preliminary  
11 results as reported to the access and  
12 opportunity committee meeting on March 8 in  
13 Springfield. And these early reports we  
14 believe also show a clear commitment of our  
15 licensees to meet and exceed their diversity  
16 goals.

17 So, we've invited MGM and the  
18 Carpenters Local 108 to share their progress.  
19 So, I'm going to turn it over to Chelan Brown  
20 from MGM.

21 MS. BROWN: Good morning. Thank you  
22 guys for inviting us down to share our  
23 diversity program.

24 CHAIRMAN CROSBY: Welcome to Boston.

1 MS. BROWN: Thank you. And also  
2 thank you guys for the establishment of the  
3 access and opportunity committee. It's been  
4 very exciting attending those meetings and  
5 meeting with community partners, union folks,  
6 different people in the trades programs. And  
7 it allows us to have a deliberate monthly  
8 opportunity to get together to work on this  
9 issue. So, we are excited about being a  
10 participant in the access and opportunity  
11 committee and excited about sharing our work  
12 here today.

13 Normally, when we do our reporting  
14 for access and opportunity, we go over our  
15 outreach work. And then we'll talk about our  
16 construction workforce, our goals and  
17 commitments and where we are and then the  
18 design commitments and construction commitments  
19 report to where we are with those numbers.

20 For outreach, we mainly have six  
21 areas of focus in our outreach program. We  
22 consistently identify and outreach to  
23 minority-, woman- and veteran-owned businesses.  
24 That's an important part of our outreach

1 program to identify what's out there, not only  
2 in Springfield and Western Mass. but the state  
3 of Massachusetts in general around our  
4 diversity work with minority-owned companies.

5 Outreach to local community groups,  
6 our community partners are a very important  
7 component to our outreach program. Without our  
8 community partners in the area, we would not be  
9 able to even talk about how to tackle diversity  
10 on construction side.

11 From the Community Partners that we  
12 have, we've developed a Community Partners  
13 network. Right now, it's a network of folks  
14 that comes together on a monthly basis to meet  
15 about this issue. From that network, the  
16 diversity task force developed. It's made of  
17 representatives of the Community Partners  
18 network and of the local trades unions.

19 We have a strong partnership, an  
20 outreach program with of course all of the  
21 local trades unions in our area. And we've  
22 done some partnership activities with them  
23 including veterans interested in construction  
24 and union open houses. We've held one-on-one

1 meetings with unions and union apprenticeship  
2 programs and we continue to do that as we  
3 speak.

4           And outreach activities with unions  
5 include different community fairs, career  
6 festivals, programs that our Community Partners  
7 have and we have a union apprenticeship program  
8 referral process that we do for folks  
9 interested in joining a local trade union.

10           The next slide talks about our  
11 outreach to the minority-, woman- and veteran-  
12 owned companies that we did in the month of  
13 February only. Altogether we've outreached to  
14 over 100 diverse companies through our outreach  
15 efforts and met with over 100 diverse  
16 companies. Here we see six minority-owned  
17 companies, one veteran-owned company and two  
18 woman-owned companies that were outreached to  
19 in the month of February.

20           COMMISSIONER STEBBINS: Can you  
21 explain a little bit when you talk about  
22 outreach? Is it going to meet them, them  
23 coming to meet you, talking about the project,  
24 talking about the opportunities? Kind of get



1 into the nitty-gritty of what the outreach  
2 actually entails.

3 MS. BROWN: They're mostly one-on-  
4 one meetings. We either go to them or they  
5 come to meet with us. We explain MGM's  
6 diversity outreach program, our goals, our  
7 commitment as far as dollars for diverse  
8 companies, make sure that they have the proper  
9 certifications that they meet all the other  
10 requirements to be considered a minority-owned  
11 company. See if there are ways that we can  
12 partner with them.

13 And our goal is ultimately to get  
14 them on a bid-ready list where if their scope  
15 of services comes up, we have a network that we  
16 can outreach to.

17 COMMISSIONER STEBBINS: Okay. Thank  
18 you.

19 MS. BROWN: These are community  
20 group meetings that we've had in February. A  
21 lot of the community group agencies that you  
22 see here deal with low-income, disadvantaged  
23 populations, diverse populations around  
24 employment, training, helping with soft skills,

1 employment training skills. And these are the  
2 community partners that we met with last month.  
3 On a consistent basis we meet with them as  
4 well. And they are part of our Community  
5 Partners network.

6           When we started the Community  
7 Partners network, I think we started with six  
8 agencies. And we're up to 20 right now.  
9 Again, we have to YWCA/Youth Build program,  
10 Westover Job Corps. We're reaching out, doing  
11 a lot of work with our veteran service  
12 organizations -- You'll see a lot of that in  
13 those slides. -- as well as young adult  
14 programs that are doing pre-apprenticeship work  
15 around construction.

16           This is some of the work that the  
17 Community Partners have done to date. They  
18 held their most recent meeting at this time was  
19 in February. The network meets actually twice  
20 a month now. The meetings are facilitated by a  
21 paid facilitator to help them organize their  
22 structure and the work of the network.

23           They've identified two main areas of  
24 focus. One is working together to recruit

1 diverse populations who meet union requirements  
2 and who are ready to join an apprentice program  
3 or a union. And then also working to recruit  
4 diverse populations that are interested in  
5 careers in construction and local unions and  
6 who may not meet the union requirements.

7           So, some of those requirements  
8 include having a high school diploma or a GED,  
9 a driver's license, a reliable vehicle.  
10 They've identified people in that population  
11 that are really interested in joining a  
12 construction careers program but they need a  
13 little bit more training and support services.

14           CHAIRMAN CROSBY: Those are really  
15 critical goals. That's the name of the game  
16 right there, those two bullet points. That's  
17 it. Is that happening now? Are there people  
18 who you identified that through these community  
19 groups that are in either or both of those two  
20 categories now? Or is it just beginning to get  
21 organized?

22           MS. BROWN: Yes. Most of the folks  
23 that we're working with now through our  
24 referral system are in one of those two

1 categories.

2 CHAIRMAN CROSBY: So, there are  
3 actual bodies that have come through that  
4 pipeline?

5 MS. BROWN: Yes, that we are working  
6 with.

7 CHAIRMAN CROSBY: Are you keeping  
8 any numbers of this, the numbers of people for  
9 example that are in either of those two bullet  
10 points?

11 MS. BROWN: Yes. We just started  
12 tracking and documenting everything that we do  
13 as far as the referrals in those two  
14 populations so we can look more closely at  
15 them. But we are keeping the numbers on them.

16 CHAIRMAN CROSBY: It would be great  
17 if you can, because for one thing we've talked  
18 about this a lot. We've talked about this with  
19 the folks in the Eastern Mass. project as well.  
20 It takes a lot of hand holding lots of times to  
21 get people from having been identified for one  
22 of those groups and stick with the process.

23 A lot of times they are intimidated.  
24 Not all the unions are as welcoming as the

1 Carpenters are. There's a lot of other issues.  
2 Sometimes there's CORI and credit and work  
3 habits. So, it takes a lot of handholding. If  
4 you are actually tracking, if you've got the  
5 names and numbers, (A) it'll make it easier and  
6 make it real to really make it happen, but (B)  
7 we'd like to know what those numbers are too as  
8 the months go by.

9 MS. BROWN: Yes. The next slide  
10 talks about our diversity task force. The  
11 diversity task force is made up of four  
12 representatives from the Community Partners  
13 network. They held an election a couple of  
14 months ago and decided who their  
15 representatives were going to be.

16 It's made of three or four local  
17 union representatives and MGM Springfield and  
18 Tishman, our construction partner on this job.  
19 We were able to meet with them for the first  
20 time last week. It was a really exciting  
21 meeting I think.

22 It brought all the parties together.  
23 People were able to make introductions. There  
24 were a lot of people who had heard the names of

1 people before, heard the names of different  
2 union heads but had never had a chance to  
3 actually meet them. It allows us to begin to  
4 build the relationship.

5           And for MGM's role, we act as a  
6 convener of the parties. We don't set the  
7 agenda. We're asking that the diversity task  
8 force basically come together to set the  
9 agendas because this is a mutual issue that  
10 they wanted to work on together.

11           So, their overall goal is increasing  
12 access and opportunities for diverse people in  
13 construction and the local trades unions. But  
14 then under that goal, there's a lot of the  
15 layers that have to happen and be peeled back  
16 before that can be accomplished.

17           So, I think it did a good job of  
18 bringing people in the room. We're excited.  
19 We're looking for the second meeting. We'll be  
20 contacting our Community Partners and the union  
21 representatives to help us craft the agenda for  
22 the next diversity task force meeting.

23           I think some of it is going to  
24 evolve around data. Really we were able to

1 dispel some myths about the union halls not  
2 having diversity in it, for example. And the  
3 Community Partners were able to hear from the  
4 union halls that we actually do have diversity.  
5 We ramped up when we knew these projects were  
6 coming.

7 But there are some unions that we  
8 need to look at that need help that we need to  
9 partner on, and make sure we can get women and  
10 minorities and veterans on the job. So, there  
11 was a commitment that came out of the room that  
12 day to keep this effort going.

13 CHAIRMAN CROSBY: How many unions  
14 came to this meeting?

15 MS. BROWN: There were three at the  
16 first meeting.

17 CHAIRMAN CROSBY: That's the issue  
18 you're talking about because again not  
19 everybody has the same attitudes as --

20 MR. GARAND: The task forces that  
21 only have representatives from all the unions.

22 CHAIRMAN CROSBY: Okay, thank you.  
23 I misunderstood.

24 MS. BROWN: Yes. What we are

1 hearing from Daniel D'Alma President of the  
2 Building Trades is that he has a lot of  
3 business managers asking to come. They want to  
4 be part of the task force itself.

5 CHAIRMAN CROSBY: Great.

6 MS. BROWN: And they talked about  
7 how they do that. They may switch out from  
8 month to month to get all the other union heads  
9 that are interested there.

10 CHAIRMAN CROSBY: Great.

11 MS. BROWN: For February, we really  
12 focused on our work around veterans outreach.  
13 We partnered with the Carpenters Union and  
14 Ironworkers to host veteran open houses. They  
15 were held at the Carpenters Union in  
16 Springfield. There were two days of open  
17 houses. It was attended by 18 local veterans.

18 We are working with the appropriate  
19 union hall to make sure that those veterans  
20 that are interested in joining a union actually  
21 go through the process and follow them and see  
22 where they are now. This week we're actually  
23 getting reports back from some of these  
24 veterans that have attended the information



1 sessions, got all of their applications in and  
2 are now waiting for an interview from the union  
3 hall. So, we'll be able to track what happened  
4 with these folks that are interested.

5 CHAIRMAN CROSBY: Great.

6 MS. BROWN: At the time, we had met  
7 with eight trade unions one-on-one. We've  
8 since met with a few more that we'll be putting  
9 in our next report. But from the Bricklayers  
10 and Allied Craftsman's Union all of the way  
11 down to the Sheet-metal Workers Union, Laborers  
12 union of course.

13 We met with Jeff Nash over at the  
14 union Elevator Constructors local office. And  
15 that was a good conversation as well. In our  
16 one-on-one meetings with the unions, what we  
17 talk about is construction timelines of the MGM  
18 Springfield project. We go over the whole  
19 diversity program that so that folks know what  
20 the components are, what we are doing over at  
21 MGM, what our commitments are.

22 And we talk about the unions'  
23 ability to meet the diversity goals of our  
24 project. That's a very important discussion.

1 We found in our one-on-one meetings with the  
2 unions that they've been very open and honest  
3 about how we're going to work together to meet  
4 the diversity goals of the project.

5 We also talk about potential  
6 partnerships between MGM and the local union.  
7 How can we help them accomplish their diversity  
8 goals, reach out to more community members.  
9 And how can they help us make sure that we  
10 accomplish our goals.

11 Then we talk about the Springfield  
12 -- MGM Springfield union referral system. So,  
13 on our website we have a construction workforce  
14 form that individuals who are interested in  
15 construction can go online and fill out and  
16 choose their union that they're most interested  
17 in.

18 And we will make a referral at our  
19 office after we've talked to the person, made  
20 sure that they have met all of the  
21 qualifications. We'll make a referral to the  
22 union. We talk about that in our one-on-one  
23 meetings with the union so that we can see how  
24 it's going, how many referrals are you getting.

1 What happened with them, and we go over that  
2 process in our one-on-one meetings with them.

3 Right now we are following up with  
4 over 100 individuals who are interested in  
5 joining the union through the following again  
6 our construction workforce form. We're getting  
7 referrals and lists from our Community Partners  
8 of people that are interested.

9 Attendance at outreach events and  
10 again we are tracking the progress of each  
11 referral and documenting all union referral  
12 work. So, Commissioner Crosby talk about that  
13 second population, we're even tracking if a  
14 person needs a GED and we're not able to send  
15 them to a union, we'll track what community  
16 partner we sent them to get their GED or their  
17 driver's license assistance as well.

18 CHAIRMAN CROSBY: Great. You  
19 anticipated everything I was asking for there  
20 it looks like.

21 MS. BROWN: These are a list of our  
22 upcoming outreach events. Last month, we were  
23 able to tour, Jason and I went to Westover Job  
24 Corps. facility and toured that facility.

1                   It's amazing what they do out there  
2 with the participants there are. Everyone  
3 graduates with a license. Everyone graduates  
4 -- or a photo ID. Everyone graduates with a  
5 high school diploma or a GED. And they all  
6 graduate with some kind of trade or career goal  
7 in mind.

8                   So, we were able to tour all the  
9 trade programs out there and talk about how we  
10 can do better in making sure those folks out  
11 there have opportunities to not only get on the  
12 MGM Springfield job but to join the  
13 construction workforce in our area as well.

14                   We held a tour of our site with  
15 Roger L. Putnam High School graduating seniors.  
16 That was a very exciting tour. We were able to  
17 go around to every part of our site. And the  
18 young people were able to -- the students were  
19 able to ask questions about the process. They  
20 were able to see a construction site up close  
21 and personal, and not just the see the fencing  
22 but what actually goes on behind the fencing  
23 they were able to look at.

24                   We brought them back. We had an

1 information session with them. And we had  
2 local trade union representatives there that  
3 talked about what it's like to be in a union,  
4 the life of a union worker, the benefits of a  
5 union worker. They were able to ask a lot of  
6 questions. I think we are going to continue  
7 that partnership with them through our  
8 construction partner Tishman in that effort as  
9 we move forward.

10           Again, in March we held the first  
11 diversity task force meeting. And we'll be  
12 looking to meet with them again next month.

13           Looking ahead, we have open houses  
14 scheduled that we're looking to schedule for  
15 women and minorities interested in construction  
16 open houses. And we'll be partnering with one  
17 of our community partners, the Urban League of  
18 Springfield and the YWCA to host those open  
19 house sessions as we move forward in the next  
20 couple of months.

21           And we are just now starting to  
22 attend the local radio stations to spread the  
23 word. Different communities in Springfield  
24 the north end, south end Hispanic population,

1 African-American population have different  
2 community programs and radio stations. And  
3 they have asked us to just get on a program and  
4 explain how somebody can join the union, the  
5 workforce or if they are a diverse company, how  
6 they can be qualified to be ready to bid on our  
7 jobs.

8 That's it for our outreach  
9 presentation.

10 COMMISSIONER CAMERON: If I can just  
11 make a comment. Impressive all of the work  
12 fairs are what most people do, but you've that  
13 done extra work that drill down where are the  
14 barriers. So, I just found your level of  
15 detail impressive and the partnerships. So, if  
16 someone doesn't have the skills or the driver's  
17 license whatever that barrier may be, you're  
18 attentive to that now. So, congratulations for  
19 that.

20 MS. BROWN: Thank you.

21 COMMISSIONER STEBBINS: Chelan, are  
22 you finding as you're going around, obviously,  
23 a lot of the outreach is targeted on the  
24 construction job opportunities, what do you

1 hear from people in the networks that you're  
2 creating asking you about the operational jobs?  
3 When does that happen and what kind of pre-  
4 information can you share with them at this  
5 point?

6 MS. BROWN: At almost every outreach  
7 event we get asked about the operations jobs.  
8 What we're telling people is that we're working  
9 closely with the operations team, under  
10 Marikate Murren who is our Director of  
11 Workforce Development and Training to make sure  
12 that the same kind of work that we're kind of  
13 doing on the construction side with outreaching  
14 to people and providing information is  
15 happening on the operations side as well.

16 We'll get their information. We'll  
17 turn it over to operations. And as we move  
18 closer in that stage, we'll be working together  
19 more closely.

20 COMMISSIONER STEBBINS: That's  
21 great. Thank you.

22 COMMISSIONER MACDONALD: I have a  
23 follow-up question as well and it relates, I  
24 think, to some of what Commissioner Stebbins

1 just asked. At our last meeting on March 3,  
2 there was a very impressive, in my mind,  
3 presentation on workforce development in the  
4 western part of the state, in Springfield as  
5 well as in the east with Bunker Hill and  
6 Bristol Community College. But with regard to  
7 Springfield, I was especially impressed out  
8 there with the report of the work of the Casino  
9 Careers Training Institute and the work that's  
10 being done at Springfield Technical Community  
11 College.

12           Could you address the question of  
13 how you are interfacing with them and perhaps  
14 coordinating with them programmatically, if in  
15 fact you are?

16           MR. STRATTON: I'll address that  
17 question, Commissioner, because Chelan and  
18 Jason have been primarily focused on the  
19 construction aspect of our outreach. Marikate  
20 Murren as was mentioned is our Workforce  
21 Development Director, and she works very  
22 closely with those organization. I know she is  
23 in regular contact, participates on a routine  
24 basis in meetings and planning.



1                   We're a little bit early on that  
2 stage. We're starting to lay the groundwork.  
3 I think what Chelan just spoke to was the  
4 construction team is doing a great job of  
5 laying out some frameworks and some models that  
6 the operations team is really excited about  
7 tapping into and adopting. But I think some of  
8 those will coordinate with MCCTI and use some  
9 of the models that we've already laid out in  
10 construction to carry forward some of that  
11 work.

12                   We are still in -- We are watching  
13 closely what we are doing on the construction  
14 side looking to model it and collaborating with  
15 those organizations to make sure we can follow  
16 form.

17                   COMMISSIONER MACDONALD: Thank you.

18                   MR. ROSEWELL: Good morning. I'm  
19 going to talk to you today about workforce  
20 diversity statistics. Our project goals for  
21 women is 6.9 percent. Currently, we are at  
22 10.53 percent. That is up from 10.38 percent  
23 the month prior. Minority, we have 15.3  
24 percent as our project goal. We're at 28.32

1 percent, up from 27.81 percent the prior month.  
2 Veterans, our project goals are 8 percent. We  
3 are currently at 8.5 percent, up from 7.9  
4 percent prior month.

5 What you're going to see in these  
6 numbers eventually is the normalization as  
7 things start to level out.

8 CHAIRMAN CROSBY: What does that  
9 mean?

10 MR. ROSEWELL: We came out of the  
11 gate really strong, making sure that we were  
12 being very focused on the diversity piece. So,  
13 as we go through and we get into the job  
14 deeper, there will be some leveling out as some  
15 of the trades that come onto the job may not  
16 have some of the high diversity levels that  
17 some of the earlier trades that we're working  
18 with.

19 MR. STRATTON: If I could just add  
20 to that. I said to Jason this morning on the  
21 way out and we talked about it is really  
22 managing expectations.

23 We are really proud of the team, of  
24 the results and of the work we've done so far

1 exceeding all of our goals. MGM fully intends  
2 to make its goals. But consistently beating  
3 these goals sustainability, we just want to  
4 manage expectations that there will be  
5 fluctuations and it will probably normalize and  
6 come closer to our underlying goals as we move  
7 forward.

8 We are going to try to get as high  
9 as we can, but we just want again manage  
10 expectations as we move forward.

11 CHAIRMAN CROSBY: I understand that.  
12 But the reason we asked you to come in this  
13 week is because you've done such a good job.  
14 Obviously, I understand. But those goals that  
15 are the published goals, as you know, are the  
16 minimum goals. Falling below that would be  
17 totally unacceptable.

18 We expect people, including  
19 ourselves we have the same discussion  
20 ourselves, to exceed those goals. It's a  
21 function --- You said you came of the gate  
22 really hard. Well keep going hard. It's a  
23 function of hard work. And we know it's hard  
24 work. The very fact that you've got those two

1 bullet points talking about identifying people  
2 that don't yet have the skills even to get into  
3 the pipeline suggests that you know it's hard.  
4 And you're dealing with it.

5 MR. ROSEWELL: Absolutely.

6 CHAIRMAN CROSBY: If you don't keep  
7 a 25 percent minority okay we'll live with that  
8 but I don't you want to set yourselves up to  
9 fail.

10 MR. ROSEWELL: We definitely  
11 understand that the goals are the floor and not  
12 the ceiling.

13 CHAIRMAN CROSBY: Right.

14 MR. ROSEWELL: Next slide we are  
15 looking at is design and construction  
16 commitments through February 29, 2016. Our WBE  
17 project goals are 10 percent, currently we have  
18 11.6 percent as our commitments, roughly about  
19 \$6.4 million of spend, up from \$4.13 million  
20 for the month of February. Minority project  
21 goals are five percent, commitments are  
22 currently at 11.3 percent. That's an increase  
23 or 6.3 percent over the goal. \$6.2 million in  
24 spend up from \$4.88 million from the prior

1 month.

2 Veteran project goals are two  
3 percent, currently at 2.9 percent, \$1.59  
4 million in spend up from \$.9 million the prior  
5 month.

6 Design commitments, this is based on  
7 approximately \$24.1 million of spend. WBE  
8 project goals are 10 percent. We're at 11.1  
9 percent, eight companies currently on, \$2.68  
10 million from \$.043 million of the prior month.

11 MBE project goals are five percent,  
12 commitments are currently at 6.5 percent, six  
13 companies, current value of \$1.57 million up  
14 from \$.26 million the prior month. VBE two  
15 percent, commitments are currently at 2.9  
16 percent, \$.69 million up from zero prior.

17 The big jump here was basically we  
18 were able to get our design team on board and  
19 we let all of those contracts. This is again  
20 another one where the spend will not go very  
21 much over the \$24.1 million. So, this one has  
22 leveled out. Thank you.

23 MS. BROWN: The next two slides 21  
24 and 22 are a list of our design companies, what

1 their scope is, where they are based out of and  
2 their diversity status. As Jason said, this is  
3 going to be pretty much it for design for the  
4 MGM Springfield project.

5 COMMISSIONER STEBBINS: Chelan,  
6 going forward as your shift from design into  
7 construction, is there anything that we can do  
8 to be helpful in terms of information about  
9 licensing and registering the subs or  
10 contractors as they come on board? Do you get  
11 a lot of questions about that what they are  
12 required to do?

13 MS. BROWN: Yes, mostly from the  
14 construction companies.

15 MR. ROSEWELL: Construction  
16 commitments, construction commitments through  
17 February 29, 2016. Our project goals for WBE  
18 is at 10 percent, currently we are at 12  
19 percent, that is 17 companies \$3.71 million.  
20 Minority five percent currently is the project  
21 goal. We are at 15 percent in commitments, 11  
22 companies on the project, \$4.62 million. VBE  
23 project goal is two percent, commitments are at  
24 2.9 percent, five companies currently on the

1 job for \$.90 million.

2 MS. BROWN: These last three slides  
3 are just a list of our diverse construction  
4 companies. I think we have 33 companies that  
5 are on the job and have been on the job to  
6 date. So, you can see the company, their  
7 scope, their location and their diversity  
8 status. Some of these, a very small percent of  
9 the companies we helped through the  
10 certification process. A lot of them had  
11 national certifications that they had that  
12 weren't accepted by the Gaming Commission. So,  
13 we had to help them through the process to get  
14 certified.

15 But what we're finding in  
16 Springfield now is that there are -- I guess  
17 the word is getting out, Commissioner Stebbins.  
18 So, there are diverse companies that have  
19 already set out on their own to get the  
20 information through Mass SDO, through Greater  
21 New England Minority Supplier Development  
22 Council of how to get certified. So, they're  
23 coming to us with either an application pending  
24 or being certified to be bid ready on a job.

1                   COMMISSIONER STEBBINS: We've always  
2 stressed that they can keep kind of going down  
3 that parallel path of getting certification.  
4 It doesn't allow you to count them until  
5 they've gotten their certification but it  
6 shouldn't hold them up from having the  
7 opportunity to do business with you.

8                   MS. BROWN: Thank you.

9                   CHAIRMAN CROSBY: This is really  
10 great. We really appreciate it. I think MGM  
11 really takes this seriously. And we really  
12 appreciate that.

13                   This was part of the reason the  
14 Legislature passed this law. It's in the law  
15 that this is a priority, part of economic  
16 development objective of our law. It's a  
17 function of hard work. You guys are, like  
18 Commissioner Cameron said, you are doing the  
19 blocking and tackling and it makes a  
20 difference.

21                   And we appreciate it. I hope our  
22 friends at MassLive and the other Western media  
23 will notice it. MassLive I hope you'll notice  
24 it. Hey MassLive, back there, wake up I'm



1 talking to you. I hope you noticed these  
2 numbers about the contractors and the  
3 employment and the diversity numbers where the  
4 goals have been exceeded because it's an  
5 important part of this job, an important part  
6 of our job. Thanks a lot. We really  
7 appreciate it.

8 COMMISSIONER MACDONALD: If I could  
9 just make a point, Jill. In addition to what  
10 has been said that there is something that's  
11 really important that's going on here and that  
12 is that you all are establishing a precedent, a  
13 standard which the Wynn organization in Region  
14 A is going to have to or has as a model and  
15 from our perspective will be under some  
16 pressure to live up to.

17 And it also creates a precedent that  
18 establishes a standard for Region C. And at  
19 our meeting the other day down at the Tribe,  
20 even though we don't have jurisdiction over the  
21 Tribe that the issue and priority,  
22 institutional priority of the Commission on  
23 workforce development and diversity was  
24 specifically addressed with them. And that

1 they made at least statements of a commitment  
2 to address those priorities and to respond to  
3 those priorities.

4 So, what you have done is  
5 tremendously significant. And I really  
6 encourage the trajectory to be maintained  
7 because it's not just Western Massachusetts.  
8 Now it's repercussing to Region A and Region C  
9 we hope.

10 CHAIRMAN CROSBY: I will say to be  
11 fair, Region A the Wynn folks are a little  
12 behind in the process but to date I think they  
13 have been every bit as serious about this as  
14 you guys have. But we do hope that they'll try  
15 to demonstrate that they can beat your numbers.

16 MS. GRIFFIN: We're going to close  
17 out our presentation with brief remarks from  
18 Jason Garand from the Carpenters 108.

19 MR. GARAND: Thank you for allowing  
20 me to come and speak on maybe some of the  
21 things that aren't really being talked about.

22 I'm in the trenches with these other  
23 organizations, and I can share some really  
24 exciting things that are happening. I have to

1 give the credit to the Gaming Commission and  
2 the negotiation of a host agreement that sets  
3 standards and goals.

4 I don't like the word goals because  
5 goals can be not hit and best-faith effort  
6 language is often used. That's unfortunate  
7 because it falls short. Your comments about  
8 exceed are the right words to describe what is  
9 so important here.

10 The opportunity is going to be  
11 changing lives. And we are on the frontline of  
12 that battle. MGM and the Carpenters Union has  
13 been really working hard to figure out how to  
14 do that and do it correctly. The Community  
15 Partners organization that is being formed,  
16 it's still in its infancy, but it is kind of  
17 coalescing. And they are creating their  
18 organization and their structure. Has a lot of  
19 power and opportunities for people that on the  
20 second of the bullets are soft skills that  
21 need, absolutely need to happen for it to be  
22 successful.

23 A population that is looking for  
24 things that a normal person walking through the

1 door of any union, the Carpenters Union or the  
2 electricians, plumbers we don't typically see.  
3 So, we need that partnership in order to make  
4 this successful.

5           And many times without language like  
6 this it's not even talked about. Then what  
7 happens? The trades simply supply manpower for  
8 the contractors as they come in to do a job.  
9 And if the question isn't do you have women,  
10 minorities or veterans, then we have to just  
11 work off a list of members who are qualified to  
12 do the job.

13           So, you're changing the dynamic.  
14 And that is incredible to see. And thank you  
15 very much for that. Thank you to MGM for  
16 really wanting to go beyond just what is the  
17 goal.

18           There's a number of things happening  
19 here from the community partners coming  
20 together, from the unions coming together as a  
21 task force, sitting together with  
22 representatives, talking about issues. And  
23 things that are maybe at this point getting  
24 familiar with each other. Not knowing who each

1 other is and starting to figure out where are  
2 there shortcuts -- what can the CPs, Community  
3 Partners, do to bring more people in.

4           That is an exciting program. And I  
5 think that what MGM has done is invented  
6 something that very quickly they have no  
7 control over nor do they ever want control.  
8 That's the beauty of this.

9           This is a 30-month project. There's  
10 an opportunity for people to come in and change  
11 their lives in careers of 30 years. So, the  
12 goal is that we open the door and somebody says  
13 I want to be a carpenter -- And it could be a  
14 minority, woman or veteran. -- who didn't have  
15 that opportunity.

16           And working with the Community  
17 Partners HiSET, a driver's license, being able  
18 to be reliable and show up on the job. Soft  
19 skills that today would force them either in a  
20 situation where we are not prepared for that  
21 and the contractor isn't going to deal with  
22 that in too much of an extra effort, would trip  
23 them up. Then they would find that this isn't  
24 working for them and they'd get laid off.

1                   Our goal is that they are walking  
2 through this door in the kiddie pool, and when  
3 they come into our trade into the training they  
4 are ready to go. And that is the beginning,  
5 maybe that first 30 months is the beginning of  
6 a 30-year career. That's a very important  
7 thing to talk about.

8                   And this Community Partners  
9 organization that is developing will be  
10 something where the trades become interactive  
11 in it. There won't be a task force at the end.  
12 It'll be the unions and the Community Partners  
13 come together in the city of Springfield to  
14 talk about who do you have, where are we short,  
15 what skill sets?

16                   For example, Partners for Community,  
17 it's an organization that does a lot of great  
18 things in the city. They are doing a lot of  
19 the soft skills, the HiSET, the GEDs. And when  
20 they're coming in they're coming in ready.

21                   Who are these people? Some of them  
22 are homeless women that are living in Holyoke  
23 and Springfield. This is an exciting story  
24 that nobody knows about yet. You are now

1 hearing about it for the first time. It hits  
2 my heart. It's such a beautiful thing to know  
3 that somebody who is stuck is going to get an  
4 opportunity to fundamentally change their life.  
5 I'm excited to know that we are all part of  
6 that.

7           So, we are working with Putnam  
8 Vocational. We had a woman just come in, she  
9 got accepted into our program. She is ready to  
10 go to work. So, I just want to take a step  
11 back and talk about why this is so important  
12 now.

13           The project hasn't really started  
14 yet. You've seen the numbers. It's a \$500  
15 million job. There's short money that has been  
16 spent but that's great. Because if the people  
17 who are trying to get into these jobs are still  
18 six months behind being ready then they miss  
19 out on something.

20           So, the goal is that they're talking  
21 to the unions, figuring out when their programs  
22 are ready to go, getting into their queues,  
23 getting into the informational session, filling  
24 out their paperwork. And then when those jobs

1 open up, they're not saying okay is it my turn,  
2 because the answer is you're not ready to have  
3 your turn. Not because you're waiting 100th in  
4 line, it's because you have soft skills that  
5 you haven't got to yet that get you through the  
6 door. So, that's the partnership that's  
7 happening.

8 We have a couple of women from  
9 Partners and that homeless program. We have  
10 people from Youth Build. They have a longer  
11 term. But there are two people that are now  
12 ready. They're coming into the Carpenters  
13 Union.

14 We have Roca. Roca is an incredible  
15 program that takes kids that yesterday could be  
16 doing a lot of bad things, selling drugs, in  
17 gangs, in tough situations, not feeling loved,  
18 not feeling wanted to say that's the gang I  
19 want, it's called the Carpenters Union and I'm  
20 going to be a brother of that. That to me is  
21 once again another life changing event.

22 So, we have somebody that's going to  
23 work. He's not going to work at MGM though.  
24 He's going to work at the Changchung CRRC



1 project. His first job is Monday morning.  
2 He's going to have an opportunity to change his  
3 life that starts there. And then he's going to  
4 be able to go over to MGM three months from  
5 now, eight months from now, a year from now  
6 when the opportunity says hey we've got  
7 something else going on. But in the meantime  
8 he's got a year of experience.

9           So, the opportunity is much larger,  
10 it's much more exciting. UMass is now doing an  
11 AOC. This AOC model is the right model to  
12 create this. Cities and towns, the city of  
13 Springfield should be passing something this.  
14 They have an REO. It's lukewarm at best. An  
15 AOC model makes sense, but it will only work  
16 when people like yourselves are on it and  
17 saying the things that you're saying.

18           And I really appreciate that. And I  
19 really appreciate you allowing me to share some  
20 of these stories. Thank you.

21           COMMISSIONER CAMERON: I think the  
22 stories are excellent. I am just wondering  
23 without being forced to get to the numbers, it  
24 doesn't sound like the union on their own were

1 -- You were saying it's just too much work or  
2 there was no initiative to do it.

3 MR. GARAND: No, that it was too  
4 much work. It was just that we are the wrong  
5 organization to do the things that these other  
6 organizations do so well.

7 When we open our doors to our  
8 apprenticeship program, we have 1300 students  
9 that are apprentices going to Millbury right  
10 now. Every month the Carpenters Union does an  
11 informational session. We could have 100  
12 people walk through the door. That's an  
13 overwhelming number for us on a monthly basis.

14 So, what we don't have is the  
15 ability to say you need HiSET. You need GED.  
16 You need a car. You don't have a vehicle to  
17 get a job site because today you're working in  
18 Springfield and tomorrow you're working in  
19 Pittsfield. And those are the places we fall  
20 short, and we recognize that we fall short.

21 What we need are partners who can do  
22 those things and do them well. That's Partners  
23 for Community and Roca and Youth Build and  
24 A.W.A.K.E. We have two people from A.W.A.K.E.

1 that are going to be coming into our  
2 apprenticeship program. They're doing things  
3 to get them ready that we couldn't do. And  
4 that's simply a recognition of strengths and  
5 weaknesses.

6 COMMISSIONER CAMERON: Okay.  
7 Thanks.

8 COMMISSIONER STEBBINS: Jason, you  
9 and the Carpenters have obviously been  
10 tremendous leaders in terms of diversity  
11 recruitment and understanding of potential  
12 impact and positive impact that can happen to  
13 your union membership.

14 But I think the message we want to  
15 take away from what you have just been talking  
16 about and what MGM has been presenting here  
17 this morning is that for some folks out there  
18 -- And Jill and I have heard this. -- well,  
19 it's too late. I missed the window to get into  
20 a program. Or I'm just not going to be ready  
21 in time to participate in a project.

22 And the message is clear this  
23 morning that the opportunity is still there.  
24 It's not too late. You talked about it being a

1 30-month project. So, hopefully that message  
2 resonates to people who have been kind of  
3 thinking, well, I missed this deadline or this  
4 date of application, I'm locked out. That's  
5 not the case.

6 MR. GARAND: Correct.

7 COMMISSIONER STEBBINS: And that's a  
8 good message to hear.

9 MR. GARAND: And I didn't even share  
10 that fact that from a contractor position,  
11 these small companies that are in the city  
12 Springfield and people are worried that they  
13 are not at the size or ability to come into the  
14 union that we are holding them back.

15 We have now signed one company,  
16 Jericho Construction. They are a minority-,  
17 woman-, veteran-owned business. We are talking  
18 to Jim Lessard of JSL and he is a veteran-owned  
19 small company in the city of Springfield.  
20 They're going to be signing a contract with the  
21 union.

22 They see the benefits of what the  
23 union brings to the table in training, in  
24 pension, health and annuity for their

1 employees. They see the opportunities to open  
2 and expand their markets. This is a really --  
3 This is the other side of the great story that  
4 is not being shared yet. But it is happening.

5           These companies will -- Talk to  
6 them. They're going to tell you the process to  
7 come into the trade was incredibly easy. We're  
8 open. There's no firewall that says you're not  
9 going to make it if you're not with us already.  
10 In fact, as with the workforce, our doors are  
11 open. And we are excited about the expansion  
12 and the change.

13           CHAIRMAN CROSBY: Great Jason.  
14 That's great stuff to hear. Anybody else?

15           MR. BEDROSIAN: Mr. Chair, I'm going  
16 to give you a choice now. Staff needs about  
17 five minutes before the number five, research  
18 and responsible gaming presentation. We could  
19 either break now and give them that five  
20 minutes or General Counsel Blue could do about  
21 20 minutes worth of items that would eliminate  
22 items 6(c) and 6(e).

23           I will say that when you get the  
24 responsible PlayMyWay update, you will see that

1 our branding is deep green. That is a  
2 coincidence that today is St. Patrick's Day and  
3 not planned.

4 CHAIRMAN CROSBY: We'll still have  
5 to take the five-minute break.

6 MR. BEDROSIAN: Yes. So, the choice  
7 is do you want to take the five-minute break  
8 now or in about 20 minutes?

9 CHAIRMAN CROSBY: I just assume get  
10 the legal stuff over and then take a break.  
11 Okay, great. General Counsel Blue.

12 MS. BLUE: Good morning,  
13 Commissioners.

14 COMMISSIONER CAMERON: Thank you  
15 very much. Excellent presentation.

16 CHAIRMAN CROSBY: Yes, really  
17 appreciate it. Thank you, Jason.

18 MS. BLUE: In your packet today, you  
19 have four small business impact statements.  
20 These are the small business impact statements  
21 for the emergency amendments that you approved  
22 at your last meeting to 205 CMR 134 and 205 CMR  
23 116.

24 Those were amendments to the

1   qualifier regulation, to the temporary license  
2   regulation, to the term of the license  
3   regulation and the new qualifier section of  
4   134. So, if you would like we can take these  
5   altogether and approve them as one. And then  
6   we will file them and move these amendments  
7   through the formal promulgation process.

8                   CHAIRMAN CROSBY: Fine with me. I  
9   think that makes sense.

10                  COMMISSIONER CAMERON: So, we need a  
11   motion, Mr. Chair?

12                  CHAIRMAN CROSBY: Yes, why don't you  
13   go ahead.

14                  COMMISSIONER CAMERON: I move that  
15   we approve the small business impact statement  
16   to 205 CMR 134, licensing and registration of  
17   employees, small business impact statement 205  
18   CMR 116, persons required to be licensed or  
19   qualified through the promulgation process.

20                  CHAIRMAN CROSBY: Second?

21                  COMMISSIONER MACDONALD: Second.

22                  CHAIRMAN CROSBY: Discussion? All  
23   in favor, aye.

24                  COMMISSIONER MACDONALD: Aye.

1 COMMISSIONER CAMERON: Aye.

2 COMMISSIONER STEBBINS: Aye.

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

5 MS. BLUE: Thank you. And item (e)  
6 is a request for an NDA. As you may recall,  
7 the Commission asked the legal department to  
8 bring these forward for the Commission's review  
9 before they were approved. Deputy General  
10 Counsel Grossman is here to present what the  
11 request is for your consideration.

12 MR. GROSSMAN: Good morning, Mr.  
13 Chairman and members of the Commission. You  
14 have before you two separate requests from  
15 Plainridge Park Casino to enter into a  
16 nondisclosure agreement. This would supplement  
17 the one you had a look at a few weeks back. We  
18 have prepared a draft of what it may look like,  
19 which only contains the first two categories.

20 Before we get into it, I would just  
21 remind the Commission the standard we look at  
22 is whether the information would contain a  
23 trade secret or would be detrimental to the  
24 gaming licensee if it were to be made public.



1                   So with that in mind, the legal  
2 staff and the Commission staff is recommending  
3 that the Commission approve three of the  
4 requests and deny the fourth. The three that  
5 we would recommend approval for include the  
6 monthly disciplinary reports that are compiled  
7 by Penn National Gaming that detail reports of  
8 discipline for all of their properties  
9 nationwide.

10                   The second is for the standard  
11 operating procedure for Plainridge Park Casino.  
12 And the third is for the audio recordings,  
13 video recordings, photographs and other images  
14 that are taken from their surveillance system.  
15 For those we would recommend that you approve  
16 the request that we enter into a nondisclosure  
17 agreement.

18                   The fourth request is for floor  
19 plans. We would recommend that we not enter  
20 into an agreement for that. The reason being  
21 that we've already disclosed and released  
22 copies of the floor plans. We've redacted all  
23 of the back of house information including  
24 money-related areas, surveillance and security

1 areas and the like.

2 And we would suggest that the public  
3 records law and exemptions adequately protect  
4 all of our interests when it comes to the floor  
5 plans. We don't see a need to enter into a  
6 nondisclosure agreement.

7 With that if there are any questions  
8 we can get into that. I would just add that  
9 we've consulted with our colleagues in the IEB  
10 relative to these requests. And we all share  
11 the same recommendation.

12 COMMISSIONER STEBBINS: Just for  
13 clarification, the disciplinary reports, those  
14 aren't prepared by Penn internally. Those are  
15 disciplinary actions taken in other  
16 jurisdictions, correct?

17 MR. GORSSMAN: That's right. As I  
18 understand it, it's a compilation of all the  
19 disciplinary actions that have been taken  
20 against the licensee in other jurisdictions.

21 COMMISSIONER STEBBINS: So, aren't  
22 they already public documents in other  
23 jurisdictions?

24 MR. GROSSMAN: Perhaps. And I think

1 it's a good point to focus on here. The key is  
2 the compilation of the information. It's not  
3 necessarily that each individual matter would  
4 be on its own subject to protection.

5 It's the report as compiled that  
6 there is concern with. That's understandable.  
7 As they've described in their request, it is  
8 similar to litigation compilation where you  
9 could go around the country and find individual  
10 lawsuits and filings and whatnot. But to tee  
11 it up for someone with interest like this could  
12 be detrimental to the licensee. That's what  
13 they are concerned with. We found merit with  
14 that concern.

15 CHAIRMAN CROSBY: How is it  
16 detrimental?

17 MR. GROSSMAN: Just anyone who is  
18 pursuing litigation or what have you would have  
19 a one-stop shopping way to find all of the  
20 instances in which they have engaged in any  
21 type of behaviors.

22 CHAIRMAN CROSBY: I don't know that  
23 I see that as a problem. It's all out there.  
24 It's public information. It's information that

1 the public has a reason to have access to.  
2 It's nothing earth shattering. It's not like  
3 something is going to happen that isn't already  
4 going to happen because every jurisdiction if  
5 there is anything significant the news covers  
6 it.

7 I don't know why -- Just on the face  
8 it, I could see how they could consider it kind  
9 of embarrassing. It makes it easy to have a  
10 summary. But I don't quite see what the big  
11 deal with that is. It says it's the  
12 compilation that makes the document sensitive  
13 and confidential. Sensitive maybe,  
14 confidential, no, it doesn't change the nature  
15 of the information. Because it's compiled, you  
16 can't compile public documents and create a  
17 confidential document by the compilation of  
18 public documents. That just doesn't make sense  
19 to me.

20 Sensitive I understand, but I think  
21 that's really a PR issue. It's not a  
22 significant public policy issue that I can see.  
23 But you disagree with that apparently?

24 MR. GROSSMAN: I can see both sides

1 of the argument. When it comes to something  
2 like this, I'd be inclined to err in favor of  
3 protecting the documents so that we can receive  
4 it. If we don't enter into these agreements,  
5 we could run into a situation where they just  
6 won't give us certain documents.

7 CHAIRMAN CROSBY: Yes, they will.

8 MR. GROSSMAN: Well, we can get into  
9 situations where they modify the documents or  
10 what have you. I think the most important  
11 thing is that we have free access to all of  
12 this information.

13 CHAIRMAN CROSBY: Do other people  
14 have --

15 COMMISSIONER MACDONALD: Just to  
16 make sure that I understand what is actually at  
17 issue here in terms of the reports that are  
18 subject to the request.

19 In answer to your response I think  
20 to Commissioner Stebbins, do I understand it  
21 that these are not reports that have to do with  
22 disciplinary incidents at Plainridge as such;  
23 is that correct?

24 MR. GROSSMAN: That's not my

1 understanding of what this would cover.

2 COMMISSIONER MACDONALD: Rather it  
3 is disciplinary actions that have been taken  
4 against Penn in other jurisdictions?

5 CHAIRMAN CROSBY: By the  
6 jurisdictions.

7 COMMISSIONER MACDONALD: By the  
8 jurisdictions.

9 CHAIRMAN CROSBY: Right.

10 MR. GROSSMAN: Right. So, Penn  
11 National I take it compiles a list of all the  
12 disciplinary matters that have been taken  
13 against it in all of their whatever, 20 some  
14 odd jurisdictions.

15 CHAIRMAN CROSBY: Other thoughts on  
16 this question because it's sort of an  
17 interesting question. If we have a  
18 representative here from Wynn, who I  
19 wouldn't --

20 COMMISSIONER CAMERON: From Penn.

21 CHAIRMAN CROSBY: Oh, okay.  
22 Roberta, both, if either or both of you. You  
23 probably have the same thing. I don't know at  
24 Wynn. But certainly Roberta if you want to

1 speak to it, you're more than welcome.

2 MS. GREGOIRE: This is a report  
3 prepared by Penn corporate. It contains  
4 information about regulatory action in other  
5 jurisdictions. It's provided upon request to  
6 the IEB. It's not a regulatory requirement.  
7 It is information that we do feel is sensitive  
8 and would like to have a protected.

9 CHAIRMAN CROSBY: Why is it  
10 sensitive?

11 MS. GREGOIRE: Because as Todd said,  
12 it covers everything across our properties.  
13 And a lot of that is not relevant to what  
14 happens at Plainridge or here in Massachusetts.

15 COMMISSIONER CAMERON: IEB agrees  
16 with this as well, the recommendation?

17 MR. GROSSMAN: Yes. I don't know  
18 that we got into this level of deliberation  
19 over it. On its face, it struck me as  
20 something that I could understand why you  
21 wouldn't want out there.

22 As she mentioned, they are not  
23 required to give this to us. They do. I take  
24 it it's helpful to the IEB. I guess they like

1 receiving this information. I kind of, on this  
2 one, took it at face value that they say it's  
3 sensitive to them.

4 COMMISSIONER CAMERON: Director  
5 Wells, do you have any thoughts on this matter?

6 MS. WELLS: Good morning. I am  
7 familiar with the document that we are talking  
8 about here today. It is something that is  
9 definitely helpful for the IEB to review as far  
10 as not only looking at what's going at  
11 Plainridge Park Casino but also we have an  
12 obligation to evaluate the continuing  
13 suitability of Penn National. So, this  
14 compilation of everything and the regulatory  
15 violations and issues in other jurisdictions is  
16 definitely helpful to us. So, it's something  
17 that we want.

18 I can understand from the company's  
19 perspective that having it compiled in a  
20 document in some ways can be uncomfortable if  
21 that gets out. I think that from our  
22 perspective, it is information we want. If we  
23 take possession of it and it becomes a public  
24 record then we may be compelled to disclose



1 that.

2 Another option for us would be  
3 instead of us taking the document would be just  
4 to view the document, but that makes it a  
5 little more cumbersome for us. So, it's  
6 certainly easier for us to be delivered the  
7 document, take possession of it. And then have  
8 the NDA so that parties are comfortable instead  
9 of us having to go and view a document at a  
10 different location and not take possession of  
11 it.

12 So, from it's from a logistical  
13 point of view which I realize is slightly  
14 different the issue you're discussing today on  
15 the substance of whether or not it should be  
16 appropriately a confidential document.

17 But on logistics, when we are  
18 working in that relationship with the licensee  
19 and understanding what their concerns are then  
20 we try to be flexible and reasonable with them.  
21 That's an issue for us that the logistics of  
22 having the document just delivered. I get it  
23 emailed to me. And I can view it at any time.

24 COMMISSIONER CAMERON: Is there an

1 issue that you can see where a trend may be  
2 identified that someone could exploit if there  
3 happens to be a number of locations where there  
4 may have been some kind of a lapse in security,  
5 surveillance, something that you would find  
6 useful but someone else could use to exploit?  
7 I'm trying to understand the nature of the risk  
8 here for the document other than  
9 uncomfortableness if there happens to be.

10 MS. WELLS: I haven't seen that. It  
11 may be from an investigatory standpoint,  
12 sometimes you like first crack at evaluating  
13 what's going on in these different  
14 jurisdictions before it becomes a public issue  
15 so that we have an appropriate response for the  
16 Commission in a timely manner. That's a public  
17 policy discussion which I would defer to the  
18 Commission on how you'd like to handle that.

19 COMMISSIONER CAMERON: Is this an  
20 issue in other jurisdictions? Or is this  
21 typically a document that would remain  
22 confidential?

23 MS. WELLS: I don't know the answer  
24 to that question. I would have to make a

1 request of other jurisdictions on how they  
2 handle that.

3 I know from my travels and  
4 discussions with other jurisdictions,  
5 Massachusetts, the laws regarding what's public  
6 and what's confidential as far as  
7 investigations, we certainly are on the side of  
8 the spectrum towards transparency. Most other  
9 jurisdictions, the materials that the IEBs are  
10 reviewing there really is no issues of  
11 disclosure. That's something different.

12 COMMISSIONER CAMERON: So, we  
13 disclose more than others is what you are  
14 saying.

15 MS. WELLS: The law is whether we  
16 disclose it is different than what the  
17 parameters of the law are. Some other  
18 jurisdictions particularly for gaming and  
19 gaming investigations have specific statutory  
20 protections for the information that's obtained  
21 during investigations.

22 COMMISSIONER CAMERON: I, I think,  
23 would be comfortable with more information from  
24 Penn why they in particular they feel this is

1 confidential, what other jurisdictions do. If  
2 there is a risk here, that's really what I'm  
3 concerned about a risk. If there's no risk, I  
4 would tend to agree that this may not be a  
5 confidential document. Just if we could get  
6 more information, I'd be more comfortable  
7 making a decision about this.

8           CHAIRMAN CROSBY: If there were  
9 something which had some -- in the document  
10 something came up, I don't know what it might  
11 be but something came up that might have some  
12 positive help to a bad guy, to take that  
13 particular thing out in any given instance.  
14 And I'd also be happy to shelve this one for a  
15 week if somebody wants to weigh into it more  
16 heavily.

17           Penn doesn't have anything to hide.  
18 If there were tendencies, if all the sudden  
19 there's judicial actions or the jurisdictional  
20 actions, regulatory actions were on the  
21 ascendancy or there were a series of serious  
22 ones, we would want to know, but the public has  
23 the right to know that too. It's not a secret.  
24 It's out there.

1                   So, it feels to me like unless there  
2 is some other consideration like Commissioner  
3 Cameron is saying that this is kind in the  
4 world we live in. And we meaning us but also  
5 meaning the operators they are sort of buying  
6 into this world of transparency.

7                   MS. WELLS: I think I agree with  
8 that. I think the potential counter to that is  
9 if Penn doesn't -- It is a valuable tool for  
10 us. So, we don't want to have a deterrent to  
11 Penn compiling this and creating this document.

12                   My concern would be if there's risk  
13 of disclosure, and I would defer to Penn on  
14 what their policy would be, if they would stop  
15 doing it because of a risk of disclosure for  
16 some reason.

17                   CHAIRMAN CROSBY: We can require it.

18                   MS. WELLS: I guess you could. I  
19 think they'd do it, and correct me if I'm  
20 wrong, Roberta, they do it as a general  
21 practice and it goes out to all the  
22 jurisdictions. It's not something that's done  
23 for the IEB, I would say.

24                   MS. GREGOIRE: It goes to our

1 regulators and our auditors only.

2 COMMISSIONER STEBBINS: I'm happy to  
3 also kind of set this aside and take it up  
4 later. It's an internal corporate document of  
5 the compilation of kind of monthly disciplinary  
6 issues.

7 Is there information kind of above  
8 and beyond other than here are all of the  
9 infractions but maybe internal information as  
10 to what steps the company is taking to either  
11 settle the jurisdictional issue or disciplinary  
12 issue or to go beyond and above here is the  
13 infraction, here is the penalty, the  
14 jurisdiction, the basic facts. If there's more  
15 information in that that is part of the  
16 compilation, I could somewhat see a reason to  
17 not disclose that. But I just don't know.

18 MS. GREGOIRE: We'll get back to  
19 you.

20 MR. BEDROSIAN: Mr. Chair, I would  
21 suggest it sounds like the licensee will have a  
22 sense of the Commission right now. Ms.  
23 Gregoire may want to go back and consult with  
24 some folks at Penn. I'm going to suggest we

1 pull this.

2 CHAIRMAN CROSBY: Do you have  
3 anything to add before we do this?

4 COMMISSIONER MACDONALD: I would  
5 just add that I share the concerns of the other  
6 Commissioners. That given the pertinence as  
7 Karen has said to the issue of the ongoing  
8 suitability of the licensee and the public  
9 interest in there being dissemination of this  
10 suitability pertinent information being in the  
11 public domain so that we can be held to  
12 account, I think that there are some real  
13 significant issues here that need some further  
14 thinking through before we vote on it.

15 CHAIRMAN CROSBY: Okay.

16 MR. BEDROSIAN: My suggestion is you  
17 not take a vote at this time and we will circle  
18 back either in a week or two.

19 CHAIRMAN CROSBY: We can do it on  
20 the other two.

21 MR. BEDROSIAN: I'm sorry. I  
22 apologize. I came in. I was just thinking  
23 about this particular item. But the other two  
24 we'd appreciate.

1                   COMMISSIONER CAMERON: Thank you.

2                   COMMISSIONER MACDONALD: On the  
3 other two, what is this standard operating  
4 procedure, Todd? What is that? I think you  
5 just described it as SOPs. And I apologize for  
6 not having read in greater detail the materials  
7 on it.

8                   CHAIRMAN CROSBY: There isn't any  
9 more.

10                  MS. GREGOIRE: They are step-by-step  
11 instructions for each department. So, they're  
12 very detailed. They cover each of the  
13 departments cage, security, surveillance,  
14 something that we would not want to be out in  
15 public.

16                  MR. GROSSMAN: Kind of like the  
17 internal controls I think in a little more  
18 detail --

19                  MS. GREGOIRE: Much more detail.

20                  MR. GROSSMAN: -- is my  
21 understanding of what they are. And we do  
22 protect the internal controls, which are much  
23 more general. So, that seemed like a  
24 reasonable request from that perspective.



1                   CHAIRMAN CROSBY: This is one where  
2 I can see the kind of concern that Commissioner  
3 Cameron expressed. You don't particularly want  
4 the way you handle your cash movement from  
5 point-to-point or other kinds of stuff. And I  
6 don't think there's any kind of public interest  
7 served in having it out there.

8                   So, there is neither a public  
9 interest in having it out there and there is a  
10 risk in having it out there. So, it makes  
11 sense to me.

12                   COMMISSIONER CAMERON: Yes, I agree.

13                   COMMISSIONER STEBBINS: Todd, what  
14 are your thoughts let's just circle back on the  
15 floor plans issue. Obviously, we don't want  
16 people wishing to do harm to the casino to  
17 understand kind of the back-of-house  
18 operational locations.

19                   MR. GROSSMAN: Right.

20                   COMMISSIONER STEBBINS: But I sense  
21 from what you said is there is a way to redact  
22 or protect those pieces of the floor plan maybe  
23 while showing the general layout of the public  
24 areas if anybody was even interested in having

1 those.

2 MR. GROSSMAN: Yes. And we've  
3 already released the floor plans. They're out  
4 there on our website. At the moment, you  
5 could go look at them if you really wanted.  
6 And you could just stand there and draw them  
7 yourself if you really wanted to.

8 There are obviously sensitive areas.  
9 Those we would not want to disclose publicly  
10 and we haven't and we wouldn't. But I think  
11 there are adequate protections in place such  
12 that we don't need to enter into a  
13 nondisclosure agreement.

14 COMMISSIONER CAMERON: I would agree  
15 since we already protect the areas that we  
16 agree are sensitive in nature and wouldn't want  
17 them to be made public. So, I would agree with  
18 your assessment.

19 CHAIRMAN CROSBY: So, if no further  
20 discussion, do we have a motion on the two?  
21 Does somebody want to bring one?

22 COMMISSIONER STEBBINS: Mr.  
23 Chairman, I would move that the Commission  
24 approve the request for nondisclosure

1 agreements for standard operating procedures  
2 and item 29, the video recordings, audio  
3 recordings, photographs, etc. from the casino's  
4 surveillance system.

5 CHAIRMAN CROSBY: Second?

6 COMMISSIONER MACDONALD: Second.

7 CHAIRMAN CROSBY: Further

8 discussion? All in favor, aye.

9 COMMISSIONER MACDONALD: Aye.

10 COMMISSIONER CAMERON: Aye.

11 COMMISSIONER STEBBINS: Aye.

12 CHAIRMAN CROSBY: Opposed? The ayes  
13 have it unanimously.

14 COMMISSIONER STEBBINS: Do we need  
15 to take action on the floor plan issue to  
16 accept staff recommendation or because we  
17 approved the other two --

18 MS. BLUE: I think it would be  
19 helpful to take action to accept our  
20 recommendation not to keep it confidential.

21 COMMISSIONER STEBBINS: Mr.  
22 Chairman, I move that the Commission accept the  
23 staff recommendation on the request for  
24 nondisclosure on the floor plans, item number

1 30 as presented in the packet.

2 CHAIRMAN CROSBY: Second?

3 COMMISSIONER MACDONALD: Second.

4 CHAIRMAN CROSBY: Discussion? All  
5 in favor, aye.

6 COMMISSIONER MACDONALD: Aye.

7 COMMISSIONER CAMERON: Aye.

8 COMMISSIONER STEBBINS: Aye.

9 CHAIRMAN CROSBY: Opposed? The ayes  
10 have it unanimously.

11 COMMISSIONER CAMERON: Thank you.

12 MR. GROSSMAN: Thank you. We'll  
13 bring a draft agreement back before you when we  
14 come back with the information about the  
15 disciplinary reports, if that's okay. We'll  
16 hold off on signing an agreement for these  
17 other two.

18 CHAIRMAN CROSBY: Anybody else,  
19 Roberta if any other information you want to  
20 get or if anybody else wants to come speak to  
21 us or whatever, fine with us. Thank you.

22 CHAIRMAN CROSBY: We're not doing  
23 Easton, right?

24 MR. BEDROSIAN: We are not doing

1 Easton now. I would suggest --

2 CHAIRMAN CROSBY: -- taking a break.  
3 We'll take say a nine-minute break and be back  
4 at 11:30.

5  
6 (A recess was taken)

7  
8 CHAIRMAN CROSBY: We are reconvening  
9 public meeting 182. Next up on our agenda is  
10 Director of Research and Responsible Gaming,  
11 Mark Vander Linden.

12 MR. VANDER LINDEN: Good morning,  
13 Commissioners. As one part of the overall  
14 strategy that the Commission has adopted to  
15 provide information and education to patrons,  
16 the Commission adopted and approved the  
17 development and implementation of a pilot  
18 program at Plainridge Park Casino called play  
19 management -- a play management system. In the  
20 past few months, the Commission has -- We've  
21 changed the name of this to be called  
22 PlayMyWay.

23 PlayMyWay is an innovative budget  
24 setting tool that will be available in slot

1 machines at Plainridge Park Casino in the very  
2 near future. Patrons can voluntarily use this  
3 program. If they do choose to use the program,  
4 they receive notices at 50 percent, 75 percent,  
5 100 percent and every 25 percent thereafter of  
6 the budget they had determined for themselves.

7 I want to emphasize that this a  
8 budget setting that is voluntary. It doesn't  
9 cut patrons off from play once they hit 100  
10 percent. What want to do is to increase the  
11 level of awareness for patrons so they can make  
12 an informed decision about whether they  
13 continue to gamble, whether they stop and how  
14 much they spend.

15 This is an innovative tool. This  
16 has not been done in the United States before.  
17 There are few jurisdictions in North America  
18 that either have just begun using it or will  
19 begin using it later in the summer or early  
20 fall.

21 It has been tried in other  
22 jurisdictions around the world. And we're  
23 closely monitoring those to see what we can  
24 pull from those that would be considered best

1 practices and adopt those in Massachusetts.

2 I want to point out this is a  
3 complex process. We are very interested in  
4 creating a tool that is useful for patrons, a  
5 tool that will truly help them make an informed  
6 decision about their gambling behaviors. We  
7 want to provide a tool for those that don't  
8 want to use it doesn't interfere with their  
9 gaming experience.

10 We want to provide a tool that's  
11 attractive and appealing to use. One that  
12 aligns or is fully integrated with their gaming  
13 experience. All of these things are important  
14 considerations as we move down this path in the  
15 development stage.

16 This development process has  
17 required extensive collaboration.  
18 Collaboration obviously with Penn who has been  
19 fantastic in working with us to create this  
20 product. We've worked closely with Harvard  
21 Medical School Cambridge Health Alliance  
22 Division on Addiction to develop the evaluation  
23 component.

24 One of the central criticisms of

1 this type of tool is that there is little  
2 evidence that would prove its effectiveness.  
3 We want to prove conclusively whether or not  
4 this is a useful tool, what the value of it is  
5 to patrons who choose to gamble in  
6 Massachusetts. They are an ideal agency to  
7 work with to develop this piece of it.

8           We've worked closely with Bally  
9 Technology who does the actual development  
10 piece of this. And I'll cover more of their  
11 work in just a few minutes. All of these  
12 entities are working closely together with us  
13 at the Massachusetts Gaming Commission to  
14 develop this product.

15           What I want to cover this morning is  
16 a little bit about our new campaign, our new  
17 brand. I want to cover some changes that we  
18 decided to make to the way that it appears on  
19 the electronic gaming machine. Then finally I  
20 want to cover the timeline, when will you  
21 actually see this on a slot machine at  
22 Plainridge Park Casino.

23           To cover the piece about how are we  
24 positioning this, what does our marketing



1 campaign look like, I've been working very  
2 closely with Elaine Driscoll, Director Driscoll  
3 as well as Mike Sangalang and the advertising  
4 agency, More Advertising here in Boston. With  
5 that I want to turn it over to Elaine.

6 MS. DRISCOLL: Good morning,  
7 Commissioners. So, basically what I'd like to  
8 do today is just tell you a bit about the  
9 PlayMyWay brand, how we developed it and then  
10 also what the plan will be for distribution  
11 once we are ready to launch the actual program.

12 You have in the Commissioner's  
13 packet basically an overall communications  
14 plan. Just by way of background, this plan was  
15 originally created to give guidance to More  
16 Advertising basically before they started their  
17 creative work. We wanted to be very specific  
18 about what we were trying to achieve and to  
19 give them a sense of what we wanted the brand  
20 to look and feels like. That was based on a  
21 significant amount of research that Mark and I  
22 did with other jurisdictions.

23 So, you'll actually even notice in  
24 this communications plan, I went ahead and

1 included some collateral from Ontario who seems  
2 to have had so far a successful program. One  
3 of the things that -- By the way, the folks in  
4 Ontario were extremely generous with sharing  
5 their experience with us. So, we were very  
6 appreciative of that.

7           They also were happy to share with  
8 us all of the collateral that they created.  
9 So, we thought that that was an important piece  
10 because they really stressed to us the  
11 importance of a really good marketing strategy  
12 and that they believe that that was critical to  
13 the overall success of their program thus far.  
14 So, I included that so you could get a sense of  
15 it.

16           I know Commissioner Cameron you  
17 often like to see what other jurisdictions are  
18 doing. So, I thought that that was an  
19 important example.

20           COMMISSIONER MACDONALD: Excuse me,  
21 Elaine. When you use the word collateral, what  
22 does that mean?

23           MS. DRISCOLL: All of the marketing  
24 pieces, the brochures, the rack cards, the

1 signage.

2 COMMISSIONER MACDONALD: Is that a  
3 term of art in the marketing world?

4 MS. DRISCOLL: I guess so. I don't  
5 know. At any rate, you will notice that. I'll  
6 take you through this memo briefly. I'm not  
7 going to hit on every single point, but I just  
8 want you to get a sense of like I said our  
9 strategy and how this all came to be.

10 The bottom line is is that our  
11 strategy is to introduce the PlayMyWay program  
12 to Marquee Reward players via a highly targeted  
13 branding and marketing strategy.

14 We also need to educate the  
15 Plainridge Park Casino employees and the  
16 GameSense advisors about the availability and  
17 functionality of the play management system.  
18 And we'll be doing that through a series of  
19 communication outreach methods.

20 We also want to increase general  
21 awareness of PlayMyWay by developing and  
22 executing an advertising campaign. And we also  
23 want to highlight the availability of the  
24 budgeting tool and MGC's commitment to

1 innovative responsible gaming strategies.

2           When we had done our research, the  
3 way we came up with basically like I said the  
4 overall look and feel of the brand, is that we  
5 were cautioned from other jurisdictions to make  
6 sure that the marketing materials were not  
7 overly developed as responsible gaming -- as a  
8 responsible gaming initiative.

9           CHAIRMAN CROSBY: This is true of  
10 all of our stuff, all of our GameSense stuff  
11 everything, right, not just the PlayMyWay?

12           MS. DRISCOLL: It is but I would say  
13 that the difference would be GameSense  
14 materials you won't see any gaming type  
15 visuals. Whereas, actually PlayMyWay is a much  
16 more of a departure of that because to look at  
17 PlayMyWay materials, they actually look more  
18 like casino promotional materials than they do  
19 GameSense materials.

20           But we wanted to have a subtle but  
21 identifiable connection to GameSense. And the  
22 way that we did that was one GameSense is  
23 obviously -- the logo is obviously on the  
24 materials. But two, we chose to sort of stay

1 in the same color family just so there's an  
2 identifiable connection but it's subtle. That  
3 was done purposefully. That was the guidance  
4 that was given to More.

5 COMMISSIONER MACDONALD: The  
6 message, basically you don't want it to be a  
7 downer, right -- to interfere with the  
8 enjoyment, excitement, buzz of the gaming  
9 experience?

10 MS. DRISCOLL: So, I would say  
11 exactly. From both Ontario and also Plainridge  
12 Park Casino marketing staff, who by the way  
13 have been really helpful in collaborating with  
14 us on this, one of the things that they both  
15 stressed over and over was the importance of  
16 customer experience.

17 And that we need to be very mindful  
18 that in order to attract players to enroll.  
19 And the way to do that is to create branding  
20 materials that focus on the customer  
21 experience. It is something that is more --  
22 basically inciting them to participate as  
23 opposed to something that they wouldn't want to  
24 participate in.

1                   CHAIRMAN CROSBY: It was really a  
2 precondition sort of of our discussions with  
3 the licensees that we do no harm. 80, 90  
4 percent of the people who play in the casino --  
5 adults, maybe not 80 or 90 percent in the  
6 casino, but 80, 90 percent of adults play in a  
7 completely healthy way. They're not at risk.  
8 There is no downside. It's just a fun kind of  
9 entertainment for most of the people who  
10 gamble. So, we don't want to disrupt their  
11 experience in the effort to try to give  
12 constructive support to the whatever it is,  
13 five, 10, 15 percent that are potentially at  
14 risk.

15                   MS. DRISCOLL: So with that  
16 background in mind, I will now take you through  
17 quickly just the different pieces of collateral  
18 that we've created that will be all the various  
19 education pieces that will be distributed prior  
20 to implementation.

21                   And you actually have some of the  
22 pieces in front of you. We had mock-ups done.  
23 And we'll get to those in a minute, but the  
24 first piece that I want to show you because

1 it's actually just a piece, a fun piece of  
2 marketing collateral that we happen to really  
3 like. - And this is interesting, because this  
4 actually wasn't created by More Advertising.

5           We wanted to have a digital focus on  
6 some of our marketing materials in addition to  
7 the standard trifold brochure and rack card and  
8 things like that that will be in the casino  
9 floor at Plainridge. We wanted to create an  
10 animation which is something that some of the  
11 other jurisdictions have as well.

12           And we actually went to another  
13 state agency called Digital Mass. They're  
14 essentially a component -- They're a division  
15 of Mass IT. Essentially, what they do is they  
16 help state agencies develop marketing  
17 materials.

18           Basically, they provide this added  
19 value service for other state agencies. I just  
20 want to say that they are tremendous. They are  
21 very talented. They were super easy to work  
22 with. And they created an animation for us  
23 that we really like.

24           So, we will be using this across

1 social media platforms. And we'll also be able  
2 to put it on our website and on the GameSense  
3 website. So, without further ado.

4

5 (Video played)

6

7 CHAIRMAN CROSBY: It's great. Mike  
8 was that streamed? Oh, it was. It wasn't on  
9 our screen here.

10 MS. DRISCOLL: Again, I want to just  
11 give a special thanks to the Digital Mass. team  
12 for creating it. I was so impressed with how  
13 easy it was to collaborate with them. We had  
14 one in-person meeting. Gave them all the  
15 materials. They sent us a storyboard. We  
16 approved the storyboard, three days later we  
17 had this animation. I just want to publicly  
18 thank them.

19 COMMISSIONER CAMERON: That was one  
20 of -- The voice was someone from their team and  
21 they picked the music as well?

22 MS. DRISCOLL: Yes, yes. They did  
23 the whole thing. As you can see it's a great  
24 example of what we are trying to do in terms of



1 branding this. It's very much so a departure  
2 from some of the usual responsible gaming type  
3 of pieces.

4 CHAIRMAN CROSBY: Absolutely. Is  
5 that something that when we launch you'll be  
6 able to send out, Tweet out?

7 MS. DRISCOLL: Absolutely.

8 CHAIRMAN CROSBY: Because I'd like  
9 to send it around to people I know too.

10 MS. DRISCOLL: Absolutely.

11 COMMISSIONER MACDONALD: Elaine, can  
12 I ask you a question? The role of the Marquee  
13 Reward card is that -- Taking a step back, what  
14 is the Marquee Reward card.

15 MS. DRISCOLL: I'll let Mark answer  
16 that.

17 MR. VANDER LINDEN: The Marquee  
18 Reward card is a player card. I think  
19 virtually every casino has a player card or a  
20 player reward card as an option for people to  
21 enroll in. It provides them with incentives  
22 and comps to continue to gamble with that  
23 specific company. It's really a promotional  
24 campaign for them.

1                   COMMISSIONER MACDONALD: What  
2 percentage of people who game at Plainridge do  
3 you think have Marquee Reward cards?

4                   MR. VANDER LINDEN: I've heard  
5 generally it's around 70 percent of  
6 individuals.

7                   COMMISSIONER MACDONALD: I see  
8 you're not really losing many. That was my  
9 concern if you had something that only a small  
10 percentage of a relatively small percentage of  
11 players have then you might be missing that  
12 part of the population that's the target.

13                   MR. VANDER LINDEN: Not only are we  
14 not missing them, we are hitting the target  
15 population. That it's the frequent gamblers  
16 that we are hoping that this type of tool will  
17 be attractive too. Those frequent customers  
18 typically have a player reward card.

19                   CHAIRMAN CROSBY: You'd never be a  
20 frequent player and not have one.

21                   COMMISSIONER MACDONALD: Okay. It's  
22 part of your kit as a compulsive gambler to  
23 have one of these cards.

24                   CHAIRMAN CROSBY: Roberta, do you

1 know what percent of your players are on the  
2 program or what percent of the play is on the  
3 program?

4 MS. GREGOIRE: I do not know.

5 CHAIRMAN CROSBY: I've heard numbers  
6 way north of 70 percent but certainly 70.

7 COMMISSIONER CAMERON: There's real  
8 advantages to having the card.

9 CHAIRMAN CROSBY: If you're a  
10 regular player, you want the card.

11 COMMISSIONER STEBBINS: Bonus  
12 points, free meals.

13 MR. VANDER LINDEN: So, it's  
14 important that it's connected to the player  
15 reward card. There were a couple of options  
16 early on. We could connect it to the player  
17 reward card, the Marquee Reward card. We could  
18 go with a separate card. The separate card  
19 felt like it was too detached from the overall  
20 look and feel of the gaming experience.

21 The Marquee Reward card is the one  
22 way in which when you put your card in it knows  
23 who you are. That's the one way that you are  
24 able to continue -- that it knows how to track

1 the play, knows where you are in terms of the  
2 budget you set.

3 COMMISSIONER STEBBINS: Elaine, I  
4 have a question. I noticed the Canadian  
5 material had the logo of the participating  
6 casino. Penn is obviously -- Plainridge Park  
7 has been a big partner of ours in getting this  
8 done. Was there any conversation about having  
9 their logo on the material as well?

10 MR. VANDER LINDEN: One complicating  
11 factor of this this is that it's only being  
12 offered at Plainridge Park Casino. That's the  
13 only property in all of the Penn properties  
14 that this is at. So, it did become  
15 complicated.

16 We didn't want to confuse people to  
17 think that they can go to Maine and that  
18 PlayMyWay would be an option for them. So, in  
19 discussions with Penn, we decided that we  
20 wanted to keep that separate. As you can see  
21 through the collateral material, through the  
22 video that we do align it at certain points,  
23 strategic points.

24 MS. DRISCOLL: That was reviewed

1 with Plainridge marketing as well. So, they  
2 are aware of those decisions.

3           Lastly, I'll just quickly tell you  
4 about that right now the collateral pieces that  
5 have been created, now that the brand has been  
6 established, the beauty of it that is it's  
7 really easy to add new pieces. Say we identify  
8 different types of pieces that we'd like to  
9 have that's easy at this point.

10           One of the important things that we  
11 are doing as we are ready to implement is  
12 Plainridge Park Casino will be sending out a  
13 direct email blast to all their Marquee Reward  
14 cardholders. So, there will be a direct email  
15 blast. As you can see, we've already designed  
16 that. I think that will be an important  
17 announcement piece.

18           We also have a trifold brochure. We  
19 have a rack card. We have our retractable  
20 banner over here as you can see. We'll be to  
21 put that up in the GameSense Info. Center.  
22 It's mobile. So, we could always put it over  
23 on the racing side if we wanted to. The beauty  
24 of that is we'll be able to move that around

1 and highlight that in different places.

2           Then we'll also have some access to  
3 digital signage throughout Plainridge. And  
4 they'll be able to promote the program in  
5 various places through that as well that again,  
6 now that the key elements of the brand have  
7 been developed. So, we are happy about that.

8           Over here you can see we had posters  
9 created for employees. So, these posters will  
10 all be hung on the back of the house at  
11 Plainridge Park so that all of the individual  
12 employees know what this program is as well.  
13 Mark, if you want to talk about the training.

14           MR. VANDER LINDEN: One point I want  
15 to make before I talk about that as you may  
16 recall in previous discussions of this, two  
17 central concerns -- In our research that we  
18 have done with other jurisdiction of this type  
19 of technology, there were two concerns that  
20 rose to the surface. One is determining what  
21 the effectiveness is. That's our robust  
22 evaluation component to this to really try to  
23 figure out whether this is effective.

24           The other was that other

1 jurisdictions said you need to make sure you  
2 market this that you position this right. I  
3 think that working with More, working with  
4 Elaine and Mike on this, we've really taken  
5 that point and refined this to a fine tip.

6 Another piece to make sure that it  
7 is rolled out effectively is the training. So,  
8 while we talked about how we want to keep this  
9 kind of under the GameSense umbrella but  
10 slightly separate, our GameSense advisors are  
11 still going to be kind of on-site champions for  
12 this tool.

13 It fits very well within the full  
14 toolkit of what they are trying to do, whether  
15 it's explaining to patrons how games work and  
16 specifically I think that the lines on slot  
17 machines can get very confusing. They're an  
18 amazingly resource to talk about how slot  
19 machines work both inside as well the external  
20 surface of the machines. They can talk to  
21 about the odds of play.

22 And this is one way in which they  
23 can take that to another level. For a long  
24 time, we talked about setting a budget and

1 sticking to it as a key responsible gaming  
2 principle. We've taken this to a new level and  
3 we're giving people actual technology to do  
4 that.

5           And I think that this is a really  
6 important step. It's a valuable tool for our  
7 GameSense advisors. I think it's also has  
8 value for Penn that this as we position it as a  
9 benefit of their Marquee Reward to allow people  
10 the ability to set their limits, to set a  
11 budget and track it as they play.

12           We want to make sure that that  
13 message is effectively communicated across the  
14 Penn staff at Plainridge Park Casino. As I  
15 walk through the timeline, you'll see that  
16 there is a specific period just before launch  
17 that we will be doing that training up until  
18 that point. We'll be working with Penn, the  
19 Mass. Council on Compulsive Gambling, and the  
20 GameSense advisors to make sure that that  
21 training hits the mark and keeps the same tone  
22 that we are looking for both in GameSense as  
23 well as the PlayMyWay campaign.

24           CHAIRMAN CROSBY: Before we take the



1 next step, can we see that one more time?

2 MS. DRISCOLL: The animation?

3 CHAIRMAN CROSBY: Yes.

4 MS. DRISCOLL: Sure. By the way,  
5 we'll have a 30-second version and things like  
6 that. This one is about a minute and a few  
7 seconds. And then we'll have a 30-second  
8 version.

9 MR. VANDER LINDEN: I had to watch  
10 it numerous times too. I think it's a great  
11 piece.

12

13 (Video played)

14

15 CHAIRMAN CROSBY: Great.

16 COMMISSIONER MACDONALD: Does it  
17 remind you of your evenings at the disco, Mr.  
18 Chairman?

19 CHAIRMAN CROSBY: Yes, John  
20 Travolta.

21 MR. VANDER LINDEN: Next, I want to  
22 transition to talk about how PlayMyWay is  
23 displayed on the screens and what is the player  
24 experience of PlayMyWay.

1                   If you recall back in December, you  
2 had a first glance at what we were then calling  
3 the play management system we are now calling  
4 the PlayMyWay system. You saw it on two  
5 different types of screens. You saw it on  
6 what's called the DM screen, which is the large  
7 fully electronic screen. You also saw it on  
8 the smaller what is called LVDS screen. And  
9 that is approximately two inches by about six  
10 inches in diameter.

11                   The one thing that we realized and I  
12 think you all realized as Commissioners that  
13 the display on that LVDS screen was quite  
14 small.

15                   CHAIRMAN CROSBY: The little screen.

16                   MR. VANDER LINDEN: On the little  
17 screen was small. It fit very well on the  
18 larger screen, but when we tried to translate  
19 it and crunch all that language down onto the  
20 LVDS screen, it was just too small. We knew we  
21 needed to deal with that.

22                   We also had this promotional  
23 campaign that was kind of coming to fruition at  
24 the same time. It created a really nice

1 opportunity to make sure we took the messages  
2 that in the flow of what we already had created  
3 but then integrate the promotional campaign.

4           So, what I want to do is just go  
5 through key screens with you where probably the  
6 largest changes have occurred. So, what you  
7 see before you is on the left is the old screen  
8 with the language that was on there. And on  
9 the right what you'll see is the reduced, the  
10 smaller version. This will fit much, much  
11 better on that small LVDS screen. These are  
12 mock-ups. And I'll talk to you in a few  
13 minutes about how this will be integrated and  
14 what the timing is for that. But this is some  
15 of the new language that we have.

16           The language that you see on the new  
17 screens is the language that you see in the  
18 promotional materials that we have developed.  
19 Obviously, we are carrying forward the look and  
20 the feel of PlayMyWay into that as well. I  
21 want to thank Mike Sangalang actually for  
22 helping me do some of this translation and  
23 getting this ready for the content to be  
24 brought forward through this system.

1                   That's the first screen. This is  
2 kind of introduction screen. After that you'll  
3 see the terms and conditions. Again, it was  
4 very content heavy. Consulting with legal,  
5 consulting with Bally, we are moving forward  
6 with -- we can shift to the next screen -- a  
7 much shorter, more concise terms and  
8 conditions.

9                   COMMISSIONER MACDONALD: On this  
10 one, Mark, it seems like the fonts are still  
11 really small. With all that extra space, why  
12 not make them bigger?

13                  MR. VANDER LINDEN: You have to  
14 understand, if you look, you'll see the slot  
15 machine on the left side there that will still  
16 be there on the new screen once the content is  
17 brought forward. What this does is it  
18 basically when a player launches the PlayMyWay  
19 system it takes over half the screen.

20                  COMMISSIONER MACDONALD: I see.

21                  MR. VANDER LINDEN: So, the slot  
22 machine screen is still there. It shrinks it  
23 down. So, we really only have about half of a  
24 screen. We need to be very conscious of that.

1                   COMMISSIONER MACDONALD: I didn't  
2 realize you had that slot machine face in the  
3 new version.

4                   MR. VANDER LINDEN: The next is  
5 setting your budgets. Again, this did not fit  
6 well on the small LVDS screen. You can see we  
7 drastically simplified this screen. This  
8 actually aligns really closely -- We took some  
9 notes from the Ontario group, the Ontario  
10 Lottery Group and looked at how they were using  
11 this type of screen. And we adopted something  
12 very similar to them.

13                  CHAIRMAN CROSBY: When are they  
14 getting update?

15                  MR. VANDER LINDEN: The Ontario  
16 group?

17                  CHAIRMAN CROSBY: Yes.

18                  MR. VANDER LINDEN: That's a good  
19 question. I asked them when they were  
20 expecting some of their initial evaluation,  
21 they'll forward it to me. But they didn't have  
22 anything ready at this time. They piloted it  
23 at one casino. They are preparing, as I  
24 understand, to launch it across the province.

1           The next you'll see, this was what I  
2 felt like when I first saw it was a very nice  
3 interface when you launch the GameSense button.  
4 There's a button on the bottom that just  
5 provides information about GameSense.

6           I felt like that screen was nice.  
7 But when we integrated the PlayMyWay word mark  
8 we also took it a step further and wanted to  
9 isolate and have a different look for voluntary  
10 self-exclusion. I think that that actually  
11 came out quite nice as well. Again,  
12 Commissioner Macdonald, if you can understand  
13 that the slot machine will still be there. We  
14 have half of this screen.

15           Those are the main differences. I  
16 didn't want to take us all of the way through  
17 every single one because quite honestly there  
18 were certain screens that it did end up looking  
19 very similar but there weren't issues of the  
20 size and dealing with managing the content on  
21 those screens. So, those remained unchanged.  
22 Any questions about that?

23           COMMISSIONER CAMERON: Much nicer,  
24 cleaner, easier to use. People don't want to

1 do all that reading. This is excellent.

2 MR. VANDER LINDEN: We do not want a  
3 product that seems like an add-on, hooked onto  
4 the side, responsible gaming tool. We want to  
5 provide a resource for patrons that's  
6 integrated into their gaming experience.  
7 That's been our mantra working with every  
8 single one of the stakeholders through this  
9 process. And it's a message that came through  
10 loud and clear from PPC as well.

11 Next I want to switch over and talk  
12 to you about the timeline. This is the updated  
13 timeline that I just received. What you'll see  
14 is there are several -- I'm just going to break  
15 it down for you.

16 Starting next Monday there is going  
17 to be about four weeks where we are taking all  
18 of the content and making sure that it is  
19 integrated into both the electronic gaming  
20 machines, the slot machines as well as the  
21 kiosk.

22 I didn't mention this, but there are  
23 two kiosks on the floor at Plainridge Park  
24 Casino. One in the GameSense Info. Center and

1 one will be placed on the opposite end of the  
2 floor. At both of those kiosks, you can enroll  
3 and change your limits in PlayMyWay. You can  
4 also get other GameSense information and  
5 resources as well. So, we will spend four  
6 weeks updating the content on that.

7           Then we go into about a month long  
8 period where we are testing and retesting.  
9 There's testing and walk-through that needs to  
10 happen for the Commission. There's testing and  
11 walk-through that needs to happen for PPC. We  
12 need all parties that are involved with this to  
13 be perfectly comfortable with how it looks, how  
14 it feels and that it's not interfering with  
15 other gaming functions.

16           I'd like to point out that Director  
17 Glennon has been involved in all of these  
18 conversations especially when we talk about how  
19 it interfaces with their casino management  
20 system and other systems that are at Penn.

21           Once that user acceptance testing,  
22 once the testing walk-through is complete, we  
23 will go into a brief period where we will do  
24 intensive training on-site. Our GameSense



1 advisors are up to speed to date. They know  
2 what's happening. They've received some  
3 training and updates already. But we will move  
4 into a very brief period of intensive training  
5 with them with Plainridge Park Casino staff.  
6 And then at that point we will be ready to go  
7 live.

8           This timeline is at the end of May.  
9 I would love to see this move along as quickly  
10 as we can. In fact, I'm working a daily basis  
11 with Bally, with other stakeholders to make  
12 sure that we are on track, we're on time.

13           If there are any ways in which we  
14 can reduce this timeline, we will continue to  
15 look for that. When we built this timeline,  
16 this updated timeline, I understand that it's a  
17 relatively conservative timeline so we can hit  
18 our marks. But we are interested in providing  
19 this resource to patrons at Plainridge Park.

20           CHAIRMAN CROSBY: Great.

21           COMMISSIONER CAMERON: Very  
22 impressive. I love the new look, the new feel.  
23 I think it will make a big difference.

24           COMMISSIONER STEBBINS: John,

1 anything you want to add?

2 MR. GLENNON: No, I just think the  
3 collaboration -- I want to reiterate the  
4 collaboration on the part of the technical  
5 people Jason Gittle and his team has been  
6 exceptional. I think we're in good shape to  
7 make the date that's on this timeline.

8 MR. VANDER LINDEN: I want to  
9 highlight one piece where it was a hurdle and a  
10 barrier and our collaboration with Penn was  
11 key.

12 You'll see that there's a five  
13 dollars incentive. We were trying to figure  
14 out a way to get that incentive to patrons as  
15 quickly as possible once they enroll. What it  
16 looked like was that we would -- we couldn't  
17 figures out a solution to get it to them right  
18 way. And it looked like what we would have to  
19 do is send it through the mail. That's not a  
20 good incentive.

21 An incentive really to be truly  
22 effective, you need to get it to them right  
23 away. And working with Penn, working with  
24 Jason Gittle trying to figure out a way so that

1 we can immediately deliver this incentive to  
2 patrons.

3 And even a step further that we can  
4 leverage the skills and the resource that we  
5 have in our GameSense advisors to deliver that  
6 as well as additional GameSense messaging. It  
7 was just a much appreciated the work with  
8 Jason, the work with Director Glennon to  
9 accomplish that.

10 Right now, the incentive, the patron  
11 can enroll, walk over to the GameSense Info.  
12 Center and easily pick that up. It's a onetime  
13 incentive that patrons will be able to do that.

14 COMMISSIONER MACDONALD: Mark, can I  
15 ask you one last question? It's putting my old  
16 researcher cap on. You said that you fully  
17 intend to test whether this product is  
18 effective. What do you think the measures of  
19 effectiveness will be? What are the criteria  
20 that you are going to be measuring against?

21 MR. VANDER LINDEN: I think there  
22 are a couple of ways that you can take a look  
23 at this. I think one way in which we'll look  
24 at is the cold hard data. We will have data

1 from patrons who enroll in looking at --  
2 Anonymized, you understand. -- looking at play  
3 behavior and looking at how they respond to the  
4 notifications that they would receive as they  
5 approach their limits.

6 We will have a comparison group  
7 where we can see -- compare play behavior  
8 looking not just at expenditures, looking at  
9 speed of play, taking a break that sort of  
10 thing.

11 We can also take a look at what is  
12 the value of this to the patrons? We can  
13 evaluate that through doing patron surveys,  
14 through questionnaires. We are already doing  
15 patron surveys through the GameSense Info.  
16 Center as well as through our broader SEIGMA  
17 study. We should be able to integrate  
18 questions that would ask about how do they feel  
19 about PlayMyWay? Is it a tool that brings  
20 value to their gaming experience? Is it  
21 something they find useful?

22 CHAIRMAN CROSBY: Excellent. Great.

23 MR. BEDROSIAN: I was just going to  
24 suggest, Mr. Chair that it might be appropriate

1 to take a break now.

2 CHAIRMAN CROSBY: That's what I was  
3 going to suggest too. Easton is coming at  
4 1:00, right?

5 MR. BEDROSIAN: That's correct.

6 CHAIRMAN CROSBY: Why don't we come  
7 back at 1:15 and that will give them a few  
8 minutes to get set and we'll reconvene and do  
9 our last two or three items at 1:15.

10

11 (A recess was taken)

12

13 CHAIRMAN CROSBY: Now we are  
14 reconvening meeting 182 of the Mass. Gaming  
15 Commission at about 1:15.

16 Before we go any further, I wanted  
17 to announce that we have just been informed  
18 Commissioner Gayle Cameron has been reappointed  
19 to the Gaming Commission by the Governor and  
20 the Attorney General and the Treasurer, all  
21 three. It was a close vote. She's appointed  
22 to a new five-year term. So, congratulations  
23 and welcome back until 2021.

24 We have two items left. Which order

1 are we going? Are we going Easton first?

2 MS. BLUE: Easton first, yes.

3 CHAIRMAN CROSBY: So, this would go  
4 to General Counsel Blue.

5 MS. BLUE: Good afternoon,  
6 Commissioners. Before you today is a request  
7 by the town of Easton for a hearing to review  
8 and vacate the arbitrators' award selecting the  
9 applicant MG&E's best and final offer as the  
10 surrounding community agreement between MG&E  
11 and Easton.

12 Easton's letter requesting a hearing  
13 is included in your Commission packet along  
14 with the arbitrators' award. And the  
15 arbitrators' award contains the actual  
16 surrounding agreement as well.

17 Easton and MG&E were unable to  
18 finalize a surrounding community agreement.  
19 And pursuant to the Commission's regulations,  
20 the parties went to arbitration. The  
21 regulations provide that a party to arbitration  
22 may file objections to the best and final offer  
23 submitted by the other party. 205 CMR 125.01  
24 states that if a party does not file an

1 objection to the best and final offer, the  
2 decision of the arbitrator becomes final and  
3 shall not be subject to further review.

4 Easton did not file objections to  
5 MG&E's best and final offer. MG&E did not file  
6 objections to Easton's best and final offer.  
7 On February 5, the arbitrators issued their  
8 decision selecting MG&E's best and final offer.

9 On February 11, Easton filed a  
10 letter with the Commission requesting a hearing  
11 to review and vacate the arbitrators' award.

12 The Commission considered a similar  
13 request from the city of Chelsea when Chelsea  
14 and Wynn submitted to arbitration because they  
15 could not finalize a surrounding community  
16 agreement. Like the present situation, the  
17 arbitrator in Chelsea picked the applicant's  
18 best and final offer as the surrounding  
19 community agreement. Chelsea filed a petition  
20 asking the Commission to review and vacate the  
21 arbitrator's award.

22 In the Chelsea matter, the  
23 Commission determined that pursuant to  
24 Commission regulations the award of the

1 arbitrator is final and binding and are subject  
2 to further review. However, the Commission  
3 determined that it may consider review if the  
4 award on its face or in any of its aspects was  
5 egregiously outside the pale of reason  
6 decision-making. In the Chelsea matter, the  
7 Commission did not grant Chelsea's request for  
8 a hearing.

9           The question before the Commission  
10 today is the same question that was before the  
11 Commission in the Chelsea matter. Namely  
12 whether the Commission should grant Easton a  
13 hearing to review the arbitrators' award. If  
14 the Commission determined that a hearing is  
15 appropriate, a hearing on the merits of  
16 Easton's request would be held at a later date.  
17 The Commission need not discuss the merits of  
18 Easton's request today.

19           Representatives of the town of  
20 Easton and MG&E are here today to present their  
21 arguments to the Commission as to why the  
22 Commission should or should not grant a  
23 hearing. Each party has been advised that they  
24 have 15 minutes to present their argument to



1 the Commission. So, are there any questions  
2 from the Commission so far?

3 CHAIRMAN CROSBY: Just for the  
4 record, I don't think we determined that there  
5 was a right of appeal if it were way outside  
6 the pale of reasonableness. I think Judge  
7 McHugh said that he thought that must be the  
8 case. And went on to say even if that were the  
9 case, he didn't think that the Chelsea decision  
10 was so. But I don't think we ever determined  
11 that there was a right of reasonability.

12 MS. BLUE: I think what Commissioner  
13 McHugh was trying to set was a standard at  
14 which point the Commission could, if it chose,  
15 to determine that a review was required -- or  
16 was allowed not required. It is true that the  
17 Commission didn't express an opinion  
18 particularly on whether that was the standard.

19 CHAIRMAN CROSBY: There may or may  
20 not be some such standard but we never agreed  
21 that there is. Jim said he thought there might  
22 be but we never established that as a principal  
23 of our transactions.

24 MS. BLUE: I think that is correct.

1 If there are no further questions, I would like  
2 Attorney Talerman representing Easton to come  
3 forward and address the Commission. And then  
4 Attorney Talerman will be followed by Attorney  
5 LeRay who will address the Commission on behalf  
6 of MG&E. So, Attorney Talerman.

7 MR. TALERMAN: Thank you, good  
8 afternoon. Happy St. Patrick's Day. Thank you  
9 for having me in.

10 To be just careful, we didn't  
11 technically request a hearing. We requested  
12 that you issue remedial action on the  
13 arbitration award. But we are pleased that  
14 you've invited us in.

15 As I understand it, as Attorney Blue  
16 has stated, it's not so much hearing today as a  
17 hearing to determine if you have authority to  
18 hold a hearing given the circumstance of  
19 arbitration. And I'll try and confine my  
20 comments to that endeavor, although I believe  
21 I'm going to have to provide some level of  
22 factual background to give you some context in  
23 which our request arises.

24 As you've heard, we engaged in an

1 arbitration with MGE regarding our surrounding  
2 community agreement. The arbitration unfolded  
3 in a very tight window. As noted in the  
4 decision of the panel, the arbitrators were  
5 clearly frustrated by the process and felt  
6 quite clearly and they expressed this, their  
7 somewhat of an inability to reach a fair  
8 result.

9           They did ultimately decide in MGE's  
10 favorite with misgivings and it is clear by  
11 their decision that they wished they had had  
12 the authority to split the difference, a  
13 position that the town had propose but MGE  
14 rejected.

15           We objected to this, Commission, the  
16 arbitration decision on several grounds. We  
17 believe you do have the authority to vacate the  
18 arbitration decision under your statutes and  
19 your rules. We believe at the very least,  
20 under your authority you have the power to  
21 direct the arbitrators to correct errors that  
22 they made with respect to your regulations  
23 regarding the arbitration.

24           So, with respect to some context, as

1 you know, § 1 subsection 8 of the Gaming Act  
2 states that an applicant, it is an applicant  
3 that "bears the responsibility to identify and  
4 mitigate all adverse impacts." This is  
5 reinforced again in § 15 of the Act, subsection  
6 7 which states "the applicant shall" --shall --  
7 "identify the infrastructure costs to  
8 surrounding communities."

9           The various infrastructure costs are  
10 then laid out in your regulations regarding  
11 surrounding community agreements under  
12 125.01(2)(b)(4) and include among issues  
13 traffic, which is a major use here, but also  
14 such issues as impacts to public safety  
15 services, housing values and a whole host of  
16 others.

17           Placing the burden on the applicant  
18 makes a lot of sense. It is after all their  
19 application and they have to demonstrate that  
20 the project is consistent with the Gaming Act.  
21 But I believe it also recognizes that there is  
22 really an unequal set of resources here.

23           An applicant has a significant  
24 amount of resources, has several years to study

1 and prepare a project. And a surrounding  
2 community has a window of a few short months.  
3 As it applies to an arbitration, literally a  
4 few weeks to prepare their case. So,  
5 recognizing that the burden on the applicant is  
6 an important matter as it applies to our  
7 appeal.

8           Our arbitration memos, which I  
9 assume have been forwarded to the Commissioners  
10 themselves and they're lengthy. And I would  
11 not recommend that you read all the way through  
12 them unless you have to because there's a lot  
13 of information. We both had exhaustive memos.  
14 Mr. LeRay did an excellent memo. We both had a  
15 set of exhibits that we provided and affidavits  
16 and otherwise.

17           However, whereas the town addressed  
18 a variety of the impacts that the casino would  
19 cause including impacts to our public safety  
20 departments, our police and fire departments in  
21 particular, the applicant only addressed  
22 impacts to traffic convenience.

23           And we believe that that was  
24 insufficient. In other words, they just

1 ignored their duty under the Act to study those  
2 various aspects of impacts to the town.  
3 They're certainly cognizant of the existence of  
4 those impacts. They looked at them for  
5 Brockton. They referenced during the context  
6 of the arbitration itself that they looked at  
7 those issues in the other cities and towns  
8 across the country where they had these issues.

9           But they feigned ignorance here  
10 before the arbitrators by saying, well, we  
11 didn't study it because we didn't think those  
12 impacts existed. Well, we're not aware of any  
13 study they did at all. And they didn't present  
14 any information on that. Again, it was their  
15 burden to do that.

16           We believe the arbitrators erred by  
17 not compelling them to produce something or in  
18 other words, by not crediting the town's  
19 presentation in that regard. In other words,  
20 the arbitrators rewarded the applicant for  
21 feigning ignorance to these particular issues,  
22 a position which I don't think was appropriate.

23           In fact, the arbitrators said that  
24 the town's position on those issues were

1 speculative. In fact, they weren't. And we  
2 produced real-life testimony and evidence  
3 regarding a former gaming facility, a dog  
4 track, in the neighboring town to support our  
5 conclusions, again, issues that were never  
6 studied by the applicant.

7           And the import of that is this is  
8 that if an applicant can just come in and feign  
9 ignorance to the things that the Gaming Act  
10 requires them to do when it comes to  
11 surrounding communities, they're going to do  
12 that every time. The arbitrators, in other  
13 words, set up a template where an applicant can  
14 come in and say, well, we didn't think there  
15 was any impacts. We didn't study them. And  
16 because of that lack of evidence, then the  
17 arbitration panel would decide accordingly.

18           In that vein and moving onto our  
19 second concern regarding breach of the duties  
20 under the regulations, that's not what unfolded  
21 with the Longmeadow arbitration. In the  
22 Longmeadow arbitration there was a robust  
23 discussion by the arbitrators in their decision  
24 as to the impacts to public safety services.

1 We presented evidence and testimony regarding  
2 the direct parallels in that situation with  
3 Longmeadow.

4 Under your regulations regarding  
5 surrounding community agreements, the  
6 consideration of other arbitrations is deemed  
7 appropriate and encouraged to submit them. We  
8 all named our various other surrounding  
9 community agreements, arbitration decisions and  
10 submitted them for consideration.

11 Concerning to me and my town is that  
12 the arbitrators never made any mention  
13 whatsoever of the Longmeadow arbitration in  
14 their decision. We feel that was error.  
15 There's a direct parallel. You simply cannot  
16 reconcile the two.

17 I've got great respect for each of  
18 the arbitrators. I've worked with one of them.  
19 He's another municipal counsel like me. I've  
20 been before Judge Baylor before in his capacity  
21 as a judge. And I've been against the other  
22 arbitrator as he works for a firm that is  
23 consistently within the towns that I represent  
24 on development projects. I just think that



1 they missed the boat here a little bit. And it  
2 was outcome determinative.

3 As to your authority, you adopt the  
4 regulations under which the arbitrations occur.  
5 They are your regulations and your regulations  
6 to enforce. And I'll point to two key areas  
7 within your umbrella jurisdiction where I think  
8 you have the authority to reach back into their  
9 arbitration and at the very least require that  
10 the arbitrators look at it again because they  
11 simply misapplied the standard.

12 The first is under § 1 subsection 10  
13 of the Gaming Act where it says the Commission  
14 has the power and authority -- the power and  
15 the authority granted to the Commission shall  
16 be construed as broadly as necessary for the  
17 implementation, administration and enforcement  
18 of this chapter.

19 Under § 4 of the Act subsection 10,  
20 the Commission can require an applicant for a  
21 position which requires a license under this  
22 chapter to apply for such license and approve  
23 or disapprove any such application or other  
24 transactions, events or processes as provided

1 in this chapter.

2 We think both of those provisions  
3 give you the authority to weigh in on this.  
4 After all, it is a binding arbitration. It is  
5 not subject to the Uniform Arbitration Act in  
6 Massachusetts. We are not suggesting that you  
7 throw it out and start anew.

8 We would suggest that the best  
9 course here would be to send it back to this  
10 arbitration panel or hold a hearing yourself  
11 considering a proper application of the  
12 regulations as I've set forth here today.

13 We are cognizant in kind of  
14 conclusion here, and I'll take whatever  
15 questions you have, that there are far more  
16 consequential decisions perhaps regarding this  
17 particular application in Brockton. As you  
18 deliberate on their certainty or uncertainty  
19 given other casinos proposed in the area, we  
20 think it's appropriate for you to take into  
21 consideration how the various surrounding  
22 community agreements unfolded in this matter.  
23 We think it's a relevant topic to consider.

24 Unless you have any other questions,

1 that's my presentation.

2 CHAIRMAN CROSBY: What was the vote?

3 MR. TALERMAN: It was unanimous.

4 CHAIRMAN CROSBY: Okay. Counselor.

5 MR. LERAY: Good afternoon, Chairman  
6 Crosby, Commissioners. My name is Charles  
7 LeRay. I represent Mass Gaming and  
8 Entertainment. And I understand from the  
9 introduction that this hearing is not about the  
10 merits of Easton's petition. It's about  
11 whether or not there should be a hearing on the  
12 petition. So, I'm going to avoid discussing  
13 the merits unless you have any questions for me  
14 on that area.

15 The statute and the regulations  
16 simply don't provide the Commission with the  
17 authority to do what Easton asks, vacate the  
18 arbitration panel's decision. § 4, subsection  
19 37 authorizes you to adopt, amend or repeal  
20 regulations to implement and administer and  
21 enforce the statute.

22 And you've done this under that  
23 authority. And the regulations are codified at  
24 205 CMR. 205 CMR 125.01 in particular governs

1 surrounding communities, how you determine what  
2 a surrounding community is, the process for  
3 surrounding community agreement, and if no  
4 agreement is reached the process for  
5 arbitration.

6 In particular, 205 CMR  
7 125.01(6)(c)(12) provides that in this  
8 situation "the decision of the arbitrator shall  
9 be final and binding and shall not be subject  
10 for the review." That was a careful decision  
11 this Commission made. And it's typical of  
12 arbitration proceedings that an arbitrator's  
13 decision is rarely subject to review and any  
14 review is extremely constrained.

15 Easton is asking you to overturn a  
16 three-member arbitration panel's unanimous  
17 decision. They selected an arbitrator. We  
18 selected an arbitrator. They jointly selected  
19 a third arbitrator. All three participated in  
20 the arbitration hearing. All three asked  
21 questions of the parties and of their  
22 witnesses.

23 Their decision shows that they  
24 referenced the Commission's handbook providing

1 arbitration for surrounding community  
2 agreements. They unanimously voted that our  
3 best and final offer was the most fair and  
4 reasonable of the two.

5           Mention was made to the Chelsea  
6 attempt to do something similar, which I  
7 understand is the only time anyone has ever  
8 tried to get the Commission to overturn an  
9 arbitrator's decision in this manner.

10           You held a hearing on that on June  
11 26, 2014. Chelsea claimed the arbitrator  
12 violated your regulations, selected a best and  
13 final that was inconsistent with Chapter 23K  
14 and the regulations. In that hearing, it was  
15 clear that there is no 30A administrative  
16 appeal. There's no adjudicatory hearing  
17 process in play here because of 30A.

18           As Easton is doing here, Chelsea  
19 asked you to find that you have some sort of  
20 free ranging equitable power to vacate a  
21 surrounding community agreement notwithstanding  
22 the clear provisions of the regulations to the  
23 contrary. And as has been discussed,  
24 Commissioner McHugh articulated what he thought

1 was the standard, the possible opening which is  
2 whatever limited equitable powers the  
3 Commission may have, it would be some inherent  
4 power to look at awards that were egregiously  
5 outside the pale of a reasoned approach to  
6 problem-solving.

7           There because the award did not meet  
8 that standard of being egregiously outside the  
9 pale, the Commission voted unanimously not to  
10 grant a hearing. The transcript shows that at  
11 least a couple of the Commissioners thought  
12 that Commissioner McHugh had correctly  
13 articulated a standard that one would have to  
14 satisfy to get a review in the face of a  
15 regulation that clearly says this is binding.

16           Here we have an arbitration panel  
17 that issued a unanimous five-page decision. It  
18 discusses the parties' arguments, the evidence  
19 it considered, some it didn't consider, what it  
20 found persuasive or not. They were presented  
21 with about a three-inch thick stack of  
22 memoranda and exhibits combined by the parties  
23 plus most of the day of hearing.

24           They had a fairly short window in

1 which to issue decision. It's not surprising  
2 that they didn't address each and every  
3 argumentable piece of evidence put in front of  
4 them. They hit the things that they thought  
5 were important to provide a reason for their  
6 decision. And it concluded by articulating how  
7 they decided that MG&Es best and final was the  
8 more fair and reasonable under the  
9 circumstances.

10 That decision is simply not  
11 egregious beyond the pale of a reasoned  
12 approach. Had the arbitrator selected the  
13 town's best and final, Easton certainly would  
14 be vigorously opposing any attempt to re-open  
15 that award. They are trying to get a second  
16 bite at the apple, a bite that the statute, the  
17 regulations and equity don't allow them.

18 So, we respectfully ask that you  
19 deny the request and leave in place the  
20 arbitration's panel unanimous decision  
21 selecting MG&E's best and final as the most  
22 fair and reasonable. Thank you.

23 CHAIRMAN CROSBY: Thank you.  
24 Questions first of all?

1                   COMMISSIONER MACDONALD: I would  
2 actually ask you to address some of the merits  
3 of what Mr. Talerman had argued to us and  
4 appeared in the letter appeal.

5                   MR. LERAY: Do you have any  
6 particular questions you'd like me to answer?

7                   COMMISSIONER MACDONALD: For example  
8 that the arbitrators did not address except in  
9 the summary in almost dismissive form the issue  
10 of the impact of the development on police and  
11 fire services.

12                   MR. LERAY: So, the first that we  
13 knew that there was a police and fire question  
14 was the eve of the arbitration. During the  
15 entire negotiating process, the only concern  
16 that was raised by the town was traffic.

17                   We knew from our experience with  
18 other operations that our operations typically  
19 do not cause public safety crime, other issues.  
20 So, we assumed that there wouldn't -- Well, we  
21 thought there wouldn't be any. And in  
22 discussions with the town they were free to  
23 raise anything.

24                   The town's position is that we have



1 to prove the negative. We should have  
2 undertaken a study of their fire service,  
3 undertaken a study of their police service,  
4 undertaken a study of their tax basis and  
5 figured out that they were chronically  
6 underfunded and done all of this analysis with  
7 no suggestion from the town that there was a  
8 problem.

9 I don't think that's what the  
10 regulations require. It's absurd to say we  
11 have to prove the negative across-the-board.  
12 Had they raised that issue earlier, we would  
13 have had something in the record earlier.

14 In the course of the hearing, we  
15 contested whether the police and fire chief's  
16 last-minute affidavits were adequate. I will  
17 tell you that I have a history as a police  
18 officer. So, I was able to ask some questions  
19 and point out some issues in his affidavit. As  
20 the arbitrator said in their decision, they  
21 ultimately found that what the town presented  
22 was unpersuasive.

23 COMMISSIONER MACDONALD: What about  
24 the Longmeadow -- failure to take into account

1 the Longmeadow arbitration?

2 MR. LERAY: So, the argument about  
3 Longmeadow at its core is the number -- the  
4 percentage of vehicle trips at issue in  
5 Longmeadow is similar to the percentage at  
6 issue here and therefore Longmeadow is a  
7 template. That's like me saying there are four  
8 Commissioners. There are four people in a  
9 barbershop quartet. Therefore you must be able  
10 to harmonize. It's not a rational argument.

11 The actual basis are very different.  
12 Longmeadow has Route 91 going through it, which  
13 has a chronic history of traffic problems in  
14 one area. It has one alternative route, Route  
15 5. So, if anything goes wrong on 91, everybody  
16 has to go through Longmeadow as their detour.

17 Here we have 24 going north and  
18 south through Brockton bringing the bulk of the  
19 traffic to and from the facility. 24 has a  
20 lower crash history than the average of all  
21 Massachusetts highways. If 24 is closed down,  
22 you have parallel to it to the east 27 and two  
23 roadways in West Bridgewater.

24 And in Easton, you have 123 which

1 would nick a corner of Easton and get you  
2 farther up onto 24. Easton's traffic  
3 consultants' entire premise was let's look at  
4 the traffic coming to and from the south.  
5 Let's assume that 50 percent of that traffic  
6 decides not to be on Route 24 every day but  
7 decides to go through the parallel towns. And  
8 then let's distribute it through Easton not as  
9 though it was coming from the south or the  
10 west, but let's pretend it organically grew up  
11 in Easton, the same way traffic grows up in  
12 Easton every day from residents and business  
13 there.

14 So, they had traffic from the north  
15 part of Easton heading south to go through five  
16 bad intersections rather than taking the direct  
17 route to the casino. It's simply a different  
18 situation.

19 MR. TALERMAN: If I may,  
20 Commissioner Macdonald. I apologize if I call  
21 you Your Honor. I don't know what's  
22 appropriate.

23 COMMISSIONER MACDONALD:  
24 Commissioner, I'm proud of that and it's also

1 current.

2 MR. TALERMAN: Old habits, I  
3 suppose. This may be why we need a hearing.  
4 Those statements are 75 percent false. They  
5 never engaged us in any kind of discussion  
6 regarding impacts.

7 And again what he is suggesting is a  
8 flipping of the burden that we have to come up  
9 with potential impacts. During our -- It was  
10 ultimately resolved short of an arbitration,  
11 during our negotiation with Raynham, all of  
12 those issues were discussed robustly between  
13 the applicant parks at the time and the town.  
14 They studied those issues in other towns.  
15 Again, the statute requires them to look at  
16 those things.

17 They never looked at it once. And  
18 to feign surprise on the eve of a hearing that  
19 we exercised our right to raise issues that the  
20 regulations explicitly state that they should  
21 have studied to begin with is indeed the core  
22 problem here.

23 As to Longmeadow, I think he gives  
24 it short script. We provided extensive

1 evidence regarding direct parallels. As to the  
2 one roadway, their own traffic analyst said 75  
3 percent of all vehicle trips are heading  
4 directly to and directly from a roadway that  
5 serves as a major artery for the town of  
6 Easton.

7 I don't want to get too deep into  
8 the weeds here on the facts but if we're going  
9 to have a hearing on that let's have a hearing  
10 on it because that was giving a short scripts  
11 to everything.

12 CHAIRMAN CROSBY: Other questions?  
13 Do we have reflections on the issues here,  
14 anybody?

15 COMMISSIONER CAMERON: I think the  
16 issue is not the facts. The issue is if in  
17 fact this process was egregiously outside the  
18 pale and I am not persuaded that it was.

19 CHAIRMAN CROSBY: Anybody else?

20 COMMISSIONER MACDONALD: That is my  
21 conclusion as well. As with most things that  
22 Judge Commissioner McHugh did, I find myself  
23 following way behind him but in his footsteps  
24 and impressed by how he resolved the issues.

1                   And under circumstances like this  
2 where the regulations did not provide an avenue  
3 of appeal and where the regime appears to be  
4 one without question that anticipates that  
5 there is no appeal from an arbitration, in the  
6 interest of the overall efficiency of the  
7 licensing process, as standard as demanding as  
8 Judge McHugh articulated.

9                   Again, whether the award is  
10 egregiously outside the pale of a reasoned  
11 approach to problem-solving, I was struck most  
12 by the decision itself, by the arbitration  
13 panel. It was well articulated. It identified  
14 the weaknesses in MG&E's presentation as well  
15 as the strengths of MG&E's presentation. And  
16 most significantly, in my review of it, it  
17 identified the traffic issues as ones that were  
18 most front and center as likely partner to the  
19 adverse impacts of the casino on Easton.

20                   And the arbitrators' decision  
21 essentially was one that they found the MG&E  
22 traffic analysis to be more persuasive and  
23 giving substantial deference to the basis of  
24 those conclusions as being ones that fall

1 within the expertise of State Department of  
2 Transportation.

3           Clearly, the panel was pained that  
4 they felt that there were some weaknesses to  
5 the MG&E presentation. But the regime is one  
6 that they had to choose one or the other. And  
7 they made a hard decision and chose it. And  
8 the fact that the decision was one in which it  
9 basically held Easton to the same terms of  
10 surrounding community agreements as earlier  
11 negotiated with all the other surrounding  
12 communities that to me strongly suggests that  
13 there's an inherent equitableness to the  
14 outcome of the Easton proceedings.

15           So, I don't see that there's a basis  
16 for making such a significant exception to the  
17 statutory and regulatory structure that has  
18 been created here for resolving these disputes.

19           COMMISSIONER STEBBINS: I would  
20 agree with Commissioner Macdonald's assessment.

21           CHAIRMAN CROSBY: I tend to as well  
22 with one other important caveat I think that  
23 raises the standard for us intervening is the  
24 fact that the law gives the cities and towns,

1 the surrounding communities another bite at  
2 this apple.

3 If it turns out that there is in  
4 fact a mistake or if it turns out that the town  
5 is right that there really is a public safety  
6 demand or any of the other significant issues,  
7 they have the opportunity to come back to the  
8 community mitigation fund based on real  
9 experience.

10 That does not apply to the licensee.  
11 If the licensee turns out to have been overly  
12 generous, they don't get to take it back.

13 So, I think to me that makes the  
14 standard even higher to justify our  
15 intervening. So, I would come to the same  
16 conclusion the others have expressed. I guess  
17 we could vote.

18 MS. BLUE: So, if you would vote --  
19 If it is the consensus of the Commission to  
20 vote to deny a hearing, then that would be the  
21 motion and the vote.

22 COMMISSIONER MACDONALD: So moved.

23 COMMISSIONER CAMERON: Second.

24 CHAIRMAN CROSBY: Any further



1 discussion? All in favor, aye.

2 COMMISSIONER MACDONALD: Aye.

3 COMMISSIONER CAMERON: Aye.

4 COMMISSIONER STEBBINS: Aye.

5 CHAIRMAN CROSBY: Opposed? The ayes  
6 have it unanimously. Thank you. We have one  
7 more item. And that would be Director Wells  
8 for Investigations and Enforcement Bureau, two  
9 more items.

10 MS. WELLS: Good afternoon,  
11 Commissioners. Two matters on the agenda for  
12 you this afternoon. The first is for your  
13 consideration the suitability of a qualifier  
14 for Penn National. It's Jane Scaccetti. In  
15 April 2015, Ms. Scaccetti was appointed a  
16 member of the Board of Directors and the chair  
17 of the audit committee for Penn National,  
18 thereby was deemed a qualifier by the  
19 Massachusetts Gaming Commission.

20 She has submitted all of the  
21 required forms and supplemental document  
22 requests to the IEB. And investigators  
23 conducted the rigorous background check that is  
24 a protocol for qualifiers for our casinos.

1                   She was interviewed in person by the  
2 IEB State Police and financial investigators as  
3 part of that protocol. And investigators also  
4 conducted a financial responsibility evaluation  
5 with positive results.

6                   Ms. Scaccetti attended Temple  
7 University where she was awarded a BA in  
8 business administration. She also obtained a  
9 master's degree in taxation from Villanova  
10 University. She has been employed by Drucker  
11 and Scaccetti since 1990 and currently holds  
12 the title of shareholder and Chief Executive  
13 Officer. Drucker and Scaccetti provides tax  
14 and financial consulting services to  
15 businesses, organizations and high net worth  
16 individuals.

17                   She disclosed in her application  
18 materials she's been licensed or registered to  
19 participate in some form of gaming in 16  
20 jurisdictions in the United States. We did  
21 confirm the key gaming license in West  
22 Virginia, by the Ohio Casino Control  
23 Commission, the Ontario Alcohol and Gaming  
24 Commission, the Indiana Gaming Commission, the

1 Nevada Gaming Commission. She also has a  
2 racing license as a key person from the Maine  
3 Gambling Control Board. She's an official with  
4 the Pennsylvania Racing Commission.

5 All of Ms. Scaccetti's licenses were  
6 in good standing. And all jurisdictions  
7 contacted reported no derogatory information  
8 relating to her licensure.

9 She holds a certified public  
10 accounting license. This license was initially  
11 issued in 1978 and was last renewed December  
12 22, 2015. There is no record of any  
13 disciplinary actions taken against Ms.  
14 Scaccetti. She has held various directorships  
15 in the course of her career. Aside from the  
16 Penn National Gaming Board, she's been on the  
17 Board of Directors of the Pep Boys, a trustee  
18 at Temple University Hospital, a trustee at  
19 Temple University Health System, a trustee of  
20 Temple University, on the Board of Directors of  
21 Mathematica Policy research, a trustee of Salas  
22 University among others.

23 During the course of the  
24 investigation, no significant issues were

1 uncovered related to her application for  
2 licensure. The IEB has no concerns regarding  
3 her suitability. She demonstrated by clear and  
4 convincing evidence she is suitable for  
5 approval as a casino qualifier.

6 I'd like to thank Trooper Dean  
7 Cerullo and financial investigator Monica Chang  
8 for conducting the investigation. And the IEB  
9 is recommending that the Commission make a  
10 finding of suitability for Ms. Scaccetti.

11 CHAIRMAN CROSBY: Thank you,  
12 questions comments, anybody?

13 COMMISSIONER MACDONALD: She seems  
14 like a very impressive person.

15 MS. WELLS: Yes.

16 CHAIRMAN CROSBY: Do we have a  
17 motion? We need a motion, right?

18 COMMISSIONER CAMERON: Yes, we do.

19 COMMISSIONER STEBBINS: Mr.  
20 Chairman, I would move that the Commission  
21 approve Jane Scaccetti as a casino qualifier.

22 CHAIRMAN CROSBY: Second?

23 COMMISSIONER CAMERON: Second.

24 CHAIRMAN CROSBY: Any discussion?

1 All in favor, aye.

2 COMMISSIONER MACDONALD: Aye.

3 COMMISSIONER CAMERON: Aye.

4 COMMISSIONER STEBBINS: Aye.

5 CHAIRMAN CROSBY: Opposed? The ayes  
6 have it unanimously.

7 MS. WELLS: The next item on the  
8 agenda, I'd like to bring up Trooper Brian  
9 Talbot who was the primary investigator along  
10 with Monica Chang and Marlin Polite is here as  
11 well for the financial side. I'd also like to  
12 thank Ed Jay and Ferdinand Pellegrino who were  
13 the financial investigators on the individuals  
14 in this matter.

15 Before you today is the suitability  
16 determination for a gaming vendor primary  
17 license for Modern Gaming East, a gaming  
18 primary entity. The president of Modern Gaming  
19 East, Mr. deGrandmaison has asked me to  
20 communicate to the Commission he would have  
21 liked to be here today for the consideration of  
22 his license application, but he had a family  
23 commitment involving a teacher conference with  
24 his sons.

1                   So, he was not available to be here  
2 today. He wanted to communicate to the  
3 Commission that he realizes that his license is  
4 a privilege. He thanks the IEB and the  
5 Commission for their work on the application.

6                   So, in summary, Modern Gaming East  
7 is the applicant before you today. There is  
8 one entity and two individual qualifiers who  
9 were subject to the suitability investigation.  
10 The investigators conducted that investigation  
11 based on the standards set forth in  
12 Massachusetts General Laws 23K sections 12, 16  
13 and 31 as well as 205 CMR 134.10.

14                   Modern Gaming East is a New Jersey  
15 based corporation -- pardon me, company that  
16 acts as a sales agent and a representative of  
17 Konami Gaming which was before you previously  
18 and recently awarded gaming primary license for  
19 Massachusetts.

20                   To date, Modern Gaming has acted as  
21 a sales agent for Konami with respect to Konami  
22 equipment purchased for use at the Plainridge  
23 Park Casino, our Category 2 licensee. It also  
24 occasionally purchases used gaming equipment

1 typically from casinos for resale.

2           Mr. deGrandmaison who I previously  
3 referenced is the president and 50 percent  
4 owner. And Mr. Tessmer is the vice president  
5 and 50 percent owner. And those are the two  
6 individual qualifiers for the Modern Gaming.  
7 To date, they've conducted business in  
8 Massachusetts pursuant to a temporary license  
9 which was initially issued in March 2015  
10 pursuant to 205 CMR 134.12.

11           As part of the investigation, the  
12 IEB among other things reviewed the materials  
13 submitted as part of the application,  
14 supplemental documentation, a variety of other  
15 record checks and interviews. The applicant  
16 was fully cooperative and forthcoming in all  
17 respects with respect to this investigation.

18           The entity is currently licensed by  
19 the New Jersey Division of Gaming Enforcement  
20 and the New York Racing and Wagering Board.  
21 And its licenses are in good standing.

22           There was a settlement with the New  
23 Jersey Control Commission in 2008. The  
24 investigation revealed it did not reflect

1 systemic deficiencies in the applicant's  
2 operations. And therefore we are not  
3 recommending that that impede licensure.

4 Modern Gaming has no criminal  
5 record. The investigation discovered no civil  
6 litigation naming the entity as a defendant.  
7 Research available online and print media  
8 surfaced minimal media coverage and no  
9 derogatory or negative information was  
10 identified.

11 The IEB also evaluated Modern Gaming  
12 for financial stability, integrity and  
13 background by performing financial analysis and  
14 verification of their financial information,  
15 and did not uncover any derogatory  
16 information that indicates that the applicant  
17 did not possess the requisite financial  
18 stability, integrity and background to be  
19 licensed as a gaming vendor primary.

20 The IEB also performed the requisite  
21 background suitability investigations of Mr.  
22 deGrandmaison and Mr. Tessmer, both qualifiers  
23 for Modern Gaming by virtue of their 50 percent  
24 ownership in the company and their positions as



1 president and vice president respectively.

2 After performing all of the  
3 requisite inquiries and database checks, no  
4 facts were discovered that would disqualify  
5 either of those individuals from licensure by  
6 the Commission.

7 In conclusion taking into  
8 consideration the entirety of the  
9 investigation, the IEB recommends the  
10 Commission approve the application of Modern  
11 Gaming East, LLC for licensure as a gaming  
12 vendor primary. Investigators are here if you  
13 have any questions.

14 COMMISSIONER STEBBINS: When was the  
15 company incorporated?

16 MR. TALBOT: It was in 2004.

17 CHAIRMAN CROSBY: Any questions?

18 COMMISSIONER CAMERON: No, just a  
19 comment that it's a well-prepared report, well-  
20 written, congratulations. I commend  
21 Investigator Chang and Trooper Talbot. I know  
22 this is a very different style of  
23 investigation. Very well done, clean report.

24 CHAIRMAN CROSBY: Anybody else?

1                   COMMISSIONER MACDONALD: I gather  
2 there have been no issues during the period of  
3 time that they've been operating under a  
4 temporary license?

5                   MS. WELLS: There have been on.

6                   CHAIRMAN CROSBY: Do I have a  
7 motion?

8                   COMMISSIONER STEBBINS: Mr.  
9 Chairman, I would move that the Commission  
10 approve the license for gaming vendor primary  
11 for Modern Gaming East, LLC a.k.a. MGE.

12                   CHAIRMAN CROSBY: Second?

13                   COMMISSIONER CAMERON: Second.

14                   CHAIRMAN CROSBY: Further  
15 discussion?

16                   COMMISSIONER MACDONALD: Just maybe  
17 add to that also -- unless that needs to be a  
18 separate vote with regard to the two qualifiers  
19 Mr. deGrandmaison and Mr. Tessmer.

20                   MS. BLUE: I think you can add that  
21 to the motion and do it altogether.

22                   COMMISSIONER MACDONALD: Then we so  
23 do.

24                   CHAIRMAN CROSBY: With that

1 addition, amendment, any further discussion?

2 All in favor, aye.

3 COMMISSIONER MACDONALD: Aye.

4 COMMISSIONER CAMERON: Aye.

5 COMMISSIONER STEBBINS: Aye.

6 CHAIRMAN CROSBY: All opposed? The  
7 ayes have it unanimously. Anything else? Do  
8 we have a motion to adjourn?

9 COMMISSIONER CAMERON: So moved.

10 CHAIRMAN CROSBY: All in favor, aye.

11 COMMISSIONER MACDONALD: Aye.

12 COMMISSIONER CAMERON: Aye.

13 COMMISSIONER STEBBINS: Aye.

14 CHAIRMAN CROSBY: Unanimous.

15

16 (Meeting adjourned at 1:56 p.m.)

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1 ATTACHMENTS:

- 2 1. Massachusetts Gaming Commission March  
3 17, 2016 Notice of Meeting and Agenda
- 4 2. Massachusetts Gaming Commission March 3,  
5 2016 Meeting Minutes
- 6 3. Massachusetts Gaming Commission Region C  
7 Estimated Category 1 Timeline DRAFT
- 8 4. MGM Springfield Diversity Update  
9 Presentation
- 10 5. Massachusetts Gaming Commission Plan for  
11 the Launch of PlayMyWay
- 12 6. February 11, 2016 Blatman, Bobrowski, Mead  
13 & Talerman Memorandum Regarding Mass  
14 Gaming & Entertainment, LLC - Category 1  
15 Applicant Objection to Arbitration  
16 Decision with attachments
- 17 7. Small Business Impact Statement to the  
18 proposed amendments to 205 CMR 134.04
- 19 8. Small Business Impact Statement to the  
20 proposed amendments to 205 CMR 134.12
- 21 9. Small Business Impact Statement to the  
22 proposed amendments to 205 CMR 134.16
- 23 10. Small Business Impact Statement to  
24 205 CMR 116

- 1 11. Nondisclosure Agreement - Plainridge Park  
2 Casino  
3 12. Massachusetts Gaming Commission March 14,  
4 2016 Memorandum Regarding Suitability  
5 Investigation of Modern Gaming East, LLC,  
6 Applicant for Licensure as a Gaming  
7 Vendor - Primary

8  
9  
10 GUEST SPEAKERS:

- 11 Chelan Brown, MGM Springfield  
12 Jason Garand, Carpenters Local 108  
13 Jason Rosewell, MGM Springfield  
14  
15 Roberta Gregoire, Plainridge Park Casino  
16  
17 Charles LeRay, Esq. for Mass Gaming and  
18 Entertainment  
19 Jason Talerman, Esq. for Town of Easton

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23  
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1 MASSACHUSETTS GAMING COMMISSION STAFF:  
2 Ed Bedrosian, Executive Director  
3 Catherine Blue, General Counsel  
4 Elaine Driscoll, Director of Communications  
5 John Glennon, CIO  
6 Jill Griffin, Director Workforce, Supplier and  
7 Diversity Development  
8 Todd Grossman, Deputy General Counsel  
9 Mark Vander Linden, Director of Research and  
10 Responsible Gaming  
11 Karen Wells, Director IEB

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C E R T I F I C A T E

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

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

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

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

WITNESS MY HAND this 21st day of March, 2016.



LAURIE J. JORDAN                      My Commission expires:  
Notary Public                              May 11, 2018