

1 THE COMMONWEALTH OF MASSACHUSETTS

2 MASSACHUSETTS GAMING COMMISSION

3  
4 PUBLIC MEETING #68

5  
6 CHAIRMAN

7 Stephen P. Crosby

8  
9 COMMISSIONERS

10 Gayle Cameron

11 James F. McHugh

12 Bruce W. Stebbins

13 Enrique Zuniga (present via teleconference)

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15  
16  
17 May 30, 2013, 9:30 a.m.

18 BOSTON CONVENTION AND EXHIBITION CENTER

19 415 Summer Street Room 103

20 Boston, Massachusetts

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

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4 CHAIRMAN CROSBY: I think we are  
5 about ready to call to order the 68th public  
6 meeting of the Massachusetts Gaming Commission  
7 today at the Boston Convention Center on the  
8 30th of (May) 2013. The first order of business  
9 is the minutes of May 16, Commissioner McHugh.

10 COMMISSIONER MCHUGH: The minutes  
11 have been distributed. I mentioned the last  
12 time that the minutes had references not only to  
13 the pages of the transcript but to the places on  
14 the videotape where the discussion summarized in  
15 the minutes takes place. I neglected to mention  
16 that by simply clicking on the time you're taken  
17 immediately to that portion of the videotape  
18 where the discussion appears.

19 CHAIRMAN CROSBY: That's fantastic.

20 COMMISSIONER MCHUGH: And Artem  
21 Shtatnov one of our members of our legal staff  
22 has done a terrific job with that. And that's a  
23 big help.

24 CHAIRMAN CROSBY: So, when you're

1 reading on our website, you click on the time,  
2 you go directly to the video?

3 COMMISSIONER MCHUGH: You go  
4 directly to that discussion.

5 COMMISSIONER CAMERON: Amazing.

6 COMMISSIONER MCHUGH: It doesn't  
7 work on the paper.

8 CHAIRMAN CROSBY: I tried. I kept  
9 pushing it. What do you mean?

10 COMMISSIONER MCHUGH: So anyway,  
11 with that preamble, the minutes are up for  
12 discussion. Any corrections, comments?

13 CHAIRMAN CROSBY: Where is Elaine?  
14 Elaine, did you hear that what Jim was  
15 describing about how the transcript now jumps to  
16 the video? When you're reading the transcript  
17 online --

18 COMMISSIONER MCHUGH: The minutes  
19 online.

20 CHAIRMAN CROSBY: -- the transcript  
21 of the minutes, and it's now enumerated by the  
22 time the conversation begins. If you click on  
23 the time, it jumps to that part of the video.  
24 So, it makes the video essentially searchable.

1 I think it's something the press may want to be  
2 told about. It's a really, really powerful  
3 tool. Sorry for the distraction. Any comments  
4 on the minutes?

5 COMMISSIONER CAMERON: Very well  
6 done as always.

7 CHAIRMAN CROSBY: I had one  
8 question. On page four the motion itself, the  
9 fourth line down, it says an RFA application  
10 without paying a 400,000 application fee to the  
11 extent not necessary to cover the supplemental  
12 investigations. I know what that's trying to  
13 say, but I'm not sure it does say it.

14 COMMISSIONER MCHUGH: That was  
15 unfortunately the text of the motion.

16 CHAIRMAN CROSBY: All right. Maybe  
17 it's okay.

18 COMMISSIONER CAMERON: I think it's  
19 clear.

20 COMMISSIONER MCHUGH: Do you?

21 COMMISSIONER CAMERON: Yes, if  
22 there's additional cost.

23 COMMISSIONER MCHUGH: Yes, that's  
24 what it's aimed at. I know it is phrased a

1 little awkwardly, I agree. We could make  
2 another motion today and fix it.

3 CHAIRMAN CROSBY: I don't think  
4 anybody's going to argue about it. So, let's  
5 forget that. Do we have a motion?

6 CHAIRMAN CROSBY: So, unless there  
7 are further comments, I'd move that the minutes  
8 of the meeting of May 16, 2013 be accepted as  
9 tendered.

10 CHAIRMAN CROSBY: Second?

11 COMMISSIONER STEBBINS: Second.

12 CHAIRMAN CROSBY: All in favor, aye.

13 COMMISSIONER MCHUGH: Aye.

14 COMMISSIONER CAMERON: Aye.

15 COMMISSIONER STEBBINS: Aye.

16 CHAIRMAN CROSBY: Opposed? Oh, we  
17 have to vote by roll call, sorry. So, we're  
18 voting by roll call. Commissioner Zuniga is in  
19 Las Vegas at a problem gambling conference, but  
20 is with us by telephone. Commissioner Zuniga,  
21 how do you vote?

22 COMMISSIONER ZUNIGA: Aye.

23 CHAIRMAN CROSBY: Commissioner  
24 Stebbins?

1 COMMISSIONER STEBBINS: Aye.

2 CHAIRMAN CROSBY: Commissioner  
3 Cameron?

4 COMMISSIONER CAMERON: Aye.

5 CHAIRMAN CROSBY: Commissioner  
6 McHugh?

7 COMMISSIONER MCHUGH: Aye.

8 CHAIRMAN CROSBY: And the Chair  
9 votes aye. Okay, we are now onto our second  
10 item. Commissioner Stebbins, do you want to  
11 introduce our guests?

12 COMMISSIONER STEBBINS: Sure. Thank  
13 you, Mr. Chairman and colleagues. We know the  
14 statute's focus on these resort casinos and slot  
15 parlors to have a positive impact on small  
16 businesses across the Commonwealth. And while  
17 we certainly expect our licensees will source a  
18 usual group of vendors for spending items such  
19 as landscaping and limousine services, linen,  
20 etc., we also want to encourage our applicants  
21 to think somewhat outside the box and consider  
22 those small business sectors that are exactly  
23 that. They are small businesses.

24 We've talked a lot about assisting

1 our licensees with support and potential  
2 incentives we would offer other businesses  
3 seeking to start in Massachusetts. If we were  
4 looking to help a new business make some  
5 business connections, I think the next two  
6 presenters would be key people who we would  
7 reach out to.

8           The folks we have here Helena and  
9 Mary and Catherine from the Department of Ag.  
10 represent just two sectors that could be  
11 positively impacted by the introduction of  
12 resort casinos and a slots parlor here in  
13 Massachusetts. They represent the creative  
14 economy industry and Massachusetts Department of  
15 Agriculture and Related Products.

16           I've invited them here today to talk  
17 about the size of these two sectors in the  
18 Massachusetts economy as well as how they can be  
19 a resource to our applicants to again help them  
20 connect with small businesses across the  
21 Commonwealth.

22           So, we'll start with Helena Fruscio.  
23 She is the director of the Creative Economy for  
24 the Massachusetts Office of Economic

1 Development. And she'll make a presentation.  
2 We'll follow that up with Mary Jordan and  
3 Catherine Deronde of the Massachusetts  
4 Department of Agriculture. So, good morning,  
5 Helena.

6 MS. FRUSCIO: Good morning. Thank  
7 you so much for having me and thanks for the  
8 opportunity. I think working with the creative  
9 economy has so much opportunity there.

10 First, I am the Creative Economy  
11 director for the state. Usually, the second  
12 question that is asked once I say I'm the  
13 Creative Economy Director, the second question  
14 is always, what is the creative economy, Helena?  
15 What does that mean? Who do you include? How  
16 do you draw the line? So, what does that mean?

17 Usually, I explain the creative  
18 economy has four key important parts. The first  
19 are cultural nonprofits. So, these are museums,  
20 theaters, theater companies. These are usually  
21 our anchor art institutions in so many of our  
22 communities. So, I think that that's usually  
23 something that people include.

24 The second part isn't always



1 something that people pair together, which is  
2 the for-profit businesses that either provide a  
3 creative good or service. So, this is anything  
4 from advertising and marketing. This is design,  
5 industrial design, interior design, videogame  
6 development, publishing, as well as  
7 entertainment, music, visual arts. So, these  
8 are actually paired in our definition of the  
9 creative economy alongside our nonprofit arts  
10 institutions. And there's quite a few of those  
11 businesses and there's so much opportunity for  
12 growth there within the State of Massachusetts.

13           The third part I always include is  
14 sole proprietors. So, these are writers,  
15 actors, individual artists, freelance graphic  
16 designers as well as the creative talent that  
17 works for non-creative companies. So, let's say  
18 a marketing director at a bank. The bank isn't  
19 necessarily as a whole considered part of the  
20 creative economy, but the creative talent that  
21 works for them is still -- we're able to count  
22 that as part of the creative economy.

23           So, the final component I always say  
24 is the creative communities in which they live.

1 So, I work with municipalities. I work with  
2 regional economic development corporations.  
3 Obviously, the whole State is thinking about and  
4 using and working with the creative economy that  
5 is here in the State of Massachusetts. It's a  
6 very robust sector.

7 It actually accounts for 100,000  
8 jobs within the State -- over 100,000 jobs  
9 within the State of Massachusetts. So, that's  
10 accounting for the nonprofits, the for-profit as  
11 well as that creative talent that exists within  
12 all of the various parts of our economy.

13 Usually, when you see the creative  
14 economy or we talk about it, there's usually the  
15 bubbles, overlapping bubbles, those sort of  
16 descriptions, which basically what I like to say  
17 is the creative economy sort of infiltrates into  
18 all of the various parts of our economy in ways  
19 that we don't always think about.

20 So, let's say in a manufacturer, I  
21 put up a picture of Puma. Their sneakers aren't  
22 just made and manufactured here, they're also  
23 designed. Design gives so many of these  
24 manufacturers a competitive advantage in their

1 industries.

2 All you have to do is take out your  
3 cell phone to see where art overlaps with  
4 technology. I talk to my videogame companies  
5 and half of their team are people in technology  
6 but the other half are artists. It's a visual  
7 experience as well as a technological  
8 experience. And oftentimes when we're talking  
9 about traveling and tourism, these are major  
10 industries within Massachusetts. The creative  
11 economy is right there. Oftentimes you're going  
12 to those theaters or you're going to the museums  
13 as you are thinking about Massachusetts as a  
14 destination.

15 So, we really do infiltrate into all  
16 of these various parts of the creative economy  
17 or into the economy period. So, the last part of  
18 the creative economy and why we focus on it from  
19 the State perspective is when a community has  
20 the creative economy, it oftentimes is easier to  
21 attract and retain both talent and companies. I  
22 call this the Richard Florida effect of the  
23 creative economy.

24 So, he wrote a book called Rise of

1 the Creative Class understanding that  
2 communities that really embrace, cultivate, work  
3 with the creative economy and the creative class  
4 are really more viable for economic development  
5 in general for this creative talent and the  
6 businesses.

7 So, what does that mean? How does  
8 that work? So, I sort of want to bring that  
9 home into Massachusetts, talk to you about some  
10 of the examples of where the creative economy  
11 was used I think in a really inspiring and  
12 interesting way.

13 One of them is actually from the  
14 building that we sit in. So, when I got the  
15 notice that we changed spaces, I'm like how  
16 apropos. So, the BCEC actually worked with a  
17 local organization -- I have a sheet of sort of  
18 follow-up contact information for you. -- which  
19 is called the Boston Cyber Arts.

20 And they use the marquee, so the  
21 large structure that has the screens out front.  
22 They didn't just use that for advertising. They  
23 also use that to work with Boston Cyber Arts to  
24 feature local artists but more in the digital

1 realm.

2           So, we're not just talking painting.  
3 We're not just talking design. We're talking  
4 people using, working with -- Boston Cyber Arts  
5 partnered with the BCEC and they have art on the  
6 marquee. So, this year they did videogame  
7 inspired art and they really infused. They have  
8 about 20 different artists' paintings that  
9 scroll at all times on that marquee.

10           And I think that was a really  
11 interesting way of bringing that visual and  
12 bringing the creative economy, making it more  
13 visible, making it an important part of such a  
14 visual marquee here in Boston that it was a  
15 really, I thought, inspired way of including the  
16 creative economy where it might not have been  
17 before.

18           The second one I want to talk about  
19 is actually with Logan Airport. An organization  
20 called Design Museum Boston did an entire design  
21 inspired exhibition about all of the facets of  
22 travel. So, they did a comparison -- the design  
23 facets of travel, so a comparison of what people  
24 used to wear when they traveled, got all dressed

1 up it was something that you really felt like  
2 you needed to come to the airport in your best  
3 attire. Where today, it's all the hoodies and  
4 the sweatshirts. Or how luggage has changed.  
5 Or how the airplanes themselves have changed,  
6 even the signage in the airports.

7 So, understanding where design  
8 really infiltrates or works with our  
9 communities. I also wanted to tell you about  
10 some of innovative companies.

11 In my third example -- So, the art  
12 on the marquee, the design of travel, it was  
13 such an interesting way of really going into  
14 unconventional places. But the other thing I  
15 just wanted to mention was some of the creative  
16 companies that are here in Massachusetts that  
17 are doing projects all over the nation that are  
18 using design. One I want to tell you about is  
19 Artaic that's actually right down the road here.

20 They have developed a robot that  
21 actually helps develop mosaics. So, if you  
22 think about a picture, each picture has a pixel.  
23 And they realize that a pixel also equals a  
24 tile. So, the robot actually can identify the

1 tile color that makes mosaics into actual  
2 renderings of pictures. It's very clean. You  
3 can really see the difference of that. And it's  
4 not guesswork. It's actually the robot that  
5 picks those out.

6           So, they've been doing mosaics. I  
7 actually have a visual of one of them in a  
8 restaurant that they've done. We also have  
9 companies in Massachusetts who have developed  
10 tabletop games that are being used. The example  
11 that I put up is actually being used in Japan  
12 for horseracing. They actually developed the  
13 interface that you can stand around and play and  
14 bet and make those happen. I thought that was a  
15 really interesting example of Massachusetts  
16 innovation.

17           Also, just sort of the effects of a  
18 space design, using our technology, our  
19 designers, our innovators as we're thinking  
20 about how the spaces are designed or thought  
21 out. Or the use of public art, the use of art  
22 in these spaces.

23           They're going to be quite large, I'm  
24 assuming. So, understanding how design really

1 can work in the casinos. Or how they're  
2 thinking about using the creative economy  
3 locally, because we do have some immense talent,  
4 not just in sort of the traditional design,  
5 interior design, architecture that definitely is  
6 there. But also in the public art aspect, the  
7 use of technology, the use of games.

8 So, I just wanted to come and say  
9 that this is how and what we're thinking of for  
10 the creative economy. So, I have put together a  
11 sheet that sort of outlines some contacts as  
12 well as myself. If anyone is interested in  
13 really understanding, thinking about and  
14 connecting with the creative industries of  
15 Massachusetts in any format, I've sort of  
16 highlighted design contacts, technology  
17 contacts, public art contacts and then obviously  
18 I am here and happy to connect with and work  
19 with anyone interested in connecting with the  
20 creative industries.

21 CHAIRMAN CROSBY: What is your  
22 background? How did you get into this?

23 MS. FRUSCIO: So, I am an artist by  
24 training. I previously ran something called



1 Berkshire Creative Economy Council in Western  
2 Massachusetts where we created a model for  
3 regional-based creative economy development. In  
4 a rural community, oftentimes we think about  
5 these creative industries in urban settings, but  
6 it's not always the case. There was over 6000  
7 people in the creative economy in the Berkshires  
8 and really no economic development strategy  
9 around them.

10 So, I worked sort of on the more  
11 grassroots end before I now work for the State  
12 and help municipalities and regions really  
13 thinking about the creative economy. So, this  
14 is kind of a unique presentation for me. I was  
15 happy to be able to do that, but I'm astounded  
16 on a regular basis of the innovation that  
17 happens in Massachusetts of the creative  
18 companies that are innovating and thinking of  
19 new ways and new designs. And I just was really  
20 thankful to be able to give this presentation.

21 COMMISSIONER MCHUGH: You mentioned  
22 a couple of examples of things that I think  
23 we've all seen. The sea creatures, for example,  
24 on the floor of the passageways at the airport.

1 The various -- There are crosswalks downtown  
2 that have embedded things down at Hay Market.  
3 The bronze pieces of fruit and things that are  
4 embedded.

5 CHAIRMAN CROSBY: Garbage.

6 COMMISSIONER MCHUGH: Pieces of  
7 fruit, used fruit. Do you approach individual  
8 companies when they're building things? What is  
9 your approach to getting people to think about  
10 this?

11 Because I suspect that particularly  
12 with out-of-state entities, they would have a  
13 design team that they'd put together. But they  
14 might not necessarily think about the local  
15 designers and things to use here.

16 MS. FRUSCIO: So, I think it depends  
17 on who's approach me. If it's a municipality,  
18 because that is very specifically public art,  
19 some of the entities that you mentioned.

20 COMMISSIONER MCHUGH: Right.

21 MS. FRUSCIO: I think understanding  
22 how to use public art and how to really approach  
23 it thoughtfully. I've actually included public  
24 art guidelines, a link to public art guidelines.

1 So, if it's sort of outdoor space or even  
2 internally, I really wanted to make sure that we  
3 had a thoughtful response to how to really do an  
4 effective call for public art or how that  
5 interfaces with the community.

6 So, I think we have some resources  
7 from the State of Massachusetts from that  
8 perspective. Most of the times if a company  
9 approaches me, I send them to this list that I  
10 sent you mostly because as a public employee I'm  
11 not allowed to make specific recommendations for  
12 you should work with X company. But I have a  
13 good network of people who are really able to  
14 discern and interconnect into the talent base  
15 that is here in Massachusetts.

16 So, mostly I approach this from a  
17 perspective of saying you should understand and  
18 use the creative economy that is here as much as  
19 we can say that. And then give them effective  
20 vehicles by which to interconnect into it.

21 I think that in some ways they're  
22 very hidden and that is part of my job is to  
23 bring visibility and also mechanisms by which  
24 people can engage with the creative industries.

1                   COMMISSIONER MCHUGH: So, if  
2 somebody -- How does somebody find out about  
3 you? If you Google creative economy  
4 Massachusetts will that find you?

5                   MS. FRUSCIO: Yes, my email and my  
6 information. I also put my website on the  
7 contact information here also for the  
8 PowerPoint.

9                   COMMISSIONER MCHUGH: I know it's  
10 there.

11                  MS. FRUSCIO: Yes. If you Google  
12 Massachusetts creative economy or creative  
13 industries I will come up.

14                  COMMISSIONER MCHUGH: Right. Okay.

15                  COMMISSIONER CAMERON: You mentioned  
16 that you had been thinking about casinos and  
17 possibilities to connect. Could you elaborate  
18 on some of those thoughts?

19                  MS. FRUSCIO: Certainly. So, I  
20 think there is sort of the opportunity to  
21 connect with local design firms, also local  
22 public artists. They can do specific calls for  
23 that. I was working recently with a foundry up  
24 in Chelsea that does bronze casting. There's

1 different ways by which they can do that. I  
2 think that sort of the experiential design is  
3 kind of what I would talk about that like in the  
4 airport when you're walking through and you see  
5 all of those elements.

6 I think that the use of those in  
7 these spaces could be very profound. Also, just  
8 from an interior design perspective, we have  
9 world-class designers. We have the Boston  
10 Design Center just down the road here.

11 I think there's multiple ways of  
12 engaging with the creative economy. I also  
13 think that there's creative ways of engaging in  
14 the creative economy which is why I sort of  
15 mentioned the sort of gaming tabletop aspect,  
16 the technology aspect.

17 So, I don't want to just think of  
18 this as painting on the walls or pieces that we  
19 might include as you're walking through the  
20 casinos in an experiential way, which I think is  
21 a very valid way of thinking of working with the  
22 creative economy here.

23 But I'd also like to think about it  
24 from a technology standpoint, because that's

1 where Massachusetts just really blows everyone  
2 out of the water. We are so technology savvy.  
3 If you just go over to the media lab at MIT,  
4 we're creative in thinking about new ways to  
5 engage technology in this discussion as well.

6 And also our videogame cluster. We  
7 have the fourth-largest cluster in the U.S. that  
8 are developing everything from Dance Central in  
9 Massachusetts was made here to Lord of the Rings  
10 online. There's so many. Our videogame  
11 companies are pretty profound too here as well.

12 So, I guess I was thinking of this  
13 in multiple ways. That's why I really did try  
14 to think about it not just from the art  
15 perspective or the design perspective but the  
16 technology perspective. So, I think each of  
17 those ways are very relevant ways of engaging  
18 with the creative economy.

19 COMMISSIONER MCHUGH: I would like  
20 to find out more about what that robot does but  
21 now is not the time.

22 CHAIRMAN CROSBY: There are two  
23 parts of our evaluation criteria, which we've  
24 been working on for months now that directly

1 relate to much of what you've talked about.

2 One is obviously the whole economic  
3 development side, which Commissioner Stebbins  
4 has been leading the evaluation of that  
5 dimension. But there's a lot of talk about  
6 supporting small businesses and interacting with  
7 existing amenities and tourism and so forth,  
8 (A).

9 And (B) there's this general  
10 criteria and one sentence from which I want to  
11 read you. In addition to this basic structure,  
12 which talks about finance, the economic  
13 development and so forth we try to aspirations  
14 for something more, something unique, something  
15 special, something innovative in the  
16 architecture of the gaming industry in  
17 Massachusetts.

18 There are criteria that we will be  
19 using to judge which one -- which license who we  
20 will award it to that could be enhanced by many  
21 of your constituents. I don't know if you have  
22 a communications mechanism with your  
23 constituents, but I would urge people to go to  
24 the casino bidders who are all putting together

1 their proposals, their sites. And they're  
2 trying to come up with these innovative ideas  
3 that they know we're looking for. We ask about  
4 how do you enhance the Massachusetts brand in  
5 some way. How do you merge with it as opposed  
6 to fight with it?

7 John Ziemba behind you can give you  
8 the contact people, contacts for all of the  
9 bidders maybe whom are in the room. But people  
10 should go to them with ideas about any of these  
11 kinds of things you're talking about. I'm sure  
12 they're all open-minded to hearing really  
13 creative ideas that will suit your industry and  
14 inform our evaluation criteria

15 MS. FRUSCIO: And I am happy to  
16 support managing that process too or making sure  
17 that they're reaching the creative industries to  
18 have that conversation. I am more than happy to  
19 have that discussion and really make sure it's a  
20 two-way street that the creative industries can  
21 talk to the applicants and the applicants can  
22 reach the creative industry. So, I'm happy to  
23 do that.

24 CHAIRMAN CROSBY: Right. We spend a



1 lot of time talking whether it's communities or  
2 companies or whoever saying don't wait for them  
3 to come to you, reach out.

4 MS. FRUSCIO: Reach out.

5 CHAIRMAN CROSBY: And John can  
6 coordinate that with you.

7 MS. FRUSCIO: All right.

8 COMMISSIONER STEBBINS: We do have  
9 another evaluation criteria under building and  
10 site design, which specifically talks about  
11 integration of public art. So, that's certainly  
12 something to keep in mind.

13 Just kind of a curveball question to  
14 throw at you. Building and site design will  
15 also contain components of energy efficiency.  
16 And I think everybody's perceptions of energy  
17 efficiency are really ugly solar panels or what  
18 have you. Have you seen any places in the  
19 country where that energy efficiency model is  
20 kind of connected with the creative economy  
21 model to make these things look more visually  
22 appealing as opposed to big clunky pieces of  
23 hardware attached to a building?

24 MS. FRUSCIO: I think that most of

1 the new construction and actually our Boston  
2 Society of Architects is really on the cutting  
3 edge of a lot of these things. The Executive  
4 Director just got called to go give a briefing  
5 to the President about energy efficiency and  
6 design.

7 So, I think that first of all our  
8 Boston Society of Architects and the architects  
9 here are really well aware of how to  
10 aesthetically bring the parts of those  
11 discussions and make it visually appealing. I  
12 think that that's pretty -- I don't want to say  
13 standard, but very much a part of what they see  
14 their role as being is incorporating these  
15 pieces.

16 So, I know that that is totally part  
17 of how they approach the design of these  
18 buildings. And many of them are LEED certified.  
19 And it's important to incorporate that.

20 Specifically, a building that I can  
21 name off of the top of my head, I don't exactly  
22 have that this was incorporated in this way.  
23 I'm happy to look that up and think about that  
24 more and send out a note afterwards. But I

1 think that energy efficiency and architecture go  
2 pretty much hand-in-hand these days from the  
3 trends that I've been seeing and working with  
4 the industry for some time now.

5 COMMISSIONER STEBBINS: Okay, great.

6 CHAIRMAN CROSBY: Commissioner  
7 Zuniga, any comments? He's either on a serious  
8 delay or he fell asleep.

9 COMMISSIONER CAMERON: He may not  
10 have heard you refer to him.

11 CHAIRMAN CROSBY: Enrique?

12 COMMISSIONER ZUNIGA: I'm sorry. I  
13 realize it was mute. I was talking on a phone  
14 that had the mute button.

15 CHAIRMAN CROSBY: I was just  
16 inviting you to comment, if you have any  
17 comments.

18 COMMISSIONER ZUNIGA: Thank you, no.  
19 This is a great presentation and I can hear the  
20 streaming really clear. I can hear the speaker  
21 and the presentation as well.

22 CHAIRMAN CROSBY: Great, terrific.  
23 Thank you very much.

24 COMMISSIONER MCHUGH: Thank you.

1 COMMISSIONER CAMERON: Thank you.

2 COMMISSIONER STEBBINS: Thanks,  
3 Helena. I invite Mary and her team up from the  
4 Department of Agriculture. Before Mary starts,  
5 I want to thank her for pulling this  
6 presentation together so quickly. And she has  
7 also put us in contact with the Department of  
8 Fisheries. Obviously, Massachusetts has a  
9 pretty viable segment of its economy based on  
10 harvesting fish and seafood as well as even the  
11 element of growing a lot fish stock locally, I  
12 guess.

13 MS. JORDAN: Thank you, Commissioner  
14 Stebbins. Thank you so much for the opportunity  
15 to be here today. And it's my pleasure I  
16 brought with me Catherine Deronde who is our  
17 agricultural economist.

18 And to start off our presentation,  
19 she's going to give you an overview of  
20 Massachusetts agriculture. And I think you're  
21 going to be a little surprised at all of the  
22 wonderful products that are produced here in our  
23 State, Catherine.

24 MS. DERONDE: Thank you, Mary. And

1     thank you for having me today. Just a quick  
2     snapshot of what we have to offer. We have  
3     approximately 7,700 farms in our State operating  
4     on over 500,000 acres of farmland. And they're  
5     bringing in about \$490 million worth of  
6     agricultural products each year.

7             Our average farm is about 67 acres  
8     and brings in about \$64,000 each year. However,  
9     we range from very small to very large bringing  
10    in over half a million. We have about 200 farms  
11    that are doing that.

12            I do want to mention that we are  
13    ranked second in the nation for direct sales.  
14    So, direct sales we're talking about direct to  
15    consumer. Those could include farmers market.  
16    That could include a farm stand or CSA programs.  
17    But for your case, that also includes direct to  
18    restaurants. So, we have a big trend of  
19    restaurants buying straight from farms and  
20    displaying those products proudly.

21            CHAIRMAN CROSBY: Second in the  
22    nation in dollar volume or per capita?

23            MS. DERONDE: Direct sales.

24            CHAIRMAN CROSBY: Dollar volume?

1 MS. DERONDE: Yes, dollars per farm.  
2 It's about \$25,000 per farm on the average is  
3 coming direct to consumer or direct restaurant  
4 sales.

5 CHAIRMAN CROSBY: So, that's close  
6 half of the total sales.

7 MS. DERONDE: Yes. One fact I do  
8 also like to point out is that we are among the  
9 top three states in farmland value. So, on an  
10 average \$12,000 per acre per farmland, which is  
11 at least top three in the country.

12 Our biggest agricultural sector by  
13 far is greenhouse and nursery products. Second  
14 to that cranberries and other fruits. We are  
15 second in the nation for cranberries just behind  
16 Wisconsin. Then behind those vegetables, dairy  
17 products and livestock products and aquaculture.

18 COMMISSIONER MCHUGH: And  
19 aquaculture did you say?

20 MS. DERONDE: Aquaculture, yes.

21 COMMISSIONER MCHUGH: Does that  
22 include farm raised salmon, catfish?

23 MS. DERONDE: Yes. Aquaculture, our  
24 main aquaculture source in Massachusetts is

1 actually shellfish farming, so clams and  
2 oysters. We have I think 300 shellfish farmers,  
3 aquaculture farmers in Massachusetts. They  
4 bring in quite a lot of money. I think Mary is  
5 going to share that statistic with you later on  
6 in the presentation. We also have a very large  
7 aquaculture farm out on the Connecticut River  
8 Valley that is doing amazing things. And again,  
9 Mary will talk about that later.

10           When we typically think about  
11 agriculture we think about raw products corn,  
12 soy. In Massachusetts, it's much more than  
13 those raw products. It is processing that we  
14 are huge with. When you combine agricultural  
15 products in their raw form plus processing,  
16 we're bringing in about \$13 billion of output  
17 per year, \$5 billion of that is value-added  
18 products. Mary will talk about this but this is  
19 taking that raw product and creating it into  
20 something else, a jam, specialty meats, etc.

21           Dairy processing is the top of our  
22 list and they're bringing about \$2.5 billion of  
23 dairy processing products. Our forestry  
24 industry brings in a lot of paper, canning,

1 animal slaughtering, etc.

2           So, I had mentioned earlier the  
3 direct marketing component of Massachusetts  
4 agriculture. What's really driving that direct  
5 marketing in Massachusetts is first of all our  
6 demographics. We have a population of over six  
7 million people. And our farmers have access to  
8 very important urban populations. And those  
9 people in the urban settings are really willing  
10 to pay a good price for our products.

11           Due to the small size of our State,  
12 the small size of the farms that we have, we  
13 aren't really competing with the big guys out in  
14 the Midwest. And our farmers really need to be  
15 innovative and they're diversifying their  
16 products. They are doing activities such as  
17 culinary tourism, inviting top chefs into their  
18 farms to cook with just their products, all  
19 sorts of things like that.

20           In addition, in Massachusetts we've  
21 seen this big trend in people really wanting to  
22 know who their farmer is. They want to know  
23 what they're doing, what their practices are.  
24 Are they environmentally sustainable? If



1     there's a food safety outbreak, they want know  
2     this is where my food came from. They want to  
3     have that relationship. And that's really been  
4     very important and helpful for our farmers.

5                 We've done a lot with energy,  
6     renewable energy resources, bringing that onto  
7     our farms, which helps to drive down the cost of  
8     production for us, which is great.

9                 And then lastly, it's just this huge  
10    demand for local products. People want to  
11    support their local farmer. And that has just  
12    been extremely helpful for our industry.

13                CHAIRMAN CROSBY: Has that been  
14    something that you all have promoted? Or is it  
15    just the nature of the times it's happening or  
16    is it just liberal Massachusetts? Where does  
17    that come from?

18                MS. DERONDE: I would say we  
19    definitely promote it. We want you to come and  
20    support out local farms. But I think it's more  
21    of a national movement as well. People really -  
22    - Just it's a change. We've had these food-  
23    safety outbreaks and people are concerned.  
24    Maybe it's the downturn of the economy that

1 people also want to support their neighbors. I  
2 would say it's a national thing. I think it's  
3 just happening sort of spontaneously.

4 COMMISSIONER MCHUGH: And the stuff  
5 tastes better.

6 MS. DERONDE: And it tastes  
7 fantastic, absolutely.

8 CHAIRMAN CROSBY: A tomato actually  
9 tastes like a tomato.

10 COMMISSIONER MCHUGH: I was thinking  
11 exactly of tomatoes.

12 MS. DERONDE: And it's fresh, it's  
13 wonderful So, along with the food-safety  
14 comment, I'm going to just talk briefly about  
15 one of our programs that we have. It's the  
16 Commonwealth Quality program. And this is a  
17 marketing program that we have. And it's a  
18 label that producers can put on their food.

19 Now to get into this program, you  
20 need to meet certain qualifications. And if you  
21 meet it, you can have the stamp on your produce.  
22 The four goals of this program are to first of  
23 all identify that it's a local product. If you  
24 go and you see this stamp on a tomato, you know

1 it came from that farm. It did not come from  
2 miles and miles away.

3 You see this stamp you also know  
4 that this farmer has met state and federal  
5 regulations in terms of farming. Food safety,  
6 it has met all of the food safety things that  
7 includes activities out in the field. It also  
8 includes activities when you're processing the  
9 food.

10 And then lastly to get the stamp you  
11 need to be meeting certain environmental  
12 qualifications. This is water requirements, how  
13 you're treating your soil, pest management type  
14 of things. What kind of chemical you're putting  
15 on. So, if you see this you know you're in good  
16 shape.

17 This is a little hard to see, but  
18 the program has five different sectors so far  
19 though it is growing, produce, lobster,  
20 forestry, dairy and aquaculture. Each of these  
21 sectors has its own documents that are written  
22 up. So, practices that they must follow are  
23 specific to these different sectors.

24 The requirements include existing

1 standards that are out there in the industry.  
2 And also collaborative research with some of our  
3 educational partners and other local partners.  
4 Because the way we treat food safety in  
5 Massachusetts, we might be doing totally  
6 different practices than what someone out in  
7 Arizona might be doing. So, it's very specific  
8 to Massachusetts but you know that you're  
9 getting a good quality when you get this stamp.  
10 With that I'm going to turn it over to Mary.  
11 And she is going to tell you --

12 COMMISSIONER MCHUGH: Can I just ask  
13 you a question?

14 MS. DERONDE: Sure.

15 COMMISSIONER MCHUGH: Do you make  
16 any distinction in any of your programs between  
17 genetically modified and non-genetically  
18 modified foods?

19 MS. JORDAN: Not within the  
20 Department of Agriculture programs. Our farmers  
21 might in their marketing and their promotion but  
22 not at this point with our department programs.

23 COMMISSIONER MCHUGH: Okay.

24 MS. JORDAN: I just want to go back

1 just a second when you were talking about the  
2 driver of buy local. As Catherine said that  
3 it's really the changing times, the food safety,  
4 the food scares that we've had throughout the  
5 United States.

6 And I think really society going  
7 back to local. I think of the Main Street. I  
8 remember growing up and the malls were coming  
9 in. Now we're going back to the local  
10 businesses, patronizing those on the Main  
11 Streets of our towns. And that goes back to I  
12 think farming too that consumers want to know  
13 where their products come from. And that's so,  
14 so important.

15 We're finding that our farmers are  
16 businessmen. That for the dairy farmer there's  
17 the veterinarian, there's a mechanic, there are  
18 the ones that are marketing the product.  
19 They're growing the product.

20 So, as we see times changing and we  
21 see consumers again wanting to know where that  
22 product is that they know they're going right to  
23 the source. That's why we have over 250 farmers  
24 markets in the State. That's why direct

1 marketing beyond just direct consumer farmers  
2 markets, roadside stands, but direct to the  
3 retailer, direct to the restaurant is so, so  
4 important.

5 But as these things emerge, the  
6 consumers are interested in buying local, these  
7 are new opportunities for our farmers. And I  
8 just want to share a few of those. Our farmers  
9 are moving, as Catherine mentioned, from  
10 commodities onto selling directly value-added  
11 and selling their services.

12 When I mention services, the farm  
13 itself is unique. Many of us grew up with  
14 family members, parents or grandparents that had  
15 the farm that we would visit. Now the whole  
16 experience of agri-tourism, and I won't go into  
17 that, but that is such an emerging business for  
18 our farmers. Selling that farm experience is  
19 really selling a service value-added.

20 But we are intrigued with our  
21 farmers that are doing the diversification, not  
22 just milking the cows and sending the milk off  
23 to a processor, but adding value. As we talk  
24 about our cheese producers, we have about 32

1 farmstead cheese producers. They just  
2 established a cheese guild. And they will be  
3 marketing themselves to the retailers as well as  
4 doing the direct marketing.

5 Our micro-craft breweries are doing  
6 fantastic now using local products. We have  
7 such a demand for local hops. And we're working  
8 with the University of Massachusetts on research  
9 and other states to provide the best technical  
10 information we can to add value to our business.

11 Our maple syrup industry is really  
12 thriving. We have over 300 maple producers that  
13 are selling not just to the consumer but also to  
14 restaurants, to retailers. As Catherine  
15 mentioned, our aquaculture industry is so, so  
16 important with over 300 shellfish producers and  
17 also bay scallops and the scallop industry is  
18 one of the leaders in the world.

19 I'm going to focus on just some of  
20 the commodities. Massachusetts dairy farmers,  
21 we have 153 in the State. And we have about  
22 40,000 cows roaming all over Massachusetts at  
23 their farms. But again, diversifying, out of  
24 those 153 dairy farms, we have nine that we call

1 producer handlers where they're actually  
2 producing the milk that you buy right on their  
3 farm.

4           The others sell to cooperatives such  
5 as Cabot Cheese. We have many that are part of  
6 the Cabot Cheese. We think of it as a Vermont  
7 product but all of the New England states  
8 contribute to Cabot products. Garelick Farms is  
9 one of our largest processers in the State as  
10 well as Hood.

11           As I mentioned, we do have our  
12 cheese producers that along with those producer  
13 handlers again, keeping the milk on the farm and  
14 making the cheese has become an incredible  
15 industry.

16           Our produce farms and that includes  
17 our vegetables as well as our fruits such as  
18 apple orchards, the small berries. And a lot of  
19 our farmers are adding value. They're taking it  
20 one step further and taking those cranberries  
21 and selling them to Ocean Spray, to Decas  
22 Cranberries, again adding value themselves by  
23 making breads, making chocolate cranberries, you  
24 name it. They are very, very creative.



1           A lot of our squash producers, again  
2     adding value, have set up a processing  
3     facilities at their farms where they're able to  
4     cut the squash and sell it not just to retailers  
5     but we have a very strong farm to school  
6     initiative of selling it to the schools, again,  
7     also to restaurants.

8           CHAIRMAN CROSBY:   Selling squash to  
9     schools?

10          MS. JORDAN:   Yes, butternut squash  
11     most definitely.  Another big project, I say  
12     project, it is, but is also when they come back  
13     from the summer vacation is corn.  We have many  
14     schools that will have corn shucking contests to  
15     get the children involved.  Again, taking it  
16     that step so they know where their products are  
17     coming from, what we grow.  That could be  
18     another topic.

19          We're also proud of our livestock  
20     and poultry producers.  We have about 100 farms  
21     that are raising quality beef as well as  
22     poultry, pork, venison, lamb.  And again,  
23     selling it to restaurants, selling it to  
24     retailers, specialty meat shops.  And this is a

1 growing, growing industry.

2 We talk about our wine, beer and  
3 spirits. And I don't want to get this wrong,  
4 but we have I believe eight certified  
5 distilleries now in Massachusetts. And every  
6 day we have another winery coming in, a  
7 farmstead winery.

8 We have right now about 36 wineries  
9 and over 60 craft breweries in the State.  
10 Again, to be called a farmstead winery, they  
11 have to be producing the wine on their farm with  
12 a majority of the product coming directly from  
13 their own vineyard, from their own farm.

14 CHAIRMAN CROSBY: Did I see  
15 distilled drinks there?

16 MS. JORDAN: Yes, eight of them in  
17 the State.

18 CHAIRMAN CROSBY: Producing what,  
19 what drinks?

20 MS. DERONDE: All sorts of things,  
21 gin, rum, vodka, you name it.

22 MS. JORDAN: I was going to say  
23 that. And then as Catherine mentioned, our  
24 aquaculture industry with over 300 shellfish

1 farms and we have out as Catherine mentioned out  
2 in Connecticut Valley along the river there we  
3 have an aquaculture facility that is producing  
4 one of the main producers of the barramundi fish  
5 and they are selling that throughout New England  
6 and all over. This is a great industry because  
7 down on the shores, there's about 1000 acres of  
8 both intertidal and also subtidal land that's  
9 being used. And once those products are  
10 harvested, then they're also -- they take the  
11 seed and put it back into the land. So, it's a  
12 renewable project that continues on.

13 One of the things we had mentioned  
14 before is culinary tourism. That has really  
15 grown. It's taking those local products giving  
16 that experienced to the culinary traveler, to  
17 the restaurateur. We have a very strong program  
18 called Savor here in Massachusetts. Again,  
19 working with directly with the chefs, with the  
20 restaurant owners. And we have a chef on our  
21 staff that works with restaurants to create  
22 those wonderful menus incorporating local  
23 products. So, that has been a tremendous  
24 program.

1 I wanted to bring up the resources  
2 that we have for the farmer producers besides  
3 the Department of Agriculture the Division of  
4 Markets. We have eight regional buy local  
5 organizations that work with the farmers and  
6 producers in their respective areas that again  
7 help partner these relationships with retailers,  
8 with restaurants, you name it. And we have one  
9 in the Metro Boston area that we worked with to  
10 help get local products into the Convention  
11 Center here working with the food service folks.  
12 So, that's a great partnership for farmers as  
13 well as for us.

14 As Catherine mentioned, we have the  
15 Commonwealth Quality program, which is really  
16 verification of where your product is coming  
17 from. We also have one of the oldest logo  
18 identification programs in the country the  
19 Massachusetts Grown and Fresher program. The  
20 farmers can put that label on their products  
21 that's saying that this product was produced in  
22 Massachusetts.

23 We have a lot of point-of-purchase  
24 material, create visuals that we give to

1 restaurants, to retailers to use and letting  
2 them know, to let consumers know that the  
3 products here in Massachusetts are obviously  
4 local and fresh. And we work with the consumer  
5 or I should say the retailer or the restaurateur  
6 to develop those point-of-purchase materials  
7 also if they like.

8 So, I hope we've given you a quick  
9 overview of what's available here in  
10 Massachusetts. We have a team. Really in our  
11 department we're all a team. But in our  
12 Division of Markets has a team that work with  
13 the farmers and producers and also the buyers of  
14 these products. So, any of your applicants that  
15 are interested or if we reach out to them, we  
16 would love to have dialogue with them on the  
17 various opportunities there are.

18 COMMISSIONER MCHUGH: That's great.

19 CHAIRMAN CROSBY: Fascinating.

20 COMMISSIONER MCHUGH: Yes,  
21 fascinating.

22 COMMISSIONER STEBINS: It is  
23 amazing.

24 CHAIRMAN CROSBY: The same things

1 that we said to Helena would apply here. Many  
2 of our criteria relate again to what you're  
3 talking about, many of our evaluation criteria.

4 Also, John Ziemba can give you a  
5 list of contacts. And you and/or your  
6 constituents should reach out. Don't just wait  
7 for them. Because I think you're offering  
8 precisely the kinds of value add that we will be  
9 looking for from our business. Now is the time  
10 to talk to them. Great. Fascinating. Anybody  
11 else?

12 COMMISSIONER MCHUGH: No, that was  
13 very, very helpful.

14 COMMISSIONER CAMERON: Very  
15 informative.

16 COMMISSIONER MCHUGH: And thanks for  
17 the maps too. I'm going to take some of these  
18 tours.

19 COMMISSIONER STEBBINS: You're  
20 talking to a maple sugar producer in his own  
21 right over there.

22 COMMISSIONER MCHUGH: Tiny, I'm not  
23 a competitive threat.

24 MS. JORDAN: Yes. We gave you a

1 packet of information. And for the other folks,  
2 we have information out in the back for them.

3 COMMISSIONER MCHUGH: Thank you,  
4 very much.

5 COMMISSIONER STEBBINS: Thank you,  
6 both.

7 COMMISSIONER CAMERON: Thank you.

8 CHAIRMAN CROSBY: We are to item  
9 number four, Executive Director Day, I think,  
10 administration.

11 MR. DAY: Good morning, Chairman  
12 Crosby and Commissioners and Commissioner Zuniga  
13 out in Nevada, appreciate having the opportunity  
14 to speak with you this morning.

15 I'd like to just touch on a few  
16 things with administration. We've been  
17 fortunate to finish the interviews for  
18 candidates for the Director of Licensing. And  
19 we're confident we're going to be able to move  
20 forward with some effective choices there.  
21 We've also been spending quite a bit time with  
22 strengthening our administrative functions. And  
23 as well, start recruiting for a personnel  
24 manager to help us as we need to start bringing

1 on greater quantities of staff.

2 In addition, our suitability  
3 investigations are winding down at this point.  
4 That's where we've been spending quite a bit of  
5 time to fine-tune that process and be ready to  
6 file those reports for the Commissioner's  
7 review.

8 In addition, of course, the next  
9 topic that I have is the scheduling discussions.

10 CHAIRMAN CROSBY: Just a couple of  
11 things. RFPs for the various evaluation teams,  
12 are you going to talk about that or could you  
13 just give us a quick update, reminder of where  
14 they are?

15 MR. DAY: Chairman Crosby, I was not  
16 going to talk about those in particular. But I  
17 believe Commissioner Stebbins or Commissioner  
18 McHugh would be probably in a better position on  
19 the status.

20 CHAIRMAN CROSBY: About where they  
21 are?

22 COMMISSIONER STEBBINS: Yes.  
23 Financial services has gone out. In fact, we  
24 had a bidders conference the other day.



1 Building and site design RFP is almost done and  
2 probably going to be ready to be released. Then  
3 we still have economic development left.

4 And also I've been having  
5 conversations with Commissioner Zuniga about how  
6 we can move the project coordinator position  
7 along whether that's an RFP or whether we might  
8 be able to do a contract. But we're still  
9 talking about the limits and trying to price  
10 gauge where we might fall within the spectrum  
11 and where that might push us into a full-blown  
12 RFP or simple contract. So, we're trying to  
13 resolve that.

14 CHAIRMAN CROSBY: So, the economic  
15 development RFP is where in the process?

16 COMMISSIONER STEBBINS: Still pretty  
17 much in draft form at this point. But the other  
18 one is out. The other one is teed up ready to  
19 go. And the third one is behind that.

20 CHAIRMAN CROSBY: Okay. Then also  
21 the CIO and the CFAO, what's your timeline for  
22 those two?

23 MR. DAY: For the CFAO, that's in  
24 the executive recruitment process. So,

1 Commissioner Zuniga may have an update on that.  
2 He spoke with them recently.

3 For the CIO that's now will be  
4 particularly on my desk now that I get done with  
5 the Commission meeting this week and re-review  
6 the application to request interviews.

7 CHAIRMAN CROSBY: So, you've gotten  
8 the pool filled out already.

9 MR. DAY: I've got quite a pool,  
10 yes. I'm going to have to narrow it just a  
11 touch.

12 CHAIRMAN CROSBY: Great. Go ahead,  
13 thanks.

14 MR. DAY: So, the other topic is one  
15 we've spent a lot of time with as well, it's the  
16 whole schedule discussion. John Ziemba here has  
17 gracefully volunteered to help me out with this  
18 discussion because he was also the one that  
19 started out in particularly the Region C draft.  
20 So, a lot of that information comes from where  
21 John started. As well, I know all of you know  
22 that the John has got quite a grip on host  
23 communities and surrounding communities. So,  
24 he'll be able to help out there with answers to

1 questions.

2 Karen Wells is busily occupied at  
3 the headquarters office. So, she won't be able  
4 to be here this morning. But John and I will do  
5 our best to fill in where we can if there are  
6 questions with her area. And I'm sure we'll  
7 pass that off to Commissioner Cameron too for  
8 some assistance if need be.

9 With that, Mr. Chairman, what I'd  
10 like to do is take those topics on the agenda  
11 really kind of all at one time at least from my  
12 comments and to go through the points that I'm  
13 aware of if that would be helpful, because  
14 they're all interrelated. And I think that's  
15 what we've been talking about is trying to  
16 develop them all and then bring them together to  
17 see how it all might fit together, which I found  
18 to be very interesting as we move forward.

19 So, what I'd like to start with and  
20 it's under tab four. Pardon me, I have cheated  
21 a little bit. I have enlarged versions of the  
22 schedule. I think that might be partially due  
23 because I just can't bring myself to wear those  
24 half glasses. So, I have to have some bigger

1 print. It seems to work that way.

2 So, the first thing I'd like to  
3 start with is just to make some comments  
4 relative to the draft of the Region C proposal  
5 that's before you. And with it as well is of  
6 course the schedule diagram that you have and  
7 then also highlights of the revised draft  
8 schedule. So, let me just speak to those just  
9 briefly

10 First of all, the schedule that you  
11 have before us would have us publishing a  
12 request for applications next week, in essence.  
13 So, it begins right away and that's why our  
14 discussion is even more important here today.

15 What it does, and I think we've had  
16 a lot of these discussions, is what our  
17 schedules are targets. It's our plan. It's our  
18 goal. A lot of things can change in between  
19 that may very well change some of those target  
20 dates.

21 In this particular case, staff is  
22 suggesting a target date for a shorter period  
23 for background investigations for a likely  
24 reduced number of applicants compared to Regions

1 A and B at 135 days. So, we think it's  
2 realistic in this case based on the competition  
3 and circumstances that this pool may not be too  
4 big. So, we've decided that that's kind of a  
5 realistic approach at this time. We can change  
6 that as time wears on.

7 With that the due date that we've  
8 indicated here for the RFA-1 application is  
9 scheduled for August 31, 2013. The RFA-2  
10 application date is scheduled for July 3, 2014.  
11 And the award date is scheduled for September  
12 29, 2014. And I think if you actually -- This  
13 is kind of going to refer back to those other  
14 schedules. -- I believe that September 29 date  
15 comparatively would be about six months behind  
16 our other regions in our planned award date.

17 One of the areas as we've looked  
18 into this in detail is the need to limit what  
19 we're worried about a little bit, the impacts on  
20 our current background reviews, as the pre-  
21 application qualifier scoping meetings begin on  
22 July 18.

23 So, we also have to have an  
24 investment of staff in those scoping meetings

1 and at the same time trying to do the  
2 suitability information that's coming forward.  
3 So, that will be a little bit of an impact that  
4 we'll have to deal with as well.

5 And probably that may be of more  
6 concern is that there are some staffing overlaps  
7 in addition with the Investigation Bureau and  
8 the Category 1 suitability reports, which begin  
9 or are scheduled to begin on August 5, 2013 and  
10 are due to be completed by September 2013 as  
11 well. So, that period there will as well have  
12 some overlap while we're trying to get Category  
13 1 reports plus Region C.

14 The design or the thought of this  
15 process is to enable communities to vote on a  
16 referendum after suitability reviews are  
17 completed. So, hopefully the timeline is set up  
18 in that fashion if everything goes smoothly.  
19 Designed to avoid any summer elections.

20 Potential surrounding communities  
21 have at least four months to execute an  
22 agreement after the host community agreement  
23 assuming that agreement is executed early  
24 February 2014 date. As I mentioned before, this

1 of course may be modified to extend or move more  
2 quickly depending on actual circumstances.

3 It does provide 85 days for an  
4 evaluation period. And that's actually an  
5 original estimate. That at this point isn't a  
6 scientific estimate because it's obviously going  
7 to be really critical the number of applicants  
8 that are there. We'll have experience at least  
9 between the Category 2 and the Category 1 that  
10 we're presently working on. So, that could  
11 shorten that period dramatically.

12 I anticipate some award, as I  
13 mentioned, by no later than November 14 even if  
14 there are surrounding community disputes, which  
15 is about six months behind in the other regions.  
16 And of course, provides existing bidders the  
17 opportunity at least to a limited degree to  
18 apply in the event that there's other rejected  
19 from a referendum or have not been able to move  
20 forward at their initial site.

21 Finally, and I think it's an  
22 important point, it allows the Commission to  
23 evaluate -- There's a time period there, which I  
24 think is about 14 months. -- allows the

1 Commission to evaluate any progress made in the  
2 Tribal gaming plan as well. So, that's a brief  
3 summary on the proposal for Region C.

4 Then I'd like to move on to bring  
5 in --

6 COMMISSIONER STEBBINS: Quick  
7 question.

8 MR. DAY: Commissioner Stebbins?

9 COMMISSIONER STEBBINS: Obviously,  
10 because of the size of the pool, because of the  
11 fact that we're not doing it sounds like a  
12 limited number, we're projecting a limited of  
13 suitability investigations we're going to have  
14 to go through, and hopefully that does allow us  
15 to have suitability done before local  
16 referendum.

17 I'm assuming we're still not taking  
18 away the municipality's ability to conduct the  
19 process as Springfield and Everett are going  
20 through. If they choose to have that referendum  
21 before the suitability, they're still allowed to  
22 do that. We just think our timing is much  
23 better on this in Region C.

24 MR. DAY: That's correct. That



1 regulation still stands. That option would be  
2 there if a community wanted to move forward  
3 sooner. But at least the schedule provides that  
4 opportunity to wait.

5 CHAIRMAN CROSBY: John, you've  
6 thought more about this than anybody else. As  
7 we talked about last time, to me the most  
8 critical decision is when the RFA-1's are due  
9 with their \$400,000. So, 8/31 is the critical  
10 date. That means that's play or go home date.

11 MR. ZIEMBA: Right.

12 CHAIRMAN CROSBY: So, that means  
13 that from the we decided basically in April --  
14 No, March 15 or something like that we decided.  
15 So, it's five months for people to get organized  
16 and they have enough time -- have the time to  
17 make a decision about whether to plunk down your  
18 money.

19 Do we have any feedback, any more  
20 feedback on the pros and cons of that date?  
21 Generally speaking, that seems to me like enough  
22 time. But do we have any data on that?

23 MR. ZIEMBA: Yes. In the last day  
24 or so and actually again this morning I received

1 some comments from an attorney that's  
2 representing a development interest in the  
3 Region C area. They were watching our  
4 conversation at the last Commission meeting.

5 They looked at the schedule that we  
6 were proposing then and they noted that we were  
7 going to try to move a little bit more  
8 expeditiously in our discussions today.

9 And what they noted was that the  
10 timetable that we proposed at the last meeting  
11 would have been rather tight for them to  
12 assemble all of the financing and all of the  
13 backing of the backers that they are hoping for  
14 the development. And any move to move it  
15 earlier would also make it rather difficult for  
16 them to get the backing that would be necessary  
17 to move forward with the initial application fee  
18 and a project.

19 So, they said that this could  
20 potentially have a chilling impact on their  
21 application and potentially on other  
22 applications.

23 One thing that they did note is that  
24 if the Commission decides to move to an earlier

1 date, as a compromise, and I'm just putting this  
2 up for consideration not a recommendation, as a  
3 compromise proposal they suggested that perhaps  
4 if you move to an earlier date that there could  
5 be some sort of a waiver possibility such that  
6 if there's a demonstration that an applicant is  
7 in substantial stages of achieving backing that  
8 it could be extended for up to month or so, the  
9 application date.

10 COMMISSIONER MCHUGH: Is the 8/31  
11 date earlier or later?

12 MR. ZIEMBA: The 8/31 date is  
13 earlier than what we proposed at the last  
14 meeting. And they thought that the last  
15 meeting's date was rather tight. Any move  
16 earlier to this date would be difficult.

17 COMMISSIONER MCHUGH: What was the  
18 date we proposed at the last meeting, a month  
19 later?

20 MR. ZIEMBA: 10/2, I believe or  
21 9/21, but it was roughly one month later. What  
22 they did reference is that they have been  
23 pursuing a development and they have for quite  
24 some time. But up until we made the final

1 decision regarding opening up Region C, it was  
2 difficult to make any progress with some of the  
3 potential backers with the developments because  
4 it was such a contingency. So, it is very much  
5 starting with almost a clean slate once we made  
6 that decision.

7 COMMISSIONER MCHUGH: Just  
8 hypothetically, I don't know whether I think  
9 this is a good idea or not. But if we moved it  
10 back a month, moved it out a month to the end of  
11 September, it doesn't seem to me we'd  
12 necessarily have to change any of the other  
13 dates.

14 MR. ZIEMBA: Well, if we moved it  
15 out one month, then you might further restrict  
16 the reviews, what we're allocating to our  
17 background checks.

18 COMMISSIONER MCHUGH: Yes. Right,  
19 you'd drop that down to 100 days.

20 MR. ZIEMBA: Yes.

21 COMMISSIONER MCHUGH: That again  
22 depends on how many we're going to get and how  
23 big they are, whether they're big  
24 multinationals.

1                   COMMISSIONER CAMERON: Our  
2 experiences is is that they wait until the  
3 deadline to submit, no matter how far along they  
4 are and how long we've known about the project,  
5 that's our experience.

6                   And I think this is very similar,  
7 this one potential bidder to what we went  
8 through with the other two regions. Meaning  
9 there are people who are exploring but can't  
10 make the deadlines, can't come up with the  
11 financial. I mean \$400,000, it would seem to me  
12 if that's difficult to come up with, it's  
13 probably not a serious project. How many did we  
14 go through where we were asked for waivers and I  
15 think we had at least four or five that we  
16 denied because we did not see merit.

17                  CHAIRMAN CROSBY: I didn't  
18 understand this request to be we can't get our  
19 \$400,000 together. It's we don't know for sure  
20 if we can get our \$500 million together. And we  
21 don't want to put down our \$400,000 until we've  
22 made sure that we can get our \$500 million,  
23 which I think that's reasonable.

24                  And I've forgotten that we do have

1 the mechanism for giving people an extension if  
2 we want to already. And we chose not to.

3 COMMISSIONER CAMERON: Extraordinary  
4 circumstances.

5 CHAIRMAN CROSBY: In general, I felt  
6 really strongly that we should replicate the  
7 overall process basically absolutely. But I do  
8 think there's an argument for being a little bit  
9 less stringent here for a waiver, which is we  
10 haven't had anywhere near as much time as  
11 everybody else is at. And everybody else had  
12 from basically the time the legislation was  
13 signed November 2011 until the date that we  
14 required.

15 But it's different in Region C.  
16 They have not had anywhere near the same amount  
17 of time to think about this. So, I can imagine  
18 the idea of having a somewhat less stringent  
19 standard. And we might apply and we might  
20 extend it and we might not extend it, but be  
21 willing to consider the possibility that if  
22 you're waiting for your private equity partner  
23 to make a decision that we may contemplate an  
24 extension.

1                   COMMISSIONER MCHUGH: But we have a  
2 regulation that has a unitary standard. So,  
3 that's a little hard to do. I agree with the  
4 underlying premise, but I would prefer just to  
5 bite the bullet now and pick another -- I also  
6 think that competition in this region as in all  
7 other regions is good. And so I would prefer to  
8 bite the bullet now and give a little more time  
9 rather than try to squeeze a new standard into  
10 an existing regulation in a way that we haven't  
11 applied it in other places.

12                  CHAIRMAN CROSBY: I wouldn't have a  
13 problem with changing the regulation, but I  
14 wasn't meaning that we try to contort ourselves.  
15 I'm thinking if there's a reason to change or to  
16 amend the reg., but I'm open for either.

17                   It's sort of arbitrary, the  
18 difference between five months and six months is  
19 totally arbitrary. It's just sort of luck of  
20 the draw. Can you get your deal done or not.  
21 It might take seven months not six.

22                  COMMISSIONER MCHUGH: That's right.

23                  COMMISSIONER CAMERON: But if we  
24 look at our experience from the other regions,

1 they're still putting deals together this many  
2 months later. They were willing to put the  
3 money down, and then we're confident enough that  
4 they'd come up with a deal at some point.

5 COMMISSIONER MCHUGH: And isn't a  
6 firm deadline rather than we'll consider it,  
7 isn't that a better prod to getting the deal  
8 done providing that the time is reasonable.

9 CHAIRMAN CROSBY: Probably. Do you  
10 have the language? Can you get the language  
11 right there of what our regs. or Catherine, what  
12 is the exception? What is the waiver?

13 COMMISSIONER MCHUGH: I think it's  
14 extraordinary circumstances.

15 MS. BLUE: I think it's  
16 extraordinary circumstances. It'd have to be  
17 something totally out of your control and  
18 extraordinary, like the FedEx trucks blows up or  
19 something like that.

20 COMMISSIONER MCHUGH: Actually, that  
21 was one of the examples we used when we were  
22 discussing, I think.

23 CHAIRMAN CROSBY: I tend to agree  
24 with Commissioner McHugh on this that we've



1 always made competition -- Our first priority is  
2 integrity in the process. Our second priority  
3 has been competition. If somebody has raised  
4 this as an issue, a month is going to help a  
5 little bit to not only to that particular  
6 organization, but somebody else as well. I'm  
7 inclined to add a month.

8 COMMISSIONER CAMERON: So, does that  
9 move the whole schedule back a month? Is that  
10 what we're saying?

11 MR. DAY: Excuse me, Chairman Crosby  
12 and Commissioner Cameron, I would say I know  
13 when we've been in pretty deep discussions about  
14 this 135-day period anyway for suitability  
15 investigation. So, I would definitely caution  
16 that it shouldn't get any shorter.

17 Part of this I know the standard I  
18 understand is about six months. So, we're  
19 crunching this down anyway. On the other side,  
20 if we're trying to recruit more people into the  
21 pool, then we'd make it even shorter. I just  
22 don't think it would be practical.

23 I would suggest if we do that that  
24 we move the other end of the schedule, with the

1 understanding of course that we can always if  
2 something happens we can shorten that up. But  
3 we've at least accomplished the goal of allowing  
4 a little bit more time to get an application in.

5 CHAIRMAN CROSBY: I don't know if we  
6 could shorten it up, because we get pretty  
7 serious pushback if we start moving deadlines  
8 back, but that's all right. I would go with the  
9 month versus that. I would say push it out.  
10 August is a tough month for people. And  
11 realistically that's a tough month to pull deals  
12 together. I think giving them September is  
13 probably a net gain.

14 You're nodding your head. Do you  
15 agree?

16 COMMISSIONER STEBBINS: I'm in  
17 agreement.

18 CHAIRMAN CROSBY: Commissioner  
19 Zuniga, you got any thoughts on this?

20 COMMISSIONER ZUNIGA: Mr. Chairman,  
21 can you hear me?

22 CHAIRMAN CROSBY: Yes.

23 COMMISSIONER ZUNIGA: Yes. I think  
24 extending the deadline for Phase 1 does not

1 necessarily extend the overall schedule because  
2 it shifts. The critical path goes through --  
3 after the deadline it goes through three paths,  
4 the surrounding community process, the host  
5 community process rather first, the surrounding  
6 community and then the suitability  
7 investigation. So, we could shorten the  
8 duration of the host and surrounding community  
9 process technically if we extend the deadline  
10 for Phase 1.

11 CHAIRMAN CROSBY: That's true.  
12 That's really shortening the Phase 2 schedule,  
13 which as a practical matter shortens the HCA and  
14 the surrounding communities also. I don't know.  
15 What do you think about that?

16 MR. ZIEMBA: As you know, I'm always  
17 reluctant to take any days away from the host  
18 and surrounding communities because they do need  
19 additional time. We did move the schedule. I  
20 note that there is a time period when you  
21 anticipate your surrounding communities to  
22 really get in depth in their negotiation is  
23 after the host community agreement.

24 We've had the date of February 23

1 under this schedule for those agreements.  
2 Nothing prohibits applicants from having a later  
3 host community agreement as long as it's 60 days  
4 before the application date. So, if indeed  
5 someone executed a host community agreement  
6 later than the hopeful date of February 23, that  
7 could impact the ability of surrounding  
8 communities to reach an agreement if people  
9 follow what they've been doing in practice of  
10 basically waiting until the host community  
11 agreement is completed.

12 Where I note that Commissioner  
13 Zuniga is correct that if you take a look at the  
14 schedule as it exists, there is definitely some  
15 flexibility in the middle there. That depends  
16 upon an earlier host community agreement date.

17 CHAIRMAN CROSBY: I think we ought  
18 to tack on a month. Just bite the bullet and  
19 give them another month. It seems like sort of  
20 a moderate consensus.

21 COMMISSIONER CAMERON: But I think  
22 we have to look at the entire schedule because  
23 the dates are important. So, I think what we're  
24 saying, if I'm hearing John correctly, is he's

1 hesitant to do that because that would push the  
2 entire schedule out one month and put them at  
3 seven months behind the other regions instead of  
4 six.

5 MR. ZIEMBA: That's in essence what  
6 that would do.

7 MR. DAY: That's what I understand  
8 as well.

9 CHAIRMAN CROSBY: I think it's eight  
10 rather than seven, actually, but whatever. It's  
11 only a month.

12 COMMISSIONER CAMERON: Has there  
13 been any other conversations with potential  
14 applicants that you've had?

15 MR. ZIEMBA: No. I've not received  
16 any comments on this specific deadline. People  
17 had comments prior to our meeting where we  
18 talked about the schedule, but we didn't receive  
19 any specific comments. People know that they  
20 can comment. I don't think we put out a direct  
21 solicitation of comments. People know that they  
22 can provide comments. But no is the short  
23 answer.

24 CHAIRMAN CROSBY: Unless anybody

1 objects, let's push it out one month. Do any  
2 Commissioners object?

3 COMMISSIONER MCHUGH: No objection.  
4 I think that's a good idea.

5 MR. DAY: Chairman Crosby, that  
6 would mean we would be moving forward with the  
7 plan to release the request for applications  
8 next week if that can be done.

9 CHAIRMAN CROSBY: Yes. The only  
10 thing there and I'm sure this had been thought  
11 about is to make sure we got a letter from  
12 somebody reminding us, Plainridge actually,  
13 reminding us that our evaluation criteria don't  
14 quite fit for Category 2. And we hadn't quite  
15 gotten to the point of realizing that.

16 Is there anything we need to do  
17 about the regs., about the issuing of the RFA-1?  
18 Are the existing regs. completely up to  
19 releasing that? We don't need to modify them at  
20 all?

21 MS. BLUE: No.

22 MR. DAY: So, that would be the  
23 plan?

24 CHAIRMAN CROSBY: We're going for

1 it, yes. It's great.

2 MR. DAY: Thank you. So, that gets  
3 me to the next two items on this.

4 CHAIRMAN CROSBY: Sorry, Rick, just  
5 to make sure. So, we would move the 8/31 date  
6 to 9/30. And we would make the Commission  
7 award, assuming no delays with surrounding  
8 communities, from 9/29 to 10 whatever it is 30.

9 MR. DAY: That's my understanding as  
10 well. And then we would release the request for  
11 applications for Phase 1 next week.

12 CHAIRMAN CROSBY: Yes indeed, great.

13 MR. ZIEMBA: Mr. Chairman, we'll go  
14 back and double-check the exact dates to make  
15 sure that these dates are not on a Saturday or  
16 whatever dates we had for the one month.

17 CHAIRMAN CROSBY: Right. Okay,  
18 great.

19 MR. DAY: So, keeping the Region C  
20 in mind I'd like for us to talk about the  
21 proposal. There was a proposal for the  
22 possibility of an early application date  
23 December 6, sticking with the December 31 date,  
24 comparing that. And then placing the Category 2

1 evaluation numbers into the schedule. And then  
2 sort of applying that process to the evaluation  
3 process for Category 1. So, the next two  
4 diagrams and my comments will kind of hit pretty  
5 much all of that material at one time.

6 First of all, as we start, you have  
7 the two diagrams in front of you. So, I'll just  
8 point out which one of these may have something  
9 on them that would be easier to identify. The  
10 first comment that I have is the length of the  
11 Category 1 evaluation process.

12 Both of these diagrams show the  
13 length of the evaluation process to be extended  
14 to 100 days to compensate for the larger number  
15 of applicants, longer response to the  
16 application and a larger geographical area to  
17 cover what I think are host communities. And I  
18 will comment about that in a little bit more  
19 detail, the evaluation thought as well.

20 And what for me this kind of came a  
21 little clearer when I was starting to look at  
22 these two different dates and look at the  
23 timeframe. And we have basically 74 days slated  
24 for the Category 2 evaluation process. Even at



1 100 days that only provides an additional 30  
2 days for that very complex series of  
3 applications that we anticipate and the larger  
4 geographical area. I think at the very least,  
5 it will be challenging.

6 Category 2 evaluation process you  
7 might note on both of them is in the 74 days.  
8 We reaffirmed that as I understood at the last  
9 Commission meeting. Then as well, the earlier  
10 12/6 date for Category 1 causes the overlap with  
11 the Category 2 process.

12 CHAIRMAN CROSBY: Say that again.

13 MR. DAY: One way to look at it is  
14 if you look at, I think just to bring it home  
15 the best, if you look at the application  
16 deadline 06 December 13, if you look at that  
17 form, and look right in the middle of the  
18 document, you'll see you what really happens,  
19 the Commission could find itself finishing the  
20 evaluation process for Category 2, the  
21 suitability process for Category 1 the  
22 surrounding community process for Category 2 and  
23 beginning the evaluation for Category 1 in  
24 essence all in that same period.

1           It kind of jumps right out in the  
2 middle of the document. If you look at it, if  
3 you trace the suitability process back, the  
4 Category 2 evaluation process, which is  
5 scheduled to end at 12/16 under what was at the  
6 last Commission, and the start if we move it  
7 back 30 days on 12/6, the Commission review of  
8 the responses would be scheduled to start on  
9 December 7.

10           During that period of time I think  
11 one of the major issues is the Commission,  
12 there's a lot of hearings taking place. There's  
13 public input meetings. There's host committee  
14 meetings, possibly surrounding community  
15 disputes or settlements.

16           And it seems like it may be a  
17 tremendous amount of activity to be able to move  
18 that back into the early part of December.

19           There are some pluses though.  
20 Obviously the December 12 date allows for about  
21 a month earlier the Category 1 award. And if  
22 you just compare that to the December 13 date,  
23 the award date there would be April 10. So,  
24 obviously, if the date was moved back, it would

1 provide 30 days possibility for the award to  
2 come in in that fiscal year.

3 With the earlier date, on the other  
4 hand, the communities lose 30 days, the  
5 surrounding communities. But surrounding  
6 communities do have that option to begin the  
7 involuntary process in this case for Category 1,  
8 it would be 90 days, and for Category 2, 60 days  
9 earlier. Leaving the 12/31 application date  
10 allows more time for communities and the  
11 Commission but does move that award date out to  
12 April 10 or April 29 in the event of any  
13 arbitrations.

14 I can also just briefly talk about  
15 the evaluation process that's in that 100 days.  
16 while you're pondering those or if you'd like to  
17 stop here.

18 CHAIRMAN CROSBY: Let me just make  
19 sure I understand. You basically not  
20 arbitrarily but you decided that your  
21 recommendation is to amend the original plan and  
22 add 30 days or so, add a month basically to the  
23 evaluation. That's a big change and that's  
24 what's triggering a lot of this conversation?

1 The last time we looked at this schedule, there  
2 was 70 days rather than 100 days, right.

3 MR. DAY: The Category 2 process was  
4 basically 74 days because of weekends. So, the  
5 Commission looked at that in detail and we moved  
6 forward with that plan for 74 days. The  
7 previous schedules had an 85-day evaluation  
8 period for Category 1, which is really one that  
9 hadn't been changed, as I understand from the  
10 original proposal.

11 So, we did kind of an analysis and I  
12 can cover that at least the main thought process  
13 is in that additional days if you'd like me to  
14 do that before you move on.

15 CHAIRMAN CROSBY: We used to have --  
16 12/31 was the original date. And we had 85 days  
17 to review.

18 MR. ZIEMBA: 12/31 was the  
19 application date and the award date that we  
20 previously had was February 26, 2014. So, it  
21 was actually an unrealistic 60-day period  
22 between the application date --

23 CHAIRMAN CROSBY: All right. So, as  
24 a practical matter, we've really been talking

1 mid-March anyway.

2 MR. DAY: Correct.

3 CHAIRMAN CROSBY: Which we did -- I  
4 know what happened. There was a time when we  
5 were saying we'd make these awards in February  
6 or March, and that got turned into February.  
7 So, that really isn't a change. So, this 3/16  
8 date isn't really a change as a practical matter  
9 what we've been talking about anyway. Okay.  
10 But the extra month wouldn't make a difference.  
11 Okay.

12 COMMISSIONER MCHUGH: What do you  
13 mean by an extra month?

14 CHAIRMAN CROSBY: The extra month  
15 from 12/6 if we push it back from 12/6.

16 COMMISSIONER MCHUGH: There never  
17 was a 12/6. It's always been 12/31. The  
18 question is whether to advance it to 12/6.

19 CHAIRMAN CROSBY: Right. When it  
20 was 12/31, it would have been March 1 with 85  
21 days.

22 COMMISSIONER MCHUGH: I think that's  
23 right. The additional 15 days pushes it out to  
24 March 16.

1                   CHAIRMAN CROSBY: Right, okay. If  
2 we don't pick up the month -- How is it one  
3 month goes from 3/16 to 4/10, okay. So, your  
4 recommendation is what?

5                   MR. DAY: My recommendation is that  
6 we stay with the December 31 application date.  
7 And that we look at the realistic plan with  
8 evaluation period being around 100 days as  
9 opposed 85.

10                   I can make just a couple of comments  
11 on the evaluation period. And there's two  
12 additional forms in your packets as well under  
13 that tab, tab four. One is basically the sketch  
14 of the evaluation process and there's some  
15 summary comments on the back. The other is the  
16 chart, which kind of breaks that down in days  
17 per application. It should be right close to  
18 that as well.

19                   So, the evaluation process that we  
20 -- what this chart that's in here does really is  
21 take the evaluation process the Commission  
22 looked at and evaluated at the last meeting and  
23 removes the days as such from that because it  
24 differs from Category 1 and Category 2,

1 depending on which set of applications we're  
2 looking at.

3           It describes the process and then  
4 comes back and also describes -- in a diagram  
5 describes the process and on the back, it  
6 explains that process. It talks about the  
7 licensing team, the introductory presentation,  
8 the evaluation teams. Adds in the thought of  
9 the project coordinator and the thought of the  
10 evaluation teams producing that information  
11 directly from the evaluation teams to the  
12 Commissioners.

13           And then Commissioners holding at  
14 least a public hearing to accept that and listen  
15 to the evaluation team reports. And then most  
16 likely at least one additional meeting after  
17 that. So, that's kind of a real quick summary  
18 of what we talked about the last time. This  
19 puts it in final form to apply to both Category  
20 1 and Category 2.

21           The difference is, and I'll just hit  
22 on the major points of the 100 days as opposed  
23 to 74 are looking with this set of Category 1  
24 applications that come in obviously, much more

1 material, much more complex. That it is more  
2 realistic to think probably a 14-day  
3 administrative processing period as opposed to  
4 seven.

5 In addition, if you look in the  
6 middle of it, it has some interesting numbers.  
7 It has a 28-day period on the one side, which is  
8 designed around the new approach that's in rule  
9 now to deal with the incomplete information, the  
10 response time allowed, and the potential.

11 So, that 28 days, there's no  
12 anticipation -- Let me restate that. We are  
13 kind of anticipating that will not extend the  
14 process. But if in the end we were screening  
15 application material toward the end of that  
16 screening period, we found incomplete  
17 information, the applicant -- and it's not  
18 material, the applicant has 14 days to get it  
19 back in.

20 So, that's why the 28 there from the  
21 14. The one below that the 22 is really  
22 designed -- there's the seven-day period if the  
23 applicant has an incomplete portion of  
24 application which is material. So, that's just



1 to try to reflect a little bit of change there.  
2 It basically doesn't impact the overall time to  
3 any great extent.

4 The areas that would impact the time  
5 are down below that. And that's really covered  
6 by the public meeting period, because that'll be  
7 probably much more extensive. And the host  
8 community meetings, so the public input meetings  
9 are up to 35 days past application. Begin the  
10 public hearing in the host communities at 42  
11 days past the application -- from receipt of the  
12 application. And close the public hearing at 56  
13 days out.

14 That date of closing the hearings is  
15 a controlling factor in the present regulation  
16 structure because from that date the Commission  
17 has 30 to 90 days to actually make a decision on  
18 the award of the applications, basically to  
19 deny, grant or extend. You can extend it an  
20 additional 30 days as I read it. So, that's  
21 where the rest of the schedule comes from.

22 Then it allows a little bit more  
23 additional time for the evaluation teams to  
24 assemble their information, get it submitted to

1 the Commissioners. And in turn for the  
2 Commissioners, once they receive that quantity  
3 of material, to be able to take some time to  
4 process it individually yourself and then be  
5 able to come back and make an award decision.

6 That's kind of where the evaluation  
7 process gets a little bit extended. But like I  
8 said, 30 days is not a huge length of time. And  
9 I think we'll fill that schedule pretty rapidly.

10 That whole process as well goes back  
11 to the consideration of everything pro and con,  
12 although there are still those who will  
13 ultimately have objections. Probably the  
14 December 31 date makes the most sense as well  
15 from not compressing those schedules and  
16 allowing that evaluation process.

17 CHAIRMAN CROSBY: Except for the  
18 construction trades, and I fully understand they  
19 have different perspective, we're not hearing  
20 anybody saying speed up now, right? The message  
21 is pretty much, if anything, slow down?

22 MR. ZIEMBA: Well, we went over a  
23 number of comments at the last meeting, the  
24 previous meeting. We still have representatives

1 from Sterling Suffolk that were asking for an  
2 earlier application date of October. A number  
3 of different communities have recommended that  
4 we move forward including Springfield, including  
5 Boston. And I think Revere had previously noted  
6 that we should move a little bit quicker. I  
7 don't believe that we received a comment from  
8 Everett regarding those dates.

9           Since our last comment period, we  
10 received an additional letter from the City of  
11 West Springfield, from the Mayor of West  
12 Springfield in the last day. And the Mayor  
13 recommended that we not move forward the date by  
14 an additional month because it would cause  
15 difficulties in them putting together their  
16 application.

17           And what the Mayor noted was the  
18 difficulty in getting the local zoning  
19 determinations done in advance of the  
20 application because of the natural reluctance  
21 that may be experienced to moving forward with  
22 zoning changes before you even do a host  
23 community agreement or have a referendum.

24           So, what they recommended is they

1 said please don't move the date forward from the  
2 31st or early December or if you did please  
3 provide some relief regarding zoning.

4 CHAIRMAN CROSBY: We talked about  
5 this last week. There is this issue of trying  
6 to get the license fees into that fiscal year.  
7 That would be what, fiscal 2014, I guess. And  
8 if we are on this schedule then they would be  
9 due on May 10. Whichever decisions we make  
10 on April 10, the license deposit would be due 30  
11 days thereafter, which squeaks under the wire.

12 MR. ZIEMBA: And I would probably  
13 use the 4/29/2014 date because there is  
14 substantial likelihood that we'll have at least  
15 one arbitration between surrounding community or  
16 live impacted entertainment venue.

17 CHAIRMAN CROSBY: Right.

18 MR. DAY: The 30 days stills squeaks  
19 in the fiscal year.

20 CHAIRMAN CROSBY: Still squeaks in.

21 COMMISSIONER MCHUGH: And  
22 counterbalancing that is when one looks at the  
23 detail, the number of days, and overlays that on  
24 what we're doing in the Category 2, it is almost

1 impossible to see how we could be doing well  
2 both of these, big chunks of both of these at  
3 the same time.

4 And the second important thing to  
5 me, at least, that jumps out from these  
6 discussions is we really have to allow  
7 sufficient time for community input, both the  
8 community input in the hearings that we  
9 received, time for the community to digest what  
10 the developer is proposing.

11 And then for the host community  
12 hearings, we've basically got under this  
13 schedule a two-week period to hold six of them,  
14 potentially, at various places around the  
15 Commonwealth. And it's unlikely -- which is 10  
16 business days. And it's unlikely that those are  
17 going to be one-day hearings. They may be.

18 So, already that is a lot to squeeze  
19 into the time periods that we have and to try to  
20 overlay that with doing other things, it seems  
21 to me an invitation to break the schedule.

22 CHAIRMAN CROSBY: I made my position  
23 clear last week, which is that we have to do  
24 this right and if we run the risk of missing the

1     fiscal year, we miss the fiscal year. So, I  
2     agree with you, Commissioner.

3             Other thoughts on this? Any  
4     reluctance, any objections to going forward with  
5     the revised, which basically we are adding 40  
6     days to our schedule, formally adding 40 days to  
7     our schedule. It doesn't sound like anybody's  
8     got a problem with that. Okay.

9             COMMISSIONER ZUNIGA: Mr. Chairman,  
10    can you hear me?

11            CHAIRMAN CROSBY: Yes.

12            COMMISSIONER ZUNIGA: We could split  
13    the time, if you will, and try to in  
14    consideration of the fact that the last week in  
15    December is a slow one and there's going to be  
16    the licensing team is going to be doing the  
17    administrative review. The deadline could be  
18    somewhere in mid-December, let's say or December  
19    20 and would be potentially splitting the time.

20            CHAIRMAN CROSBY: What you're  
21    basically saying is the week between Christmas  
22    and New Year's sort of a lost week. So, let's  
23    not pretend it isn't and let's make the deadline  
24    right before Christmas?

1 COMMISSIONER ZUNIGA: Yes, that's  
2 potentially what I'm saying.

3 CHAIRMAN CROSBY: That might not be  
4 a bad idea. In the sense that everybody --  
5 Whenever we make the deadline, they're going to  
6 make it. And everybody's going to be doing what  
7 everybody else is doing, which is last-minute  
8 trying desperately to get everything done.

9 We could look at it two ways. It  
10 saves the evaluation team from having to start  
11 going to work between Christmas and New Year's.

12 COMMISSIONER CAMERON: I wasn't  
13 exactly clear. I understand the additional  
14 time. But why were we hesitant? We thought we  
15 had too much to do to move it up to the sixth?  
16 I wasn't really clear on all of the reasons for  
17 not moving it up. If we did that, I know that  
18 that would make up for the rest of the schedule  
19 where we see we need additional time.

20 MR. DAY: Mr. Chairman and  
21 Commissioner Cameron, I think the primary reason  
22 is the overlap of schedule even from the  
23 Commissioners' standpoint. And if you look at  
24 that schedule, the suitability process, if you

1 look at essentially the one that has the  
2 December 6, what you end up with is the  
3 suitability determination and possible hearings  
4 come at the same time as the evaluation period  
5 for Category 2. And then you moved up the  
6 Commission -- If you go with the other  
7 application, the Commission reviews on Category  
8 1 come in December as well.

9 Then that's not it. You've got the  
10 other parts, which is the surrounding community  
11 potential hearings with the Category 2. You've  
12 got determination of suitability pending there  
13 as well, and surrounding community issues  
14 beginning with Category 1.

15 So, it just seems from the aspect --  
16 And right in here is when the Commissioners  
17 would be completing the host community hearings  
18 on site. Those are all called for to be at the  
19 host community location.

20 You also have the public input  
21 meetings, which I think Commissioner McHugh  
22 already referred to as well occurring at that  
23 same period of time for the Category 2 process.  
24 So, it just seems not practical from a realistic



1 application actually being able to accomplish  
2 all that at the same time.

3 COMMISSIONER CAMERON: Okay.

4 MR. DAY: It's going to be busy  
5 enough with the December 31 date, but it does  
6 spread it out a little bit if you look at the  
7 December 31 date. I have these two. My  
8 enlarged versions as well --

9 COMMISSIONER CAMERON: I do wear the  
10 glasses thought Director.

11 MR. DAY: -- with the yellow circle,  
12 that's how I ended up focusing in on that  
13 period. It's a little bit hard to discern at  
14 first until you really look at how we're putting  
15 that in.

16 And then of course we're putting  
17 Region C beginning in there as well at this  
18 point. I do have to say that while I understand  
19 that the two weeks, I would have to be very  
20 frank, I thought the Category 2 timeline worked  
21 out pretty good because that allowed basically  
22 us to get Category 2 evaluations completed  
23 December 16. And recognizing that that period  
24 between Christmas and New Year's is a tough time

1 to get things moved forward.

2 So, obviously what we'd be doing is  
3 calling on staff at that point to complete  
4 administrative processing essentially during  
5 Christmas week, which even from the aspect of  
6 any support that's needed, and it's not just the  
7 Commission that's going to be pretty tough to  
8 do. Can be done but --

9 CHAIRMAN CROSBY: I agree with you.  
10 I think it's better to let the bidders figure  
11 out how to handle Christmas week and let our  
12 people relax.

13 COMMISSIONER MCHUGH: In addition to  
14 relaxing, there is the potential under this that  
15 we've got something else. We've got cleanup  
16 work from Category 1 to do. The award date is  
17 12/16.

18 We potentially are going to have  
19 findings to make with respect to the bidders who  
20 aren't accepted. We've potentially got,  
21 depending on what happens in a surrounding  
22 committee situation, the possibility of having  
23 to hold hearings there. We've got 30 days that  
24 pushes it back. But people could reach a

1 surrounding community agreement earlier without  
2 going to arbitration. And that would trigger  
3 the need to have a hearing right away.

4 So, that whole thing on Category 1  
5 for the negotiation process could shrink back  
6 and have us doing hearings during that period.  
7 So, it seems to me to be safe there's a  
8 substantive reason under the schedule to push  
9 this back -- to leave it at the 31st as well.

10 MR. DAY: Commissioner McHugh, I  
11 might add too that the preparing to receive all  
12 of those applications on January 1 or January 2  
13 essentially to get ready to screen them so that  
14 we're ready to go to have that completed and to  
15 the Commissioners in 14 days.

16 MR. ZIEMBA: Mr. Chairman, one other  
17 thing I would note. In regard to a middle of  
18 December application date, when we recommended  
19 the December 6 date part of that was recommended  
20 because we would give the surrounding  
21 communities that period of time in the beginning  
22 of December to submit their petitions.

23 And if we put it in the middle of  
24 December, you would in essence be taking away a

1     few days and putting it around the holidays,  
2     putting surrounding communities at a distinct  
3     disadvantage. Our previous schedule sort of put  
4     a little more burden on the applicants, but we  
5     think that they might be able to deal with it a  
6     little bit more easily.

7                 COMMISSIONER MCHUGH: Yes. And we  
8     also would have the community input meetings --  
9     If we had it on December 6, we'd have the  
10    community input meetings during the week between  
11    Christmas and New Year's, which probably would  
12    not be favorably received by the communities.

13                CHAIRMAN CROSBY: The public input  
14    meetings, remind me how those work. What is the  
15    process there?

16                MR. DAY: Chairman Crosby and  
17    Commissioner McHugh I will call on to assist me  
18    if I'm describing this incorrectly. But  
19    basically the idea would be to go out to the  
20    communities impacted and not necessarily saying  
21    the Commission would be at every community  
22    around, but would have selected locations.  
23    Probably not the full Commission, but probably  
24    two Commissioners to just go to that area and

1 listen to public comment. Not a decision-making  
2 environment at all but just to listen to public  
3 comment. Those comments would be collected and  
4 then considered by the evaluation teams as the  
5 process moves forward.

6 CHAIRMAN CROSBY: How is that  
7 different from the Commission hearing in those  
8 communities, the required hearing?

9 MR. DAY: The host community hearing  
10 is the required and it has to be in the host  
11 community itself. The public input meetings are  
12 not anticipated to be. That is with the  
13 applicant and the host community meetings could  
14 be the hearing with the applicant and if I  
15 remember, four other groups that are supposed to  
16 be, if I have the numbers, it's right around in  
17 there that are supposed to be present during  
18 that meeting, a question answer forum and those  
19 kind of things.

20 The public input meetings would be  
21 just -- the concept is just that to listen to  
22 what those communities have to say. Then the  
23 Commissioners -- part of what the product the  
24 Commissioners would have would actually have

1 questions and information from those meetings so  
2 you'd have that background as you move forward  
3 with the host community meetings as well.

4 CHAIRMAN CROSBY: Is it likely to be  
5 one per application? Is that the idea?

6 COMMISSIONER MCHUGH: No. You could  
7 have two or three per application, depending on  
8 how we wanted to set it up. And you could have  
9 one or two Commissioners go. So, you could have  
10 them going on in different locations  
11 simultaneously.

12 The idea there, as Director Day  
13 said, is to gather information from the  
14 communities, have the applicants hear  
15 information from the communities, so that by the  
16 time you go to the public hearing, we understand  
17 where community concerns are in a real-time  
18 basis after they've looked at the application,  
19 heard the public presentation by the applicant  
20 and can ask the applicants at those hearings  
21 meaningful questions that reflect what the  
22 community is concerned about.

23 All of this is building up to inform  
24 us so that we can have a really meaty public

1 hearing that's the statutorily required hearing.

2 CHAIRMAN CROSBY: Okay. Questions?  
3 On the page two of the directions I think it's  
4 simple. You talked about each applicant at the  
5 introductory presentation, it says an hour. We  
6 actually have said 90 minutes under written  
7 instructions. We're back on instructions here.

8 So, I guess we are agreeing with  
9 your recommendation that we do not move the  
10 date, to change the date of when applications  
11 are due. That will be December 31. And we are  
12 adding 40 days to the process partly just by  
13 recognizing as stated before and by adding some  
14 time basically for the evaluation.

15 MR. DAY: That's what I understand  
16 at this point.

17 CHAIRMAN CROSBY: Okay. Everybody's  
18 okay? We don't need to vote on anything, I  
19 don't think.

20 MR. DAY: Thank you very much.

21 CHAIRMAN CROSBY: Great. Thank you.  
22 Nice job. I think we probably don't -- when we  
23 get to the application form, we're probably all  
24 underestimating just what a project this is

1 going to be. So, we will probably very happy  
2 that we've added some days to that evaluation  
3 process.

4 COMMISSIONER MCHUGH: That's right.

5 CHAIRMAN CROSBY: Next on our agenda  
6 is Ombudsman Ziemba.

7 MR. ZIEMBA: Mr. Chairman, I have  
8 three matters to bring to you today. The first  
9 is the Everett voter notification. At the last  
10 meeting, we reviewed the Springfield voter  
11 notification.

12 Similarly, this voter notification  
13 form has been approved by me and our legal  
14 department to be in conformity with our  
15 regulation. And we think it accomplishes the  
16 mission that the regulation was written for.  
17 So, I recommend this for the Commission's  
18 approval.

19 COMMISSIONER STEBBINS: John, I had  
20 a quick question on page two. I just don't know  
21 whether it requires any further clarification.  
22 The second paragraph talks about the second part  
23 of the application process Phase 2. The last  
24 line says that process will begin following the



1 election by the community. I just didn't know  
2 -- you reference suitability up above, but I  
3 didn't know if we needed to just put in that  
4 reminder that suitability is also a requirement  
5 before they can go on to the Phase 2.

6 You would read that last line and  
7 think Phase 2 happens right after the community  
8 votes. But actually you still await suitability  
9 report.

10 MR. ZIEMBA: I see what you're  
11 saying, yes. Perhaps we could take this to the  
12 community and ask them to amend that.

13 CHAIRMAN CROSBY: So, you'd say that  
14 process will begin following the election by the  
15 community and the Commission's decision on  
16 suitability.

17 MR. ZIEMBA: Correct.

18 CHAIRMAN CROSBY: That's a good  
19 point. That reinforces the whole point of  
20 notification, actually.

21 MR. ZIEMBA: I can't imagine that  
22 they would object to that. So, if the  
23 Commission makes that recommendation, I'll bring  
24 that back to the community.

1                   CHAIRMAN CROSBY: This we do need to  
2                   vote on, right? Any other discussion?

3                   COMMISSIONER MCHUGH: No, not from  
4                   me. I speak for myself.

5                   CHAIRMAN CROSBY: Does somebody want  
6                   to move?

7                   COMMISSIONER MCHUGH: I move that  
8                   the notification proposed by the City of Everett  
9                   for the host community agreement with the  
10                  amendment just described be approved by the  
11                  Commission in the form it presented to us today.

12                  CHAIRMAN CROSBY: Second?

13                  COMMISSIONER CAMERON: Second.

14                  MR. ZIEMBA: As amended?

15                  COMMISSIONER MCHUGH: As amended.

16                  CHAIRMAN CROSBY: Any further  
17                  discussion? All in favor, aye. Commissioner  
18                  Zuniga?

19                  COMMISSIONER ZUNIGA: Aye.

20                  CHAIRMAN CROSBY: Commissioner  
21                  Stebbins?

22                  COMMISSIONER STEBBINS: Aye.

23                  CHAIRMAN CROSBY: Commissioner  
24                  Cameron?

1 COMMISSIONER CAMERON: Aye.

2 CHAIRMAN CROSBY: Commissioner  
3 McHugh?

4 COMMISSIONER MCHUGH: Aye.

5 CHAIRMAN CROSBY: And the Chair also  
6 votes aye.

7 MR. ZIEMBA: Thank you. The second  
8 item I have is we previously amended our  
9 regulations to allow direct payment to regional  
10 planning agencies rather than to have a rather  
11 difficult funding mechanism of applicant paying  
12 the Commission, the Commission paying a  
13 community, community then in turn paying the RPA  
14 for the services.

15 One of the major provisions that the  
16 RPAs wanted to make sure that they got in place  
17 when they first started these conversations was  
18 that the RPAs would be working for the  
19 Commission not for an applicant or not for a  
20 host community. That the relationship was  
21 direct.

22 The documents before the Commission  
23 today are a modification of our current  
24 community disbursements documents whereby we pay

1 communities directly. In essence, we are  
2 scratching out where community appears in the  
3 documents and inserting in place thereof the RPA  
4 with one modification.

5 There's two different forms.  
6 There's the grant agreement. And the grant  
7 agreement is something that currently we use  
8 with all communities to make payments to those  
9 communities. That form would just simply be  
10 scratching out community and replacing it with  
11 RPA in that form.

12 On the other form, which is the  
13 letter of authorization form, this spells out  
14 the actual services that would be provided.  
15 Instead of scratching out the community and  
16 replacing it with the RPA, we have added the RPA  
17 as a party to this.

18 So, the letter of authorization  
19 would need to be signed by regional planning  
20 agency, the community, the host community and  
21 the applicant. And the reason for the  
22 additional party rather than just scratching out  
23 the host community is that there is an important  
24 role for host communities to play in the

1 regional planning agency process. Namely we are  
2 asking them to cooperate with the regional  
3 planning agencies such as through the provision  
4 of the studies that would be necessary.

5 And what this form also does, it  
6 provides a place for the host community to  
7 acknowledge that the services are going to be  
8 provided by the regional planning agency and  
9 asks them to agree to cooperate with the  
10 regional planning agency. So, that's the  
11 additional language that we've included on this  
12 form.

13 We submitted this to the regional  
14 planning agencies. And they've really only had  
15 one comment of note that I've gone over with  
16 Counsel Blue. Specifically, if you take a look  
17 at section seven, indemnification, the language  
18 currently reads to the full extent permitted by  
19 law, the RPA shall indemnify and defend and  
20 hold harmless the Commission, Commissioners and  
21 employees from and against all claims, actions,  
22 damages, awards, judgments, liabilities, etc.,  
23 etc. And what the RPAs have noted is that as  
24 governmental entity, they do not have the

1 ability to indemnify and defend.

2 So, what we do recommend is that we  
3 can remove those two words indemnify, defend and  
4 keep the remaining part of that section in  
5 place. So, that the RPA would agree to hold  
6 harmless the Commission, Commissioners, agents,  
7 etc., but it wouldn't have the indemnification  
8 or defending language.

9 Then the only other comment that  
10 they had was just to provide a little more  
11 specificity on their Enabling Act, which was MGL  
12 chapter 40B where we would include the section  
13 numbers, etc., but that's sort of window  
14 dressing a little bit.

15 So in that regard, I recommend these  
16 documents to you. I pose one question on  
17 whether or not if indeed there exists any  
18 circumstances where we would have to amend a  
19 section of this or words, whether or not it  
20 would make sense to bring this to the Commission  
21 or whether or not I could work this out with the  
22 Executive Director and General Counsel.

23 COMMISSIONER MCHUGH: You mean the  
24 execution of?

1           MR. ZIEMBA: No. If we needed any  
2 further modifications based on something that  
3 would be unanticipated, something that wouldn't  
4 violate the spirit of what the documents  
5 include, whether or not we should wait for the  
6 next Commission meeting. Sometimes there's a  
7 timeliness issue. And if we have to wait for  
8 the next Commission meeting, it might pose some  
9 difficulties.

10           We can work around that, obviously.  
11 I don't think this is a tremendously important  
12 recommendation or question. But if it wasn't  
13 violative of what we're contemplating here,  
14 perhaps we'd consider that.

15           CHAIRMAN CROSBY: I would be fine  
16 with that out. You would know if something was  
17 important enough that you needed to talk to us  
18 about. I certainly have confidence in that.

19           COMMISSIONER MCHUGH: The only  
20 question I have on the indemnification  
21 proceeding is is there something in here that  
22 says that the RPA is not the Commission's agent?  
23 Those two sort of go hand-in-hand, right? If  
24 they're not our agent and it's clear that

1 everybody understands they're not our agent,  
2 then the need for being held harmless or  
3 indemnified is dramatically reduced. I must  
4 say, I didn't read it with that in mind, because  
5 I didn't know that that was an issue.

6 MR. ZIEMBA: I don't know Catherine  
7 if you have any thoughts on that?

8 MS. BLUE: We could look at the  
9 agreement to determine if that's in there. And  
10 if it's not, we can add that. That's a pretty  
11 simple change to make.

12 COMMISSIONER MCHUGH: I would  
13 recommend that we do that to just put up another  
14 layer of insulation particularly since --

15 CHAIRMAN CROSBY: Just because we  
16 say they're not our agent does that make it so?

17 COMMISSIONER MCHUGH: No. But you  
18 can always have a parent authority. But it  
19 takes away expressed and implied authority to  
20 act as our agent. So, it doesn't immunize us  
21 forever, but it reduces the risk.

22 CHAIRMAN CROSBY: Okay, fine. Do  
23 you want to move?

24 COMMISSIONER MCHUGH: I move that we



1 approve, that the Commission approve the very  
2 carefully thought-out grant form, grant forms  
3 for RPA assistance to host and surrounding  
4 communities in the form presented to us with the  
5 modification to section seven and with the  
6 addition if necessary of a provision explicitly  
7 stating that the PPAs are not the Commission's  
8 agent.

9 CHAIRMAN CROSBY: And authorize --

10 COMMISSIONER MCHUGH: And authorize  
11 any changes -- In particular cases, authorize  
12 the Executive Director in consultation with the  
13 Ombudsman to make further changes to the extent  
14 necessary to meet particular circumstances  
15 provided that those changes do not alter  
16 substantially the content of the agreement  
17 forms.

18 CHAIRMAN CROSBY: Second?

19 COMMISSIONER CAMERON: Second.

20 CHAIRMAN CROSBY: Any more  
21 discussion? Yay or nay, Commissioner Zuniga?

22 COMMISSIONER ZUNIGA: Aye.

23 CHAIRMAN CROSBY: Commissioner  
24 Stebbins?

1 COMMISSIONER STEBBINS: Aye.

2 CHAIRMAN CROSBY: Commissioner  
3 Cameron?

4 COMMISSIONER CAMERON: Aye.

5 CHAIRMAN CROSBY: Commissioner  
6 McHugh?

7 COMMISSIONER MCHUGH: Aye.

8 CHAIRMAN CROSBY: And the Chair also  
9 votes aye.

10 MR. ZIEMBA: Thank you.

11 CHAIRMAN CROSBY: Thank you.

12 MR. ZIEMBA: Mr. Chairman, I would  
13 ask Mr. Robert Hubbard to join us.

14 CHAIRMAN CROSBY: Welcome.

15 MR. HUBBARD: Good morning.

16 COMMISSIONER MCHUGH: Good morning.

17 COMMISSIONER CAMERON: Good  
18 morning.

19 MR. ZIEMBA: Mr. Chairman, it's my  
20 pleasure to introduce Mr. Robert Hubbard who has  
21 been appointed the chair of the Gaming Policy  
22 Advisory Commission by the Governor.

23 Rob - We have a bio in your packet.  
24 But Rob recently retired from the positions of

1 the Director of Community Development and  
2 Planning for the City of Gardner. And he was  
3 the Executive Director of the Gardner  
4 Redevelopment Authority. He worked for the City  
5 of Gardner since 1989 except for a three-year  
6 hiatus when he established and Economic  
7 Development office for the Town of Ayer during  
8 which time the Devens Reuse Plan was prepared  
9 and adopted.

10 Most recently, Rob prepared an Urban  
11 Renewal Plan for Gardner's Mill Street Corridor  
12 a blighted former mill complex targeted by the  
13 Patrick/Murray administration for redevelopment.  
14 US EPA and MassDevelopment have committed \$2  
15 million to remediate environmental contamination  
16 and to implement the Reuse Plan, which will  
17 facilitate the creation of more than 250 private  
18 sector jobs.

19 Prior to working in Gardner, Rob  
20 spent 12 years working as an economist and  
21 planner in Botswana, Papua New Guinea and the  
22 Solomon Islands. Rob has his Bachelor of Arts  
23 degree in economics from American International  
24 College and a master of arts degree in economics

1 from Northeastern University.

2 Rob is the past president of the  
3 Massachusetts Economic Development Council and  
4 currently serves as chairman of the Trustees of  
5 the Memorial Congregational Church in  
6 Baldwinville. And I've asked Rob if he'd like  
7 to give a few comments.

8 MR. HUBBARD: Thank you. I'm  
9 excited by the Governor's appointment. And I  
10 look forward -- I understand from John this  
11 morning that the eighth member of the Advisory  
12 Policy Council has been appointed. So, there is  
13 now the possibility of a quorum. And we can  
14 move forward with establishing a first meeting  
15 so that the Commission can get the advice that's  
16 called for under chapter 194 from the Advisory  
17 Committee.

18 So, I hope to -- I've noticed today  
19 that when something needs to be done, the  
20 Chairman says well, you can talk to John. So, I  
21 think probably he will tell me that I need to  
22 talk to John about assembling the Committee to  
23 get together and take on its role under chapter  
24 194.

1           CHAIRMAN CROSBY: Great. You might  
2 mention, did you have the list of the other  
3 members? Why don't you read those out.

4           MR. ZIEMBA: We were notified  
5 earlier this morning that representative Ann-  
6 Margret Ferrante from Gloucester has been  
7 appointed as the House member, as the House  
8 Speaker's member. She is the Vice Chair of the  
9 Joint Economic Development Committee.  
10 Representative Angelo D'Emilia is the other  
11 House member. Hilary Jacobs from the DPH that's  
12 the DPH represented. Senator Flanagan and  
13 Senator Russ from the Senate, and Brian Lang the  
14 representative of labor in addition to you, Mr.  
15 Chairman, as the other sitting member.

16           There is also a representative of a  
17 Tribe that is outstanding. And then there are  
18 six slots that are reserved for three for  
19 licensees from the three regions and three for  
20 host communities of the three regions. And we  
21 don't anticipate that those six obviously will  
22 be put in place until after we make our license  
23 decisions. So, we will be operating with a  
24 little bit of a razor thin quorum, but I guess

1 that's one of the challenges we'll have to  
2 overcome.

3 CHAIRMAN CROSBY: But also as a  
4 practical matter, this is an advisory committee.  
5 You're not going to be taking votes that have  
6 any standing other than as advice. So, I don't  
7 think that meeting without a quorum is going to  
8 really be the end of the world, I don't think.

9 I think it would be interesting to  
10 talk little bit about expectations for this.  
11 The law requires that we have such a committee.  
12 And there are a couple of very important  
13 subcommittees public health, I think, problem  
14 gambling, and community mitigation. Those have  
15 pretty significant roles. So, it's important  
16 that those get formed.

17 But the law says that your committee  
18 needs to meet at least once. So, it anticipates  
19 that this can be kind of a non-entity of a  
20 committee or it could be much more active. And  
21 I think as we have talked about it, I think we  
22 would like to see this play some substantive  
23 role.

24 We don't want for outreach. And we

1 don't want for transparency. But I think the  
2 more kind of feedback we can get from the field,  
3 how are we being perceived. How are we doing?  
4 What do people think? How well are the issues  
5 understood? That kind of feedback would be  
6 really helpful.

7 And on any of the big policy  
8 questions that come up, obviously we wrestle  
9 with them so publicly, we would certainly invite  
10 comment. And I think we could probably  
11 structure agendas that would put on the table  
12 for discussion some of the things that we are  
13 wrestling with.

14 I wonder if any Commissioners have  
15 any particular sets of expectations or thoughts  
16 about how you'd like to see this operate, what  
17 you'd like to get out of the committee.

18 COMMISSIONER MCHUGH: I would just  
19 pick up where you were talking. I would like to  
20 see a regularly scheduled quarterly something,  
21 whatever meeting with the Chairman. And to get  
22 feedback, not only on the things that are listed  
23 here that specifically are the responsibility of  
24 the Advisory Committee, but the insights as to

1 other topics either that we refer to them for  
2 comment or that they on their own make up.

3 I think that the diversity of the  
4 committee and the roles that they have could be  
5 enormously helpful to us in bringing some  
6 careful feedback as to how we're doing and to  
7 suggest areas where we need to do things  
8 differently.

9 So, I would hope this would be a  
10 robust and I'm sure will be energetic, but  
11 routinely meeting with us, the committee.

12 MR. HUBBARD: My sense looking at  
13 the law that one of the key factors that the  
14 committee can play and to get the committee  
15 together in a structure to provide the input  
16 will have to do with community mitigation.  
17 Because I think the way it's set up is there is  
18 a mitigation committee for each of the regions.

19 And perhaps the overarching  
20 committee can help to funnel that information  
21 and bring it back to you in terms of feedback  
22 from the representatives of the regional  
23 committees. So, I would hope that would provide  
24 an impetus for people to see a route to get to



1 you with their feelings and their  
2 recommendations.

3 And if these regional committees and  
4 the overarching committee feel that they have an  
5 ear from you, which they clearly do by the  
6 legislation, then that will give a reason for  
7 these committees to exist and to function as  
8 they should.

9 CHAIRMAN CROSBY: What about the  
10 idea of having the regional committees,  
11 Commissioner McHugh, be a part of the public  
12 input process you were talking about?

13 COMMISSIONER MCHUGH: I was just  
14 thinking about that. That's a terrific  
15 suggestion. And I think that would add some  
16 heft to the public input process and would help  
17 us structure it and make it really a valuable  
18 part of it, yes.

19 CHAIRMAN CROSBY: That's a great  
20 idea. I think that's great. We've talked about  
21 this before, John and his staff Oliver, but he  
22 has the capacity to have more as he needs it, we  
23 will obviously staff you. You're a volunteer.  
24 And we will take on the support work here. But

1 I think we are all expressing the interest.  
2 We'd like this to be a really a robust  
3 operation. And in some respect integrate it  
4 into our operations to wit these public input  
5 meetings.

6 So, don't be bashful about asking  
7 us. And it is through John, but don't be  
8 bashful about asking us for the support that  
9 you'll need, because you won't be able to do it  
10 on your own hook.

11 I had had a thought that I wanted to  
12 throw out there. The statute sets up the  
13 committee with a very clear intention of  
14 representing a set of constituent groups,  
15 license holders, host communities, labor, the  
16 Legislature, public health. We could consider  
17 adding a handful, five other people, who are  
18 just thoughtful people that we might know or  
19 know of whose input might be constructive in  
20 this kind of role that we're playing.

21 They wouldn't be formal members.  
22 They would be informal members because the law  
23 sets out the formal members. But because this  
24 is just advisory, we're just looking for a

1 mechanism, an additional mechanism to get  
2 feedback on how we're doing, and to get feedback  
3 on making big decisions.

4 So, I wondered whether there were  
5 other -- what you thought about that idea and  
6 what other Commissioners thought about that idea  
7 whether it might enhance. If someone for  
8 example like the woman who spoke from the  
9 creative economy, somebody with that kind of a  
10 perspective might be the kind of person we would  
11 suggest sit there just because they're good,  
12 thoughtful, innovative thinkers. Do other  
13 people have ideas or Rob do you have an idea?

14 MR. HUBBARD: I think that makes  
15 sense. I was also wondering if in some of the  
16 people who are on the committee, perhaps I'll  
17 use the Senator as an example, it may be that  
18 the Senator would appoint someone who would be a  
19 regular attendee if we were having meetings and  
20 they couldn't always be there. Because we  
21 really want thoughtful people, as you say. So,  
22 the more people we can bring to the table, the  
23 better we would be.

24 And in terms of -- I don't know what

1 rules particularly control this advisory  
2 committee, but I think from as I understand it,  
3 because it's advisory we have a fairly wide  
4 range of options on how we would set that up.

5 CHAIRMAN CROSBY: I think that's  
6 right. You are not subject to open meetings,  
7 that's right.

8 COMMISSIONER MCHUGH: I'm not sure  
9 that's so. I think they probably are.

10 MR. HUBBARD: Probably so.

11 MS. BLUE: You are subject to open  
12 meeting.

13 CHAIRMAN CROSBY: All the more  
14 reason for staff then. Do you all have thoughts  
15 about whether we might want to suggest people to  
16 add on? A law-enforcement person for example,  
17 that's another example. If Kathy O'Toole were  
18 available, she would be exactly the kind of  
19 person I'm thinking about. Just good thinker,  
20 particular area of interest.

21 COMMISSIONER CAMERON: That makes  
22 sense. I hadn't thought about it, but that  
23 makes sense to consider all affected areas and  
24 to have input I think is always valuable.

1                   CHAIRMAN CROSBY:   Okay.   Why don't  
2   we think about it, all of us.   And if we come up  
3   with some ideas, nothing is locked in stone  
4   here.   But it sounds like people are open to the  
5   idea.

6                   COMMISSIONER STEBBINS:   I think it's  
7   good combination of both internal folks in State  
8   government as well as external entities that  
9   could weigh in.   I've had the chance to work  
10   with Rob.   So, I'm looking forward to working  
11   with him again and know that just because he's  
12   retired doesn't mean he doesn't want to do any  
13   heavy lifting.

14                  CHAIRMAN CROSBY:   So, we don't need  
15   to staff him.   He'll do it himself.

16                  COMMISSIONER STEBBINS:   Right.   We  
17   worked in an organization that needed some  
18   staff.   So, we learn from our mistake.

19                  CHAIRMAN CROSBY:   What was that?

20                  COMMISSIONER STEBBINS:   MEDC,  
21   Economic Development Council.

22                  CHAIRMAN CROSBY:   Let's think about  
23   people and areas and people.   There is for your  
24   first meeting, one agenda item should be a

1 briefing on the research project, because the  
2 statute does call for your advice. And Rachel  
3 Volberg, the P.I., I'm sure will come and make a  
4 presentation. Or by that time, we'll have our  
5 new Director of Research and Problem Gambling  
6 too. Just make sure that's on your agenda.

7 That's great, Rob. I'm really  
8 excited. And I'll certainly be there at all of  
9 those meetings or most of them. It wouldn't  
10 surprise me that other Commissioners will come  
11 too. It's really exciting and I appreciate you  
12 taking this on

13 MR. HUBBARD: Thank you.

14 COMMISSIONER MCHUGH: It's great.  
15 Thank you very much.

16 COMMISSIONER CAMERON: Thank you.

17 COMMISSIONER STEBBINS: Thanks, Rob.

18 CHAIRMAN CROSBY: I'm going to  
19 suggest we take a break before we get to the  
20 next item. It's now being -- wow, it's quarter  
21 to 12. No wonder I'm taking a break. Shall we  
22 just go through? We're going to take a five-  
23 minute break. Should we take a lunch break or  
24 do you want to just see whether we can just get

1 through this before lunch? I'm game for  
2 anything.

3 COMMISSIONER MCHUGH: I would favor  
4 the latter.

5 CHAIRMAN CROSBY: Get through it  
6 before lunch?

7 COMMISSIONER MCHUGH: Yes.

8 CHAIRMAN CROSBY: All right. So,  
9 let's give that a shot. So, let's take a five-  
10 or 10-minute break and then we'll go back to it.

11

12 (A recess was taken)

13

14 CHAIRMAN CROSBY: We will reconvene  
15 the 68th public meeting. I think we will start  
16 out -- Are we online? We will start out by  
17 acknowledging that Commissioner Zuniga, I  
18 believe, has to leave. You've got a meeting to  
19 go to. Do I have that right? Or you've gone  
20 to?

21 COMMISSIONER ZUNIGA: It's at 9:30  
22 local time I have an appointment to go to. So,  
23 I'll leave in 20 minutes.

24 CHAIRMAN CROSBY: Well, thank you

1 very much for getting up early and joining us.

2 Nice to have you here.

3 COMMISSIONER MCHUGH: Bye-bye.

4 COMMISSIONER ZUNIGA: Thank you.

5 CHAIRMAN CROSBY: You're welcome.

6 Okay. We have Attorney Blue, Counsel Blue.

7 MS. BLUE: If it would please the  
8 Commission, I would like to ask that we  
9 consider a Racing matter first that requires  
10 your vote before we dive into the application.  
11 And that way we can take our time with the  
12 application.

13 We received a request last night  
14 from Suffolk to cancel three days of racing in  
15 June and move those days to November. So, the  
16 request was that we would approve, ask the  
17 Commission to approve the cancellation of  
18 racing on June 11, the 18th and 25th. And to  
19 move those dates to November 25, 26th and 27th.  
20 It will make no difference in the total number  
21 of days of racing. It's just a movement from  
22 June to November. That requires a vote of the  
23 Commission because it changes the already  
24 approved schedule.



1                   CHAIRMAN CROSBY: Do you know why it  
2 is, why they want to do it?

3                   MS. BLUE: There is some legislation  
4 about shortening the seasoning as a whole. And  
5 that is in front of the Legislature at the  
6 moment. So, I think there is some sense that  
7 they want to see how that plays out. And by  
8 doing that, they'll move these days right now  
9 to the end of November, but if the season is  
10 shortened, they may want to make other changes.

11                  CHAIRMAN CROSBY: I see.

12                  COMMISSIONER MCHUGH: Those are all  
13 Tuesdays too.

14                  COMMISSIONER CAMERON: Mr. Chair,  
15 this is routine. This is something I'm  
16 familiar with from last year. It is  
17 anticipated that that legislation will be  
18 approved. It was the last two years to shorten  
19 on the season. This would typically be slower  
20 days and in anticipation of that passing,  
21 they're just moving it to the end of the  
22 schedule for now.

23                  CHAIRMAN CROSBY: Because they think  
24 that the later days are better?

1                   COMMISSIONER CAMERON: No, no, no.  
2       Once the legislation passes, they will be  
3       authorized to shorten their season so those  
4       days will end up being canceled.

5                   CHAIRMAN CROSBY: Okay.

6                   MS. BLUE: And if that does pass  
7       then we will come back to the Commission again  
8       to ask for an amendment to the schedule as a  
9       whole based upon the legislation.

10                  CHAIRMAN CROSBY: Okay, got it.

11                  COMMISSIONER CAMERON: I would  
12       recommend approving as this is a routine matter  
13       and one that we have typically approved in the  
14       past. And it makes sense to do that at this  
15       time.

16                  CHAIRMAN CROSBY: Let's call that a  
17       motion. Is there a second?

18                  COMMISSIONER STEBBINS: Second.

19                  CHAIRMAN CROSBY: Any further  
20       discussion? I'm not sure if Commissioner  
21       Zuniga is still here. So, let's try it. I  
22       will poll the Commissioners. Commissioner  
23       Zuniga?

24                  COMMISSIONER ZUNIGA: Yes.

1                   CHAIRMAN CROSBY: Commissioner  
2           Stebbins?

3                   COMMISSIONER STEBBINS: Yes.

4                   CHAIRMAN CROSBY: Commissioner  
5           Cameron?

6                   COMMISSIONER CAMERON: Yes.

7                   CHAIRMAN CROSBY: Commissioner  
8           McHugh?

9                   COMMISSIONER MCHUGH: Yes.

10                  CHAIRMAN CROSBY: And the Chair  
11           votes yes. So, it's done.

12                  COMMISSIONER MCHUGH: Could we just  
13           ask Commissioner Zuniga to tell us when he  
14           leaves because I think at that point we can  
15           consider this not any longer a meeting with  
16           extended participation and we don't have to  
17           worry about the roll call after that.

18                  CHAIRMAN CROSBY: Commissioner  
19           Zuniga, did you get that? Will you just give  
20           us a heads-up when you sign off?

21                  COMMISSIONER ZUNIGA: Yes, I will  
22           leave in 10 minutes. I can tell you when that  
23           is.

24                  CHAIRMAN CROSBY: Okay, great.

1 Thank you. Okay, back to business.

2 MS. BLUE: Next item is the  
3 application. We provided a list of all of the  
4 proposed changes to the application. We can  
5 either work from that list or we can work from  
6 questions that you have, whichever is most  
7 convenient for the Commission.

8 CHAIRMAN CROSBY: I would say  
9 probably going through it. We haven't had a  
10 chance to read this obviously. So, we're going  
11 to have to go through it one by one pretty  
12 much.

13 MS. BLUE: This is a list of the  
14 comments that we collected from all of the  
15 separate meetings that we had as well as our  
16 review of things that should be in the  
17 application based upon the regulation and the  
18 statute, things we may not have caught.

19 CHAIRMAN CROSBY: Right. We might  
20 as well go with this document. Is that all  
21 right?

22 MR. GROSSMAN: Thank you. I would  
23 note that though we certainly made efforts to  
24 include all of the adjustments we thought that

1 would need to be made on this list, we are  
2 still in the process of going through the  
3 General Laws and the Commission's regulations  
4 to ensure that we've captured everything in  
5 here.

6 And in fact, I would anticipate that  
7 there may be -- I should also note that we  
8 circulated this draft to our gaming consultants  
9 for their input as well.

10 CHAIRMAN CROSBY: Have they gotten  
11 back to you?

12 MR. GROSSMAN: Some of them have  
13 started to respond. So, I would anticipate  
14 that there may be further adjustments to the  
15 instructions and may be additional disclaimers  
16 or language of that type that we may want to  
17 include in the application that's not on this  
18 list. By and large, these are the issues that  
19 we've caught since we initially circulated this  
20 draft to you.

21 COMMISSIONER MCHUGH: There are a  
22 number of recommendations that I made that I  
23 take are still in progress with respect to  
24 instructions.

1 MR. GROSSMAN: Right.

2 COMMISSIONER MCHUGH: Disclaimers,  
3 such things as adding what the schedule will  
4 be, such things as saying we have reserved the  
5 right to change this as we move downstream, a  
6 number of mechanical things. I take it those  
7 too are still in play.

8 MR. GROSSMAN: Yes. I meant to  
9 capture those as well. There were a number of  
10 recommendations from different sources that  
11 we're still looking at and will likely  
12 recommend that we include here.

13 Anyway, this was a good place to  
14 start we thought for today. This goes through  
15 by section. So, we can just take it from the  
16 top. The first one, in fact, is to the  
17 instruction section where essentially it is  
18 just a disclaimer. And we had I think the  
19 matrix mostly in mind when we put this together  
20 where we just note that to the extent that  
21 there are any inconsistencies between any  
22 policy documents or otherwise that are around  
23 out there that the application controls. And  
24 that although to the extent that there is any

1 inconsistency between this and the law, the law  
2 would control. So, that's all that says.

3 It was noted -- A lot of these  
4 comments, as I may have mentioned or Catherine  
5 mentioned, were derived from our conversations  
6 with you all. One note was made essentially to  
7 the fact that since we have so many spaces for  
8 attachments that we should just clarify that  
9 you're not required to attach 20 things if we  
10 have 20 spaces. So, we would just add some  
11 language specifying that those are just spaces.  
12 There is no inference to be drawn from the fact  
13 that we have put 20 spaces to attach items.

14 Number three, we think is a very  
15 important element to this application. This is  
16 one that certainly the Commission will have to  
17 be comfortable with and we can modify at this  
18 point if need be. But the concept was that  
19 within each section, within each question  
20 within each section, to the extent that it  
21 calls for an answer as opposed to just  
22 attaching documents of some sort, that we  
23 included a box underneath the question so that  
24 a brief summary of the response could be

1 included.

2 And that the application, the  
3 physical application the 200 plus pages, by the  
4 time it's submitted, would itself become a  
5 wholly public document. Such that all of the  
6 information contained to the boxes would be  
7 part of the public record. So, what we want to  
8 explain to the applicants is that they're  
9 required to summarize the answer for which we  
10 expect they will attach a written response to.

11 But they will provide a summary so  
12 that both the Commission and the public can get  
13 a flavor as to what the answer is. And what we  
14 will have to do in addition to what we've  
15 already done is highlight a few areas within  
16 each question that we would require information  
17 to be provided for.

18 We haven't done that yet. But for  
19 example, in the minimum capital investment  
20 section where the question basically says  
21 calculate your total investment, we'd require  
22 that they provide that number there and  
23 describe the process.

24 And in other areas where we talk



1 about marketing plans or other things that may  
2 certainly be subject to an exemption under the  
3 public records law that a description of their  
4 plan be provided with the understanding that  
5 we're going to release the summary.

6 So, they don't need to include any  
7 items that may be potentially trade secrets or  
8 other areas that may be competitively  
9 sensitive, but that a description, an overall  
10 description be provided.

11 So anyway, the point is is that we  
12 do need to clarify the instructions on that  
13 point and modify the instructions that will  
14 appear on the application above the box. As it  
15 appears presently we just have one uniform  
16 instruction. It will have to be individualized  
17 a little bit.

18 CHAIRMAN CROSBY: This sentence says  
19 that the Commission will anticipate the public  
20 release of the entire 200 plus page unredacted  
21 application. Does that refer to everything but  
22 attachments?

23 MR. GROSSMAN: Yes. So, the plan  
24 would be, if the Commission is comfortable with

1 this, that the application was designed such  
2 that almost right when it comes in we could  
3 hand out the application minus the attachments.

4 Certainly, some attachments will be  
5 a matter of public record, others clearly will  
6 not be. But that the information contained in  
7 the application form itself would be a matter  
8 of public record, including the summaries of  
9 the attached information.

10 That would allow us to avoid some of  
11 the issues we had in the RFA-1 process. And  
12 we'd be able to release information publicly  
13 fairly quickly. Obviously, we would have to  
14 look at it. But if we put a number of  
15 reminders in and instructions as to what our  
16 plan is and how we anticipate this being  
17 processed, the hope would be that everyone  
18 would be aware of the fact that we plan on  
19 releasing summaries of different pieces of  
20 information.

21 So, it would be incumbent upon the  
22 applicant to just be careful of the information  
23 that it puts in the box, but at the same time  
24 make sure that it provides an apt description

1 of whatever the question is.

2 COMMISSIONER STEBBINS: I think  
3 it's a good idea. I think a lot of the general  
4 public, it's going to be the application page  
5 that they're going to probably review as  
6 opposed to all the myriad of attachments, but  
7 having something that's a little more detailed  
8 and succinct than just see attachment A below,  
9 not very user-friendly. But I like the idea of  
10 the summary within that box.

11 CHAIRMAN CROSBY: I do too. I think  
12 it's interesting. It's a very innovative  
13 approach, but I think it's a good idea.

14 COMMISSIONER MCHUGH: I thought your  
15 instructions on page 12 were really, like the  
16 rest of this, very good. So, I'm just not  
17 certain what needs to be clarified in there in  
18 your view.

19 I thought they expressed the point  
20 and I agree. I think it's a really a terrific  
21 approach to this entire issue.

22 MR. GROSSMAN: It may be okay. I  
23 wanted to maybe (A) just bring it to the  
24 Commission's attention that that was the

1 approach. And (B), that was an area I think we  
2 just want to take another look at even though  
3 it may be okay but I think it's an important  
4 element here. We want to make sure we have it  
5 right.

6 COMMISSIONER MCHUGH: Okay.

7 COMMISSIONER CAMERON: We thought  
8 that many things were clear in the first phase  
9 and somehow they were not. So, I think any  
10 time you can give further instructions,  
11 probably a good idea. And I love the approach  
12 as well.

13 CHAIRMAN CROSBY: If it says that  
14 attachments may be exempt from disclosure, we  
15 will be specifying some stuff right from the  
16 get-go that we're saying is going to be exempt  
17 from disclosure, right?

18 MR. GROSSMAN: I think we will. It  
19 may be difficult to project with any type of  
20 accuracy exactly what type of documents are  
21 going to be attached. So, that will be one of  
22 the challenges we face. I think there are some  
23 obvious documents that will be attached that we  
24 can collectively decide would be presumptively

1 exempt from public disclosure.

2 But we don't really have a good way  
3 to figure out exactly what's going to be  
4 attached. So, we'll have to offer some advice.  
5 One of the approaches that we discussed taking  
6 would be for attachments that the applicant be  
7 required to mark any attachment confidential or  
8 with some other language indicating that they  
9 believe that attachment or a piece of that  
10 attachment to be confidential. And then we  
11 would review it as we reviewed the RFA-1  
12 applications to make the determination as to  
13 whether an exemption applied or it didn't  
14 apply. As opposed to us just starting from  
15 scratch and trying to figure out which ones we  
16 think are exempt or not.

17 CHAIRMAN CROSBY: Just think through  
18 the process. So, the application comes in on  
19 December 31. We know from our experience that  
20 there will probably be a lot of claims of  
21 confidentiality.

22 Somebody goes through. This isn't  
23 just an administrative review for completeness.  
24 This is now a substantive review about whether

1 or not you accept it. For those you don't  
2 accept, you've got to go back to them and say  
3 we don't accept this.

4 They'll then debate it back and  
5 forth. There will be conversations about  
6 possibly hearings and so on and so forth. So,  
7 that could be a month-long process or multiple-  
8 week process.

9 I guess the evaluation process is  
10 not compromised by that though, right? That's  
11 kind of going on in the background while the  
12 process is going forward. So, if this does  
13 induce an iterative debate, does that have any  
14 negative consequences on our schedule? That's  
15 what I'm getting at.

16 MS. BLUE: It should be able to go  
17 on in parallel with the evaluation process.  
18 The Commission will have access to the  
19 documents. So, they can continue to review it.  
20 And we could address any confidentiality issues  
21 on the side.

22 CHAIRMAN CROSBY: Right.

23 COMMISSIONER MCHUGH: And the beauty  
24 of this format is that while that debate is

1 going on, the application goes out. And any  
2 document not marked confidential goes out. So,  
3 there's a lot of stuff.

4 CHAIRMAN CROSBY: Is Elaine picking  
5 this up?

6 COMMISSIONER MCHUGH: A lot of  
7 stuff, a lot of information that's going to be  
8 out there right from the get-go under this  
9 format. So, it's a great approach.

10 CHAIRMAN CROSBY: Good.

11 MR. GROSSMAN: We will of course,  
12 just have to go through the application and  
13 clarify which pieces of information we believe  
14 to be potentially exempt and not. That hasn't  
15 been done yet, but that will be part of our  
16 further review.

17 Number four, we'll add just -- The  
18 background section was designed to be fairly  
19 brief, because it just has to have the basic  
20 information. It's not really part of the  
21 evaluation criteria. But we would just add a  
22 section where the applicant would specify  
23 whether it's a Category 1 or Category 2.  
24 Hopefully, that will be clear from the

1 application, but you can't be too sure.

2 As far as the qualifiers, if you  
3 will, are concerned --

4 COMMISSIONER MCHUGH: Could I just  
5 throw in something there?

6 MR. GROSSMAN: Sure.

7 COMMISSIONER MCHUGH: Are we going  
8 to go through here and designate the questions  
9 that don't have to be answered by Category 2  
10 applicants?

11 MS. BLUE: Yes, we are. And there's  
12 a couple of categories. There are some  
13 questions that are clearly not applicable to  
14 Category 2. There are other questions that it  
15 would be up to that Category 2 applicant to  
16 answer if they wanted to.

17 So, we'll have two different kinds  
18 of disclaimers, if you will. This doesn't  
19 apply. This may apply. If it applies to you  
20 answer it, otherwise give us a not applicable.  
21 Because it is also very important that every  
22 question have an answer as the people going  
23 through to check and make sure whether the  
24 information is all there.



1                   CHAIRMAN CROSBY: So, we'll have one  
2 application form that ones and twos will use.  
3 But it will tell you which ones to skip if you  
4 are a two?

5                   MS. BLUE: Yes.

6                   CHAIRMAN CROSBY: Okay.

7                   MR. GROSSMAN: In fact, there is a  
8 question in the financial section having to do  
9 with either the posting of a bond or deposit of  
10 money where we note right on there it doesn't  
11 apply to Category 2 and that's by statute.

12                   So, I think whether we do that with  
13 the other questions or not, it will be easy to  
14 flag which ones are Category 2 or don't apply  
15 to Category 2.

16                   CHAIRMAN CROSBY: Okay.

17                   MR. GROSSMAN: So, in the background  
18 section, you will recall that we added some  
19 language in our regulations where we basically  
20 said that the applicant will have to  
21 essentially attest to the fact that all of the  
22 qualifiers who are deemed suitable still hold  
23 the same position within the applicant at the  
24 time the application is filed.

1                   What that may not cover, however, as  
2                   was pointed out during one of our meetings  
3                   would be a situation where there's an  
4                   additional qualifier since the suitability  
5                   determination.

6                   So, what we're proposing is adding  
7                   some language which hasn't been drafted yet.  
8                   It would be into A7 or even the new A8 where we  
9                   ask that any new qualifiers or prospective  
10                  qualifiers be identified. We do have  
11                  regulations that govern that whole process.  
12                  And that would still apply here. It would just  
13                  be flagged in the application as well so the  
14                  Commission will have a clear picture as to who  
15                  all of the qualifiers in fact are at the time  
16                  it makes an award.

17                 COMMISSIONER ZUNIGA: Mr. Chairman,  
18                 I am going to have to excuse myself now.

19                 CHAIRMAN CROSBY: Okay. Thank you  
20                 much for sticking with us.

21                 COMMISSIONER MCHUGH: Thank you.

22                 COMMISSIONER ZUNIGA: Thank you.

23  
24                 (Commissioner Zuniga exits meeting)

1           MR. GROSSMAN: At the beginning of  
2 every section as you may have observed, we  
3 added a checklist. In fact, there's a master  
4 checklist as well. The checklist was intended  
5 to ensure (A) that the applicant has included  
6 everything they need to include. And secondly,  
7 to help facilitate the Executive Director's  
8 administrative review process.

9           Everything on the checklist are  
10 basically the prerequisites set out by statute.  
11 So, within each section we have those.

12           We also have the master checklist.  
13 Number six on this list, we added language to  
14 the master checklist to ensure that the  
15 applicant has forwarded a copy of all the  
16 impact studies that it compiled in a number of  
17 different areas to all of the prospective  
18 surrounding communities.

19           We discussed that in our regulations  
20 that upon the filing, all of the studies get  
21 sent to the prospective communities, so they  
22 have access to that in aiding them in  
23 determining whether to petition to become a  
24 surrounding community in the event they already

1 haven't been. So, we added that.

2           Number seven, a number of these  
3 recommendations on this list basically came  
4 from our review of the regulations. And to the  
5 extent that the matrix language was not 100  
6 percent aligned with the regulation or the  
7 statute, which is where most of the regulations  
8 came from, we've recommended just that we  
9 modify the language slightly to bring it in  
10 line with the regulation.

11           So, it doesn't change the intent of  
12 the placement of the element within the matrix,  
13 but it just modifies the language a little bit.  
14 And we've highlighted all of those areas here  
15 so you're aware of them. But otherwise, this  
16 stays true to the matrix.

17           And number seven is one of those  
18 areas -- I'm sorry. Strike that. Number seven  
19 this was actually not in there. This was kind  
20 of a unique piece of information. I got ahead  
21 of myself a little bit. This was a  
22 recommendation made by one of the Commissioners  
23 that we just clarify that too to require the  
24 identification of any diversity in the

1 leadership and ownership of the applicant.

2 Number eight, it was recommended  
3 that instead of using the term financial for  
4 section two, we use the term finance. So,  
5 we've made that adjustment.

6 Number nine that we are getting back  
7 to what I just said. This brings the  
8 application in closer alignment with the  
9 regulations relative to the timeline for  
10 construction.

11 Number 10 is original language.  
12 That was a recommendation made by a  
13 Commissioner to basically adjust some of the  
14 language that was contained in the matrix just  
15 to clarify what type of information  
16 specifically that we're looking for there.

17 CHAIRMAN CROSBY: This was something  
18 that I suggested. As I looked through this, I  
19 realized that in our own evaluation criteria  
20 sometimes we hadn't really written them very  
21 well. I have a bunch of other ones. It's our  
22 evaluation criteria that we really didn't clean  
23 up.

24 I hadn't read all of this when I saw

1     you, but what is the mechanism -- I think it's  
2     good. I think it's better to perfect the  
3     language in any of this as we're reviewing the  
4     evaluation criteria should clean it up. But  
5     what is the best mechanism for this going  
6     forward? It's clearly not a controversial.  
7     I'll just give you a bunch of edits?

8                 MS. BLUE: Yes, that would be the  
9     easiest way to do it. Then we'll incorporate  
10    them in and circulate a revised application.

11                CHAIRMAN CROSBY: Okay, great.

12                MR. GROSSMAN: And there are  
13    certainly a number of loose ends that were just  
14    kind of left open. They definitely need to be  
15    addressed.

16                CHAIRMAN CROSBY: Okay, good.

17                MR. GROSSMAN: I don't know if it  
18    would be helpful, but a lot of these on page  
19    two of this list are really just additions  
20    based upon the language of the regulations.  
21    Some of them are wholly new questions. So,  
22    they're not in the matrix. But some of them  
23    are just additions to questions that did exist  
24    in the matrix.

1                   Number 11 is an example of a wholly  
2 new question where basically you'll recall  
3 within the regulations we ask for bank  
4 references, business and personal income and  
5 disbursement schedules, tax returns etc., etc.  
6 So, what this question does -- This is not  
7 contained presently in the application.

8                   So, with this question, the concept  
9 would be not that we request that the applicant  
10 resubmit everything that's already been  
11 submitted as part of the RFA-1 process but that  
12 they just supplement those documents to bring  
13 them up-to-date as to when the application was  
14 submitted, if that would be helpful.

15                  As I said, everything else basically  
16 comes right out of regulations. I think number  
17 14 is a good example of that. We have  
18 certainly workforce development questions and  
19 HR practice questions that are in the matrix  
20 and accordingly in the initial draft of the  
21 application. But when we went back to look at  
22 the regulations, we saw that the statute  
23 requires that we ask for further information.

24                  So, what we've recommended here is

1 just that we ask the question that the statute  
2 talks about.

3 COMMISSIONER MCHUGH: That's true of  
4 the next several, page three.

5 MR. GROSSMAN: Right. The next one  
6 that does not fall into that category would be,  
7 I think, number 21. Maybe if we can fast  
8 forward to number 20 instead of number 21.

9 Number 20 is just a note that was  
10 put in relative to the size that the live  
11 entertainment venues can be. That comes right  
12 out of the statute. It's just highlighting the  
13 size in case for some reason someone was not  
14 aware of that, make that clear right in the  
15 application.

16 Number 21 is all new. This  
17 language, which is not included in the matrix,  
18 but is included prominently in our regulations  
19 deals with the MEPA process and the permitting  
20 process. And in fact, you'll recall on our  
21 regulations, we require a number of things, but  
22 one of them is that a chart be provided that  
23 identifies all of the anticipated permits that  
24 will be required, the status of some of the



1 applications.

2 Or if an application has been filed  
3 that that be submitted. Documentation relative  
4 to the MEPA process, the EIR, the ENF, all of  
5 these documents that we talked about in the  
6 regulations were not captured in the matrix.  
7 And accordingly, they weren't captured in the  
8 initial draft of the application. So, that's  
9 what number 21 is. It talks about all of the  
10 permitting and MEPA related requirements.

11 Number 24 gets into -- It's a  
12 similar type of issue although it is actually  
13 addressed in the present version of the  
14 application. This is the section that talks  
15 about contributions and requests for  
16 contributions that you'll recall we've had  
17 fairly comprehensive discussions on what that  
18 language should say, what the Commission is  
19 looking for.

20 And I included it here because the  
21 language we have in the present application  
22 just needs to be broadened to capture the  
23 Commission's position on what exactly it's  
24 looking for.

1           As we talked about in the regulation  
2 process, to just describe what types of  
3 requests you're interested in seeing  
4 identified. And not the request for new  
5 uniforms in Nevada but the ones that were in  
6 Massachusetts. And use the application to  
7 explain exactly what we are looking for in that  
8 context. So, that just needs to be updated a  
9 little bit here.

10           COMMISSIONER MCHUGH: Do we need to  
11 decide on that language or do you have --

12           MR. GROSSMAN: I don't have language  
13 drafted. There's nothing in there at the  
14 present time. I think the languages that's in  
15 there, I think is a little under comprehensive.  
16 So, we need to just broaden it a little. I  
17 haven't drafted anything yet, but certainly --

18           COMMISSIONER MCHUGH: Do we need to  
19 have a policy decision as to what information  
20 we're looking for? This is one that we've been  
21 struggling with. If so, when's the best time  
22 to do that? Do you want to draft something and  
23 we approve it or what?

24           MS. BLUE: I think it would make

1 sense to draft something. In the broader  
2 context of the application, as we've been  
3 looking at the kinds of changes we think we  
4 need to make and the size of the application,  
5 what we were thinking of is we would put  
6 language in and draft it. And we would clean  
7 up the entire application.

8 And perhaps rather than try to issue  
9 this on June 7, we would bring this back at our  
10 June 13 meeting to give the Commission one more  
11 time to go over it, because it is a lot of  
12 information. There are some things we want to  
13 consider. I think we might need a little bit  
14 more time. So, that's one of the issues where  
15 we would like to draft something, get some  
16 comments back from the Commission and tweak it.

17 COMMISSIONER MCHUGH: Okay. I think  
18 that's a good idea, because we've been dancing  
19 around that for a while. And we're going to  
20 leave it to the application to do the final,  
21 now we're at the application.

22 MR. GROSSMAN: Yes. Here we are.

23 COMMOSSIONER MCHUGH: Right.

24 MR. GROSSMAN: Yes. Number 26 we

1 can strike. That is just the same thing as  
2 number 25. I'm not sure how that got in there.

3 But number 27, we need to ensure  
4 that we request all of the information that is  
5 contained in the surrounding community section  
6 of the application -- of the regulations.  
7 We've talked many times about the three ways  
8 that you can be designated a surrounding  
9 community. So, this would just ensure that we  
10 request all of the information we need to  
11 request.

12 Number 29, there is language in the  
13 application presently that talks about the  
14 geographic exclusivity clauses relative to  
15 impacted live entertainment venues. But it  
16 seems as though we should consider just  
17 sticking to what the regulation says. This  
18 language mirrors the regulation a little more  
19 closely than the language that was in the  
20 application. It's fairly similar.

21 CHAIRMAN CROSBY: I don't think this  
22 language scans properly. Maybe there's a word  
23 whether missing. Two things, first of all,  
24 didn't we talk about what differences it makes,

1     what difference does it make what kind of  
2     exclusivity agreements they had or regional  
3     geographic agreements they had in other  
4     jurisdictions if they were not planning on  
5     using them in ours?

6             What we care about, I thought we --  
7     I think it was a comment from somebody that  
8     said why do you care what we do in other  
9     jurisdictions if we're not going to be using  
10    them here? That's one point.

11            The second point is I think there's  
12    at least a word missing if it's going to be a  
13    sentence.

14            MR. GROSSMAN: As to the first part  
15    of the comment, I would say I think this does  
16    capture that. It may need to be worded a  
17    little more clearly, but it is an either/or.  
18    It's intended to be an either/or.

19            It's whether you intend to  
20    incorporate geographic exclusivity clauses  
21    here. And if the answer is yes then you can  
22    really, I guess we don't really need to see  
23    what they look like in other jurisdictions.

24            CHAIRMAN CROSBY: If the answer is

1 no, you don't need to see it either. I think  
2 you just skipped. You go from the words within  
3 a Massachusetts gaming establishment comma down  
4 to the last part which is and if so, the nature  
5 of such agreements. I think that whole past  
6 practice part is irrelevant, I think.

7 COMMISSIONER MCHUGH: Can I go back  
8 to 27 for second?

9 MR. GROSSMAN: Sure.

10 COMMISSIONER MCHUGH: Do we have in  
11 the application any place where the applicant  
12 lists all of the surrounding communities and  
13 attaches the surrounding community agreements  
14 that it's made with them? Is that already in  
15 the application?

16 MR. GROSSMAN: I think so. I  
17 believe that the way it is set up is that there  
18 are three questions that relate to the  
19 agreements. The first is to basically attach  
20 any executed surrounding community agreements  
21 you have. So, those communities would  
22 automatically be designated surrounding  
23 communities by the Commission.

24 COMMISSIONER MCHUGH: Right.

1 MR. GROSSMAN: The second is this,  
2 which is to list any community you believe, the  
3 applicant, to a surrounding community.

4 COMMISSIONER MCHUGH: Right.

5 MR. GROSSMAN: It just happens to be  
6 a community you have not executed an agreement  
7 with. And then we have a third category that I  
8 believe must have come off the matrix where we  
9 basically ask them to list any communities that  
10 asked to be a surrounding community that the  
11 applicant denied.

12 COMMISSIONER MCHUGH: Okay. As long  
13 as that's all in there.

14 MR. GROSSMAN: I believe that's all  
15 in there.

16 MS. BLUE: Those are questions 5-11  
17 and 5-12. I think in 5-12 we're going to add a  
18 sentence too that asks if there are any  
19 communities that were approached but declined  
20 to enter into an agreement.

21 COMMISSIONER MCHUGH: Okay.

22 MR. GROSSMAN: 30, 31, 32 all relate  
23 to issues in the regulations in the statute.

24 Thirty-three, this is based on a

1 statutory provision that's actually contained  
2 in our regulations as well where the applicant  
3 is mandated to commit to the community  
4 mitigation plans in certain respects.

5 So, we needed to add an attestation  
6 that they agree -- This is actually a little  
7 broader than what the statute talks about.  
8 This here would seemingly require them to agree  
9 to commit to whatever is in their community  
10 mitigation plans. The statute is a little more  
11 narrow than that. And it talks about the  
12 community only certain parts of the mitigation  
13 plans.

14 And 34 gets back to what we  
15 discussed a little bit earlier. This is just  
16 an additional acknowledgement the applicant has  
17 read and understood the regulations, the law  
18 and the instruction sections of this  
19 application, agrees to all of the obligations,  
20 terms and conditions the law imposes upon the  
21 successful applicant.

22 This would have to be in addition to  
23 any conditions that were agreed upon as part of  
24 the so-called negotiation process.



1                   COMMISSIONER MCHUGH: I would  
2 recommend changing that the law imposes on the  
3 successful applicant, something along the lines  
4 of all obligations, terms and conditions  
5 contained therein. Obviously, if the law --  
6 The law may be contrary to what one of the  
7 regulations says, for example, or somebody may  
8 be able to argue that. And we can't trump  
9 that.

10                  But we can by getting somebody to  
11 sign this say they either agree or we know  
12 upfront what the challenge is going to be. And  
13 either way, I think we're in a lot better  
14 shape. We would not want to get into a  
15 situation where somebody was awarded the  
16 license and then challenged some provision of  
17 one of our regulations that had some bearing on  
18 the license. We'd like to know that beforehand  
19 so we could work our way around it.

20                  MR. GROSSMAN: Okay.

21                  CHAIRMAN CROSBY: Are you done?  
22 Have you gone through this now?

23                  MR. GROSSMAN: That's the list.  
24 There's a few other issues.

1 CHAIRMAN CROSBY: Like what?

2 MR. GROSSMAN: The first thing that  
3 we just put on the list was the submission of  
4 the application. The regulations talks about  
5 filing two hardcopies and one copy on CD.  
6 We've been advised that we do have or will have  
7 a server upon which an application could be  
8 uploaded if we wanted to pursue that. That  
9 would be basically be the equivalent of  
10 submission by a CD. So, the question before  
11 you, I guess, would be whether we want to allow  
12 for that or not.

13 COMMISSIONER CAMERON: We've been  
14 advised? Who have we been advised by?

15 MR. GROSSMAN: That we can do it?

16 COMMISSIONER CAMERON: Well, I don't  
17 think we have a secure system right now.

18 MS. BLUE: We are in the process of  
19 buying a server to put that on. So, we could  
20 make whatever security provisions we need to.  
21 That is the general sense at the moment that  
22 while we don't have a document management  
23 system, we will have a system that will allow  
24 us to manage these documents on a separate

1 server. So, we can set up the security we need  
2 to make that work.

3 This doesn't have to be obviously  
4 the only way that they provide it to us. They  
5 can provide it to us on disk if they like. But  
6 this would be one option if we wanted to allow  
7 that to let them upload it directly.

8 COMMISSIONER CAMERON: It was such a  
9 huge issue in the first phase, the document  
10 security. We worked so hard at that knowing we  
11 did not have the system in place yet. So, I'm  
12 just a little hesitant to do that without  
13 having the right system in place and the right  
14 security measures in place.

15 CHAIRMAN CROSBY: Well, we can allow  
16 it. They don't have to use it if they're not  
17 comfortable with it.

18 COMMISSIONER CAMERON: We have to be  
19 comfortable with it as well. It's not just  
20 them.

21 COMMISSIONER MCHUGH: This would  
22 allow them to electronically submit, right --  
23 via the Internet?

24 MS. BLUE: Yes.

1                   COMMISSIONER MCHUGH: And I agree  
2                   with you. We need to be happy with the  
3                   security arrangements. But if we could do  
4                   that, it seems to me that would be very  
5                   helpful. To have one CD that we don't put on a  
6                   server so it can be shared by all of the people  
7                   that need to see it is going to be a real  
8                   bottleneck to our efforts. So, even if we get  
9                   it on a CD, I would think that the ultimate  
10                  goal would be some kind of a server where we  
11                  could share. So, we need to work on the  
12                  security for that and the permissions and the  
13                  like.

14                 COMMISSIONER CAMERON: How are we  
15                 going to work on that? That's my question. I  
16                 don't know that we have the staff to do that  
17                 right now unless we bring in someone.

18                 MS. BLUE: We have our document  
19                 management consultant here now who could  
20                 potentially help us with that and we could get  
21                 help from the IDT folks too.

22                 CHAIRMAN CROSBY: This wouldn't  
23                 happen until December 31. We'll have a CIO by  
24                 then working on this stuff. We'll certainly

1 have the ability to pull it together by then.

2 COMMISSIONER MCHUGH: It seems to me  
3 we have to be able to do that.

4 COMMISSIONER CAMERON: Yes. I would  
5 hope we would too, but that was my question to  
6 you when I saw that was whoa, we're not there  
7 yet.

8 COMMISSIONER MCHUGH: Right, right.

9 CHAIRMAN CROSBY: We need to make a  
10 decision on what we print in the document.  
11 There's no harm in printing it in the document  
12 so that it's there. And if it turns out we  
13 don't use it or they don't use it, that's all  
14 right.

15 MR. GROSSMAN: I think the other two  
16 things we've talked about already, public  
17 records and the Category 2.

18 CHAIRMAN CROSBY: Right. I had a  
19 couple of other questions. We talked about the  
20 award. The license fee is due 30 days after  
21 the award. And we've now established that the  
22 vote is the award under the statute.

23 And I don't know what the answer to  
24 this is, but it seems to me like any \$85

1 million is a lot of money to transfer  
2 irrevocably just without any paperwork at all.  
3 Conceptually, I just can't imagine people.

4 We have a vote. And there's a bunch  
5 of conditions and so forth. Have we thought  
6 through sufficiently well whether that is a  
7 sufficient indication? Ordinarily, when you  
8 give somebody \$85 million as a deposit to which  
9 to work, there's a document that says here's  
10 what we get for our \$85 million. Maybe it's  
11 accepted -- Maybe it's that we've accepted  
12 their proposal and their proposal -- I don't  
13 know exactly.

14 But have we thought that through?  
15 Is that fully realistic that simply the vote of  
16 the Commission will be enough to trigger the  
17 \$85 million?

18 MS. BLUE: We are thinking that  
19 through. Part of that is the form of the  
20 license. And we have to work with Executive  
21 Director Day on this as well.

22 But my initial thought was we would  
23 have something prepared in a form so that once  
24 the vote was made, it could be very easily put

1 together and then sent to the applicant. So,  
2 they would have something. I agree with you  
3 that it would be expecting a lot for them to  
4 turn over that kind of money without an  
5 agreement, essentially.

6 CHAIRMAN CROSBY: Right.

7 MS. BLUE: So, I think part of the  
8 process would be creating that form agreement  
9 so that it is ready to go once the vote is  
10 taken.

11 CHAIRMAN CROSBY: Okay. That's  
12 good. I leave it to your capable hands to weed  
13 that out. I think we've got to make sure that  
14 everybody's expectations -- really chewed that  
15 one through and that the expectations are set.

16 If we do make the timeline, then we  
17 don't want to run afoul of the fiscal year just  
18 because we haven't really worked this through  
19 and they say give me a break. What about the  
20 this, that and the other thing.

21 I think maybe it's reasonable to  
22 have the bidders have a chance to participate  
23 in the development of that paperwork too. I  
24 don't know whether that's right or not. Just

1 as long as we really got that nailed down so  
2 there's no ambiguity about the trigger  
3 mechanism when the time comes.

4 I have a bunch of word changes,  
5 which I will give to you later on. Anything  
6 else on your agenda?

7 COMMISSIONER MCHUGH: I had one  
8 substantive question that I overlooked and  
9 that's on page 11 of this form in which we are  
10 talking about -- this is part of the  
11 instructions, introductory presentation.

12 We talk about the presentation  
13 that's going to be about two weeks after the  
14 thing is filed, limited to 90 minutes. But  
15 then it says no question will be asked of the  
16 applicants during the presentation. Where does  
17 that come from? I missed that before.

18 COMMISSIONER CAMERON: We did talk  
19 about that. And I know Executive Director Day  
20 had some thoughts that that would not be a time  
21 for questions. It really would be the  
22 presentation itself. Am I remembering that  
23 correctly, Executive Director?

24 MR. DAY: Yes, I do. I remember the



1 discussion. And the idea was the 90-minute  
2 presentations by the applicants. And they're  
3 just presenting their proposal to the  
4 Commissioners. And then the next applicant  
5 would present theirs. The information is  
6 standard. The Commission wouldn't be in a  
7 place where you're asking some questions of  
8 some applicants and not asking questions of the  
9 other.

10 It would be that purpose to let them  
11 draw the picture of the application really for  
12 informational purposes, to let the process get  
13 it started with the evaluation.

14 COMMISSIONER MCHUGH: Thank you.  
15 So, if questions arose and that would be  
16 something for the Commissioners to think about  
17 during the evaluation process and then  
18 ultimately bring back to the public hearing if  
19 the evaluation process didn't provide the  
20 answers.

21 MR. DAY: Correct.

22 COMMISSIONER MCHUGH: Okay.

23 CHAIRMAN CROSBY: I was struck by  
24 that language too. And I think that makes

1 sense as a general principle. But I wonder  
2 whether we actually want to make it so that we  
3 can't ask a question.

4 Something might come up where we  
5 want to ask a question notwithstanding the  
6 points you're making, just some point of  
7 clarification, for example. I think  
8 substantively you're making a very important  
9 point, but I don't know whether we should take  
10 away our option of asking a question if we want  
11 to that we decide is a harmless question to  
12 ask.

13 COMMISSIONER MCHUGH: Or a question  
14 that is I didn't understand that.

15 CHAIRMAN CROSBY: That's what I'm  
16 saying, a point of clarification.

17 COMMISSIONER MCHUGH: I don't know.

18 MR. DAY: It just seems like it'd  
19 end up -- whether we have to take away that  
20 ability or not, it may not be necessary but I  
21 think the concept that if there's a  
22 clarification question asked, it seems like the  
23 Commission would have to be very careful not to  
24 ask it differently of different applicants.

1       Make sure that question was asked of all of the  
2       rest of the applicants as well. Maybe there's  
3       a process.

4               COMMISSIONER CAMERON: How well they  
5       explain is part of the evaluation process.

6               COMMISSIONER MCHUGH: Yes, to be  
7       thoroughly confused at the end of the  
8       presentation --

9               COMMISSIONER CAMERON: Yes, that  
10      would be taken into consideration.

11              COMMISSIONER STEBBINS: It doesn't  
12      bode well.

13              MR. DAY: Maybe that's the idea that  
14      it's their opportunity to paint the picture  
15      that they want to be painted of the application  
16      and the evaluation process go forward.

17              COMMISSIONER MCHUGH: Right. Okay.

18              CHAIRMAN CROSBY: You could say no  
19      questions other than those of clarification  
20      just to give us the flexibility if we need it.

21              COMMISSIONER MCHUGH: I would feel a  
22      little more comfortable with that too, even  
23      though we didn't use it.

24              CHAIRMAN CROSBY: Yes, right. Okay.

1 I hadn't thought about it at all but I think  
2 it's a really good principle. Any other  
3 questions, issues? I think this is a great  
4 job. It's going to blow everybody's minds, but  
5 you've really given us the tool to standardize  
6 the review. And if people comply, which  
7 they'll have to, it will make the process of  
8 evaluating these things infinitely more  
9 manageable. I think it's great.

10 COMMISSIONER MCHUGH: Yes. And I  
11 think that in addition to that it's a very  
12 innovative approach to the little summary and  
13 then the attachments. And the way the  
14 electronic submission is described on pages  
15 eight and nine, I think, really is going to be  
16 enormously helpful in getting things out the  
17 door quickly. And putting people on notice  
18 that unlike the last time, if you don't put the  
19 label on there, you've waived your rights. And  
20 I think it's great.

21 COMMISSIONER STEBBINS: I think the  
22 checklist approach is also going to allow that  
23 additional license department review to go  
24 through and make sure we have the basic

1 information and hopefully shave off some time  
2 there, not that they wouldn't leave a box  
3 unchecked, but make sure we know we have all of  
4 the documents in line. It's a great job.

5 CHAIRMAN CROSBY: Okay. You're done  
6 with that item on your agenda?

7 MS. BLUE: That's right, yes.

8 COMMISSIONER MCHUGH: So, what would  
9 the next step be? We would consider this.  
10 You'd go back and do whatever else needs to be  
11 done, circulate it again. And then we'd  
12 formally approve it at our next meeting. Is  
13 that the plan?

14 MS. BLUE: Yes, that would be our  
15 proposed plan.

16 COMMISISONER MCHUGH: Okay.

17 CHAIRMAN CROSBY: Okay, great. In  
18 the context of the evaluation of the  
19 application, I wanted to talk a little bit  
20 about the evaluation criteria. I circulated  
21 that memo, my memo from Atlantic City the other  
22 day, yesterday. If you've had a chance to read  
23 it --

24 COMMISSIONER STEBBINS: I didn't

1 have a chance to review it.

2 CHAIRMAN CROSBY: We might want to  
3 clarify some of the evaluation criteria. And  
4 we can talk about it a little bit now if you  
5 want to.

6 COMMISSIONER MCHUGH: Sure.

7 CHAIRMAN CROSBY: Several things  
8 that struck me. The whole iGaming business, we  
9 do have one clear question about iGaming. And  
10 I think it talks about how do you plan to  
11 protect your market given the context evolving.

12 But I wonder whether we should ask  
13 people for their iGaming strategies. It's not  
14 legal in Massachusetts yet. But I think  
15 knowing what they're thinking about iGaming  
16 might be a criteria that we find very useful.  
17 So, that was one.

18 A second one is how do they plan to  
19 market? The casinos in other jurisdictions  
20 that presently have working relationships with  
21 Massachusetts citizens, we want to repatriate  
22 those dollars. That's one of the whole all  
23 points here. And they're going to be doing  
24 everything they can keep the dollars going to

1       their current casino. That's fine.

2               But they've got these databases of  
3       information that we -- frequent player credits  
4       and so on so forth where they will have a  
5       tremendous head start. There's probably  
6       millions of people, certainly hundreds of  
7       thousands of Massachusetts citizens in other  
8       people's databases by now. And I wondered  
9       whether we would want to specifically ask how  
10      do you market against that? That would be  
11      another criteria I think we would find very  
12      interesting.

13             The third thing that came to my mind  
14      -- All of these things were things we've talked  
15      about. They just kind of crystallized when I  
16      was at this conference. -- the declining  
17      revenue that's going to gaming as opposed to  
18      other amenities as a share of total revenue for  
19      these facilities is pretty dramatic.

20             And we've talked a lot about a  
21      destination resort casino, although as I've  
22      said in this memo, I've learned now that  
23      there's another phase. There's convenience  
24      casinos. There's destination resort casinos.

1 And there's now as some people refer to as city  
2 integrated casinos or it could be region. It  
3 doesn't have to be just a city. Something that  
4 your facility is marketing the whole area.

5 You're marketing Boston. You're  
6 marketing Springfield. You're not marketing  
7 your casino and collaborate. We've talked a  
8 lot about that. But everybody is beginning to  
9 be sensitive to this because now that the  
10 market is saturated you need other  
11 distinguishing characteristics. It isn't  
12 enough just to have good table games and slots  
13 because everybody's got them. So, how do you  
14 get people to come to your facility?

15 So, I'm wondering whether we ought  
16 to tighten or sharpen that request for  
17 strategy. In a saturated market how do you  
18 market the whole region? And how do you  
19 anticipate revenues protect against the decline  
20 in competition or something like that.

21 I think those were the primary  
22 thoughts that I had.

23 COMMISSIONER CAMERON: I thought all  
24 of them were good. We are looking to find the



1 differences between very good proposals. And  
2 those kinds of questions -- I thought on page  
3 62 was where we talked about iGaming. An  
4 additional question there would be appropriate.  
5 Not only describe how do they maintain but what  
6 are their a real ideas about iGaming and  
7 incorporating it.

8 CHAIRMAN CROSBY: Right. So, I'll  
9 propose some language to amend the evaluation  
10 criteria, sharpen the evaluation criteria along  
11 these various points. I'll send you my memo.  
12 I gave it to Rick, but I didn't give it to you  
13 guys. Okay.

14 Do we have anything else? I don't  
15 think we do. Anybody else, questions?

16 Okay. Let's adjourn and have lunch.  
17 Thank you, everybody. Great job.

18  
19 (Meeting adjourned at 12:57 p.m.)  
20  
21  
22  
23  
24

ATTACHMENTS:

1. Massachusetts Gaming Commission May 30, 2013 Notice of Meeting and Agenda
2. Massachusetts Gaming Commission May 16, 2013 Meeting Minutes
3. Massachusetts Creative Economy Presentation
4. Massachusetts Gaming Commission 5-22-2013 Region C Draft Schedule
5. Massachusetts Gaming Commission Highlights of Revised Draft Region C Schedule
6. Massachusetts Gaming Commission Highlights of Revised Draft Category 1 and Category 2 Schedules
7. Massachusetts Gaming Commission 5-22-2013 Summary Schedule Update
8. Massachusetts Gaming Commission Evaluation Plan Category 1 & 2 License Applications
9. Massachusetts Gaming Commission Evaluation Process
10. City of Everett Voter Notification
11. Massachusetts Gaming Commission RPA Grant Agreement Form

ATTACHMENTS (continued):

12. Massachusetts Gaming Commission RPA Letter  
of Authorization
13. Biography Data for Robert Hubbard
14. Massachusetts Gaming Commission Draft  
RFA-2 Application for Category 1 or  
Category 2 Gaming License

SPEAKERS:

GUESTS:

Helena Fruscio, Executive Office of Economic  
Development

Mary Jordan, Massachusetts Department of  
Agriculture

Catherine Deronde, Massachusetts Department of  
Agriculture

Richard Hubbard, Gaming Policy Advisory  
Committee

MASSACHUSETTS GAMING COMMISSION STAFF:

Catherine Blue, General Counsel

Richard Day, Executive Director

Todd Grossman, Staff Attorney

John Ziemba, Ombudsman

## 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 2nd day of June, 2013.



LAURIE J. JORDAN

My Commission expires:

Notary Public

May 11, 2018