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THE COMMONWEALTH OF MASSACHUSETTS  
MASSACHUSETTS GAMING COMMISSION

OPEN MEETING

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Gayle Cameron

James F. McHugh

Bruce W. Stebbins

Enrique Zuniga

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JUNE 5, 2012, 1:00 p.m.

OFFICE OF THE DIVISION OF INSURANCE

First Floor, Hearing Room E

1000 Washington Street

Boston, Massachusetts

1 JUNE 5, 2012

2 PROCEEDINGS:

3

4 CHAIRMAN CROSBY: I am going to call to  
5 order our June 5, 2012 meeting, our ninth, I believe. We  
6 are streaming live on the Web, which we hope to continue  
7 doing at least most of the time.

8 I think we will start out with the approval  
9 of the minutes from our meeting on the May 29.  
10 Commissioner McHugh?

11 COMMISSIONER MCHUGH: The meetings (SIC),  
12 Mr. Chairman, are posted on the website. They were  
13 circulated to all of our colleagues. I would move that  
14 they be approved.

15 COMMISSIONER ZUNIGA: I actually have a  
16 comment.

17 COMMISSIONER MCHUGH: Okay.

18 COMMISSIONER ZUNIGA: Page two, the second  
19 to last paragraph, second to last sentence it says  
20 Commissioner Cameron asked if this would preclude her or  
21 another Commissioner from being involved in the hiring of  
22 certain positions. It goes onto say that Commissioner  
23 Zuniga suggested that this discussion be tabled.

24 I suggest we reflect in the minutes what  
25 should be in the transcript, which was that I stated that

1 such a policy would not preclude the designation of  
2 anybody to be the hiring manager, whether that be any of  
3 the Commissioners, or the Chair as was later discussed and  
4 decided to be the hiring manager for an administrative  
5 position.

6 CHAIRMAN CROSBY: I think it was clear that  
7 even if there were another hiring manager, that would not  
8 preclude any of the other Commissioners from being very  
9 involved as much as they want.

10 COMMISSIONER ZUNIGA: Precisely. That's  
11 just a clarification. The way it reads, it makes it seem  
12 like her comment was overlooked, and it wasn't.

13 CHAIRMAN CROSBY: Right. Good point. I  
14 noticed that too. Any other comments on the minutes?

15 Then with the one adjustment that  
16 Commissioner Zuniga, all in favor? I.

17 COMMISSIONER ZUNIGA: I.

18 COMMISSIONER MCHUGH: I.

19 COMMISSIONER CAMERON: I.

20 COMMISSIONER STEBBINS: I

21 CHAIRMAN CROSBY: All opposed? The I's  
22 have it.

23 Administration 3A, executive search firm,  
24 the search for our acting executive director,  
25 Commissioner Zuniga, anything to report?

1                   COMMISSIONER ZUNIGA:  Yes.  We are in the  
2 period of questions as reflected in the request for  
3 responses.  The period of questions comes to an end  
4 tomorrow, June 6.  The questions have to be posted by June  
5 8.

6                   CHAIRMAN CROSBY:  The answers?

7                   COMMISSIONER ZUNIGA:  The answers to those  
8 questions.  And there is a particular question -- We  
9 received two questions.  One question is very  
10 straightforward, I think.  But there is one I think we  
11 should discuss today because the next time will be passed  
12 in response period.

13                   The question has to do with one firm that  
14 asked whether the salary for the Executive Director  
15 permanent would be in the neighborhood of \$125,000.  It  
16 is nowhere to be ascertained from the RFP from the  
17 solicitation.

18                   It is clear to me that the reason they are  
19 asking this question is because that in this industry  
20 determines the level of compensation that they will  
21 themselves be able to obtain.  There is a 30 percent  
22 customary fee for the executive search firm that is  
23 dependent on the executive salary that is being searched  
24 for.

25                   Again, the way the question is posed to us,

1 it appears to me to be so that they make a decision as to  
2 whether they submit a cost proposal or not.

3 My reason to bring this up is because we are  
4 silent in the level of compensation, and we have made no  
5 assumptions as to what that level may be. It may be  
6 incumbent upon us to address this silence especially as  
7 it relates to how that factors into responses.

8 CHAIRMAN CROSBY: We have gone out of our  
9 way to take extra time to make sure we have as broad a net  
10 as possible. I would certainly say that -- certainly  
11 there is not anything about \$125,000. So, you can be  
12 definitive about that.

13 I think we talked amongst ourselves many  
14 times that we will be competitive with whatever it takes  
15 to get the best people. Assuming that that is in line with  
16 comparable positions across the country and in comparable  
17 jurisdictions, I think we pretty much discussed we pay  
18 what the market would appropriately bear.

19 Just for the record and for the Public to  
20 know, I talked about that with the Governor before I took  
21 this job. He said that we thought it was going to be  
22 important. We understood that our compensation was set  
23 by statute, but we would pay what was appropriate in the  
24 marketplace. And he was comfortable with that.

25 Certainly, just off the top of my head,

1 certainly saying something very strong to that effect but  
2 also saying that we are not adverse to any kind of a  
3 compensation structure. It doesn't just have to be a  
4 contingent fee. It could be or something else if they  
5 felt more comfortable with that.

6 COMMISSIONER ZUNIGA: Yes. There is  
7 another section in the RFR where we made that very clear  
8 that it could be a lump sum. It could be a contingent fee.  
9 Essentially, we are asking respondents to propose how they  
10 would like to be compensated. That would be one of the  
11 criteria for evaluation.

12 COMMISSIONER MCHUGH: Why don't we answer  
13 the question -- I mean include that in the answer.

14 COMMISSIONER ZUNIGA: Very well. I just  
15 wanted to bring it up.

16 CHAIRMAN CROSBY: Is there any  
17 disagreement at all with the way I characterized it?

18 COMMISSIONER CAMERON: No. I think  
19 industry-standard is we are going to be competitive is  
20 enough information.

21 CHAIRMAN CROSBY: Anything you can tell  
22 from interest as to whether there will be more than two  
23 this time?

24 COMMISSIONER ZUNIGA: There seems to be  
25 additional interest, but it is hard. We only have got two

1 questions from two different people, two different firms.

2 So, we shall see.

3 CHAIRMAN CROSBY: Anything else on that?  
4 So, it is closed on June 13. And we would make a decision  
5 on the firm as quickly as possible thereafter, and then  
6 be in the market?

7 COMMISSIONER ZUNIGA: That's right.

8 CHAIRMAN CROSBY: 3B, additional hires.  
9 The principal one is this senior administrative person we  
10 talked about. The title we have used are anything from  
11 director of administrative services to transition  
12 start-up manager.

13 We agreed last time at the last meeting that  
14 I would be authorized to go forward as the hiring manager  
15 subject to the drafting and eventual approval of the job  
16 description.

17 Commissioner Zuniga and I worked on this  
18 quite a bit. And I think we completely agree on this  
19 general description.

20 The one issue that we talked about at our  
21 meeting last time for quite some time was whether or not  
22 this could be an interim position. You can see that we  
23 have said that it is preferred that it be interim. But  
24 there is the option that we may have to negotiate with the  
25 person if they don't want to do an interim or they can't

1 do an interim. And we have made that very clear to all  
2 of the candidates.

3 Are there any questions or issues or  
4 anything about the job description?

5 COMMISSIONER MCHUGH: I think, Mr.  
6 Chairman, that it covers what we need to have done here.  
7 It is a thoughtful comprehensive description of what we  
8 need at the moment, the sooner the better.

9 CHAIRMAN CROSBY: Right. I don't think we  
10 need a motion. Do we need a motion to adopt this?

11 COMMISSIONER MCHUGH: I don't think so. I  
12 think it is just a description. Have a consensus around  
13 it, yes.

14 CHAIRMAN CROSBY: So, consensus. We have  
15 agreed on some very strong candidates and we will get  
16 moving on those right away.

17 Next is internal gaming commission  
18 policies. Commissioner Zuniga, do you want to take the  
19 ball on this?

20 COMMISSIONER ZUNIGA: Sure. I have done a  
21 little research on policies that may be available to us  
22 in terms of employee handbook models out there that either  
23 have been recently overhauled or updated. Or there is  
24 quite a bit of nexus to this Commission because there is  
25 similar agencies like ours.



1 I have included in the packet just a table  
2 of contents of the Life Sciences -- The Mass. Technology  
3 Collaborative, which organization did what appears to me  
4 after going through their handbook, a holistic and  
5 thoughtful compilation of their policies.

6 Several of these could be easily adopted by  
7 the Commission. There are a few that would have to be  
8 reviewed, because they may not necessarily apply or they  
9 are discretionary. With these, the Treasurer's policies  
10 and others, I believe we have a really good library to  
11 start compiling our own employee policies. I can make  
12 those available to the rest of the Commissioners.

13 I think also that the way they structured  
14 these in the relevant sections, policies, employment,  
15 compensation, benefits has also been a very -- it appears  
16 to me to be a very positive way to think about it.

17 CHAIRMAN CROSBY: This came highly  
18 recommended as a very thoughtful and as you mentioned and  
19 you noticed on the email that they are updating it, MTC  
20 is updating it. So, we can get the next round as well.

21 I guess one question is are there things in  
22 here that we really need to debate? Are we going to want  
23 to talk about how we handle whatever, leave, vacation?  
24 Are we covered pretty much automatically by State policies  
25 or do we have discretion?

1                   COMMISSIONER ZUNIGA: I was just looking at  
2 the normal hour week for them, by the way, is a 40-hour  
3 week. The State on hours is currently at 37 1/2-hour  
4 week, which is a very small difference. But we would be  
5 adhering to the State policies as a State agency.

6                   Essentially many of them, there is a nexus  
7 to the State framework, use of technology, medical leave,  
8 sick time, etc. A lot of these can really be -- plus, by  
9 the way, the benefits are really similar if not altogether  
10 the same that the State offers, flexible spending,  
11 insurance benefits and other form of unemployment  
12 compensation and the like.

13                   COMMISSIONER MCHUGH: Maybe the quickest  
14 way to do this is, as Commissioner Zuniga said, we have  
15 the Treasurer's policies. We've got a whole set that the  
16 AG gave us that they just revised as of March '12, this  
17 year. These, which have just been done, which are really  
18 very thoughtful and comprehensive as are the other ones,  
19 would be to sit down and create from those a group for this  
20 group to look at. And highlight in the process the ones  
21 we need to talk about, because there will be a lot of them  
22 that are just the same from agency to agency and required  
23 by law.

24                   And we could have that in fairly short  
25 order, highlight the things in advance that we need to talk

1 about, make those changes and then have a complete  
2 handbook up and ready to go quickly.

3                   COMMISSIONER ZUNIGA: On that note, there  
4 is a section here relative to employees' responsibilities  
5 that may have a nexus to our enhanced code of ethics. So,  
6 some of those could clearly be at least placed on hold  
7 until that code of ethics is really discussed and  
8 implemented.

9                   CHAIRMAN CROSBY: Plus this can be changed.

10                  COMMISSIONER ZUNIGA: It could evolve. It  
11 could be enhanced.

12                  CHAIRMAN CROSBY: I am sure it will. I  
13 agree with Commissioner McHugh. Why don't you just take  
14 a stab in pulling together what you think is the best  
15 version from the two or three samples we've got. You can  
16 take one or merge them or however you want to do it.

17                  And then I think we do all need to take the  
18 time to read it and identify anything where there is enough  
19 discretion that we really need to talk about it.

20                  For the audience, this is either our ninth  
21 or 10th week, I forget which. We are still spending a  
22 disproportionate amount of time just getting up and  
23 running as an organization, independent of the gaming  
24 stuff. This isn't what we expect be spending a lot of our  
25 time in due course. But at the moment, we still have to.

1 I think it seems like everybody is with the  
2 program. And I really appreciate that you take the time  
3 to move this kind of thing forward. Why don't you take  
4 a stab at it and we will look at it as quickly as possible.

5 COMMISSIONER ZUNIGA: Will do.

6 CHAIRMAN CROSBY: Are there others in the  
7 pipeline that we need to talk about besides the background  
8 check, which we will get to, Commissioner Zuniga?

9 COMMISSIONER ZUNIGA: No. This was all  
10 general employment policies.

11 CHAIRMAN CROSBY: Great. Commissioner  
12 McHugh, the 268A disclosure?

13 COMMISSIONER MCHUGH: This ties in, Mr.  
14 Chairman, to the promulgation and focus on employment  
15 policies.

16 Under General Laws Chapter 268A Section 6,  
17 all State employees are prohibited from participating in  
18 a particular matter in which they have a financial  
19 interest. That plays itself out -- without getting  
20 approval of their appointing authority. That plays  
21 itself out in the promulgation of policies that may affect  
22 things like vacation time, compensation levels, benefits  
23 and the like.

24 We are now about to embark on the  
25 promulgation of personnel policies. Those will touch on

1 those things. So, to be perfectly safe, we all need to  
2 have a set of disclosures given to our appointing  
3 authorities and make sure that they are aware of what we  
4 are doing and approve of what we are doing and think that  
5 we are capable of doing it.

6           The statute also applies to special State  
7 employees. So, I have a set of disclosures that Anderson  
8 and Kreiger employees made to us that we need to approve.  
9 We also need to think about disclosures made by other  
10 employees of ours who may be involved in the same effort.

11           I would propose, Mr. Chairman, and would  
12 move that the Commission authorize you to make the  
13 determinations required by Chapter 268A Section 6 that the  
14 interest that the employees have as special State  
15 employees and Commission employees, that the interest  
16 that they have when properly disclosed on the appropriate  
17 form are or are not insubstantial enough to permit the  
18 employee to continue working on the particular matter that  
19 is involved.

20           In this case, it would simply be the  
21 promulgation of employment policies and vacation  
22 policies. When we get to the code of ethics, the enhanced  
23 code of ethics, it maybe investment policies that those  
24 provisions will govern. And that you be charged with  
25 responsibility for making that determination and

1 certifying that you have done so to the employee and to  
2 the State Ethics Commission in accordance with the  
3 statute.

4 CHAIRMAN CROSBY: Is there some reason why  
5 we shouldn't -- For example, we have this one form Steve  
6 Anderson?

7 COMMISSIONER MCHUGH: Right, and that is  
8 there as a model for all of the rest. All of the rest from  
9 Anderson and Kreiger will look the same.

10 Ours will be slightly different but they  
11 will follow the same course. Let me come to ours in a  
12 minute, because we need to do something separate with  
13 respect to ours.

14 CHAIRMAN CROSBY: Your proposal is that for  
15 our special employees or employees that I would  
16 independently make those judgments?

17 COMMISSIONER MCHUGH: Yes.

18 CHAIRMAN CROSBY: I am wondering why those  
19 should not be Commission judgment?

20 COMMISSIONER MCHUGH: It is simply a matter  
21 of -- It could easily be Commission judgment, but it's a  
22 matter of efficiency.

23 I would think that any that raised a  
24 significant issue in your mind should be discussed here  
25 at the Commission level, but a number of these are going

1 to be fairly routine. And I see no reason why in terms  
2 of administrative efficiency you could not be charged with  
3 making that determination.

4           If you prefer not to, we can do it another  
5 way. Or if the Commission prefers not to, we can do it  
6 a different way.

7           CHAIRMAN CROSBY: I actually think that  
8 Judge McHugh would be the better designee. You have the  
9 judicial differential temperament and perspective. I  
10 say that facetiously. I think you have a great instinct  
11 on things.

12           I think we would all probably do this about  
13 the same way but this does matter. It is not just routine.  
14 I think you do have a sensitivity to issues like this that  
15 is finer than any of the rest of ours. I think I would  
16 have more confidence in you being the filter than in me,  
17 frankly.

18           COMMISSIONER MCHUGH: I disavow any  
19 particular expertise. I will be governed by the  
20 Commission's disposition.

21           It really is simply a matter of  
22 administrative efficiency. I don't want to downplay the  
23 importance of this. This is important stuff. We  
24 obviously are taking it seriously. But some issues are  
25 going to be more complicated than others and we will need





1 need a motion to that effect, which I'm not going to make.

2                   COMMISSIONER ZUNIGA: I will move because  
3 I also concur with Commissioner Cameron and the Chair that  
4 this issue be delegated to Commissioner McHugh as he sees  
5 relevant to bring to the Commission as those matters may  
6 arise.

7                   COMMISSIONER CAMERON: Second the motion.

8                   CHAIRMAN CROSBY: Any more discussion?  
9 All in favor? I.

10                   COMMISSIONER ZUNIGA: I.

11                   COMMISSIONER MCHUGH: I.

12                   COMMISSIONER CAMERON: I.

13                   COMMISSIONER STEBBINS: I

14                   COMMISSIONER MCHUGH: For us, Mr.

15 Chairman, I have prepared forms that I will distribute  
16 after this meeting. And each of us needs to file a similar  
17 form with our appointing authority.

18                   In the case of two us that means three forms  
19 will have to be filed. I am trying to see if we can  
20 streamline that process to have one filed with someone who  
21 will be authorized to act for all three. That may not  
22 happen. I am working on that.

23                   By the time I need to file these, I will have  
24 hopefully an answer. If not, we will just file with the  
25 three and work forward from there. That does not need a

1 vote. That's an individual obligation on the part of each  
2 of us.

3           CHAIRMAN CROSBY: Again, just for the  
4 Public to know, we are going to be writing our own benefits  
5 policies. We are going to be talking about our vacation  
6 schedules and stuff like that. In order to make sure that  
7 everything is appropriate, there is an obligation that if  
8 you are doing something which affects your own particular  
9 interests that you need to reveal that to your appointing  
10 authority.

11           Since our appointing authorities are all of  
12 these different appointing authorities, we will be  
13 telling the Governor and the Treasurer and so forth so that  
14 somebody is watching to make sure that we do the proper  
15 objective job in writing our own benefits packages.

16           COMMISSIONER MCHUGH: Those benefits  
17 packages are really going to be part of the overall  
18 employment policies. The point is we inevitably benefit  
19 from the employment policies we promulgate and are  
20 governed by those policies.

21           CHAIRMAN CROSBY: That's great. Okay, 3E,  
22 background checks standards and process. A couple of  
23 things on this, we have made clear for a long time that  
24 we will require background checks of all employees. We  
25 have added to that now that we will also not announce any

1 employees until those background checks are completed,  
2 successfully completed.

3           But number one, I just wanted to reiterate  
4 so that everybody knows this is has been our policy almost  
5 since we first began with the addition now of not  
6 announcing any names in advance.

7           We also have Commissioner Cameron because  
8 of her law-enforcement experience to take the lead on  
9 looking into what are best practices across the country  
10 at other law-enforcement agencies, at other regulatory  
11 agencies, gambling regulatory agencies because  
12 oftentimes there is tiering that some levels of employees  
13 get one kind of check. Other levels, much more junior  
14 people get a different kind of check.

15           I think she is in the midst still of talking  
16 to our consultant and doing a lot of research on that. And  
17 within the next week or two, will come back with a proposal  
18 that will suggest what level of tiering, if any, there  
19 should be. Until we come up with the tiering, do we have  
20 one or two --

21           COMMISSIONER CAMERON: We are working with  
22 one standard right now and a separate standard for our  
23 consultants for corporate background investigation.

24           CHAIRMAN CROSBY: So that is ongoing and  
25 that will get pulled together within a week or two, a

1 formal proposal will come in within a week or two. In the  
2 meantime, Commissioner Cameron and I have been talking  
3 about a couple of the issues, which she's been looking into  
4 which are the issues of whether we should require  
5 fingerprinting and drug testing for all of our employees.

6 I have come to the conclusion that although  
7 that is not necessarily standard operating procedures at  
8 a lot of similar kinds of areas -- jurisdictions that given  
9 the kinds of impressions that we want to make about the  
10 work we are doing, I think it is my instinct that we should  
11 require fingerprinting and drug testing of all of our  
12 employees at every level. That's my own personal  
13 opinion. Commissioner Cameron will take it from there.

14 COMMISSIONER CAMERON: Mr. Chair, I have  
15 been doing some research, speaking to our consultants,  
16 speaking to others at gaming commissions around the  
17 country about their policies and procedures.

18 Certainly, we would be in the minority to  
19 adopt an initial drug screen as a condition of  
20 pre-employment. But, it is done in some cases and the  
21 interest of us starting off in a conservative, cautious  
22 manner, I would concur with you that this is not  
23 unreasonable. And that we can easily adopt this policy  
24 of a comprehensive background investigation to include  
25 fingerprinting and an initial drug screening with all of

1 our employees.

2 I think it sets the right tone and it is not  
3 unique. It's just not something commonly practiced. I  
4 am very comfortable that that is a standard that we can  
5 or I am agreeing with you that we can do and it makes a  
6 lot of sense for us to do that.

7 CHAIRMAN CROSBY: Okay. Other thoughts,  
8 reactions?

9 COMMISSIONER MCHUGH: I defer to  
10 Commissioner Cameron, to you Mr. Chairman. I think  
11 starting out in the safest way we can with pre-employment  
12 checks of these kinds would be a useful way for us to move  
13 forward.

14 CHAIRMAN CROSBY: Anything else?  
15 Commissioner Stebbins? I think this one should be a  
16 formal motion. It's important. So, do you want to make  
17 the motion?

18 COMMISSIONER CAMERON: I make the motion  
19 that we adopt a policy of a comprehensive background  
20 investigation as well as an initial fingerprinting and  
21 drug screening for all new employees for the Commission.

22 COMMISSIONER STEBBINS: Second.

23 CHAIRMAN CROSBY: Any other discussion?  
24 All in favor? I.

25 COMMISSIONER ZUNIGA: I.

1 COMMISSIONER MCHUGH: I.

2 COMMISSIONER CAMERON: I.

3 COMMISSIONER STEBBINS: I

4 CHAIRMAN CROSBY: All opposed? The I's  
5 have it. Good, I think that sets the right tone.

6 Let's move out of order just to make sure  
7 that we are mindful of our consultants' schedule and get  
8 to 5A.

9 Come on up. We are going to have a regular  
10 weekly update from our consultant team, somewhat updating  
11 the Commission but also updating the Public on what has  
12 gone on that work plan.

13 Many of the people here have seen the  
14 16-week work plan that our consultants are working on in  
15 collaboration with our lawyers, Anderson and Kreiger. It  
16 will be checking up against this work plan that the  
17 consultants will be doing each week.

18 We have discussed amongst ourselves, Kathy,  
19 that Jim is -- even though I am technically the project  
20 manager, me or my designee, it makes sense at this stage  
21 of the game to have Jim sort of continue to be the main  
22 contact.

23 When we get some more staff, we will move  
24 a staff person into this role. But as you are going  
25 through your updating process, Jim is going to be the main

1 point of contact and bring other people into the mix,  
2 Commissioner McHugh, when there is a need to do that.

3           Why don't you introduce yourselves and then  
4 take it from there.

5           MS. O'TOOLE: Thank you, Chairman and  
6 Commissioners. I am Kathleen O'Toole. I am joined by  
7 Mr. Fred Gushin today. We will provide an update on the  
8 activity of the consultants for this past week. With your  
9 permission, we will give a brief overview and then of  
10 course will be available for your questions.

11           CHAIRMAN CROSBY: Great, perfect.

12           MS. O'TOOLE: This week the team focused on  
13 the following activities: First, identifying  
14 regulations needed for the request for application phase  
15 one process. We are referring to that as RFA phase one  
16 process, including research regulations from other gaming  
17 jurisdictions. We have engaged in that benchmarking  
18 process.

19           We have also in continuing to advance the  
20 planning and refine the timeline around the RFA phase one  
21 and related regulations, we have been drafting the public  
22 notice seeking comment on the proposed bifurcation of the  
23 RFA process. In fact, that has been submitted to the  
24 Commission for consideration.

25           We have been reviewing multijurisdictional

1 background forms and determining Massachusetts specific  
2 adjustments that may be required. We have been assessing  
3 the RFA phase one investigations and Enforcement Bureau  
4 staffing requirements and options that will be required  
5 to conduct those investigations.

6           We have been documenting and providing best  
7 practices commentary around requirements set forth by the  
8 Act including first scope of licensing. Second,  
9 mandatory hires, third, revenue sources and fourth, the  
10 hearings and appeals process.

11           Next, we have been identifying the agencies  
12 requiring MOU's. Also, we have scheduled and we have  
13 participated in some initial meetings to understand the  
14 Massachusetts administrative processes including HR, IT,  
15 finance. Mr. Gushin has spent the past two days in town  
16 meeting with representatives of the Commission but also  
17 of representatives of other State organizations that are  
18 responsible for those functions.

19           We have been developing recommendations  
20 relating to near-term hires. And finally, we continue to  
21 work with Anderson and Kreiger, the law firm, to integrate  
22 the legal interpretations with the consultant  
23 recommendations.

24           I must say that those discussions have been  
25 extremely productive and helpful. I think the checks and



1 balances are important and have they been very productive.

2 Deliverables this week have included the  
3 consultant comments on the Gaming Act. The consultants  
4 have worked to break down the Act and provide comments and  
5 interpretation of different aspects of the Act. We  
6 delivered those comments to Anderson and Kreiger for  
7 inclusion in their comments repository.

8 In addition, we have submitted to you the  
9 public notice seeking comment -- the draft of the public  
10 notice seeking comment on the proposed bifurcation of the  
11 RFA process.

12 Finally, other deliverables that are in the  
13 final review stages, some of them are with the law firm  
14 at this point and we should have them to you within the  
15 next few days, are the draft list of regulations needed  
16 for the RFA phase one process, draft memo detailing the  
17 recommended near-term hires and the draft memo detailing  
18 scope of licensing statute requirements and best  
19 practices followed by model jurisdictions.

20 That sums up the week of work. I have to  
21 say that the consultants have been busy. Lots of phone  
22 call exchanges and document exchanges but there certainly  
23 is momentum in the process.

24 CHAIRMAN CROSBY: Great. Any questions?  
25 Just for clarity for people watching, we have talked about

1 an RFP process. We have talked about an RFQ process. We  
2 are now talking about an RFA process.

3 We were talking about the RFP, the request  
4 for proposal, which we would put out to invite people to  
5 apply to become applicants. In the legislation for a  
6 license, the word applicant appears a lot. It is kind of  
7 the way bidders are referred to.

8 And then we talked about an RFQ, which was  
9 going to be the first piece of that RFP process, which was  
10 going to prequalify applicants against probably their  
11 financial wherewithal and their integrity and character.

12 Now I think the consultants have said to  
13 simplify this, let's call it an RFA, a request for  
14 applications. Phase one will be this prequalification.  
15 RFA-1 will be the prequalification.

16 RFA-2, if people get through the  
17 prequalification -- if applicants get through the  
18 prequalification, applicants will then be able to put  
19 together their full-blown proposals around a specific  
20 site. I've got it right, right?

21 COMMISSIONER ZUNIGA: Yes.

22 CHAIRMAN CROSBY: You talked about  
23 near-term hires. Where in the pipeline are you on that?  
24 Also, just one thing we did before anybody started, Janice  
25 and I accumulated org. charts from a bunch of other

1 regulatory agencies just so we can begin to see what we  
2 were likely to need.

3           Where are you on the near-term hires and  
4 where might you be in the org. chart, proposed org. chart  
5 process?

6           MS. O'TOOLE: I will comment first and then  
7 I will handoff to Mr. Gushin. We will have to you within  
8 the next few days a memo that outlines the recommendation  
9 for your near-term hires.

10           In fact, just so you understand the process  
11 that we are undertaking to ensure that there are checks  
12 and balances in the system and all, we have the two  
13 consulting groups, Spectrum Gaming and Michael & Carroll.  
14 We also have the law firm, Anderson and Kreiger. We are  
15 trying to keep the process as efficient as possible.

16           Typically, one of the consulting groups  
17 develops a first draft, sends it to the second consulting  
18 group for a sanity check for additional input. And then  
19 we send it off to the law firm to ensure that they do the  
20 appropriate legal review.

21           So, it takes an extra day or two for that.  
22 In the end, I think the product is much more robust and  
23 much more valuable. So, I will turn it over to Mr. Gushin  
24 to talk in particular about that piece of work and where  
25 it stands. You will be receiving the memo within the next

1 day or two.

2 CHAIRMAN CROSBY: Great.

3 MR. GUSHIN: I think Kathy has accurately  
4 summarized the process that we are going through in terms  
5 of Michael & Carroll. We try in addition to their regular  
6 weekly meeting by telephone, we try to meet with them in  
7 Atlantic City since our office is there and their office  
8 is there once a week or so just to make sure we are staying  
9 on track. They were certainly available at any time.

10 On the near-term hires, this memo will  
11 address what we believe, the collective we, to be the hires  
12 that should be considered by the Commission over the  
13 course of the next three or four months.

14 That will then be overlaid to a broader  
15 table of organization, which we're working on and we're  
16 getting input. There's a lot of variables there. As you  
17 saw from the regulatory agencies, there are many different  
18 approaches. There is no best approach. It really  
19 depends on your statutory mandate.

20 Just for example, your statute requires a  
21 presence in the casino, a full-time presence in the  
22 casino. That can be effectuated a number of different  
23 ways through inspectors, through gaming agents, through  
24 police or some combination thereof. Each of those  
25 options for that example would have budgetary

1 implications.

2                   So, we need to evaluate what best meets both  
3 the regulatory and law-enforcement needs so that the  
4 Commission can carry on its statutory functions.

5                   The way we believe we will be proposing  
6 there is some options so ultimately the Commission can  
7 make a determination as to what best meets your statutory  
8 and practical needs.

9                   This is a changing area. Our general  
10 recommendation and what we will apply here strongly  
11 recommended is start off strong. You can always relax  
12 down the road.

13                   CHAIRMAN CROSBY: In the intensity of  
14 regulation you are talking about?

15                   MR. GUSHIN: Yes, exactly, the staffing and  
16 everything. We can modify that down the road based on  
17 some facts and circumstances as they evolve.

18                   CHAIRMAN CROSBY: Right.

19                   COMMISSIONER MCHUGH: Do you envision that  
20 the recommendations or the options that you present will  
21 have financial projections attached to them?

22                   MR. GUSHIN: Yes, they should because that  
23 is clearly a viable factor to be considered. Indiana has  
24 just removed their State Police last year from operational  
25 functions because of budgetary constraints. Other

1 states have adopted hybrid systems.

2 I think we need to present these options so  
3 that ultimately you can make the decisions. In making  
4 that decision, you have to assess the financial  
5 implications.

6 CHAIRMAN CROSBY: And the compensation  
7 levels of the individuals you might suggest, the ranges,  
8 will be in there too?

9 MR. GUSHIN: In the table of organization  
10 and budget, yes. Mr. Bowman is meeting with Human  
11 Resources. We wanted to establish links with the  
12 different agencies as Kathy mentioned.

13 I must say that the agencies have been  
14 extremely cooperative. They were just so generous in  
15 offering their assistance, which we really appreciate.  
16 There will be a series of meetings, which will take place.  
17 The positions for the Commission have to be classified.  
18 Once they agree and it goes through that bureaucratic  
19 process, we can attach what those budgetary numbers  
20 actually are.

21 COMMISSIONER MCHUGH: That's great.

22 CHAIRMAN CROSBY: The senior most  
23 position, the executive director we have already talked  
24 about. But I would assume probably also some of the  
25 other, the CFO, the senior most licensing and enforcement

1 person, General Counsel, some of these may or may not be  
2 consistent -- may not be able to match -- We may not be  
3 able to get the people we want at levels that are in our  
4 normal State system. So, you are not going to just adopt  
5 what the State says and say this is what we are stuck with?

6 MR. GUSHIN: No. We will give you our  
7 input. In New Jersey, the director of gaming enforcement  
8 is an Assistant Attorney general and that is governed by  
9 the parameters.

10 In the Nevada Gaming Control Board they are  
11 falling within certain statutory parameters.

12 Pennsylvania is a different situation. Their salaries  
13 are a little higher than most of the rest of the country.

14 We just did Ohio and were constrained by the  
15 budgetary constraints that State government sometimes  
16 requires.

17 So, we will make recommendations but I don't  
18 think they can be made in a vacuum. If there is consensus,  
19 which I heard earlier that you want to get the best people  
20 at a competitive price that makes that process more viable  
21 in attracting national candidates.

22 COMMISSIONER ZUNIGA: I have a question  
23 relative to the RFA or rather the draft list of regulations  
24 for the RFA. Is that envisioned as the first phase that  
25 we were talking about at some point, the RFQ, RFA-1? And

1 you can give us an idea of those regulations and that  
2 timeframe. I know it is forthcoming, but speak to that.

3 MR. GUSHIN: I think that has to be a top  
4 priority because the process cannot be opened until the  
5 regulations are in place, until the applications are  
6 approved, until there is a game plan to implement the scope  
7 of licensing.

8 It sounds so easy who has to file, but we  
9 have been through this in so many different jurisdictions.  
10 We might have a view. Your staff, once hired, your  
11 General Counsel may have a view. The industry who has to  
12 file the application may have a different view. Those  
13 types of issues are ultimately -- declaratory rulings are  
14 filed and the Commission will have to make a  
15 determination. Everybody will live by those  
16 determinations. That is a natural process that is going  
17 to take place prior to the applications being filed.

18 We had these similar issues just several  
19 months ago in Ohio and some of the other jurisdictions we  
20 worked in. Everybody has a right to be heard during that  
21 process. Ultimately, these are Commission calls based on  
22 the statutory sections that are relevant.

23 As it relates to the regulations, the  
24 criteria of the statute is broad and has certain clear  
25 criteria but the regulations will implement the statutory



1 language.

2                   Again, there's a process for adopting  
3 regulations where everybody can be heard, comments can be  
4 secured. By the time the process starts, those elements  
5 have to be place. It is critical those elements be in  
6 place.

7                   It is not as critical at this point in time  
8 to have the minimum internal control procedures for  
9 operations. That could go down the road. But there are  
10 critical regulations that need to be in place.

11                   MS. O'TOOLE: The timing of the RFA process  
12 is our number one priority at this point. We have  
13 dedicated a good deal of time to that on our call last week  
14 with Anderson and Kreiger. I expect that we will dedicate  
15 a good deal of time to that again this week.

16                   You will be getting the draft list of  
17 regulations needed for the RFA-1 process in the next day  
18 to two days.

19                   CHAIRMAN CROSBY: Do you have a place in the  
20 work plan now for when RFA-1 will be issued?

21                   MS. O'TOOLE: The timing of all of that --

22                   CHAIRMAN CROSBY: -- you are still working  
23 on.

24                   MS. O'TOOLE: Right. And further  
25 discussion with the Commission. The timing issue is the

1 only outstanding issue right now because we want to make  
2 sure that all of the statutory requirements are met. And  
3 then there will be some discussion on the part of the  
4 Commission.

5                   CHAIRMAN CROSBY: We certainly -- You have  
6 heard there is tremendous interest in people for whom this  
7 issue had been kicking around for a long, long time, as  
8 well as people who want to get jobs generated and want to  
9 get money generated.

10                   We are walking the line as you have heard  
11 us talk about between deliberation and decisiveness. On  
12 an issue like this, there is making sure that we move as  
13 quickly as we can on just doing the paperwork and getting  
14 through the bureaucratic system I think is a priority. I  
15 am sure I speak for everybody.

16                   That really shows people finally after 10  
17 years that this is for real. When RFA-1 is on the street  
18 that is really a big moment. So, we are anxious to get  
19 that going.

20                   MS. O'TOOLE: We have received that message  
21 loudly and clearly from the Commission. So, the  
22 consultants are committed to making it happen as soon as  
23 possible. It's just a matter of working with the law firm  
24 to ensure that all the proper legal boxes are ticked.

25                   CHAIRMAN CROSBY: I am just clear, I am not

1 suggesting for a moment that they not be really as quickly  
2 as we can.

3 Did you meet with some of the State  
4 personnel today?

5 MR. GUSHIN: Yesterday, we met with the  
6 ITD. We also met with the Controller. Today John Bowman  
7 -- Mr. Bowman is meeting with the Human Resources Division  
8 today while this meeting is taking place.

9 The discussions were excellent. We were  
10 very happy. We thought they were really there to help us.  
11 We have been in other jurisdictions where that is not  
12 necessarily the case.

13 CHAIRMAN CROSBY: That is great to hear. I  
14 will pass that along. That is a very important piece of  
15 feedback. Marty Benison in particular is a really,  
16 really special public servant. So, I am glad to hear you  
17 say that.

18 If ever that changes. Let us know and we  
19 will help. But I am pleased to hear that people are here  
20 to help.

21 COMMISSIONER CAMERON: Mr. Bowman has  
22 joined us.

23 CHAIRMAN CROSBY: Welcome. Who was it  
24 that you were meeting with today?

25 MR. BOWMAN: I was meeting with Human

1 Resources today.

2 CHAIRMAN CROSBY: Which people?

3 MR. BOWMAN: The Human Resources  
4 Department, Marty Benison --

5 CHAIRMAN CROSBY: It doesn't matter. I  
6 didn't mean to put you on the spot.

7 MR. BOWMAN: George Debonis.

8 CHAIRMAN CROSBY: Well, we will let them  
9 know. Thank you.

10 MR. GUSHIN: There will be a series of  
11 meetings which will take place subsequent to the  
12 introductory meetings which will put the rubber to the  
13 road.

14 CHAIRMAN CROSBY: Right. Any other  
15 questions, issues?

16 COMMISSIONER MCHUGH: No. This sounds  
17 like it is going well. This is the kind of progress we  
18 need to make and the kind of thoughtful step-by-step fully  
19 supported analysis we need to do to make this thing work.

20 CHAIRMAN CROSBY: You may not be here when  
21 we talk about this item, but Commissioner Zuniga has been  
22 doing some work on getting somebody who can get us our  
23 Gantt chart up and running. It will not be too terribly  
24 long before we will have that, which will be helpful to  
25 all of us.

1 MS. O'TOOLE: We discussed that briefly  
2 with the Commissioner yesterday. And I did a follow-up  
3 discussion with Kristen on our team who said that at the  
4 appropriate time if you are using Microsoft Project or a  
5 similar tool, we will be able to incorporate our work plan  
6 into that.

7 CHAIRMAN CROSBY: That will be the guts of  
8 it. Great. Thank you very much. Appreciate you  
9 coming.

10 Now we can go back to item four, Racing  
11 Division, Commissioner Cameron?

12 COMMISSIONER CAMERON: Yes, Mr. Chair. As  
13 we speak, our racing consultant is interviewing employees  
14 and reviewing policies and procedures at both DPL and race  
15 tracks. She's in town for a few days this week to continue  
16 that review.

17 I was with her this morning where we toured  
18 the State racing testing laboratory in Jamaica Plain this  
19 morning.

20 CHAIRMAN CROSBY: Where is that?

21 COMMISSIONER CAMERON: It is a UMass  
22 building. It is off Washington Street in Jamaica Plain.

23 COMMISSIONER ZUNIGA: Right across Forrest  
24 Hill Station where the overpass of 203.

25 CHAIRMAN CROSBY: Is it just State Racing

1 Commission testing?

2                   COMMISSIONER CAMERON: No. The entire  
3 building is a laboratory building. UMass, all of their  
4 testing facilities are there. Presently, we rent a  
5 smaller laboratory for all the samples that are tested  
6 after every race in both race tracks. So, we learned  
7 about the procedure and were able to ask a lot of  
8 questions.

9                   Again, it is our view of the world that we  
10 would love to implement best practices in racing. This  
11 is the perfect opportunity to explore what is happening  
12 now and have some time during the racing season to evaluate  
13 and be prepared to make recommendations as need be by the  
14 end of racing season this year.

15                   So, all of that is working well. Our  
16 transition will be complete by the end of the racing season  
17 this year.

18                   In conjunction with the operations that are  
19 happening as we speak, in our review of the operations,  
20 I know that Commissioner McHugh is going to brief us on  
21 some of the procedures for adapting permanent  
22 regulations. We have adapted temporary regulations so  
23 that this transition will be efficient and legal. That  
24 would be the second part of this brief.

25                   CHAIRMAN CROSBY: Again, just to remind any

1 Public who are watching, we were mandated to take over what  
2 was called the State Racing Commission on May 20, I think.

3 COMMISSIONER CAMERON: Yes, May 20.

4 CHAIRMAN CROSBY: And we did. Basically,  
5 what we have decided to do was just leave the operations  
6 in place as they are. The racing season is already on.  
7 We didn't want to try to intervene in a bunch of stuff.

8 We are having a consultant take a look over  
9 the course of the next few weeks and months. But for the  
10 most part, we are going to let the operations stay as it  
11 has been through this racing season.

12 And then based on the experience of our  
13 consultant and our own looking around, we may then begin  
14 to think about how to organize or review or whatever. But  
15 for the moment, we are sticking with the existing  
16 operations almost as has been.

17 Commissioner, do you want to talk about  
18 regulations?

19 COMMISSIONER MCHUGH: Surely, Mr.  
20 Chairman. The regulations blend into what you just  
21 discussed. When we took over the State Racing  
22 Commission, we did so with emergency regulations that  
23 allowed us to quickly assume responsibility for all of the  
24 Racing Commission functions.

25 We basically made a decision to keep

1 existing Racing Commission regulations in place until the  
2 end of the year through that emergency process.

3           The emergency process is only good for 90  
4 days. So, we have to make the emergency process permanent  
5 through some permanent regulations. Our proposal is to  
6 issue permanent regulations that will keep the existing  
7 regulations in place under our supervision until the end  
8 of this racing season until we receive the report from the  
9 consultant and we can make some decisions about what  
10 changes to make going forward.

11           So, the permanent so-called regulations  
12 that we issue will be designed to do just that. There's  
13 a seven- or eight-step process that we need to go through  
14 to implement those permanent regulations. The first step  
15 in that is to send a proposed regulation, a copy of which  
16 is in your packets, to send that proposed regulation to  
17 the Local Government Advisory Committee.

18           The Local Government Advisory Committee is  
19 a body that was created by statute consisting of about 40  
20 people, most of whom are appointed by the Governor from  
21 recommendations made by the Mass. Municipal Association.

22           Basically, its function is to take a look  
23 at all changes to regulations and statutes and look at  
24 their potential impact on local governments. That is  
25 sort of the first step. It is an advisory body.



1                   Once we give notice of these proposed  
2 regulations to them, they take a look at it, make any  
3 comments to us and to others about any impact that these  
4 proposed regulations will have on local governments. And  
5 then we move onto the next step.

6                   As I say, the proposed regulation is in your  
7 packet. We have drafted a notice to send to the Local  
8 Government Advisory Committee.

9                   So, I would now move that the Commission  
10 proceed with the promulgation of regulations on or before  
11 August 17, 2012, which is the 90-day deadline, to provide  
12 for the orderly transition of the regulation of the  
13 horseracing, harness racing and all of the other functions  
14 that the State Racing Commission oversaw from the State  
15 Racing Commission to the Gaming Commission, and  
16 substantially the form that the Commission promulgated  
17 emergency regulations on May 17. And that we authorize,  
18 the Commission authorize Commissioner Cameron to take all  
19 of the necessary actions to proceed with the public notice  
20 and hearing process including without limitation the  
21 filing of the attached notice, what is as I say, part of  
22 your packets to the Local Government Advisory Commission.

23                   That is the motion I would make to get the  
24 process started. Then Commissioner Cameron can take the  
25 next steps sequentially to get these regulations moved

1 forward and keep us advised as to the progress of those  
2 steps.

3 CHAIRMAN CROSBY: Is there a second?

4 COMMISSIONER ZUNIGA: Second.

5 CHAIRMAN CROSBY: Either I have lost it or  
6 I don't have it in my package. I don't remember seeing  
7 it.

8 COMMISSIONER MCHUH: I can give it to you  
9 right now, Mr. Chairman. It was supposed to have been in  
10 the packets. The regulations themselves are almost  
11 identical to the regulations.

12 COMMISSIONER ZUNIGA: It was attached to  
13 this.

14 COMMISSIONER MCHUGH: It should have been  
15 part of this packet. It was all stapled together.

16 COMMISSIONER ZUNIGA: It's the third page  
17 of that.

18 COMMISSIONER MCHUGH: Somebody didn't  
19 staple yours the way ours was stapled. Here is the  
20 regulation.

21 CHAIRMAN CROSBY: I got it. Okay.

22 COMMISSIONER MCHUGH: This regulation that  
23 is part of the packet is almost identical to the emergency  
24 regulation that we promulgated to take over the State  
25 Racing Commission functions. The only difference

1 between that regulation and this regulation is that we  
2 removed some broad and open-ended language that referred  
3 to other statutes without naming what the other statutes  
4 were.

5           In this regulation, we have taken out that  
6 broad language so that all members of the Public and all  
7 those who were affected by this regulation will know  
8 exactly where it comes from, what it is based on and what  
9 it does. We don't need that extra broader language.  
10 Otherwise, this is exactly the same as the regulation we  
11 issued before.

12           CHAIRMAN CROSBY: Any discussion? Are you  
13 happy?

14           COMMISSIONER CAMERON: I concur with  
15 Commissioner McHugh. I have spoken to our attorneys  
16 regarding this matter. I concur that this is the best  
17 strategy to take moving forward.

18           So, I am pleased to have the help with this  
19 portion of it. Commissioner McHugh has been very  
20 forthcoming with help on the legal issues. Yes, this is  
21 something I approve of.

22           CHAIRMAN CROSBY: Great. So, that the  
23 emergency regs. last for 90 days. I assume the process  
24 for getting the permanent regs fits comfortably within  
25 that?

1                   COMMISSIONER MCHUGH:  Yes Mr. Chairman.  
2   That is why we are starting now.  And we are leaving  
3   ourselves plenty of time for it if there is any comment  
4   during the comment period.  If there are any  
5   contingencies or things that people think need to be done  
6   or need to be changed, even on a temporary/permanent  
7   basis, we will have time to absorb them.  We will have time  
8   to make those changes.  We will have time to discuss them  
9   at one or more of our meetings.

10                   So, this is a schedule that is designed with  
11   a lot of time in it for thoughtful deliberation to the  
12   extent we need it.

13                   CHAIRMAN CROSBY:  The Commission -- the  
14   advisory body that reviews this is a pre-existing one?  
15   One that already exists set up for the State Racing  
16   Commission?

17                   COMMISSIONER MCHUGH:  No.  It is not for  
18   the State Racing Commission.  It is a broad body that  
19   looks at all regulatory changes, at many statutory changes  
20   and vetts those changes and makes reports to the Governor  
21   and others as to their impact on local government.

22                   It is a piece of State legislation that is  
23   designed to help local governments assess the impact of  
24   broad state regulatory measures on local government.

25                   So, the members of the Commission are, as

1 I say, nominated by the Mass. Municipal Association.  
2 They typically are select people and mayors and town  
3 clerks and others who have an intimate knowledge of local  
4 government and who can assess regulations with a  
5 particular view of local government in mind. So, that is  
6 a clearinghouse, if you will, for regulations.

7 CHAIRMAN CROSBY: Anymore discussion on  
8 the motion? All in favor say I. I

9 COMMISSIONER ZUNIGA: I.

10 COMMISSIONER MCHUGH: I.

11 COMMISSIONER CAMERON: I.

12 COMMISSIONER STEBBINS: I

13 CHAIRMAN CROSBY: All opposed? The I's  
14 have it.

15 We skipped over the field trips. Don't  
16 forget them.

17 COMMISSIONER CAMERON: Those are being  
18 scheduled. Our chief of staff has called out to the  
19 tracks for dates. And I know that is a work in progress.

20 CHAIRMAN CROSBY: Great. Thank you. We  
21 did consultants. We did 5A. Let's go to 5B.  
22 Commissioner McHugh, do you want to talk -- report on the  
23 meeting that we had?

24 COMMISSIONER MCHUGH: 5B?

25 CHAIRMAN CROSBY: The meeting with

1 government agencies, DOT and so forth?

2                   COMMISSIONER MCHUGH: Yes, Mr. Chairman.  
3 One of the things that we need to think about and have begun  
4 to think about is what happens after a license is issued.  
5 There are a whole range of permitting issues that are going  
6 to arise once we issue a license.

7                   It is really important to begin to think now  
8 about creation of a permitting process that will allow the  
9 movement from a theoretical licensed casino or other  
10 facility to something that is in the ground and operating.

11                   There are likely to be permits and plans  
12 that the Department of Transportation has to deal with.  
13 There are likely to be environmental concerns. There are  
14 likely to be zoning concerns. There are likely be Board  
15 of Health concerns. All kinds of agencies need to be  
16 involved in the permitting process.

17                   So, we have begun to raise with the various  
18 State agencies that are likely to be involved in the  
19 secretariat level the thought of having a combined effort  
20 and a combined process for taking care of the permitting.

21                   And we met with a number of the secretaries  
22 a week ago to begin that conversation and to see if we can't  
23 create a plan to allow us to move forward expeditiously  
24 and thoughtfully once the licenses are issued.

25                   There already is in General Laws Chapter 40D

1 an expedited consolidated permitting process for many of  
2 these issues that has been used successfully in large  
3 complex projects. But it does not include some of the  
4 State agencies that are going to have to be involved here.

5           So, the idea would be to take essentially  
6 a Chapter 40D process, broaden it out so that other  
7 agencies were involved and then move forward. So, as I  
8 said, we begun at a higher level those conversations and  
9 found a very receptive audience, I think, and look forward  
10 to further discussions to try and begin to plan that  
11 process with the cooperation of other agencies before we  
12 get to the point where really need it, so that it will be  
13 in place when we do.

14           CHAIRMAN CROSBY: I think that  
15 Commissioner McHugh and I both went to this meeting. I  
16 think interested parties will want to know that we are now  
17 working with agencies to try to make this a streamlined  
18 process.

19           Everybody knows that regulatory issues can  
20 be a barrier to speed. And in the Commonwealth, all of  
21 the secretariats seemed very much committed to making this  
22 a very high priority. This was all just in the nature of  
23 brainstorming, but we talked about the possibility of  
24 using Commission resources to pay for extra help if we  
25 needed to, like we are doing with the State Police in order

1 to get background checks on time. We are spending  
2 Commission money to pay overtime.

3           We can hire other people or use our  
4 resources to make sure that when the applicants actually  
5 get about the business of trying to move this into the  
6 ground that there is an expedited process to make it  
7 happen.

8           So, it was a great positive meeting. And  
9 the Public ought to know that the Governor's people were  
10 very much geared towards this.

11           The other thing that came out of this though  
12 is very interesting question that we have not thought very  
13 much about, which is where in the process does the various  
14 permitting take place? In other words, if you are in the  
15 town of X and you are negotiating arrangement with a host  
16 community, and then the town has to vote on that plan prior  
17 to its coming to the Commission. But in that plan are a  
18 bunch of contingencies, like you're going to fill a marsh  
19 or you are going to build a new access road or whatever.  
20 And those are contingent.

21           And then they don't happen. Then the vote  
22 that was taken, does that vote still count because what  
23 the people voted on was different from what actually  
24 happened?

25           On the other hand, if we were to require





1 it, we could have brought it up when the consultants were  
2 here, because this would be something they dealt with  
3 before all the time. Maybe if you can remember when you  
4 are in communication with them to put that as one of the  
5 things on their list to give us some thoughts on.

6 COMMISSIONER MCHUGH: I think Commissioner  
7 Stebbins --

8 COMMISSIONER STEBBINS: We have wrestled  
9 with this question about how we can assist some of the  
10 potential host communities. In kind of the permitting  
11 pipeline, this issue came up when I was a member of my local  
12 city council, the chicken and the egg. Do you give  
13 approval for something first and then expect it to go  
14 through a State licensing or permitting process?

15 I think communities will want to know what  
16 are the additional steps. It is not just simply what is  
17 the application going to be like when it gets to our table  
18 and essentially a vote on a license application.

19 A lot of the permitting pieces definitely  
20 have benchmarks or size of projects that trigger certain  
21 levels of review, and being able to share that with local  
22 communities so they are aware of it. It is part of the  
23 presentation and the discussion with the local host  
24 communities to say yes, we may vote on this, but please  
25 know that there are these subsequent steps. That type of

1 education piece when we meet with the Collins Center again  
2 might be something to have them help us intervene.

3 CHAIRMAN CROSBY: Is anybody familiar  
4 enough with the law to know do we set the standards of how  
5 far along things need to be done before they get the host  
6 community vote referendum?

7 COMMISSIONER ZUNIGA: I was going to bring  
8 some of my experience on the other side of the State  
9 regulatory level relative to review to this type of  
10 projects from the School Building Authority.

11 They came up with this notion of a detailed  
12 schematic design. The industry recognizes -- the  
13 construction industry has schematic design and then  
14 certain level of detail of construction documents. And  
15 they essentially picked a bit of a midpoint between the  
16 two. It's not detailed construction documents, but it is  
17 not just a drawing with a rendering, etc.

18 That starts to put in specificity relative  
19 to the size, to the location and to those triggers that  
20 you talk about Commissioner, relative to what level of  
21 review, environmental, etc. would have to be anticipated.  
22 It is a bit of a compromise, if you will. And I think it  
23 has been successful for the MSBA.

24 I think it is incumbent upon this Commission  
25 to require that kind of level, an enhanced level of

1 schematic design prior to licensing or approving a first  
2 step of license.

3                   COMMISSIONER STEBBINS: I think this  
4 process would also help the Commission get to a point of  
5 understanding where our designation of impacted  
6 surrounding communities as well.

7                   With things like MEPA there are basic -- You  
8 know the size of the project. You know what is going to  
9 trigger a MEPA review and some of the steps inherent in  
10 that review. The timing of this is key. It would be  
11 interesting to explore what MSBA did with the school  
12 building process to again get a sense of what the initial  
13 project is just beyond the renderings.

14                   COMMISSIONER MCHUGH: Coming back to your  
15 question, Mr. Chairman, which all this discussion is  
16 relevant to, I think we have pretty broad discretion with  
17 respect to what the agreement that is taken to a vote has  
18 to look like. And I think we need to explore with the  
19 consultants -- although this piece is unique to us. I  
20 don't think there are other models across the country for  
21 this kind of a vote.

22                   But I do think we can by regulations specify  
23 what that agreement has to look like and what it has to  
24 contain. So, that both people understand what they're  
25 being asked to vote on and so there is some uniformity

1 across the State in terms of what the disclosures look  
2 like.

3                   CHAIRMAN CROSBY: It is really  
4 interesting. This might be something we can talk about  
5 at our community mitigation. There will be a lot of  
6 people at our November 19, 18 -- June 18, who will have  
7 thoughts about this and also the Collins Center, we'll  
8 talk about that too. It's really quite an interesting  
9 project, an issue that I had not really even thought about.  
10 It is nice to know that two of us do know something about  
11 this.

12                   I did hear back from Secretary Rich Davey  
13 who had actually convened this meeting of all the  
14 secretaries. He called me yesterday with a response,  
15 which I haven't gotten yet. I will follow up on that.

16                   Anything else on 5B? 5C, Commissioner  
17 McHugh.

18                   COMMISSIONER MCHUGH: 5C, agenda item 5C  
19 Mr. Chairman, ties into this process of bifurcating the  
20 application that the consultants talked to us about a  
21 minute ago. We are going to have the RA-1 and RA-2  
22 process. The first one focusing on qualifications of  
23 applicants.

24                   We and they thought that the appropriate way  
25 to begin that process was to send out to all interested

1 parties, post on our website, a notice of an intent to  
2 promulgate rules. So that before we get into the drafting  
3 process, before we get into the process of going into  
4 detail, we can solicit comments from across the State from  
5 all those who may be affected by this that maybe interested  
6 in it in the general idea that we propose.

7           So that we can pick up some thoughts, so that  
8 we can think about things that perhaps we have not thought  
9 about. So that we can begin the drafting process with as  
10 full a range of thoughts and feedback from interested  
11 parties as possible.

12           In your packet, I hope, is a draft notice  
13 of proposed rulemaking -- This is used very often at the  
14 Federal level, not so often at the State level. The model  
15 is the same. -- in which we generally ask people to comment  
16 on our proposed division of the qualifications from the  
17 substance. And ask questions including but not limited  
18 to these: Whether the proposed two-phase regulatory  
19 approach will best serve the interest of the Commonwealth,  
20 its cities and towns, the regulated communities and the  
21 Public. What considerations the Commission should take  
22 into account in developing the proposed regulations.  
23 Whether the proposed regulations will either save costs  
24 or incur more costs. And whether the proposed  
25 regulations will save time or require more time in the

1 context of the overall casino licensing process.

2           We have some views of our own on those  
3 issues. But this is designed to test our views against  
4 those of the general Public and other interested parties.  
5 The comments are not limited to that but those are some  
6 suggested topics we would like to hear about.

7           This letter, if we approve this process--  
8 and I have a motion in a second to see whether we will --  
9 this letter would be distributed broadly, posted and  
10 distributed in a way that it is designed to get it to people  
11 who could provide us with some helpful information.

12           CHAIRMAN CROSBY: Comments, questions?

13           COMMISSIONER STEBBINS: A quick question  
14 with respect to timeline. How long does this notice need  
15 to be in?

16           COMMISSIONER MCHUGH: This is not a  
17 statutory or regulatory device, Commissioner. We can  
18 have it out there as long as we want. That space is blank  
19 there. I think if we left it out for four weeks perhaps  
20 that would be ample time. It would not interfere with the  
21 progress of the consultants' rulemaking and regulations.  
22 We leave it out there for a month.

23           CHAIRMAN CROSBY: They can go ahead and be  
24 drafting as comments come in.

25           COMMISSIONER MCHUGH: Absolutely. They

1 could continue to create the plan and moving forward as  
2 this is out there for comments.

3 COMMISSIONER CAMERON: I think it is an  
4 excellent idea. I think it is really a way of  
5 communicating of what our proposed intentions are. And  
6 it really does clarify the process and ask questions that  
7 are related to this two-stage process. I think it is very  
8 well thought out and a very good idea for us to do something  
9 along these lines.

10 CHAIRMAN CROSBY: I agree. Would it be  
11 useful to add another question which might be do you have  
12 other suggestions for ways to expedite the RFA process?

13 COMMISSIONER MCHUGH: Sure.

14 CHAIRMAN CROSBY: Just an open-ended  
15 request for ideas.

16 COMMISSIONER MCHUGH: Sure. I think that  
17 would be helpful and would indicate that these really are  
18 suggestions and not limited -- and don't define the  
19 parameters of the Commission's interests.

20 COMMISSIONER ZUNIGA: I have a question.  
21 I agree with the intention. I wonder though is comments  
22 solicited to be made in writing or envisioned to be some  
23 kind of a public forum or anything like that? Is there  
24 any thought relative to that?

25 COMMISSIONER MCHUGH: I would welcome



1 hearing what your thoughts are, Commissioner. I know  
2 this was drafted with the expectation that the notice  
3 would go out and then we would get written comments from  
4 interested parties. And we would create a file of written  
5 comments. And they would be available for all of us to  
6 look at.

7                   There are other ways to do this or  
8 additional ways. I think that is a useful way to do it  
9 no matter what we do, because I think there maybe people  
10 from outside the Massachusetts borders who might be  
11 interested in saying something about this.

12                   We could also have a forum, a hearing, I  
13 suppose if we wanted to do that.

14                   COMMISSIONER ZUNIGA: I wasn't advocating  
15 necessarily for a forum. I just know that there will be  
16 for regulations that is a process that is expected when  
17 we issue draft regulations and have forums in different  
18 areas and will have those kinds of formal hearings if you  
19 will -- not forums, but hearings.

20                   COMMISSIONER MCHUGH: This is not going to  
21 bypass any of that. This is really a very preliminary,  
22 non-statutory step. When we get to the comments, when we  
23 get the input from everybody and make a final decision to  
24 go forward with this, then we begin the process of drafting  
25 regulations.

1                   Then we go through the entire rulemaking  
2 process that we are going to go through with the  
3 regulations we just talked about in a minute. We begin  
4 with sending the proposed regulations to the Commission  
5 that I just described. Then we have hearings. And then  
6 we have a variety of other steps to go through. This is  
7 just to get ideas and anticipates that we will do all of  
8 these other things as we go forward.

9                   COMMISSIONER CAMERON: I think the written  
10 comments is the appropriate measure at this time with this  
11 preliminary measure.

12                   CHAIRMAN CROSBY: As you raise that idea,  
13 I wonder whether it would be useful or constructive at one  
14 of our meetings say a couple weeks from now, two or three  
15 weeks from now to just put out an invitation for people  
16 to come and talk about the process that we have in place?

17                   There has been criticism that we are not  
18 moving quickly enough. Maybe people have ideas.  
19 There's been talk at the tradeshow about expediting the  
20 licensing and so forth.

21                   Would it be a good idea for us to just invite  
22 anybody who wants to come and talk about the process and  
23 give us their ideas.

24                   COMMISSIONER MCHUGH: I think it would be  
25 most helpful to us, Mr. Chairman, and perhaps to those who

1 might think about coming if we refine somewhat the nature  
2 of what we were looking to hear about.

3           If we just put out a broad invitation, it  
4 seems to me that we would not be helping either those who  
5 might want to talk to us or ourselves. Think through  
6 what we really are trying to get at.

7           We could certainly think about that and  
8 then discuss that at another meeting.

9           CHAIRMAN CROSBY: There are people in  
10 Massachusetts -- There are interested parties who think  
11 maybe we are not moving quickly enough. Maybe they have  
12 some ideas of what could be done. That maybe an  
13 invitation to them to come talk to us is constructive.

14           There are applicants, prospects who know  
15 this industry and who are beginning to learn what we are  
16 doing. And they might have comments.

17           Then there is just the industry as a whole  
18 that is watching Massachusetts. And there are lots of  
19 people around who might. Maybe we could sort of test  
20 market the idea with our consultants. Michael & Carroll  
21 and Spectrum are as well plugged into the industry as is  
22 anybody and just see what people think.

23           I think there is a benefit in just inviting  
24 people to talk, never mind there may be a benefit in the  
25 substance of what they talk about.

1                   COMMISSIONER ZUNIGA: I would only caution  
2 that --

3                   CHAIRMAN CROSBY: This was your idea.

4                   COMMISSIONER ZUNIGA: I just wanted to  
5 clarify by the way, so that people understood.

6                   I would only caution that inviting comments  
7 where there is not necessarily a good understanding of  
8 what we are inviting the comments on -- is the point you  
9 are making. -- would delay that process, would not be  
10 perhaps the original intention.

11                   CHAIRMAN CROSBY: I agree with  
12 Commissioner McHugh on that and you on that point. It  
13 seems to me it is worth thinking about and maybe it's worth  
14 talking about with our communications director and worth  
15 talking with our consultants and see. I don't want to  
16 just do it for the sake of doing it.

17                   If it was important for people to have an  
18 opportunity speak up, it might be worth trying. Let's  
19 talk about it a little bit and see what we come up with.

20                   COMMISSIONER STEBBINS: Just a quick note.  
21 Should we be asking for our interested parties if they are  
22 submitting comments to provide us with their name, their  
23 contact information, their email? I just don't want us  
24 to get flooded by people who are just flooding us with  
25 comments but aren't willing to say who they are and put

1 their information in.

2 We are trying to build a database of people  
3 we want to be in touch with, notify about further hearings.

4 COMMISSIONER MCHUGH: I think that is an  
5 excellent suggestion. We can put that at the end. We  
6 should do that.

7 CHAIRMAN CROSBY: Okay.

8 COMMISSIONER MCHUGH: I would just finish  
9 up, Mr. Chairman, by moving formally that because this is  
10 the first step really in that overall process, even though  
11 it is an informal step, it is appropriate I think to move  
12 that the Commission authorize that you, the Chair, to  
13 issue and distribute an advance notice seeking public  
14 comment on the Commission's plan to proceed with a  
15 bifurcated regulatory process under Chapter 23K to allow  
16 for the determination of the background qualifications  
17 and suitability of the applicants for casino licenses in  
18 advance of determining an applicant's entire application.  
19 I move that we designate you to do that.

20 COMMISSIONER CAMERON: I second that  
21 motion.

22 CHAIRMAN CROSBY: Any further discussion.  
23 All in favor say I. I.

24 COMMISSIONER ZUNIGA: I.

25 COMMISSIONER MCHUGH: I.

1 COMMISSIONER CAMERON: I.

2 COMMISSIONER STEBBINS: I

3 CHAIRMAN CROSBY: All opposed? The I's  
4 have it.

5 Item six, finance and budget Commissioner?

6 COMMISSIONER ZUNIGA: Yes. Thank you.

7 Just by way of update, we submitted the internal controls  
8 questionnaire to the Comptroller's office as was required  
9 of all agencies prior to the end of the fiscal year. The  
10 Comptroller's office would be the first one to admit and  
11 state as we do that many of the answers to that  
12 questionnaire are due to the start-up mode in which we find  
13 ourselves and without much staff or without a lot of  
14 written or adopted policies or written procedures.

15 But we have answered in general all of the  
16 items -- all the questionnaire as it is required. We  
17 understand that there are items that do not apply to us.  
18 There are a number of questions relative to federal  
19 grants, which we will never receive. So, they clearly  
20 don't apply.

21 There is items that the Comptroller is still  
22 helping the Commission as we pay our bills. They are  
23 processing encumbrances for us, etc. That is a function  
24 that eventually will move into the Commission. They  
25 clearly also understand that.

1                   There are other items that we are clearly  
2 complying with. As for example, our procurement  
3 regulations that we adopted and the controls that we have  
4 set up relative to reviewing the people that we procure  
5 and the contracts we execute with our advisers, etc.

6                   That ICQ in short has been submitted. We  
7 look forward to next year at the end of our fiscal  
8 year --

9                   CHAIRMAN CROSBY: Actually, you look  
10 forward.

11                   COMMISSIONER ZUNIGA: I look forward to  
12 when a lot of the answers can be a resounding yes, the  
13 procedure is documented, etc., etc.

14                   CHAIRMAN CROSBY: I was actually  
15 impressed. I did read the document and was impressed at  
16 how many of the formal procedures we do have in place  
17 considering how long we have been here. Thank you.  
18 Anything else from that category?

19                   COMMISSIONER ZUNIGA: That's it.

20                   CHAIRMAN CROSBY: Public education  
21 information, item seven, our economic development forum,  
22 Commissioner Stebbins?

23                   COMMISSIONER STEBBINS: Sure. Just a  
24 quick update. We had a last-minute change in our agenda.  
25 One of our panelists has had to decline their attendance

1 on the second panel.

2                   The first panel is very well set for next  
3 Thursday at Quinsigamond Community College. The  
4 College, by the way, has been very helpful in keeping our  
5 costs to a minimum. They generously offered the space for  
6 our use.

7                   A little side note is since we have  
8 announced this forum, I think a number of us have gotten  
9 some new mail, some new reports, some new studies by other  
10 policy leaders in academics from around the country.

11                   As you know, we intended to reach out to a  
12 variety of folks for the forum on the 14th who probably  
13 in the past have been both critical or supportive of the  
14 gaming industry and its impact on economic development.

15                   I would like to suggest, because we were not  
16 able to fit a lot of folks in on the 14th, I think there  
17 is some interest from us in hearing from this extended  
18 group of people. That some of the folks who are not able  
19 to join us on the 14th, I would like to recommend that we  
20 set aside some time at our regular business meeting on the  
21 26th to maybe invite some of these additional folks in.

22                   It's a challenge of peoples' conflicts,  
23 80th birthday parties for some of our panelists that we  
24 had hoped to have. Not for the panelist. The panelist  
25 isn't 80. They have a relative who is turning 80.



1           Again, we talked about inviting some folks  
2 in as part of our regular business meetings. I think this  
3 would be a great opportunity that allows us to hear some  
4 additional viewpoints. Again, there is a conflict for  
5 some panelists that we had really hoped to have available  
6 to us on the 14th.

7           I hope everybody would be in agreement with  
8 that. Again, the forums are to give us information about  
9 fulfilling our responsibilities and allow the Public to  
10 hear it at the same time. If there are no objections, I  
11 will continue to pursue a handful of these other panelists  
12 who not only has been suggested as some people that we  
13 should talk to as well as experts in the field. And I want  
14 to make sure their voice is included.

15           COMMISSIONER MCHUGH: That sounds great.  
16 I think the more information we can get from these people  
17 and experts in these areas, the better.

18           CHAIRMAN CROSBY: I agree. There is going  
19 to be nothing more important than the economics of the  
20 industry. I agree. I think that would be a great idea.  
21 If you can talk with Elaine about coordinating. That may  
22 be something that would generate more press coverage that  
23 might be interesting or not. But I think that's a great  
24 idea.

25           CHAIRMAN CROSBY: The second one, I

1 distributed an email on the community mitigation forum.  
2 You can see the way it is laying out. They are pretty well  
3 set on the panel. I think this is in the packages. I  
4 think it went to press, if you want it.

5           They have got a good group of people and are  
6 now working on the content of the program. MAPC is taking  
7 charge of this. It is going to come together pretty well.  
8 I think it is going to come together pretty well. It is  
9 in Framingham on the 18th. So, if anybody has got any  
10 questions or suggestions, fire away. It is coming along.  
11 Anything else on that one?

12           Then on 7C is the compulsive gambling forum.  
13 This one now we have decided will be held at North Shore  
14 Community College in Lynn. It will be on the 19th -- the  
15 25th from 1:00 to 4:30. There is also a proposed  
16 tentative agenda in the stuff that was distributed,  
17 panelists and agenda.

18           These folks are really buttoned up. I  
19 think they will have this topic really covered. And I  
20 think we will learn a lot. Again, the tentative agenda  
21 is there if you want to see it.

22           I forgot to mention that on the community  
23 mitigation one, the three content issues that we had given  
24 the panelists to make sure they cover are the specific --  
25 just the host of specific community issues. Water,

1 traffic, obviously, things we need to be sensitive to are  
2 just sort of the standard operating mitigation issues.

3           Then seeing whether or not there's a way for  
4 us to incorporate the regional planning associations as  
5 you have spoke to and I have spoke to in the way we look  
6 at these proposals or the way we write the licensing  
7 criteria.

8           Finally, maybe help us think a little bit  
9 about surrounding communities and how do you define a  
10 surrounding community, because we have tremendous  
11 discretion in that. What kinds of mitigation initiatives  
12 might be appropriate for them. Those are the three topics  
13 for the community mitigation that we have assigned them.  
14 Any comments about any of that?

15           COMMISSIONER MCHUGH: Sounds good.

16           CHAIRMAN CROSBY: We will be promoting  
17 those -- We will be talking with our director of  
18 communications about some of those things in a minute.  
19 Community outreach responses, anything Commissioner  
20 McHugh that has come in?

21           COMMISSIONER MCHUGH: Nothing that has  
22 come in that we need to discuss today, Mr. Chairman.

23           CHAIRMAN CROSBY: Let's do this out of  
24 sequence. The compulsive gambling meetings, there was  
25 one on June 1 that two of our Commissioners attended.

1 Then there was one on June 19 that we are invited to and  
2 we have to decide whether to go.

3 I thought Commissioners and the Public  
4 would be interested in feedback from Commissioners  
5 Stebbins and Zuniga about the meeting they attended pretty  
6 much all day last Friday. Explain what it was.

7 COMMISSIONER ZUNIGA: This symposium was  
8 hosted by the Council, the Mass. Council for Compulsive  
9 Gambling. And most of the attendance from my  
10 appreciation were social workers, therapists, people who  
11 treat or will see or have seen a number of patients with  
12 any number of addictions, if you will, including some  
13 gambling.

14 I thought there is a bit of debate among the  
15 medical community as to whether gambling is a mental  
16 disorder or an addiction. There is good points relative  
17 to from some in the medical community as to whether that  
18 really matters. It is a problem nonetheless for a small  
19 percent of the population, but it is a problem  
20 nonetheless.

21 There was also good discussion relative to  
22 how there is this confluence of behavioral problems.  
23 This applies to every addiction including some mental  
24 disorders. The point of this is that it was a very  
25 personally educational experience to both of us. One

1 that I personally look forward to understanding more some  
2 of the great work that the Council on Compulsive Gambling  
3 has done. I know they are on the agenda for our compulsive  
4 gambling forum.

5 CHAIRMAN CROSBY: They are running it.

6 COMMISSIONER ZUNIGA: Right. I really  
7 look forward to that. Do you want to expound?

8 COMMISSIONER STEBBINS: We appreciate the  
9 invite from our friends at the Council. The focus of this  
10 symposium was building capacity. And the message that  
11 was continually stressed was a lack of where they felt  
12 capacity needed to be for dealing with those who suffer  
13 through some type of gambling addiction.

14 What was interesting was talking about some  
15 of the questions that hopefully a therapist or a social  
16 worker, somebody taking an assessment can do to try to get  
17 to the root of an issue, and whether a person has an issue  
18 with gambling. Their focus was also a very interesting  
19 question of when that individual calls looking for  
20 services, probably more than any other addiction, it is  
21 trying to get them help as fast as possible. Because any  
22 delay gives that person an opportunity to go back to a  
23 casino, win, lose, whatever. They may not have that  
24 person reach out for services again. There may be a  
25 four-year period is what they stressed.

1                   They talked about questions -- I would say  
2 there was about 100 people there. A lot of them are  
3 dealing with other addictions. There was one speaker who  
4 interestingly enough said gambling is tough to identify  
5 because it is not something that is ingested.

6                   If someone comes in who may have a drinking  
7 problem or an eating disorder or anything else, there is  
8 usually a physical appearance that can kind of give them  
9 away. This is a little bit tougher to scrutinize and  
10 identify.

11                   They also talked, and I will make copies of  
12 this, they were trying to recruit practitioners to be  
13 certified under a Massachusetts Problem Gambling  
14 Specialist certification program. I will make copies of  
15 kind of what is required for an individual to get certified  
16 for that kind of technical assistance and help.

17                   COMMISSIONER ZUNIGA: I would also point  
18 out that the experts they are including, the executive  
19 director of the Council for Problem Gambling pointed out  
20 that the legislation gives this Commission a lot of the  
21 tools to address problem gambling that other  
22 jurisdictions have been wrestling with because they were  
23 not adopted when they were adopted and advocates in their  
24 role have been trying to implement.

25                   It is also very important for us to

1 understand, for example, the self exclusion that a problem  
2 gambler -- which is clarified in our legislation a number  
3 times -- is a very powerful tool when treating this kind  
4 of a problem. One that could also be reinforced with  
5 policies relative to sharing information between  
6 licensees or even between jurisdictions.

7                   We look forward to a lot of those details.  
8 But the general sense from the medical community is that  
9 Massachusetts legislature was very progressive relative  
10 to understanding that and allowing and giving this  
11 Commission the tools to address those problems.

12                   COMMISSIONER STEBBINS: The self exclusion  
13 discussion was interesting because different  
14 jurisdictions and different licensees allow you to do it  
15 different ways. The anecdotal story was raised that if  
16 you want to be self-excluded from going into a casino, you  
17 actually had to go to the casino and walk through the slot  
18 floor, go fill out the form. That kind of defeats the  
19 purpose. It was an interesting discussion.

20                   For those of you who don't know, a couple  
21 of sponsors were potential license applicants. We got  
22 their contact information so we will be filing the  
23 necessary disclosure work. The question of their  
24 sponsorship came up. And the Council again reiterated  
25 their position that they are not pro-gaming or

1 anti-gaming. They are here to help people who develop an  
2 addiction and deal with it and treat them.

3           They actually said that it was helpful in  
4 some circumstances when somebody wanted to be added to a  
5 self-exclusion list that they do have a relationship with  
6 licensees that could contact the licensee and help that  
7 individual.

8           CHAIRMAN CROSBY: My experience with that  
9 Association has been impressive too that they are not  
10 using this as a way to sort of back-door the debate about  
11 whether we should have gambling. It is to say we have  
12 gambling and there are problems and lets address them. I  
13 agree with that.

14           COMMISSIONER ZUNIGA: I have seen it with  
15 people who use -- there is nexus to other illegal drugs  
16 and the fact that they are illegal doesn't deter a number  
17 of users.

18           CHAIRMAN CROSBY: You started to mention to  
19 me the testimonials.

20           COMMISSIONER ZUNIGA: Yes. There was a  
21 panel of three recovering gambling and other addictions.  
22 They are extremely powerful and very important and very  
23 illustrative of the population that struggles with this  
24 kind of problem.

25           CHAIRMAN CROSBY: I have already noticed



1 there are some recovering addicts on the panels in our  
2 forum.

3 COMMISSIONER ZUNIGA: They will speak to  
4 that.

5 CHAIRMAN CROSBY: They were pleased that we  
6 were well represented too. Marlene mentioned that to me.

7 On June 19 there is this other forum, the  
8 Massachusetts Partnership for Responsible Gambling. I  
9 sent the material around.

10 This is the organization that just pulls  
11 people together, gets members and pulls people together  
12 to sponsor research and sensitivity to the issues. The  
13 people who are invited are very much from the industry,  
14 but they are also invitees from the Lottery Commission,  
15 the AG's office. We are invited as well.

16 The question was whether is this an event  
17 that we think is right for us to go to. Karen Schwartzman  
18 had a little bit of a sense that she said we should show  
19 the interest, getting in it by requesting whatever  
20 information they develop but to overstate our interest by  
21 joining particularly now, maybe this suggests that we are  
22 being preoccupied with other things. Or that we are  
23 contributing to a perception that Massachusetts is an  
24 unfriendly climate.

25 I don't know that I particularly agree with

1 Karen on this one. Did you have a reaction, Elaine, to  
2 this particular --

3 MS. DRISCOLL: I think that they are all  
4 equally important to raise awareness and that we should  
5 be participating in them.

6 CHAIRMAN CROSBY: Maybe we don't have to be  
7 a member. We don't have to join up as a member. There  
8 is some sensitivity there. I don't think that we are  
9 going to make a statement about being unfriendly to  
10 gambling, but we are going to make a statement that we are  
11 going to be attentive to the issue of problem gambling as  
12 we can possibly be as the industry purports to be too.

13 There was nothing that what's his name from  
14 the American Gambling Association talked about than  
15 attention to this issue. So, I think we should take that  
16 at face value and be very much a part of that.

17 Maybe it could be different people or the  
18 same people who try to go to this.

19 COMMISSIONER ZUNIGA: I wonder if part of  
20 the question is relative to participating versus  
21 attending and understanding or attending and being  
22 educated on the issue. It is clearly, at least to me, that  
23 attending without participation, in other words, only in  
24 a listening mode could be a lot more comfortable than  
25 speaking or engaging.

1                   CHAIRMAN CROSBY: I think that is a good  
2 parameter.

3                   COMMISSIONER MCHUGH: I was going to say I  
4 agree. And I think that's all we have to decide right now.  
5 The Pennsylvania Gaming Commission has a position on it  
6 to deal with this problem.

7                   So, ultimately we may take this further.  
8 For the moment, I think as much education in this as well  
9 as the economics of it, as well as the permitting  
10 requirements, we need to know and learn as about all  
11 aspects of this as we can. I think it is a perfectly good  
12 idea to go and listen.

13                  CHAIRMAN CROSBY: Be a passive learner.

14                  COMMISSIONER MCHUGH: Yes. The only  
15 problem is we may have to rearrange the date of this  
16 meeting. The 19th is a Tuesday. But that's an  
17 adjustment we could make.

18                  COMMISSIONER CAMERON: Unless one of us  
19 attended and we still have a quorum. I would actually  
20 volunteer to attend this one. I haven't attend one yet.  
21 I have attended similar meetings in New Jersey, but it  
22 would be nice to hear their perspective in this State. I  
23 would be willing to attend.

24                  CHAIRMAN CROSBY: Interesting. I didn't  
25 notice, it is held at the Mass. State Lottery Commission.

1 So, clearly another regulatory body feels like --

2 COMMISSIONER MCHUGH: I would be happy to  
3 attend it as well.

4 CHAIRMAN CROSBY: Let's tentatively assume  
5 at least one and then see what the agenda is that day and  
6 maybe we can send two. Okay, great.

7 Director Elaine, now that you have been here  
8 all of five days, you pretty much have had a chance to talk  
9 to everybody, but we thought it made sense just to have  
10 you kind of give us and give the Public too an update on  
11 what you have been doing in your first week.

12 MS. DRISCOLL: Sure. I will just go  
13 basically down a list of some of the initiatives that have  
14 happened in the last five days.

15 When I first got here last week, my first  
16 order of business was to basically sort of conduct an audit  
17 of what the website looked like and to determine community  
18 accessibility, the potential for how user-friendly was  
19 it.

20 At that point, what I did was I began to  
21 develop also the social media plan. That plan will be to  
22 increase awareness of the Commission's roles and  
23 responsibilities, to highlight upcoming meetings and  
24 forums, promote the number of speaking engagements and  
25 media appearances that we have coming up very soon.

1 Essentially use the social media plan to promote community  
2 engagement.

3           So, what we have done since that time is we  
4 have activated the Twitter account, which basically was  
5 started at the first educational forum back, I believe,  
6 was May 3 but hadn't been used since then. So, we  
7 activated that account. We already very actively started  
8 using it yesterday and today. We have been getting some  
9 good feedback and followers already.

10           We also activated a YouTube channel that  
11 basically has all of the prior meetings on it as well as  
12 the educational forums. It's a great place just to have  
13 -- People have different modes that they are interested  
14 in getting information. Some people prefer Twitter.  
15 Some people prefer Facebook. Some prefer YouTube. We  
16 just want to make sure we have a presence on all of those  
17 platforms to make sure that we are reaching and educating  
18 as many people as possible.

19           We also started the Facebook page. It's a  
20 bit primitive right now, but as time goes on we will  
21 enhance that graphically and be adding more photos and  
22 things of that nature.

23           We also started Instagram. For those of  
24 you who might not know what it is, it is basically an  
25 application on iPhone that allows to share photos with

1 individuals, follow people that might be on it as well.  
2 It's essentially a picture sharing forum, which given all  
3 the events that we have coming up there will be lots of  
4 opportunities to do that.

5           In addition, we have improved the website  
6 by tagging various social media applications to the  
7 website, which were not previously on there. So, just in  
8 the last two days, we have added that you can connect with  
9 us on both Twitter and YouTube.

10           The other thing we did was at the bottom of  
11 every webpage and we are still in the process of doing  
12 that, I have been working closely with Brandon on that,  
13 we basically tagged the bottom of every page so that  
14 community members can more easily share information from  
15 our website on their Twitter and Facebook accounts. I  
16 think it will be particularly helpful for some of our  
17 partners in the upcoming forums so that we can basically  
18 cross-reference our social media capabilities.

19           In addition, I have been looking at ways to  
20 improve the website moving forward, more of a long-term  
21 plan. It will be basically a redesign. I am just looking  
22 into various ways that we will be able to do that and also  
23 obviously keep it cost-efficient.

24           And also looking at various functions that  
25 will enhance community outreach. One of the things I

1 would like to add is a community calendar that very clearly  
2 and easily marks some of the important dates we have coming  
3 up, speaking engagements and maybe any other milestones,  
4 dates relative to casino business that as a group we should  
5 all be aware of.

6                   In addition, I am looking into establishing  
7 a speaker's bureau. I think that it is critically  
8 important that Commission members get out into the  
9 community meeting with Chambers, other groups such as  
10 that, Rotary clubs. Basically again, to be educating the  
11 community on what the roles and responsibilities of the  
12 Commission are. It is also a critical platform to get  
13 community feedback.

14                   We can directly hear the concerns of  
15 community members. I know that that particular aspect of  
16 the site has been working well where community members get  
17 to write in and ask questions. I would like to see us make  
18 that even more robust. And also have a mechanism for  
19 getting those Q and A's out because the likelihood that  
20 somebody wrote in with that question, the likelihood that  
21 many people have that question is very high.

22                   So the speaker's bureau, we will try to set  
23 some parameters on how to do it. In other words, what the  
24 size of the group needs to be. What the lead time is for  
25 the invite, so that it is manageable and we are not

1 disappointing community members either who request  
2 meetings and speaking appearances.

3           Then I would eventually like to add a blog  
4 section to the website as well. For example,  
5 Commissioner Cameron when you are out visiting with  
6 individuals from the various racing places that you come  
7 back and sort of share your thoughts on how that went and  
8 where it is going.

9           Also, I will be putting -- I also developed  
10 a comprehensive list of Commission accomplishments with  
11 the assistance of Chairman Crosby and Commissioner McHugh  
12 that basically hit upon each one of the initiatives in the  
13 last eight weeks. I think that is an important working  
14 document moving forward.

15           I believe it is helpful for media as well  
16 that might have inquiries that we can sort of point to a  
17 list of initiatives that have been completed. So, again  
18 I would like to consider that a working document that we  
19 continue to add to.

20           CHAIRMAN CROSBY: You are going to give  
21 that to the other Commissioners?

22           MS. DRISCOLL: I believe many of you have  
23 seen it already. But I will be sure and send that around.

24           This is more long term, but I will be  
25 developing an overall comprehensive plan, a



1 communications plan in which I hope that that will entail  
2 logo creation and things like that. That will take some  
3 time to pull together.

4 Also more immediate, we have been putting  
5 together a plan to increase outreach and attendance for  
6 the three upcoming forums. So, we have been  
7 collaborating with the partnering agencies to try to  
8 maximize our respective abilities to reach potential  
9 attendees.

10 CHAIRMAN CROSBY: Great.

11 COMMISSIONER ZUNIGA: I have a couple of  
12 questions or comments. Relative to Twitter and Facebook,  
13 I know that they are a very cost effective way of  
14 communicating, one where usage is also growing. It is  
15 really more a question of how we can use it as a tool for  
16 the Commission as opposed to individuals working at the  
17 Commission, which would be my preference that we don't do.

18 That we have either you or you because there  
19 is no one else to really manage and communicate in that  
20 medium because it is very easy to be -- for comments to  
21 be taken out of context because the characters are limited  
22 or because people respond quickly, etc.

23 I am not a user of Twitter. I don't think  
24 I will be one anytime soon. But I know that it is an  
25 important piece of the whole media communication and

1 wanted to get your thoughts or your assumptions really  
2 relative to particularly those two.

3 MS. DRISCOLL: Again, we will be putting  
4 together a whole comprehensive plan exactly how the  
5 Twitter -- it will be used moving forward. I will be  
6 managing it myself at this point, largely to, as we  
7 mentioned, promote upcoming forums, also speaking  
8 engagements for each one of the Commissioners.

9 For example, we have been live tweeting  
10 throughout this meeting to keep people posted on the  
11 various discussion points and things that are happening  
12 which complements the live video stream, because not  
13 everybody has the opportunity to watch it on the Internet.  
14 But sometimes with smart phones and whatnot, it is  
15 actually easier to get Twitter updates.

16 We have been doing both of those today.  
17 That is certainly something we will be doing moving  
18 forward.

19 I think another important use of Twitter  
20 will be sending out just various tweets on the law. Sort  
21 of did you know tweets that again is really part of the  
22 education process for the community. Just sort of  
23 breaking it down for people. I think that is going to be  
24 critical.

25 I think another use of it, and there is a

1 way to do this, which will be to sort of every week maybe  
2 have a daily feature questions from the community. And  
3 basically just highlight this week a community member  
4 asked and then we provide the answer to it. I think it  
5 will be largely used for education and increasing  
6 awareness.

7 COMMISSIONER ZUNIGA: Thank you.

8 CHAIRMAN CROSBY: We had a couple of  
9 experiences last week where now that we have a press person  
10 in-house a couple of things came up where we needed a  
11 response quickly but it wasn't just like a comment. It  
12 was a response to something. Like for example, when  
13 Chairman Wagner of the House Economic Development  
14 Committee was a little bit critical about us that maybe  
15 we might not do three year re-assessing of the economics  
16 of it.

17 We were constrained by what we would say  
18 because there was no way to get the Commission together  
19 to talk about what my response was going to be. By  
20 definition, our response had to be kind of a banal, because  
21 there we couldn't do anything significant.

22 But in today's media world especially we  
23 need to move all the time. This suggested to Elaine that  
24 she talk with all of the Commissioners about her ideas  
25 about how we can do that, set up a process. There are

1 going to be times where we are going to want to respond  
2 and are going to have to delegate it out somehow or  
3 another. So, she will be talking with people about her  
4 ideas about how that might get done and your ideas about  
5 how that might get done.

6 MS. DRISCOLL: I've also been reminding  
7 media about the complexities of that. That we are not in  
8 a position to be able to gather the group together and have  
9 a discussion. I think as time goes on, people will get  
10 more accustomed to understanding how that works.

11 COMMISSIONER MCHUGH: I think, Mr.  
12 Chairman, this is really a terrific process that we are  
13 embarked on now. A big chunk of what we are doing is going  
14 to require public understanding, public education. This  
15 is a topic around which there are strong emotions. There  
16 will continue to be strong emotions. There are going to  
17 continue to be rumors. There are going to continue to be  
18 contentious points. That is all to be expected. That is  
19 the nature of the topic.

20 But to have a timely, thoughtful,  
21 continuous source of information and to have continuous  
22 source of education that is coming from the Commission is  
23 really a critical piece of our success. This kind of  
24 approach I think it is really something that is very  
25 important to strengthen and work with to make it succeed.

1 MS. DRISCOLL: I think it is really  
2 critical that the website be sort of a one-stop shopping  
3 outlet for community members that are really trying to  
4 educate themselves so that they can make educated  
5 decisions.

6 So, it need to not be cumbersome. It needs  
7 to be streamlined, informative but simple. So, we are  
8 really going to be researching ways to do that and maximize  
9 it the best we can.

10 COMMISSIONER CAMERON: Mr. Chair, I think  
11 it was an impressive first week for Director Driscoll.

12 CHAIRMAN CROSBY: I agree.

13 COMMISSIONER MCHUGH: I agree too.

14 CHAIRMAN CROSBY: Thank you very much.  
15 Glad you are here.

16 There was one other thing I forgot to  
17 mention under the compulsive gambling. The Association,  
18 the Compulsive Gambling Association did talk to us about  
19 whether or not we would like to meet with them sooner than  
20 later to talk about how to include problem gambling in the  
21 application and licensing process. I said that we are  
22 really not ready to get to that point yet. We are starting  
23 to learn now from them about that. There is no formal step  
24 yet for them to be involved in that or to counsel us on  
25 that. That will come in due time.

1                   Speaking engagements. We thought it just  
2 made sense to make sure we all announce what we are doing.  
3 Thursday morning I am speaking at the Mt. Washington Bank  
4 annual meeting. Saturday morning I am speaking at the  
5 Mass. Municipal Association/ Mass. Selectman  
6 Association's annual meeting. I don't know why I  
7 volunteered for that one on Saturday morning, but I guess  
8 I did. Are there any others in the pipeline? Anything  
9 going on in Western Mass.?

10                   COMMISSIONER STEBBINS: No, not at this  
11 time.

12                   CHAIRMAN CROSBY: That was it unless  
13 anybody has anything else for the items that we knew about  
14 in advance.

15                   There are a few other things that came up  
16 under other business. Commissioner, you wanted to talk  
17 about -- We did talk about the project management chart  
18 and process in our meeting last week, but we didn't put  
19 it on the agenda. You have come up with some stuff, which  
20 I think is important.

21                   COMMISSIONER ZUNIGA: I did. I submitted  
22 for consideration a two-page memo relative to the options  
23 that I have completed researching. I'll summarize.

24                   This need for a project management  
25 individual or resource in addition to having a project

1 management tool, a Gantt chart, ideal wise a two-phase  
2 project. One in which we find ourselves already which is  
3 the planning phase.

4 Our consultants are doing that in week one  
5 or two of the 16-week period. Of course, the  
6 implementation and monitoring and oversight of that  
7 process that would be sometime in the near future.

8 We also overlay that with three options that  
9 we have essentially at our disposal to obtain those  
10 resources. Those options are to go ahead and to go  
11 forward with soliciting and hiring a project management  
12 firm where they have the expertise to do scheduling, etc.,  
13 because they do this for many complex projects.

14 Option two would be to reach out to a  
15 staffing firm that the State agencies do perhaps to the  
16 ones preapproved by State contracts. There are those  
17 that specialize in technical people either in an IT or  
18 project management basis.

19 The third option would be to hire somebody  
20 in-house. What I attempted to do in this memo was to  
21 submit for discussion what the preference may be,  
22 especially as we think of the two phases that I'm talking  
23 about, a planning phase and then the monitoring.

24 I believe that option one or two, a firm with  
25 expertise or a staffing firm who can bring us the expertise

1 could be very effective in the planning phase, in other  
2 words, soon. Who could come in up to speed, quickly help  
3 us conceive the project plan, help us make it efficient  
4 and something manageable.

5                   Whereas for the implementation phase,  
6 there's a case to be made that somebody either option two  
7 or three, somebody in-house with that expertise starts to  
8 be part of the Commission may also be beneficial.

9                   I essentially put these thoughts in a memo.  
10 I wanted to kind of break them up for discussion and to  
11 see if we could get a sense as to the direction where we  
12 may go.

13                   One of my assumption would be that even in  
14 hiring a firm would be at this stage of the process would  
15 be very straightforward because it would be a small  
16 procurement by what I think would be required in terms of  
17 dollar figures. It could be very straightforward in  
18 terms of soliciting just three bids as opposed to going  
19 out for an RFP, etc.

20                   If there is questions I would be happy to  
21 take them.

22                   COMMISSIONER CAMERON: My question was why  
23 would it take more time to contract with a staffing firm  
24 where the procurement process takes time? Why would it  
25 take more time to contract with a staffing firm?



1                   COMMISSIONER ZUNIGA: With a staffing  
2 firm, it is more time relative to hiring a firm. I am  
3 assuming to contract with a staffing firm, that would be  
4 a very short procurement process because there is a number  
5 of firms already prequalified in the state list. So, we  
6 could really just reach out to them very quickly via quick  
7 quote that we've used in the past.

8                   Then those firms would then have to search  
9 for some individuals. Either maybe they have already  
10 contacts. And they have to present those individuals to  
11 us almost like a hire.

12                   There is flexibility in that scheme when an  
13 employer like the Commission utilizes it. It is not a  
14 permanent hire. It is a finite amount of time that could  
15 be extended. It is a project-based hire. If needs  
16 change or needs evolve or there is a need for additional  
17 hires or less hires that could be very easily dealt with  
18 via a staffing agency.

19                   In a continuum, I would pose option one is  
20 quicker. You get more expertise available, but we pay a  
21 premium associated with the cost of a firm. Expertise  
22 does not reside with the Commission. It resides with a  
23 consultant.

24                   Then you go on the continuum and those  
25 attributes change a little. There's more speed but less

1 than option one with option two and so on with option  
2 three.

3                   COMMISSIONER MCHUGH: I am having, I must  
4 say, little trouble at the level of abstraction we are  
5 talking about trying to figure out exactly what problem  
6 we are trying to solve. As I understood it from our  
7 discussion last week, we have got a gaming consultant  
8 consisting of two parts and a legal consultant. They are  
9 meshing together in creating a 16-week plan that once  
10 finished is going to take us to the next stage of  
11 implementation.

12                   What we are trying to do right now and what  
13 they don't have the capacity to do, notwithstanding the  
14 fact that Kathy O'Toole and Kristen are managing that  
15 process and managing it well is create an overall project  
16 plan and project tool that will be dynamic and allows us  
17 to see as we move along where we are and what dependencies  
18 have changed and the like. And that will allow us to fold  
19 in the other parts of the Commission so that we have one  
20 overall master plan.

21                   So, the objective was to try to find a person  
22 who could manage Microsoft Project or one of the other  
23 basic project management tools in a way that would allow  
24 us to have that dynamic plan.

25                   After the 16 weeks, as I understand what you

1 are talking about, then we have an implementation phase  
2 in which we will need to go forward probably with the same  
3 kind of rigorous management superimposed on the execution  
4 of that 16-week plan as we proceed.

5           But right now we need to get somebody here  
6 as quickly as possible in order to manage the piece of work  
7 that is in front of us at the moment, right?

8           COMMISSIONER ZUNIGA: I think you are  
9 getting to the core of the issue. The 16-week schedule  
10 has already started. In my view, we could try to schedule  
11 it, but I don't know that we will ever catch up. It's not  
12 irrelevant. And we could talk about that.

13           My intention of what I put in the memo was  
14 on the big schedule. The one that is now being formulated  
15 where somebody with project management expertise is  
16 relevant to be plugged into as to that plan. Because  
17 during the 16-week period, assumptions are being  
18 formulated about the 18-month period process that have  
19 relevance to how we are going to do what we are going to  
20 do.

21           There is value I suppose in trying to  
22 schedule the 16-week effort, but I am really thinking  
23 about the big effort for which we need to staff. And there  
24 are a couple of ways to do that.

25           By the time we get somebody in-house a

1 couple weeks from now, we will be in week three out of 16  
2 perhaps.

3 COMMISSIONER CAMERON: I am wondering if we  
4 could look to explore to bringing in an intern. They may  
5 have these skills and may be able to really help us put  
6 this plan together.

7 And then for the next phase, I am really  
8 looking at the consultant's ideas on what the table of  
9 organization. I am a little hesitant to go down that road  
10 and hire piecemeal without knowing where the person would  
11 fit in in the overall scheme of things.

12 That is the permanent person that you spoke  
13 about as one option. Just to help us right now, I am  
14 wondering if there is a way to explore an intern who may  
15 have just the project management skills.

16 COMMISSIONER ZUNIGA: My assumption  
17 relative to conceiving of a plan, whether it is a 16-week  
18 or not is that that is generally preferable, at least to  
19 me, somebody with some seniority and not necessarily an  
20 intern even with the knowledge of project may not  
21 necessarily understand the nature of the dependencies.

22 COMMISSIONER CAMERON: I think we heard our  
23 consultants say that they would be able to plug in if we  
24 had a project-management software available to us. They  
25 would be capable of plugging in the components.

1                   COMMISSIONER MCHUGH: Their components not  
2 the other components like the Racing Commission piece.  
3 And the pieces that would be there during the  
4 implementation phase when their contracts would have  
5 expired.

6                   This piece of maintaining one of these  
7 project management plans is as much an art as it is a  
8 manipulation of a software tool. So, you really do need  
9 somebody with some expertise to do that.

10                  There are a lot of project managers out  
11 there. They will manage a project to build a race track.  
12 They will manage a project to build a hospital. They will  
13 manage a project to build anything. Why wouldn't the  
14 ideal solution be to get somebody from one of these temp.  
15 agencies. We can vett them. And get this person in and  
16 get this person going.

17                  COMMISSIONER ZUNIGA: For the 16-week  
18 schedule or the 18-month schedule?

19                  COMMISSIONER MCHUGH: The 18-month  
20 schedule.

21                  COMMISSIONER ZUNIGA: That's exactly what  
22 we are discussing.

23                  COMMISSIONER MCHUGH: But for both.

24                  COMMISSIONER ZUNIGA: For the 16-week  
25 schedule, I'm sorry to be a stickler, be we are already

1 behind conceding of the schedule because we are in the  
2 schedule. We have already incurred the first week by the  
3 time we get another one --

4                   CHAIRMAN CROSBY: Even if it starts in week  
5 five or six, it is still --

6                   COMMISSIONER ZUNIGA: Is not irrelevant,  
7 but the genesis of the memo was really in advance of.

8                   CHAIRMAN CROSBY: I am going to say the same  
9 thing you are. Go ahead.

10                   COMMISSIONER MCHUGH: I really think we  
11 need to begin now to get this what is on the chart here  
12 and what other pieces of activity we are working on that  
13 aren't on the chart, the Racing Commission stuff, the  
14 other kinds of things we are doing, organized in some  
15 fashion.

16                   CHAIRMAN CROSBY: Communications.

17                   COMMISSIONER MCHUGH: Communications, all  
18 the stuff into one master plan. Pick up where we are now  
19 and concentrate to be sure, on the post 16-week piece.  
20 But start now so we can get a comprehensive list.

21                   I know I've got little stickies all over the  
22 place. Get the stickies off and get them into a master  
23 plan.

24                   COMMISSIONER ZUNIGA: I know that they have  
25 left the room, but I asked Kathy for the latest version

1 of this and she said it is always changing, of course,  
2 because it is being updated as we speak. She can email  
3 it to me whenever I want it. But it is already in  
4 progress. Yes, we need to eventually have a master plan  
5 sooner. It sounds like we may need expediency of that  
6 rather than in-house capabilities.

7           CHAIRMAN CROSBY: You have taken what we  
8 were initially talking about to a little bit of a different  
9 level. As long as you don't lose what we were originally  
10 talking about in the process I think it is a good thought.

11           Lets not walk away with turning that into  
12 our first phase of a project management plan. I think  
13 getting somebody in now with more than just manipulable  
14 skills, but somebody that does understand the science and  
15 art of project management who to a certain extent can be  
16 working with the consultants.

17           The consultants know of the pieces, but they  
18 are not experts on squeezing days out of a process and  
19 figuring out where you can rearrange critical path lines  
20 and so forth. There really is an art to doing that.

21           I would say as to your question, I think we  
22 all agree it is not time to hire anybody. So, let's put  
23 that off for the moment. If we could either find a person  
24 who by him or herself had enough composite knowledge that  
25 they could build the Gantt chart and help us think

1 conceptually about how to use project to expedite and make  
2 efficient this process, whichever way we can get them the  
3 quickest.

4           If we can get them through a firm, if it  
5 really takes a small firm to kind of do that, fine. If  
6 there is somebody walking around out there that one of the  
7 temp. agencies can identify quickly and that has it within  
8 themselves then I would go for that.

9           So long as you don't compromise on this  
10 first piece, then I would be comfortable in letting you  
11 make the decision. You know some of the options. You  
12 know some of the these firms and go after as quickly as  
13 you can. And maybe come back to us saying here is what  
14 I think we ought to do.

15           COMMISSIONER ZUNIGA: Okay.

16           COMMISSIONER STEBBINS: I also think it is  
17 important to be mindful of the process we are you through  
18 in hiring a director of administration services. There  
19 has got to be a nexus between an outside firm and that  
20 person so there's overlap going forward after the contract  
21 is over.

22           CHAIRMAN CROSBY: That's a very good point.  
23 And we have made it very clear to the candidate that we  
24 are looking at that we would like them, if they don't have  
25 the knowledge to begin with, and none of them does, that



1 we would like to have them learn quickly so we start  
2 phasing out the consultant. And maybe this person  
3 becomes the permanent manager of that process. I totally  
4 agree that there needs to be a good sync there.

5                   COMMISSIONER ZUNIGA: It sounds like it's  
6 either option one or two. A firm or a temp. agency that  
7 can help us identify someone with those skills. But is  
8 there a preference? I see one or the other as having  
9 nuance benefits for the Commission both in terms of cost  
10 and expediency. Maybe we just try both. I explore both  
11 and come together with specific proposals relative to  
12 cost, time and even candidates that may or may have been  
13 identified.

14                   CHAIRMAN CROSBY: The firm is going to be  
15 more expensive and it going to want to be around longer  
16 and is going to want to get into our operations. That just  
17 goes with the territory. But they probably will have at  
18 their fingertips -- a good firm is going to have a much  
19 broader range of expertise right off the bat.

20                   There must be individuals walking around  
21 who do have enough breadth of experience. The question  
22 is just whether we can find them quickly enough. I would  
23 be inclined to call up one or two of the temp. firms and  
24 say here's what we need. Get me one as fast as you can.  
25 Meanwhile, do the quick bid on the three firms. And if

1 somebody does not come in the door, pick one of the firms.  
2 Do them both in parallel.

3                   COMMISSIONER MCHUGH: I was going to say my  
4 sense is that is the way you ought to go. And that the  
5 temp. firms, there are a lot of project managers out there.  
6 This is the nature of their business. We could have three  
7 or four resumes in a couple of days. Maybe three or four  
8 firms will respond in a couple of days as well. We could  
9 do this pretty quickly.

10                   CHAIRMAN CROSBY: This will be exciting to  
11 get going.

12                   Anything else on this? Thank you very much  
13 Commissioner Zuniga. It is really helpful that you can  
14 pull this together in such an organized way.

15                   Something came up last week. We got a press  
16 call saying referring to something in the statute that  
17 regulates -- that potential bidders who contribute to  
18 political campaigns in municipalities need to register  
19 that money with the municipality and with us. Is that  
20 right? Do you remember this?

21                   MS. DRISCOLL: Yes. The Office of  
22 Campaign and Political Finance, my understanding was  
23 rewriting a rule that would require the town clerk to post  
24 on their website any information for individuals who were  
25 seeking gaming licenses that may have contributed to local

1 politicians.

2                   So, the question was would we also consider  
3 posting those same disclosures on our website.

4                   CHAIRMAN CROSBY: When the question came  
5 up, I couldn't remember what the law requires. I was  
6 hoping that maybe you would have it at your fingertips.  
7 But I said to Elaine, as a practical matter, we have all  
8 talked about our website being so robust. So, I am sure  
9 we probably would. Once that information becomes  
10 available, we probably would be happy to have that on our  
11 website as well. I hope I was right. Do you remember  
12 what the requirement is or where it is in the statute?

13                   COMMISSIONER MCHUGH: Yes. I believe it  
14 is section 47 and 48 of 23K. Perhaps the best way to deal  
15 with this, Mr. Chairman, is to say that the Office of  
16 Political and Campaign Finance does have a public notice  
17 out. That it is going to engage in rulemaking with  
18 respect to this subject. -- I think I have the right  
19 section 47 and 48 -- engage in rulemaking.

20                   The rulemaking process it's going to engage  
21 in is going to commence I think at the end of this month  
22 or the beginning of next month. Commissioner Stebbins  
23 and I met with the chief counsel for the group and engaged  
24 in a preliminary conversation with them about how to  
25 interface what they are doing with what we are doing. We

1 are waiting to hear back from him now so that we have  
2 something to bring to the Commission to talk about.

3           So, that is what we are going to do and we  
4 will have some role in it. But at the moment there's  
5 nothing that is concrete.

6           CHAIRMAN CROSBY: At the moment we don't  
7 have any affirmative duty to do anything?

8           COMMISSIONER MCHUGH: No, because the  
9 statute talks about disclosures by the applicant. There  
10 are no applicants because the statute defines an applicant  
11 as a person who files an application. Thus far nobody has  
12 filed an application.

13           That does not rule out other kinds of ways  
14 of approaching this. But there is nothing right at the  
15 moment that the statute requires filing on.

16           CHAIRMAN CROSBY: Great. Then the last  
17 thing was just one more time on the research topic.  
18 Particularly Commissioner Stebbins and I are struck by the  
19 request in the law, the mandate in the law that we do have  
20 some fairly broad research directives, A.

21           B, that there isn't very much good research  
22 out there about one the longitudinal assessment of  
23 socioeconomic impacts of gambling on a community,  
24 expanding gambling on a community. C, that we have an  
25 opportunity to do something fairly extraordinary, I

1 think, if we moved quickly enough and had the right folks  
2 and figure out how to fund it and so forth to contemplate  
3 a very, very serious longitudinal study of the  
4 socioeconomic impacts.

5                   That over a period of years would add a lot  
6 I think to the body of knowledge that people need when they  
7 are trying to make these kinds of decisions.

8                   If everybody is okay with this, we are just  
9 going to keep moving down that road and see if we can't  
10 tee up some ideas on how this might be done. We talked  
11 vaguely about possibly getting a research director that  
12 really understands this kind of stuff.

13                   If we decide to get into this, it would be  
14 a major project and it would take some serious academic  
15 expertise to oversee it.

16                   COMMISSIONER STEBBINS: There is a  
17 provision which talks about some initial research being  
18 completed and done within two years of the enactment of  
19 the legislation. So, that puts us out to November 2013,  
20 which seems like a long ways away, but I guess in terms  
21 of doing research, you can kind of quickly gobble up that  
22 time.

23                   CHAIRMAN CROSBY: The beauty of the  
24 situation now is we still are in a baseline mode. We don't  
25 want to get in the situation that we are within the work

1 plan where the work plan has already started and we don't  
2 have our Gantt chart up yet.

3           If we move quickly enough we will still be  
4 in the baseline mode which can be really helpful to a  
5 study.

6           COMMISSIONER STEBBINS: Obviously, the law  
7 talks about a gaming policy advisory committee, which has  
8 not obviously been established because six of those seats  
9 are held by a host community and/or gaming licensee.

10           Making research recommendations every year  
11 and the source of revenue to actually conduct that  
12 research comes from a source that isn't right now writing  
13 us a check.

14           CHAIRMAN CROSBY: Okay. So, we will move  
15 forward on that and try to put something together fairly  
16 soon.

17           That is the end of my agenda. Does anybody  
18 else have items? Motion to adjourn?

19           COMMISSIONER CAMERON: I make the motion  
20 that we adjourn.

21           CHAIRMAN CROSBY: Second?

22           COMMISSIONER MCHUGH: Second.

23           CHAIRMAN CROSBY: All in favor? I.

24           COMMISSIONER ZUNIGA: I.

25           COMMISSIONER MCHUGH: I.

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COMMISSIONER CAMERON: I.

COMMISSIONER STEBBINS: I

CHAIRMAN CROSBY: The meeting is  
adjourned.

(Meeting adjourned at 3:25 p.m.)

1 ATTACHMENTS:

2

3 Attachment 1, Agenda

4 Attachment 2, Employee manual table of contents (MTC)

5 Attachment 3, 268A Disclosure form

6 Attachment 4, Draft job description, Director of

7 Administrative Services/Transition Start-Up Manager

8 Attachment 5, 6/4/2012 Email regarding forum on June 18

9 Attachment 6, 6/4/2012 Email regarding forum on June 25

10 Attachment 7, 6/5/2012 memorandum regarding Project

11 Management and Scheduling Resource Procurement

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17 SPEAKERS:

18 Elaine Driscoll, Communications Director

19 Fred Gushin, Spectrum Gaming

20 Kathy O'Toole, gaming consultant

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## 1 C E R T I F I C A T E

2

3 I, Laurie J. Jordan, an Approved Court Reporter, do hereby  
4 certify that the foregoing is a true and accurate  
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21 My commission expires: May 11, 2018

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23 //Elizabeth Tice// Date: June 6, 2012

24 Elizabeth Tice, President, Office Solutions Plus, LLC

25 My commission expires: August 26, 2016