

COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS GAMING COMMISSION
PUBLIC MEETING #195

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Lloyd Macdonald

Bruce W. Stebbins

Enrique Zuniga

MASSACHUSETTS GAMING COMMISSION

101 Federal Street, 12th Floor

Boston, Massachusetts

July 21, 2016

10:00 a.m. - 4:45 p.m.

P R O C E E D I N G S

CHAIRMAN CROSBY: I'm pleased to call to order the 195th meeting of the Massachusetts Gaming Commission on July 21st at 10:00 at the gaming commission offices. First item on the agenda is the approval of minutes. Commissioner Macdonald.

COMMISSIONER MACDONALD: Thank you, Mr. Chairman. I move that we approve the minutes of the meeting of June 23, 2016 subject to corrections, typographical errors and other nonmaterial matters.

CHAIRMAN CROSBY: Second.

COMMISSIONER STEBBINS: Just a quick question. If we have typos, errors, do we give them to you, Catherine?

MS. BLUE: Yes, please.

COMMISSIONER STEBBINS: Second.

CHAIRMAN CROSBY: Any discussion?
All in favor?

COMMISSIONER MACDONALD: Aye.

COMMISSIONER STEBBINS: Aye.

1 COMMISSIONER ZUNIGA: Aye.

2 CHAIRMAN CROSBY: Opposed? The ayes
3 have it unanimously. Commissioner Cameron
4 is on vacation this week so it will be just
5 the four of us. The second item up --
6 third item up is administrative update.
7 Director Bedrosian.

8 MR. BEDROSIAN: Good morning,
9 Commissioners, just a few personnel items.
10 Terrance Lanier, our intern working with
11 Director Vander Linden, responsible gaming
12 issues, will be completing his internship
13 this month. I was hoping he would be in
14 the room.

15 CHAIRMAN CROSBY: He is in the back.

16 MR. BEDROSIAN: He is in the room.
17 He is hiding behind the one column in the
18 room I can't see. We want to thank
19 Terrance for his work and wish him well in
20 the future.

21 CHAIRMAN CROSBY: Thank you,
22 Terrance.

23 MR. BEDROSIAN: We also have a
24 number of new folks who have joined us

1 since our last public meeting. In
2 financial investigations, Susan LaRosa has
3 joined us. Susan is actually in the back
4 row. Susan, could you raise your hand?
5 Thank you. And sitting next to Susan is an
6 intern for the summer, Tiffany Coyle, who
7 is here also. So we welcome them, and I
8 know they will be quickly part of our
9 family.

10 Another personnel issue, as we
11 continue to get to near completion of our
12 staff evaluations, we're working hard with
13 HR on that but that leads to another issue
14 of my evaluation. You are my appointed
15 authority. You all as a collective body
16 would do my evaluation. I would suggest,
17 even though I haven't been here for a year,
18 there has been enough time and commission
19 activity that it would be a good time to
20 put me in line with everyone else. So that
21 in the next cycle, we would all be in the
22 same yearly cycle.

23 Given that because you are a public
24 body, there are certain restrictions or

1 guidelines I should say on how you would do
2 that. I will turn that over to General
3 Counsel Blue to give you a couple of
4 options on that.

5 MS. BLUE: Good morning,
6 Commissioners.

7 CHAIRMAN CROSBY: Good morning.

8 COMMISSIONER MACDONALD: Good
9 morning.

10 COMMISSIONER STEBBINS: Good
11 morning.

12 COMMISSIONER ZUNIGA: Good morning.

13 MS. BLUE: There are best two good
14 ways that you could consider doing
15 Executive Director Bedrosian's review. The
16 first way would be using the --

17 CHAIRMAN CROSBY: Catherine, explain
18 for the audience what the problem is here
19 that we are trying to solve.

20 MS. BLUE: So, what we're trying to
21 do is comply with the open meeting law to
22 make sure that Commissioners can have the
23 deliberations they need to have since all
24 of you would be involved in his performance

1 evaluation, and the only way you can do
2 that is to do that in public. So one of
3 the ways --

4 CHAIRMAN CROSBY: Everybody out
5 there who has had a performance review
6 imagine what it's like to have your
7 performance review screened live on the
8 web.

9 MS. BLUE: And kept forever in video
10 form. So, we could start by using the
11 standard employee evaluation form that we
12 use for all of our employees. Each
13 Commissioner could take that and make notes
14 and then they could come to the next
15 commission meeting in August. At the
16 August commission meeting, you could
17 discuss your notes in public and deliberate
18 on an overall evaluation.

19 The overall evaluation should
20 include goals for the next year and a
21 recommendation as to any salary adjustment
22 if that's your desire. Then the transcript
23 of that portion of the meeting would serve
24 as Executive Director Bedrosian's

1 performance evaluation, and that would go
2 into his file.

3 The Commissioners, as to comply with
4 the open meeting law, cannot deliberate on
5 their notes outside of the meeting
6 obviously, so that would be one way. You
7 would come to the next meeting with notes,
8 have your conversation, arrive at a result
9 at the end of the meeting.

10 The second way would be you could
11 use the standard employee evaluation form.
12 You could each complete it for Executive
13 Director Bedrosian. You could forward it
14 to me. I could consolidate it. I would
15 then bring the completed form back to you
16 in August. At your September meeting, you
17 would then review that form and then you
18 would deliberate in public. Same kind of
19 process, you would come to an overall
20 evaluation, you would determine goals and
21 you would discuss any salary adjustment if
22 that's appropriate.

23 I think the first method is a little
24 more efficient, because you would do it in

1 one meeting. The second method requires
2 two meetings. Because as we have been
3 advised by the AG's office, for me to hand
4 something to you, I have to hand it to you
5 all in the open meeting.

6 So I think the first way is quicker,
7 but the second way might give you a little
8 more flexibility to think about what
9 your -- put your thoughts on paper, think
10 about it and then see a consolidated
11 version.

12 COMMISSIONER ZUNIGA: I just want to
13 make sure I get all the fine points right
14 on. You can hand out anything to us. It's
15 commissioners that cannot hand out to other
16 commissioners at a meeting and deliberate
17 unless it's in the next meeting, right?

18 MS. BLUE: Yes.

19 COMMISSIONER ZUNIGA: In your
20 remarks you said you could not do that in
21 the one meeting, because we would have to
22 go to the next meeting.

23 MS. BLUE: I would be sending you a
24 consolidated form. I would be more

1 comfortable giving it to you in an open
2 meeting so you all got it at the same time.
3 And then you could take it back and review
4 it and then deliberate on the meeting.
5 That would allow you time in advance to
6 have a good, long time in advance to think
7 about it before you came back.

8 COMMISSIONER ZUNIGA: But the
9 restrictions starts -- the arrangement here
10 is that when a Commissioner makes a note
11 and hands it over to Commissioners in an
12 open meeting, there needs to be the next
13 meeting for the deliberation. We could not
14 deliberate on the same meeting, because the
15 original note came from a Commissioner.

16 MS. BLUE: Yes, that's correct.

17 COMMISSIONER ZUNIGA: We deliver it
18 every day when notes come from staff.

19 MS. BLUE: Yes, that's correct.

20 CHAIRMAN CROSBY: Other thoughts? I
21 have a question. The issue here as you
22 pointed out, we're trying to figure out how
23 to do this within the open meeting law
24 constraints but with a mind to the dignity

1 and discretion and privacy of an individual
2 we had to do our interviews in public,
3 which was suboptimal in a number of
4 respects. It's hard to deal straight with
5 people about issues in a public way. It's
6 just not fair.

7 If we wanted to or if Ed wanted to
8 out of just a sense of discretion and
9 privacy, could we -- could the Commission
10 delegate to me, for example, to do the
11 performance review and then it could be
12 done outside of the public meeting? I'm
13 not am proposing that. I am just wondering
14 if that's also an option.

15 MS. BLUE: I think it would be
16 difficult for you to get input from the
17 other Commissioners.

18 CHAIRMAN CROSBY: No, I don't see
19 how I could.

20 MS. BLUE: Yes. I mean, I think
21 that's really the issue with that approach.
22 I think we want to get everybody's input.

23 CHAIRMAN CROSBY: Yes. Well, I
24 understand that. But, you know, in the

1 hypothetical, let's say, take Ed Bedrosian
2 out of this, but in a hypothetical
3 situation where there are difficult issues
4 to deal with, there are problems to deal
5 with, I mean it asks -- I think this
6 happens not to be the case now. But I do
7 want to understand carefully what our
8 options are.

9 It would just be grossly unfair and
10 unreasonable for an individual to be put
11 through a public discussion of what
12 somebody -- you know, a Commission thought
13 were severe shortcomings. Maybe there's no
14 choice, but that would be really tough for
15 anybody to go through. So if as long as I
16 did not solicit feedback from others, is
17 that an option that we could consider?

18 MS. BLUE: I would like to take a
19 look at it. I mean, off the top of my
20 head, I think it's possible, but I'd want
21 to look at it.

22 CHAIRMAN CROSBY: Okay.

23 COMMISSIONER MACDONALD: General
24 Counsel Blue, let me see if I understand

1 the alternatives here. The first one is
2 that we all -- each of us separately fills
3 out using a standard commission employee
4 evaluation form or evaluation of the
5 executive director and those are then
6 compiled and distributed before a public
7 hearing, and then we deliberate with each
8 other on the basis of what we have been
9 provided prior to the public meeting?

10 MS. BLUE: No. What we would do,
11 the two ways to do it is you could make
12 your own notes on your thoughts and
13 evaluation. You all come to the next
14 public meeting and you discuss your
15 thoughts openly at the public meeting, so
16 there would be no completed form. The
17 transcript at that point would be the
18 performance evaluation.

19 The second way would be if you
20 wanted to use the form, you could complete
21 the form. You'd give it to me. I would
22 create one consolidated form.

23 COMMISSIONER ZUNIGA: And that would
24 be then distributed beforehand to us.

1 MS. BLUE: It would be part of the
2 Commission package like, you know, items
3 are.

4 COMMISSIONER MACDONALD: Just
5 speaking personally, I think the second
6 alternative would be preferable because we
7 would be given the opportunity to be
8 informed of the other Commissioners'
9 thoughts and perspectives and thus advance
10 the deliberation in the context of the
11 public meeting.

12 CHAIRMAN CROSBY: We could still do
13 that. I mean, we could -- we would still
14 get each others' reviews. We'd just get it
15 orally.

16 COMMISSIONER MACDONALD: On the
17 spot.

18 CHAIRMAN CROSBY: On the spot,
19 right.

20 COMMISSIONER MACDONALD: But this
21 would give a chance for us to be prepared.

22 CHAIRMAN CROSBY: But if we wanted
23 to, we could have it at a second meeting.
24 We could have the first meeting where we

1 talk about our raw data, and then we have a
2 chance to think about it and then have a
3 second meeting where we conclude or where
4 we conduct our discussions with Ed, so it
5 could be done either way.

6 COMMISSIONER ZUNIGA: I prefer the
7 second option too with the two meetings.

8 CHAIRMAN CROSBY: The second option
9 with two meetings as opposed to the first
10 option with two meetings?

11 COMMISSIONER STEBBINS: The first
12 option was one meeting.

13 COMMISSIONER ZUNIGA: The first
14 option was one meeting.

15 CHAIRMAN CROSBY: I was just saying
16 you could do -- the first option would be
17 two meetings also. We each come up with
18 our own analysis, but it's private notes.
19 We come to a meeting. We talk about our
20 private notes together, and then we have --
21 at the next meeting, we have the
22 conversation with Ed and having had some
23 time to think about it ourselves what
24 others have talked about.

1 COMMISSIONER ZUNIGA: I am
2 indifferent about orally or in writing as
3 long as there's a benefit of a second
4 meeting to have a consensus.

5 CHAIRMAN CROSBY: The difference is
6 that, and it's really the only difference,
7 is that if we do the second option, that is
8 we all fill out a form and give it to
9 Catherine, it puts Catherine in the
10 position of filtering what we have said.
11 And, you know, she is going to be pretty
12 good at that, but it's going to be
13 Catherine's filter of what we've all said
14 rather than our --

15 COMMISSIONER ZUNIGA: I understood
16 it would not be a filter. It would just be
17 a compilation.

18 MS. BLUE: Well, it would be a
19 compilation but it wouldn't be a
20 compilation with each of your names there.
21 It would be a way to consolidate all of the
22 comments into one form, so you would have a
23 consolidated form.

24 COMMISSIONER MACDONALD: But

1 wouldn't you attach as appendices the
2 individually completed assessments?

3 MS. BLUE: I hadn't really thought
4 about that. I thought that would be your
5 conversation orally, you know, use that as
6 the basis but I could attach it, yes.

7 CHAIRMAN CROSBY: Well, in that
8 case, it's really not much difference.

9 COMMISSIONER ZUNIGA: I do better
10 with writing, in writing.

11 CHAIRMAN CROSBY: Mr. Stebbins, do
12 you have a --

13 COMMISSIONER STEBBINS: Yes. I
14 think you answered my question, which was
15 how would you prepare the notes? I mean, I
16 hear Commissioner Macdonald's general
17 concerns and they understand my general
18 concerns or feedback. I'm preferable to
19 kind of the hybrid here of conversation at
20 the next meeting and then discussion with a
21 subcommittee.

22 CHAIRMAN CROSBY: With the written
23 comments or not?

24 COMMISSIONER STEBBINS: With our --

1 I think with your suggestion the notes that
2 we each bring to the next meeting and then
3 a subsequent discussion.

4 CHAIRMAN CROSBY: You fill out the
5 form. Actually, there's no reason to do a
6 compilation. If each of us is going to do
7 the forms, we're going to give them to you
8 and they are going to come to us as an
9 attachment. There is no need to do a
10 compilation.

11 MS. BLUE: Well, we have to think
12 about that. Because if I just attach them
13 to a form then, in essence, you are giving
14 each other a report and I would have to
15 give it to you at the public meeting. You
16 wouldn't be able to talk about it at that
17 public meeting. You would have to come
18 back to the next one.

19 CHAIRMAN CROSBY: Why couldn't we
20 talk about it at the public meeting?

21 MS. BLUE: Because, in essence, you
22 have completed a form. Instead of giving
23 it to each other, you have given it to me,
24 so I am really just handing it back to you

1 again. So it would be the same as if each
2 of you came to the public meeting with the
3 forms yourselves, handed them out to each
4 other and then discussed it at the next
5 meeting under the open meeting law.

6 So, you know, if the idea is not for
7 me to compile them, then one of the ways to
8 do it is you each complete the form, hand
9 it out to each other at the public meeting,
10 don't discuss it in August, come back in
11 September and discuss it.

12 CHAIRMAN CROSBY: But if we could
13 keep private notes --

14 MS. BLUE: You can always keep --
15 private notes you can always keep.

16 CHAIRMAN CROSBY: Well, if we put
17 our -- if we did our individual evaluations
18 on the forms, nobody saw, we just brought
19 it, each of us brought our own and then use
20 that to talk and pass it around if we
21 wanted to, that's no different from keeping
22 notes.

23 COMMISSIONER ZUNIGA: It's the
24 passing that starts to be the restriction.

1 Because you cannot bring something as a
2 Commissioner that stakes a position and
3 deliberate in the same meeting about it.
4 You can stake a position and deliberate at
5 a future meeting.

6 MS. BLUE: That was the attorney
7 general office to us in training. So that
8 is why you couldn't hand it out to each
9 other. You could use it as a basis of an
10 oral presentation. That would be fine.

11 CHAIRMAN CROSBY: For the sake of
12 everybody, including the audience, let me
13 just make sure I understand this. We can't
14 bring a report that we have privately
15 written, nobody else has seen to a
16 commission meeting and give it to another
17 Commissioner in a public meeting and
18 discuss it.

19 MS. BLUE: At the same meeting?

20 CHAIRMAN CROSBY: At the same
21 meeting.

22 MS. BLUE: No. You'd have to
23 discuss it at the next meeting.

24 COMMISSIONER ZUNIGA: If the report

1 stakes a position -- if you're taking a
2 position on something and you want to
3 deliberate on it as well, that's the
4 restriction. We can issue a report about
5 what we did if it's just an oral report
6 that we are just saying here is what
7 happened. Here is the conference that I
8 went to, which I want to do later on in the
9 itinerary. But when you come in with a
10 position and you also want to deliberate on
11 the position, your colleague may want to
12 refute it, agree or disagree, that's the
13 restriction in the same meeting.

14 CHAIRMAN CROSBY: You can do it, but
15 you can come in with a position orally and
16 discuss it?

17 MS. BLUE: Well, if you have a
18 noticed agenda item, you can come in and
19 discuss that agenda item, yes. But if
20 you're handing out a report, and I know
21 this sounds sort of like splitting hairs,
22 if you come in with a report that you want
23 other Commissioners to see, the only way
24 you can distribute it to them is to hand it

1 out in public.

2 MR. BEDROSIAN: Can I just a quick
3 suggestion? I didn't anticipate that this
4 would take this much time, but I appreciate
5 the diligence to what you're thinking about
6 this because my privacy and other matters
7 you've talked about and we have guests
8 here.

9 I am just going to suggest maybe we
10 continue to think about this and bring it
11 up at the end of the meeting and resolve it
12 then but get on to the other substantive
13 matters we have.

14 CHAIRMAN CROSBY: I just want the
15 press to take note of what we're trying to
16 deal with. I mean, it's madness frankly.
17 Okay, yes, so let's move on to item three,
18 which is -- no item four, which is
19 Commissioner's updates.

20 Since we learned from the attorney
21 general that we cannot report to one
22 another at lunch or something on what we've
23 done with our time or conferences we've
24 gone to, which is what we used to do. I

1 would go to a conference. I'd come back.
 2 The Commissioners have lunch, and I'd talk
 3 about the conference thinking that was not
 4 something that would possibly be a
 5 violation to the open meeting law. We were
 6 told it is. Therefore, we will report on
 7 our activities publically.

8 So there were several things that I
 9 wanted to mention --

10 COMMISSIONER ZUNIGA: May I make a
 11 suggestion, Mr. Chairman?

12 CHAIRMAN CROSBY: Sure.

13 COMMISSIONER ZUNIGA: Could we put
 14 this to a later time as well in the
 15 meeting? I had -- again, in consideration
 16 of our guests and the amount of time, I
 17 have a couple of updates that I would like
 18 to also give, and it's going to further
 19 take away from timing.

20 CHAIRMAN CROSBY: So we will
 21 postpone both three and four to some later
 22 part of the day, which gets us to item
 23 five. Director Griffin.

24 MS. GRIFFIN: Good morning, Chairman

1 Crosby and Commissioners.

2 COMMISSIONER MACDONALD: Good
3 morning.

4 MS. GRIFFIN: I'm here today with
5 some valuable partners to update you on our
6 efforts to ensure that we have a workforce
7 in Massachusetts that is trained and ready
8 to go when our casinos open.

9 You remember I'm sure that the
10 Commission partnered with the community
11 colleges. The community colleges formed a
12 consortium called the Massachusetts Casino
13 Careers Training Institute or MCCTI and
14 each licensee has additionally signed an
15 agreement to partner with MCCTI.

16 These partnerships reinforce and
17 support the workforce goals of the gaming
18 law that reference diversity and inclusion
19 and the hiring of the unemployed and
20 underemployed.

21 So today we have representatives
22 from the lead community colleges of each
23 region, Bunker Hill Community College,
24 Bristol Community College and a partnership

1 between Holyoke Community College and
2 Springfield Technical Community College.
3 So they're here today to update you on our
4 progress to ensure trained workforce,
5 especially in the hospitality and gaming
6 occupations.

7 But first for some brief comments.
8 I'd like to introduce Bob LePage. You know
9 him, but I would like to congratulate him
10 in his new role as assistant secretary for
11 career education in the Commonwealth's
12 Executive Office of Education.

13 CHAIRMAN CROSBY: Congratulations.

14 COMMISSIONER STEBBINS:
15 Congratulations, Bob.

16 CHAIRMAN CROSBY: Little did we know
17 what a strategic alliance we've made.

18 MR. LEPAGE: Thank you for giving me
19 an opportunity for some very brief
20 comments. Two or three notes. I thank you
21 for your past support of the community
22 college. I think it has been recognized in
23 the efforts of the Executive Office of
24 Education, in fact, an example of why there

1 is a need to focus on career education and
2 strategies for the Commonwealth.

3 I'll just give two or three quick
4 updates. One, as you know, the governor
5 formed the skill workforce skill's cabinet
6 as a way to promote economic development,
7 labor and educational collaboration between
8 the three secretaries. Recently we've
9 worked on a forming of a work group to
10 specifically work with Commissioner
11 Stebbins and Director Griffin on an ongoing
12 basis so that we can bring to the skills
13 cabinet opportunities for collaboration
14 across the secretariats to support the
15 gaming workforce development issues and
16 hospitality and culinary across the
17 Commonwealth.

18 There's two or three areas where we
19 really believe that there needs to be focus
20 for continued collaboration, the areas of
21 ABE and workforce readiness and how we
22 integrate that into the planning. There is
23 some reissuing of our piece in the next 6
24 to 12 months where we feel this may be an

1 opportunity for looking at strategic
2 collaborations in more of a regional focus.

3 The Executive Office of Education
4 realizes it needs to play a role to support
5 the development of the gaming schools, and
6 the submission of applications for approval
7 of the gaming schools. The workforce
8 skill's cabinet, as you know, is very
9 focused on developing strategies on a
10 regional basis, particularly in the area of
11 hospitality and supporting the efforts of
12 the community college as the gaming
13 commission. It's a recent collaboration of
14 skills work and others to be able to
15 develop a need assessment for the Boston
16 market, so that we can build a
17 comprehensive approach to workforce
18 training.

19 I'd also update you that the skills
20 cabinet anticipates when the economic
21 development bill is completed, hopefully
22 quite soon, that it will, again, issue
23 capital skills grant funding that will
24 support technology and equipment. This was

1 funding that recently was used by Holyoke
2 Community College to support their
3 development of its facility and,
4 additionally, was used recently for Madison
5 Park to update their culinary facilities to
6 start to build capacity.

7 So we are hopeful that that will be
8 an area that organizations will take
9 advantage of to support hospitality and
10 culinary training. So that's my short
11 update. It's been all of a month, but
12 we're moving fast.

13 CHAIRMAN CROSBY: Great, terrific.

14 MS. GRIFFIN: Great. I'd like to
15 next introduce representing eastern Mass.
16 Darrell LeMar, who is Executive Director of
17 Workforce Development from Bunker Hill
18 Community College.

19 MR. LEMAR: Thank you. Good
20 morning.

21 CHAIRMAN CROSBY: Good morning.

22 COMMISSIONER MACDONALD: Good
23 morning.

24 COMMISSIONER ZUNIGA: Good morning.

1 COMMISSIONER STEBBINS: Good
2 morning.

3 MR. LEMAR: It is truly an honor to
4 be here today as I watched this process
5 unfold in 2010 when the Gaming
6 Commission -- when we called this
7 Commission to look at the economic impact
8 of gaming in Massachusetts. The
9 legislation was drafted and passed and
10 signed into law by Governor Deval Patrick,
11 and I watched that process unfold from my
12 role at the Executive Office of Housing
13 Economic and Development. So it is a full
14 circle for me to find myself at Bunker Hill
15 Community College of implementing this for
16 people in this region and for our partner
17 at Wynn.

18 So, I wanted to take a couple of
19 minutes to speak a little bit about Bunker
20 Hill and the student population so that you
21 get the sense of the level of diversity
22 that is there, and the amount of activities
23 that are happening, and that we will draw
24 upon as we move forward with this

1 initiative.

2 Currently, Bunker Hill Community
3 College is the largest community college in
4 the Commonwealth. We have 14,047 enrolled
5 students in credit bearing courses. But
6 that number does not include the over 3,000
7 noncredit students that come through the
8 areas that I oversee, which is corporate
9 training, community education, adult basic
10 education and the community center
11 for entrepreneurship. So in all, we're
12 talking about over 17,000 students that
13 walk through our door at any point in time
14 in the year.

15 Student population is about 57
16 percent are women, 43 percent are men. The
17 average age there is 26 years old. Our
18 student body is about 64 percent of color,
19 meaning 24 percent African-American, 24
20 percent Latino and we draw upon a huge
21 amount of international students as well.
22 This past year we had about 927 students
23 from international -- who came into Bunker
24 Hill from international places.

1 Our students represent over 101
2 different countries. And if you walk down
3 any of the hallways in Bunker Hill, you
4 will hear some 75 different languages
5 spoken on campus and many of our students
6 are actually first generation students.
7 That means that nobody -- they are the
8 first one in their family to actually
9 attend college.

10 We offer over 100 degree and
11 certificate programs. And while we have
12 been focused in primarily on hospitality
13 around this initiative, we offer
14 associate's degree and certificates in
15 culinary arts. We offer associate's degree
16 and certificates in hotel and restaurant
17 management, degrees and certificates in
18 meeting and event planning, and we have a
19 certificate program in pastry arts as well.

20 Some of the backdoor operation, we
21 have a number of degrees in that area as
22 well that we haven't been really focusing
23 on for this effort but they include
24 accounting, business administration,

1 communications, media, energy
2 sustainability, management for facility
3 type jobs at the casino, et cetera, et
4 cetera. So, we have a variety of different
5 ways that we can help our corporate partner
6 here meet their goals around a trained
7 workforce.

8 In terms of facilities, we have --
9 that's where we are particularly
10 challenged. Because you can imagine trying
11 to fit 17,000 people into our facilities.
12 Our facilities are used all the time. We
13 have classes there on Saturdays. You can
14 go to the campus on Sunday. There are
15 classes going on. And at one point in
16 time, they actually offered midnight
17 classes for people getting off the second
18 shift who wanted to continue their
19 education.

20 CHAIRMAN CROSBY: Did you stop
21 delivering the midnight classes?

22 MR. LEMAR: We did. You know, the
23 interest began to drop because as the
24 economy gets better, enrollment starts to

1 drop. When the economy is not doing so
2 well, people want to go back and increase
3 their skills, and so we did see an
4 interest. But for a while, it was very,
5 very popular. And we are open to actually
6 bringing that back if the interest comes
7 around.

8 CHAIRMAN CROSBY: That was a very
9 cool idea.

10 MR. LEMAR: So, we have our campuses
11 in Charlestown on 250 New Rutherford
12 Avenue. We have another building that we
13 leased on in the Hood Park near Sullivan
14 Station. We have our Chelsea campus, which
15 is right in the center of Chelsea at 175
16 Hawthorne Street. We actually have three
17 satellite campuses that we use as well, the
18 East Boston Community Health Center. We
19 have classes there. Malden High School, we
20 hold classes there. And we also hold
21 classes in the south end at the Inquilinos
22 Boricuas en Accion, which is IBEA, so we
23 have students over there as well.

24 In order to meet the needs of our

1 students, we actually have both classroom,
2 hybrid classes, online classes. We offer
3 something we call the incentive for
4 self-directed learning, which is kind of a
5 hybrid model. There is an instructor
6 there. We have students who do most of
7 their work online, but there is somebody
8 there that they can reach out to if they
9 need assistance right away. So we are
10 excited to leverage all of this to really
11 help our partner, Wynn, to achieve, again,
12 their workforce development goals.

13 So we recently actually -- yesterday
14 was my one-year anniversary at Bunker Hill.
15 So recently I met with Jeannie Peterson and
16 John Talgo to really kind of begin to tease
17 out what the actual needs are that they
18 have and what their vision is and timeframe
19 around development, workforce development
20 programs.

21 And they made it clear that we
22 really needed to look at acquiring space to
23 have this. So they talked about acquiring
24 space about 5,000 to 7,500 square feet.

1 And when they said that, immediately my
2 mind went, oh, my goodness. How are we
3 going to do this in terms of getting
4 through the state procurement process
5 around it, DECAM, we all know what that's
6 like, and will we be able to do it in a
7 timely way?

8 I spoke to actually our CFO and he
9 said there is a mechanism that we could do
10 that without having to go through the DECAM
11 process. So we're excited about that. So
12 once we locate a space, we can begin to do
13 that kind of work.

14 We also are meeting with our
15 community partners around this, the Career
16 Source, which is the Career Center
17 Community Partners in Chelsea, Roxbury
18 Community College, my counterpart over
19 there. They now have a director of
20 workforce development. So he and I will
21 work together on this as well to really get
22 this process up and running.

23 One of the things -- but there are
24 two things that we need to consider as we

1 move forward. One is a funding mechanism
2 for this. How does all of this get paid
3 for? Since these are noncredit courses,
4 they are not eligible, which at this point
5 in time -- so we would have to find a
6 mechanism to pay for the students to pay
7 for the training.

8 That doesn't mean that it will
9 always be noncredit, because my personal
10 vision would be to take a program like this
11 and see where we could do some prior
12 learning assessment to get credits for it
13 at the end and to see if can we put the
14 curriculum through career -- through our
15 curriculum committee so that we can
16 actually create an associate's degree or
17 certificate program in casino management.

18 CHAIRMAN CROSBY: Excuse me, Mr.
19 LeMar. Is the culinary institute in
20 Holyoke, are those career -- are those
21 credit courses?

22 MR. HAYDEN: It's a combination,
23 Mr. Chairman. There are both certificate
24 degree programs, and then there are

1 workforce development programs.

2 CHAIRMAN CROSBY: Say it again?

3 MR. HAYDEN: So, it's a combination
4 of credit courses, which is credit
5 certificate and degrees and also workforce
6 development courses, so skills training in
7 order to have people to be ready for the
8 jobs.

9 CHAIRMAN CROSBY: With what ratio
10 more or less just approximately?

11 MR. HAYDEN: So it will probably be
12 a two or two and a half to one on the
13 workforce side.

14 CHAIRMAN CROSBY: Okay. So you have
15 the same problem, same issue as will the
16 students have the money to pay for it; and
17 if not, who is going to pay for it?

18 MR. LEMAR: Exactly, exactly. So
19 that is something to consider. But, again,
20 as I said, long-term we would look to see
21 if we can articulate the curriculum into
22 credit bearing courses and eventually, as I
23 say, create a degree or certificate program
24 in casino management and other aspects of

1 the gaming industry.

2 So that would be a long-term goal.
3 We do have a similar partnership already
4 that we do with Ever Source like that where
5 our students actually get their general
6 education requirements on campus and Ever
7 Source actually teaches the lab work to the
8 students. And when they graduate with an
9 associate's degree, they actually get
10 employed by Ever Source and they are well
11 credentialed.

12 So we see this as a really exciting
13 way to develop curriculum that is industry
14 informed, industry driven. And when the
15 students graduate, it is very, very
16 relevant because the industry has to be
17 up-to-date with technology. So that would
18 be the long-term vision for us. So we need
19 to figure out that funding mechanism.

20 And, I guess, the other piece for us
21 that is really important is that we need to
22 get a date certain as to when the casino is
23 actually going to open because then that
24 allows us to begin --

1 CHAIRMAN CROSBY: What, they can't
2 give you that? What's wrong them? We have
3 been at this for years.

4 COMMISSIONER STEBBINS: I think
5 they'd like that too.

6 CHAIRMAN CROSBY: Mr. DeSalvio, what
7 the hell are you guys doing out there?

8 MR. LEMAR: Exactly. But once that
9 happens, the wheels can go in motion.
10 Because it would be -- it would not be a
11 good idea to start training people now and
12 say, all right, you finished the training,
13 come back and apply for a job in two years.
14 That just wouldn't work.

15 CHAIRMAN CROSBY: Well, that's
16 clearly true. But I have to tell you that
17 just what feels to me intuitively the
18 hurdles are going to be amends. They
19 always are. The bureaucracies are --
20 there's going to be problems. There's
21 going to be fits and starts, so I agree.
22 But, you know, more or less, we're pretty
23 clear it's going to be early in 2019. We
24 are not talking about which year are we

1 talking about. We're pretty clear.

2 So, you know, getting down this
3 road -- I agree, you don't want to start
4 signing up students really when you know in
5 advance that they are going to be foul for
6 a year after they graduate. But all that
7 preliminary stuff, you know, getting the
8 system set up and finding the students and
9 getting the facilities set up and whatever
10 all the rigmarole is, you know, I'd go hell
11 bent in leather and assume it's going to be
12 some time pretty soon in 2019 and --

13 COMMISSIONER ZUNIGA: And 2018 for
14 --

15 CHAIRMAN CROSBY: 2019. Well, '18
16 for MGM but he is talking for Wynn.

17 COMMISSIONER ZUNIGA: I know.

18 MR. LEMAR: I fully agree with you.
19 Actually, in some ways it gives us a little
20 bit of freedom really to do the kind of
21 intense planning that's necessary to make
22 sure that this works well in line of the
23 community partners so that, again, we have
24 a well-oiled machine when we have this date

1 and we can start moving forward.

2 CHAIRMAN CROSBY: Excuse me. Have
3 you talked at all, Jill, maybe you can
4 close this loop, with the folks at UNITE
5 HERE who have a training facility and are
6 looking to expand; are you --

7 MR. LEMAR: No. I haven't had that
8 conversation with them.

9 MR. LEPAGE: I have recently. I
10 have fairly recently in the last 60 days.
11 As you know, they received some funding to
12 expand their program through the workforce
13 competitive trust, as did Holyoke
14 Community, to support culinary and they do
15 want to continue to collaborate. They are
16 also anxious about the volume of students,
17 and they have participated in the dialogues
18 about doing the regional workforce
19 assessment.

20 CHAIRMAN CROSBY: Excuse me one
21 second. When you say "anxious about the
22 volume of students," what do you mean?

23 MR. LEPAGE: They are anxious and
24 understand -- and are aware of that there

1 is a significant need for workforce in the
2 region.

3 CHAIRMAN CROSBY: Anxious to meet
4 the demands.

5 MR. LEPAGE: Yes. They realize
6 facilities will be a constraint and
7 building collaborative models is going to
8 be important.

9 MR. HAYDEN: And, Mr. Chairman, they
10 also have an agreement with MCCTI to
11 partner and work together in terms of
12 training and curriculum development.

13 CHAIRMAN CROSBY: Okay, great. That
14 just seems like an obvious synergy there.
15 I don't know enough about how much
16 conversation you, Bob, is in the right
17 position to make sure that everybody is at
18 the table. And apparently Mr. LeMar
19 doesn't know about this organization or
20 hasn't been in it.

21 But if you get Roxbury Community
22 College and Bunker Hill and UNITE HERE all
23 in the same conversation, you know, there's
24 a tremendous synergy there. Never mind it

1 would be incredibly inefficient not to --
2 to be doing it on separate tracks.

3 MR. LEMAR: Thank you. I'll follow
4 up on that. And just lastly, I know that
5 our president, President Pam Eddinger, has
6 been out doing community meetings with Bob
7 from Wynn, so they are still doing
8 community business necessary to get this to
9 be successful.

10 CHAIRMAN CROSBY: Great.

11 MS. GRIFFIN: So, Commissioners, we
12 also have William Berardi, who's dean of --

13 CHAIRMAN CROSBY: I'm sorry. I just
14 want to make one gratuitous comment. You
15 know, we have in our Access and Opportunity
16 Commission Committee, which is a committee
17 that we have set up of all the stakeholders
18 to drive performance in diversity both of
19 the workforce and of the supplier base.

20 We've been focused principally on
21 the construction side because that has been
22 near at hand, but we will be getting
23 focused pretty soon on the operations side.
24 Some MGM has already put out, I think, a

1 plan.

2 But, again, with these resources the
3 opportunity to really blow the lid out on
4 the diverse nature of this workforce making
5 it somewhere close to commensurate to the
6 makeup of the population in this area, you
7 know, with your makeup at Bunker Hill, with
8 Roxbury and UNITE HERE's, you know, broad
9 perspective as well, there's a great
10 opportunity to really, really perform well
11 here. So I hope we really seize that from
12 every standpoint, including the diversity
13 workforce.

14 MR. LEMAR: Absolutely, thank you.

15 MS. GRIFFIN: Great, great point,
16 Commissioner. So additionally we have Dean
17 William Berardi. He is dean of the
18 Division of Business and Information
19 Management at Bristol Community College.
20 And he has a presentation I think that you
21 would be interested.

22 MR. BERARDI: Good morning,
23 Commissioners.

24 CHAIRMAN CROSBY: Good morning.

1 COMMISSIONER MACDONALD: Good
2 morning.

3 COMMISSIONER ZUNIGA: Good morning.

4 COMMISSIONER STEBBINS: Good
5 morning.

6 MR. BERARDI: I am here replacing
7 Chef Caressimo, who is the director of the
8 CATCH Institute in Bristol Community
9 College who could not be here today as much
10 as he would like to be. So, I will do my
11 best to take his place.

12 A little update you see on the
13 screen now the CATCH logo, and I will go
14 into a little bit more detail as I go
15 through the short slide presentation. But
16 the CATCH Institute is an acronym for
17 Culinary Arts Tourism Casino and
18 Hospitality.

19 We have a -- well, on December 8th
20 our degree in hospitality management was
21 approved by the Department of Higher
22 Education. So we now offer a hospitality
23 degree in associate and applied arts with
24 four concentrations. One being food

1 management or food service management,
2 tourism, hotel management and casino
3 management. I am going to concentrate most
4 of my comments on the casino piece.

5 In Taunton we just opened a new
6 location at the Galleria Mall for our
7 credit students, and within that mall is
8 our casino lab. Let me -- I can't tell you
9 how many comments we got -- this is the rug
10 in our casino lab.

11 CHAIRMAN CROSBY: I thought the
12 picture was distorted.

13 MR. BERARDI: Before this carpet was
14 put down, many of the faculty and
15 administration saw it as it was enrolled,
16 and you can imagine what kind of comments
17 we got and some of them were not so
18 complimentary.

19 CHAIRMAN CROSBY: It's kind of like
20 casino carpets, right?

21 MR. BERARDI: That was my next
22 point. As we put it down and we revealed
23 it in its, as you see it here, we got a lot
24 of good comments because, again, it has

1 that flavor of the casino. Also, as we go
2 through these slides, not only will the
3 students have this carpet to deal with but
4 as we are training them and educating them,
5 there will be a sound -- there is a sound
6 system in the lab. So there will be piped
7 in music coming in so they get the flavor,
8 again, of a real casino. So there will be
9 loud music, bright colors and hopefully a
10 lot of training going on.

11 CHAIRMAN CROSBY: Great.

12 MR. BERARDI: Here's a couple of our
13 tables. This specifically is the roulette
14 table. We are looking at getting a larger
15 roulette wheel, because this one is fairly
16 small. But the felts that you see on these
17 tables are in the process -- we are getting
18 bids on new felts, and the first slide that
19 you saw was the CATCH logo. All of the new
20 felts will have the CATCH logo imprinted on
21 it. So all of the tables will be branded
22 with the CATCH logo.

23 The craps table we were fortunate
24 enough to have Commissioner Macdonald and

1 Commissioner Cameron and Director Griffin
2 come to the casino lab, take a look at what
3 we have got and actually answer a few of
4 the questions that Chef Caressimo had. And
5 specifically on this particular table, we
6 need to get some additional wording on
7 there so it is more realistic than what it
8 is now, but all of this will be changed.
9 And when we do open specifically for
10 training, all of these felts will be as the
11 students will see and be working within the
12 casino when the casinos do open.

13 This specific table has a baccarat
14 felt to it. We will have baccarat. We
15 will have some of the other novelty games,
16 Spanish 21 and I guess there is another
17 game and what have you, so the students
18 will have a flavor of those.

19 But, specifically, we will be
20 training them and giving them a certificate
21 along with their degree in the four primary
22 games and that is poker, blackjack,
23 roulette and craps. But, again, it will
24 give them flavor on baccarat and any of the

1 other novelty games.

2 The picture here is one of the poker
3 tables with the bank, where the tokens or
4 chips will be held and where the dealer
5 will be sitting and, again, the CATCH logo
6 will be shown, will be imprinted on that
7 and the blackjack table. We have four
8 blackjack tables, two poker tables, one
9 roulette and one craps.

10 So, once we get the students in,
11 there will be plenty of space for them to
12 learn what they need to learn so they can
13 go to work in the casino. We do offer the
14 credit piece, but we're also working very
15 closely with the noncredit side, the
16 workforce development side. So those
17 students who do not want to get a degree
18 will be taught these games on a noncredit
19 basis. Any questions?

20 COMMISSIONER STEBBINS: Just a quick
21 question. As you know, students are
22 showing an interest in pursuing one of the
23 courses. Is there an interaction with the
24 Tribal Game Authority in terms of

1 requirements for the position, kind of
2 expectations for the position, what, you
3 know, what a potential employee will have
4 to go through?

5 MR. BERARDI: Yes. We have been in
6 communication with the tribe, and it is my
7 understanding now that I learned from the
8 Commissioners and Director Griffin when
9 they were at our location that the tribe
10 has hired a new person from, I think, San
11 Diego State Unveracity to take over the
12 gaming process. I have not met that
13 individual yet. He wanted to come down
14 when the Commissioners were there.

15 Unfortunately, something else -- I
16 guess there was an emergency tribal meeting
17 that he had to attend, but Commissioner
18 Cameron is setting up a new meeting so we
19 can specifically talk to him about what we
20 do. He has indicated that he needs a
21 trained workforce and is willing to work
22 with us to get that accomplished.

23 CHAIRMAN CROSBY: Others?

24 COMMISSIONER MACDONALD: Just on

1 that score, I did have the pleasure of
2 attending that meeting with Dean Berardi
3 and Chef Caressimo and I had been unaware
4 of what kind of secondary meaning garish
5 carpets have for casino design until I got
6 down there.

7 But just for the record, the
8 location of this facility could not be more
9 convenient to the tribal casino. It is
10 literally across Route 140 from the current
11 construction site of the tribal casino and
12 could not be more convenient generally for
13 people from the southeast region, where I
14 am from, for future training. It was very
15 impressive.

16 MR. BERARDI: Thank you.

17 CHAIRMAN CROSBY: And this is
18 obvious, but the tribe is obviously going
19 to have a high priority of their own
20 members.

21 MR. BERARDI: Absolutely, yes. We
22 have several of the tribal members now
23 enrolled in the program.

24 CHAIRMAN CROSBY: Great. Now, so

1 the CATCH is only table games; that's the
2 only training that is going on there?

3 MR. BERARDI: Well, no. Actually,
4 CATCH is the umbrella for the entire
5 hospitality degree program. So under the
6 CATCH Institute will be the tourism, food
7 service management and the hotel/motel
8 management.

9 MS. GRIFFIN: Additionally, we were
10 impressed by the surveillance lab that's
11 next door to the gaming facility.

12 MR. BERARDI: Yes. There will be --
13 there's 10 computers set up right next door
14 to the casino lab, which thank you,
15 Commissioner Griffin, for bringing that up.
16 But right next door to the casino lab is a
17 surveillance lab. We have 10 computers.
18 So 10 students at a time will be able to
19 review what is going on in the lab, the
20 casino lab and be trained on picking up
21 things that may go on during the training,
22 yes.

23 CHAIRMAN CROSBY: Do any of the
24 other community colleges anticipate having

1 table games or surveillance training?

2 MS. GRIFFIN: Yes.

3 MR. LEPAGE: Each region.

4 CHAIRMAN CROSBY: You do. Each
 5 region is going to have separate, okay.
 6 There is also, Jill, this is -- I know you
 7 have other people here to speak but in
 8 my -- in the conversations with UNITE HERE
 9 and seen their incredible facility in
 10 Vegas, there is a range -- there is the
 11 front of house people. Everybody kind of
 12 thinks about the dealers and the cooks and
 13 one sort of comes first to mind but you
 14 also have a whole category of front of
 15 house, receptionist, consiglieres. Is that
 16 in the continuum as well?

17 MR. LEPAGE: Absolutely.

18 CHAIRMAN CROSBY: Are you, Bob, in
 19 sort of a position to have an overview of
 20 this and, you know, sort of have in your
 21 mind what all the programs are doing and
 22 the schedules, the interconnections, the --

23 MR. LEPAGE: Yes. My goal would be
 24 continuing in part the past role of working

1 to collaborate on a regional basis. I
2 think now what we're seeing is the
3 timelines from each of the regions are
4 being set as those particular facility --
5 gaming facilities are in development now it
6 is causing the rubber to hit the road, I
7 guess, on timelines.

8 And I would note a big portion is
9 aligning the steps in the labor pool
10 development, the outreach, the recruitment,
11 the screening and then the training to land
12 on the hiring cycles. And that is
13 something that has to be worked out in each
14 region. And I am sure Marikate and Jeff
15 and Jeremiah will talk a little bit about
16 that.

17 CHAIRMAN CROSBY: Great.

18 MS. GRIFFIN: So next sitting behind
19 me I have Jeffrey Hayden, who is Vice
20 President of Business and Community
21 Services from Holyoke Community College.
22 They are working together with Springfield
23 Technical Community College. We have
24 Jeremiah Riordan. I would like to welcome

1 him in his new role as Vice President of
2 Workforce Training replacing the big shoes
3 of Bob LePage and joining them we have
4 Marikate Murren, who is Director of
5 Workforce Development of MGM. They would
6 like to update you on their exciting
7 activities.

8 MR. HAYDEN: One of the important
9 things that President Messner and President
10 Rubinstal recognized when they formed
11 training and workforce options a joint
12 effort to provide contract training and
13 skills training to businesses was that
14 collaboration was an essential element of
15 making it work, and especially in western
16 Massachusetts.

17 On the second slide, you'll see the
18 challenge that we face as a state. So that
19 challenge as you can see -- this is not a
20 new slide for all of you. Actually, the
21 numbers start to get larger as your work
22 continues and you start to work with new
23 folks and new development efforts.

24 But collaboration is the key and

1 especially in western Massachusetts. In
2 western Massachusetts, it's about a hiring
3 process. It really is about a workforce
4 development process. It's about scaling up
5 the number of people in western
6 Massachusetts who are in the workforce and
7 getting them the types of skills that will
8 make them have opportunities for jobs but,
9 more importantly, opportunities for
10 careers. And, so, really trying to focus
11 on workforce development and bringing
12 people into the various systems that we
13 have and the levels we have of training.

14 I'm happy that Jeremiah is
15 partnering with us in his new roll.
16 Jeremiah has over 20 years experience in
17 workforce development, and so we have a
18 very seasoned team between the two of us
19 and the many people who work with us. And
20 we have a lot of creative solutions that
21 we're beginning to implement.

22 The partnering that we've done --
23 these are some recent updates. So in terms
24 of the initial career and workforce

1 information sessions, we've scheduled them
2 so that they will begin in September of
3 2016. We'll have one a month, and we'll
4 continue them on through '17.

5 The purpose of those general
6 informational workforce development
7 sessions is to let people know what the
8 occupations are, what some of the
9 requirements are from the point of view of
10 the employer, what some of the steps are to
11 become ready for these jobs. And we would
12 hope that the Gaming Commission would be
13 able to help us with that effort in terms
14 of talking about licensing and registration
15 positions.

16 The second piece which you see up
17 there talks about educational pathways, and
18 that's where we are going to get down into
19 industry cluster type of thing. So if you
20 want to be a cook, what are the career
21 pathways for you, what are the steps that
22 you need to take to get there?

23 And part of that process will
24 include an assessment process. If someone

1 comes in and says, you know, I don't have
2 my high school diploma yet, then referrals
3 to ABE programs, referrals to ESLO
4 programs, referrals to skilled programs,
5 referrals to college credit programs will
6 be done at that point. And we have
7 partnered --

8 CHAIRMAN CROSBY: Jeff, excuse me,
9 you talked about referrals to ESLO
10 programs. I hear all the time that ESLO
11 programs are filled. That there are long
12 jams, long waiting lists. It doesn't do
13 any good to refer somebody to a program if
14 they can't get in it for a year and a half.

15 MR. HAYDEN: Well, and we work on
16 that in a number of ways but, you know, I
17 think what Bob had mentioned earlier about
18 the need to scale up ABE and ESLO efforts
19 and to put more funding resources to do
20 more training there, we have to meet the
21 demand. In western Massachusetts, the
22 funding that is available is about 10
23 percent of the total demand, and so it's a
24 large effort.

1 It's going to be necessary that the
2 Gaming Commission, the community colleges,
3 school departments and the state partner to
4 address that issue. It's a huge issue.
5 And, again, in western Massachusetts it's
6 amplified because we don't have a growing
7 population. We don't have a lot of
8 immigration into our region, and so we need
9 to take the people who have low educational
10 attainment, who are unemployed and
11 underemployed and try to get them the
12 skills that will make them ready for jobs
13 and careers with MGM.

14 CHAIRMAN CROSBY: Excuse me, Jeff.
15 Go ahead, Bob.

16 MR. LEPAGE: As I noted earlier, I
17 guess I would say that in some ways the
18 pulsing to scale up for a large employer
19 has not been something the Commonwealth has
20 done historically. Rarely have we had
21 anybody move in of these magnitudes. The
22 primary funding for adult basic ed. does
23 come from the Executive Office of
24 Education.

1 There is a meeting next week to
2 start talking about the reallocations of
3 funds, looking at the different types of
4 funds and determining how those might be
5 able to be used in a different format.
6 Traditionally they are five year contracts.
7 There is only a certain amount of
8 flexibility. A portion of those funds are
9 state funds, a portion are federal funds.
10 But there is a lot that is happening as
11 part of reissuing all of adult basic ed.
12 funding in the next nine months.

13 So, we are aware of the challenge.
14 We are looking at what is the funding, what
15 is the opportunity to potentially, I guess,
16 I would say target geographic areas to help
17 overcome workforce barriers. It's not a
18 system the Commonwealth has really had in
19 place in the past.

20 CHAIRMAN CROSBY: ESLO is the subset
21 of ABE?

22 MR. LEPAGE: Yes, it is funded.

23 CHAIRMAN CROSBY: Is there a chance
24 and is there a shot? This is not just a

1 problem for casino preparation. This has
2 been a problem for a long time. They were
3 on the waiting list when I was secretary in
4 2000. Is there a chance that the waiting
5 list could be addressed?

6 MR. LEPAGE: Yes. There's two or
7 three things on the list for the dialogue
8 for next week's meeting. One is getting a
9 more standardized approach to the waiting
10 list. They are very fragmented. There are
11 multiple people on multiple. I always use
12 the example if you go to Dunkin Donuts and
13 there's a really long, long, long line, you
14 might not want to wait. As much as I love
15 my coffee in the morning, I might go to the
16 next closest Dunkin Donuts.

17 Eventually, we have to figure out
18 that system to, yes, the funding has been
19 essentially level funded for many years in
20 the Commonwealth. I do think that the
21 workforce skills cabinet members understand
22 that with unemployment now at four and a
23 half in certain parts of the state, not in
24 our neighborhood cities, that if we are

1 going to move new people in our labor pool,
2 that adult basic ed. and EEL programs are a
3 source of talent we have to focus on. That
4 being said, it is going to become an
5 allocation of funds dialogue.

6 CHAIRMAN CROSBY: Yes. Meanwhile
7 everybody is talking about budget
8 shortfalls, and it's really a tough one. I
9 don't know if there is anything we can do
10 but certainly keep us in the loop if there
11 is. Because this is a huge barrier. It's
12 exogamous to all the other issues. This is
13 a huge barrier.

14 MR. HAYDEN: And the executive
15 office has also led some creativity too.
16 So there are some career pathway programs
17 that are specifically for ESLO programs,
18 and we are implementing one in relation to
19 hospitality and culinary so that you start
20 to introduce someone who is learning new
21 language skills to that vocabulary and to
22 some of those issues of that context. And
23 that has been under the direction of the
24 executive office.

1 We have a lot of creative tools. In
2 some sense you're right, Mr. Chairman, it's
3 about scaling up. We've also partnered
4 with the Department of Labor and Workforce
5 Development and we have begun using career
6 ready 101, which many of you heard about
7 already.

8 But, essentially, it's an assessment
9 that helps define where individuals are in
10 terms of some of their skills and their
11 learning. We have also started to
12 implement the use of the training material
13 that is on that system as well. So it's
14 not only saying here is what your training
15 gets you, but it's providing you the
16 opportunity to get that training.

17 We -- you know, I think it's
18 explicit in what I just said about us
19 referring people to different types of
20 programs, whether it's workforce or ABE,
21 that we are establishing a more
22 regularized, regularized advisement and
23 referral process. We have scaled up now.
24 We have seven career development

1 specialists across HCC. I know Jeremiah at
2 STCC has a number who he has begun to hire.
3 And, so, hopefully that will help us with
4 some of the volume that we are going to
5 experience with the gaming industry.

6 And we're scaling up some of the
7 gaming and non-gaming training. You've
8 heard about some of the culinary already.
9 We've begun discussions with MGM about the
10 gaming school hopefully to be located in
11 Springfield, and we'll hear more about that
12 down the road from Marikate.

13 But that gaming school will follow
14 the outline that you established in the
15 regulations. We will be working with the
16 Commission and your staff to determine some
17 of the specifics and what some of the goals
18 were in terms of that legislation. But we
19 are in the process of putting that
20 together.

21 We are hoping that we will have by
22 the first week of August a more definitive
23 workforce training plan for the western
24 region and specifically in collaboration

1 with what MGM needs to submit to you. And
2 we will begin to put that draft out
3 sometime in August and September so that we
4 can get feedback. But it's an attempt to
5 have a comprehensive approach to not only
6 the gaming-related occupations but also the
7 IT and the hospitality and front of the
8 house, back of the house type of jobs.

9 And, naturally, within that student
10 support that we provide, we'll also be
11 helping MGM with auditioning and advising
12 the people on how to get into the right
13 career for them.

14 Some of the recent highlights, and
15 I'll be very quick on this is, and I am
16 sure Marikate will add a little bit to
17 this, Skill Smart, the tool you have heard
18 about that helps people identify career
19 opportunities and then build a profile of
20 their own skills has been launched. And
21 we're working with them to ensure that all
22 the programs in the region are accurately
23 linked and connected.

24 We announced, and thank you to the

1 Commissioners and the staff who were able
2 to be there, we announced the MGM Resorts
3 HCC Center for Hospitality and Culinary
4 Arts at Holyoke. That's a -- we had to add
5 about another 50 feet on the wall in order
6 to get that name across the building, and I
7 am sure we will come up with a cute acronym
8 down the road.

9 But what's significant about that,
10 and, again, it goes back to how I started,
11 it's about collaboration. We know that
12 there is a need currently in the region for
13 hospitality and culinary workers. We know
14 that MGM will have a significant need, you
15 know, well over 500 people that they will
16 need.

17 And, so, the greater Springfield
18 Convention Visitors Business, Congressman
19 Neal's office, the state legislature, the
20 colleges together, MGM, a number of private
21 partners have all worked together to help
22 us establish this culinary center to meet
23 that need. And we're hoping that this time
24 next summer we'll be doing the workforce

1 training programs there, and then we will
2 open for credit programs in the fall of
3 '17. So, we are moving along on all of
4 that.

5 We have also initiated internally
6 the career pathway maps so that someone can
7 see if they are starting at ABE where they
8 need to go to get into the particular
9 career or occupation that they are looking
10 to do, and we will have those in the fall.

11 We will match those against the
12 training programs so it will be an easy
13 grid for individuals to follow. And,
14 again, we'll continue the adult basic ed.
15 collaboration. And as I mentioned before,
16 we will work on the gaming school.

17 I just wanted to show a couple of
18 quick pictures, and I know Jeremiah wants
19 to talk about some of the things that STCC
20 has been putting together.

21 MR. RIORDAN: Thank you, Jeff. One
22 of the things I'd like to talk about is
23 last November we began offering our
24 customer service essential certificate,

1 which is a credit program. It's eight
2 credit courses, and we offer it over a 16
3 week fast track delivery. We also offer it
4 throughout the regular semester but it's
5 a -- one of the reasons I wanted to mention
6 is because it's a credit program which
7 makes it eligible for financial aid and
8 assistance for individuals to pay for that
9 training. And the training focuses on the
10 areas of attitudes in service, creating
11 loyal customers, coaching service, trainers
12 and it goes into great depth there.

13 We are very excited. We started
14 rolling that out combined working in this
15 partnership with Holyoke Community College.
16 We are very excited to be reaching out to a
17 combined 18,000 students, credit students,
18 and we are offering these kinds of
19 trainings to the area. And we have a very,
20 very diverse culture on this and we are
21 hitting a lot of those individuals with
22 that training.

23 MS. MURREN: Chairmen, if I may just
24 go back to the funding conversation. Of

1 course we thank Bob LePage. He will always
2 be a western Mass. brother and family
3 member, so we will make sure we keep him in
4 western Massachusetts.

5 But as you know, the City of
6 Springfield just recently won a working
7 city's challenge grant out of the Boston
8 ed. This is another way that the
9 businesses have convened together with the
10 partnership of all our community colleges.

11 And I want to pause and thank Jeff
12 and Jeremiah, the presidents, without them
13 and the collaboration of partnership that
14 we have set up, we wouldn't be where we are
15 right now and confident with a successful
16 opening of our resort in September of 2018.

17 But it was a way for us to put those
18 businesses together with the community
19 college and our nonprofit. Let's not
20 forget our community-based organization,
21 our fake-based organizations that really
22 will be conduit to the individuals that
23 will be working in our resorts, so we are
24 very proud of that. We'll be kicking off

1 that hopefully, Bob, with your help. We'll
2 get Jeremiah and Jeff to kind of try to
3 fill your shoes.

4 We will be kicking that off next
5 week of what that implementation grant
6 looks like. We will be working on some
7 additional and some matching grants, and
8 it's just one more way for us to get
9 additional funding. That grant is specific
10 for residents of Springfield, so I wanted
11 to bring that to your attention.

12 CHAIRMAN CROSBY: How big is that?

13 MS. MURREN: It's \$475,000 over a
14 three year period, and then with the hope
15 that there is some refunding after that
16 first initial three years.

17 CHAIRMAN CROSBY: Great.

18 MR. LEPAGE: It will play a
19 unique -- it is designed to play a unique
20 role that was identified by the business
21 industry of the ability to inform
22 residents, particularly those of low income
23 and high needs, as well as chronically
24 underemployed of the educational

1 opportunities of benefit systems and how
2 they can support them in their career
3 pathway.

4 It will work also with the Americore
5 model that will put people literally on the
6 ground working in fake-based and community
7 organizations to build that pipeline, so
8 it's a little different model.

9 CHAIRMAN CROSBY: Say that again?

10 MR. LEPAGE: It will also be working
11 within the Americore model with Americore
12 funding as a connector that will literally
13 put people on the ground on a continuous
14 basis that will go out to community-based
15 organizations to inform people neighborhood
16 by neighborhood of what are the career
17 opportunities in the City of Springfield,
18 how do they navigate the enrollment
19 systems, how do they navigate the training
20 systems.

21 CHAIRMAN CROSBY: Those will be
22 Americore employees?

23 MR. LEPAGE: Yes. The Vista
24 Division of Americore, yes. They are built

1 into that grant about looking in a
2 different model.

3 CHAIRMAN CROSBY: I was at Vista
4 Core for two years.

5 MR. LEPAGE: You're welcome to come
6 back, Commissioner.

7 CHAIRMAN CROSBY: So is that going
8 to be the case in all three regions?

9 MR. LEPAGE: This was the first
10 model of its kind as far as I know that was
11 designed for that particular offering from
12 the federal reserve.

13 CHAIRMAN CROSBY: So that's part of
14 the deal that Marikate was referring to.

15 MR. LEPAGE: Yes, billed to the
16 federal reserve model. Our goal is to get
17 it piloted and, you know the federal
18 reserves desires to look at all of the
19 gateway cities and look to strategies to
20 help them replicate.

21 CHAIRMAN CROSBY: That's really
22 interesting because we were talking about
23 yesterday, Commissioner Stebbins and Jill
24 and I, about how do you do this hard on the

1 street retail work of person by person
2 identifying the target audience who by
3 definition are going to find it hard to get
4 there, that don't have the smart skills
5 training, may not have transportation, you
6 know, it's a real handholding job to
7 identify the market that we are trying to
8 identify and bring it to a training
9 environment. And, so, the idea of having
10 people on the ground to do that is great,
11 and maybe we can think of ways to replicate
12 that model in other regions as well.

13 COMMISSIONER STEBBINS: One of the
14 great things that I observed early on was
15 some of the meetings that Bob and Jeff
16 pulled together was this collaborative
17 team. He's talking about what the career
18 opportunities were going to be, but you had
19 those local organizations at the table and
20 I know you still do. You had the other
21 colleges in the region, both state and
22 private because, Mr. Chairman, to your
23 point, it's not just casino dealing. It's
24 folks in ajar and accounting and those are

1 all degree programs offered in western
2 Massachusetts. But, you know, as Jeff
3 Hayden said, population in western Mass.
4 has been relatively stable.

5 You are going to have a lot of
6 hiring from MGM, you know, they have a
7 target for locally or for the City of
8 Springfield. They have a target for
9 employment regionally, which they are going
10 to try to meet. And you couple that with
11 employers in the region worried about, you
12 know, my bank teller might get snatched up
13 or my restaurant server might get snatched
14 up.

15 We're not saying that's a bad thing.
16 I actually think it's kind of a good thing,
17 because you are going to give people more
18 opportunities to choose from. But that
19 collaboration now with a grant to really
20 help local organizations get in on the
21 ground to do that neighbor to neighbor kind
22 of conversation is critical.

23 We also acknowledge we have, you
24 know, said good-bye to President Ruzenbal

1 and President Messner. But I'm encouraged
2 by the fact there's two successors that are
3 fully engaged in this process and in the
4 program and are going to give it the full
5 support, so hats off to them as they retire
6 but knowing that the ball is not getting
7 dropped, so to speak.

8 One other point. I was just
9 flipping through the Globe this morning.
10 The Globe gave a shout out to MCCTI. It
11 was one of their little notebook hits right
12 below the RNC highlights from last night.
13 But, more importantly, was, you know, if
14 you are not familiar with MCCTI, get to
15 know it and especially if you're thinking
16 about a career with one of our licensees.

17 CHAIRMAN CROSBY: Anybody else?

18 COMMISSIONER ZUNIGA: Yes. I want
19 to emphasize a couple of concepts. The
20 real narrative here that was a little bit
21 to collaboration, and I think we really
22 have a role here. We, as the group may
23 know, we also thought about coming back to
24 revising or reviewing the licensing

1 regulations. Many of the jobs that was
2 spoken about, especially management, you
3 know, require a thorough background and
4 things like that and our operators are
5 fully aware of that.

6 But to the extent that we need to
7 tweak those regulations, I think it's very
8 important to hear from the group. I think
9 it would be in my opinion too bad that some
10 of that becomes a barrier to the efforts
11 that the group is trying to do. It will
12 need to hear that a particular position
13 needs to be rethought, to be reclassified
14 instead of a gaming employee licensing. It
15 needs to be a service employee. Given, you
16 know, what we are seeing, I think it's
17 invaluable for us because that is how we
18 can frankly affect or help.

19 CHAIRMAN CROSBY: Can I expand on
20 that? That's a really good point, and I'm
21 glad you brought it up. I hadn't thought
22 about it. But our Investigation
23 Enforcement Bureau has already begun to
24 review and is very far along in reviewing a

1 lot of the criteria in the background
2 investigation process and our regs as it
3 pertains to that. And that will be on our
4 agenda sometime pretty soon.

5 But we really would like to have
6 your feedback -- and, Bob, this is for
7 everybody -- to help us go through these
8 regs and the spirit of this is to get
9 people employed. And our Investigation
10 Enforcement Bureau get that spirit, but
11 they are operating within our regs and also
12 within the law. Our regs we can control.
13 The law we can't. So it would be great to
14 have you, you know, be systematic in
15 helping us take a look at those.

16 If we have regs which are barrier to
17 a reasonable recruitment, we may or may not
18 change them but we would really like to
19 hear your ideas on that. That will be
20 going right along with what the IEB has
21 already talked about. That's a great
22 point. Thank you.

23 COMMISSIONER ZUNIGA: Well, it's
24 near and dear to everything. To the

1 groups' efforts, you know, and right along
2 the notion of collaboration, which is very
3 easy to be high level but it's really
4 operationalized in that form for our group.

5 I also wanted to, you know,
6 highlight something that I know the
7 operators know about and, you know, our
8 research and the responsible gaming world
9 elsewhere has identified employees of a
10 casino as a particular group with higher
11 risk than the population for some of these
12 issues.

13 And in my mind or as I can gather,
14 you know, training becomes dumbsky
15 (phonetic). It's also a longly item. So
16 to the extent that we can also mention, we
17 can have a roll in there if they would have
18 us, you know, we would have reports and
19 things of that nature. But the responsible
20 gaming aspect in terms of how it affects
21 our employees is something that -- but I
22 know our operators are familiar with that,
23 but also something that we could have a
24 role.

1 MS. GRIFFIN: Commissioners, we've
2 included as part of the curriculum
3 requirements in order to be licensed as a
4 gaming school, we met early on with
5 Director Vander Linden and there is a
6 requirement that individuals be trained on
7 aspects of problem gaming.

8 COMMISSIONER ZUNIGA: And the other
9 one, this one was also mentioned. I'll
10 allude to it very directly. We are now
11 beginning what appears to me as, you know,
12 something early but is very much timely
13 regulations and actual games, equipment, a
14 lot of that transforms into gaming schools.

15 So we'll also be looking for your
16 timely feedback as you know you need it
17 often when you come out with informal
18 drafts and things like that, because all of
19 that may have a role in how games are
20 taught and how people operate.

21 CHAIRMAN CROSBY: Is there either an
22 overall, which would be nice, or a regional
23 sort of tracking mechanism; are you going
24 to have a database of -- we talked about

1 this funnel. You need a big funnel of
2 thousands to get down to the 10,000. Is
3 there any kind of a tracking mechanism so
4 we'll know at any point in time how big is
5 our pipeline, Jeff?

6 MR. HAYDEN: Sure, so a couple of
7 things. One is obviously --

8 CHAIRMAN CROSBY: Bob, could you
9 share Marikate's mic? I wanted to ask you
10 something. Bob DeSalvio, could you come up
11 and share Marikate's mic? Go ahead, Jeff.

12 MR. HAYDEN: So one of the pieces of
13 that is to, you know, is to really make
14 sure that -- and I'm losing my train of
15 thought.

16 CHAIRMAN CROSBY: About the
17 pipeline, keeping track of people.

18 MR. HAYDEN: Right, so keeping track
19 of people. So there are a couple of
20 components to that. One is obviously that
21 those entering the system for applying for
22 a job, there'll be a tracking there. We
23 have already been talking about how to work
24 very closely with MGM in terms of their

1 Skill Smart product, in terms of our
2 enrollment and in terms of their hiring
3 process. So there will be regional
4 opportunities.

5 I was just talking with Darrell and
6 Bill ahead of time that we need to get a
7 meeting of MCCTI statewide together in
8 order to talk about a couple of issues.
9 One is obviously curriculum, but this issue
10 of data tracking is important.

11 Because what we would like to be
12 able to give to you, for you on an annual
13 basis is say this is how many people came
14 in the funnel. This is where they went.
15 These are the outcomes of that. And to do
16 that statewide and regionally, you know,
17 and given the fact that it's essentially
18 six community colleges working with four
19 developers that, you know, I think that's
20 manageable. And, so, we will be working on
21 that. We'll draft a plan, and we'll
22 certainly relate it to Jill so she can pass
23 it on to you.

24 MR. LEPAGE: I would just add that

1 the three secretariats are now working on
2 an integrated data system. I know long ago
3 when we were talking about the ability to
4 track somebody who might be underemployed
5 and moving through the workforce system,
6 are they enrolling in training programs and
7 then are they employed and at what wages
8 and are they sustainable currently is a
9 very challenging process.

10 But there is a planning process and
11 funding through a number of different grant
12 resources that hopes to have relatively
13 quickly the next 12 months to 18 months the
14 starts of systems that will allow us to do
15 that for all occupations, not solely gaming
16 but all occupations.

17 That is an area where we don't have
18 as much visibility, I guess, is the way I
19 would say as we would like both as a
20 research perspective as well as an ongoing,
21 you know, continuous refreshment of
22 information. But that is on the radar
23 through the three of us.

24 CHAIRMAN CROSBY: That would be

1 great obviously if you could do part of the
2 skills workforce, cabinet workforce, that
3 would be a great dimension but don't let
4 the perfect be the enemy of the good. If
5 you need a shadow system that somebody's
6 excel spreadsheet somewhere, it will be
7 really helpful to know.

8 And, Jill, keep this in mind as a
9 priority to try to have our arms. It will
10 be an early warning system. Do we have a
11 pipeline that looks like it's going to
12 produce what we need?

13 Just one, Jeff, this is such an
14 unusual model that you said that rarely
15 does an industry come in and says, okay,
16 three years out we're going to need 10,000
17 people, and I can tell you exactly what the
18 jobs are and what level of training they
19 need, and you can have an opportunity to
20 match that to a legislative mandate to
21 hire a certain cohort and demographic is
22 really a rare opportunity.

23 And if we could track that with a
24 metric to see how it actually worked and

1 how many people came through, which one is
2 working, it's an incredible case study. I
3 think it would be something Governor Baker
4 would be really interested in.

5 MR. LEPAGE: And we have had
6 dialogues at least on how we link the
7 training at the community college level to
8 the on boarding assessment at UMass Donahue
9 Institute, so we met with them a number of
10 times to talk about that dialogue.

11 CHAIRMAN CROSBY: That's a good
12 start.

13 MR. LEPAGE: Our data system should
14 be able to capture from the enrollment
15 perspective. All these students will be
16 enrolled in one of the colleges' systems
17 either credited or non-credited. It really
18 doesn't matter, but the data will be in
19 there. But we have talked to them about
20 the ability to align those process in those
21 data fields. They are very -- we've looked
22 at the work that was done down at Penn to
23 look at the steps and how we can append
24 that on the front end.

1 MR. HAYDEN: And just to give you
2 one example. The Department of Higher Ed.
3 this year, which is the first time I've
4 experienced it in 10 years, actually asked
5 for all of the noncredit certificate
6 programs and asking not only what they are
7 and how many are enrolled but then asking
8 about outcomes for those same programs.

9 And, so, the fact that, you know,
10 Department of Higher Ed. and the executive
11 office are starting to put an emphasis on
12 that, I think what you're suggesting,
13 Mr. Chairman, will happen. We will have
14 that data.

15 CHAIRMAN CROSBY: I think Secretary
16 Peyser would like that too. He's really a
17 data-driven guy. He would really like
18 that.

19 MR. LEPAGE: He made that fairly
20 clear.

21 CHAIRMAN CROSBY: Great, that's
22 terrific.

23 MR. LEPAGE: I probably shouldn't
24 have said fairly. He made that crystal

1 clear.

2 COMMISSIONER STEBBINS: Well, and at
3 the end of the day with the tracking that
4 you're doing with the students, ultimately
5 they wind up in our licensing system either
6 for employee registration. And we have the
7 opportunity at our end kind of at the
8 completion of the trail to ask a whole
9 bunch of questions.

10 We did at Plainridge, you know, were
11 you unemployed, previously underemployed,
12 whatever the questions are adding some of
13 those into what kind of training programs
14 did you go through, so we can kind of track
15 that success at the end stage as well.

16 CHAIRMAN CROSBY: Yes, that would be
17 great. We will know what the output is
18 about as well as possible. The risk is
19 that the input isn't enough, so the output
20 isn't a big enough funnel.

21 Has either of you, Bob or Marikate,
22 been involved in opening a casino in a
23 jurisdiction where there was no pool of
24 casino employees?

1 MS. MURREN: I have not. I am new
2 to the industry.

3 CHAIRMAN CROSBY: Because MGM is
4 doing the one in Baltimore.

5 MS. MURREN: Actually, National
6 Harbor but that currently has gaming in
7 Maryland.

8 CHAIRMAN CROSBY: That has a lot of
9 people around. Were you at the start of
10 Bethlehem, Bob?

11 MR. DESALVIO: Yes. I was involved
12 in the original build-out and staffing and
13 opening in Bethlehem. That was an area
14 that is exactly what we are dealing with
15 here. We did the collaboration program
16 with Northampton Community College. We
17 opened up the gaming training school there
18 for all the different casino disciplines,
19 including surveillance. Then we also
20 collaborated with them on service-related
21 programs.

22 So, yes, we have had experience
23 in -- even though we don't have our
24 official start date, we have been thinking

1 about this for quite a while. And just so
2 the Commission knows, we opened up about
3 two years ago our applicant tracking
4 network through the Wynn talent network and
5 we've already got thousands of names that
6 are already in queue.

7 We've had discussions with Brian
8 Lang as far as the best program and how we
9 might be able to collaborate between Bunker
10 Hill, Roxbury and Wynn in terms of not
11 duplicating spaces and things like that for
12 economies of scale. We met with President
13 Pat Messner of course from Bunker Hill
14 about starting to get these things going as
15 well as what Darrel mentioned earlier about
16 meeting with John.

17 So, we are all over this even though
18 we don't have our specific date yet but we
19 have been thinking about this. And
20 certainly my background in handling this in
21 an area that didn't have a large talent
22 pool will give us a lot of good examples.
23 Actually, I think we're going to use, and,
24 Bob, I don't know if we're still thinking

1 about this, that the actual curriculum is
2 part of that program that came out of
3 Atlantic Cape.

4 So, we have sort of a design program
5 that is we are not pioneering this. This
6 has been done in other areas and having the
7 established curriculum and program, I
8 think, gives us a leg up and we can work
9 out things like space and figuring out how
10 to do that and. As far as some of the
11 other issues that will come up, I think
12 they'll be a good collaboration in our
13 region.

14 CHAIRMAN CROSBY: How does each of
15 you feel just in your gut about the
16 readiness of the system; are we --

17 MR. DESALVIO: I think this is very
18 doable. I can tell you -- I will give you
19 the example for Northampton Community
20 College and our casino program there. We
21 wound up training almost, I think, it was
22 about 67 percent of the workforce for the
23 casino actually went through the local
24 community college training program.

1 It was much higher than what we had
2 anticipated. We thought we'd get a lot
3 more movement between places like Atlantic
4 City and other places that would deliver,
5 but some people just didn't want to move.
6 So, yes, we wound up getting some
7 experienced folks but we were shocked at
8 the high number of local amount of training
9 that we did. And, so, it worked out very
10 well, the program.

11 MS. MURREN: Same thing on MGM's
12 side. We are confident with our
13 partnerships of Holyoke and STCC that we
14 will be successful. There's a lot of work
15 to do. I don't want to say there isn't
16 but, you know, Jeff and Jeremiah really
17 laid out the first ABE, ESLO work
18 readiness not just for our industry but for
19 the entire western Mass. And that's the
20 important thing to really understand. It's
21 not just MGM. It's other corporations and
22 companies in the area having these
23 conversations and saying, "What do we need
24 to survive and continue to grow in western

1 Mass.?"

2 But like Bob, we are confident we
3 are putting in place all those
4 informational sessions, one for our
5 industry and then the education. And we
6 will have that same type of system. So,
7 currently, we have Skills Smart. So people
8 go in there, build a profile, understand
9 some of the skill gaps that are currently
10 missing to the skills of our job
11 descriptions, and then we connect them to
12 the education partners. We can track that.

13 So Skills Smart is able to give us
14 the analytics of where they are going and
15 where they are getting dropped off. And
16 then the colleges and some of our training
17 partners will then track if they are
18 registering through partners. And the
19 important part is just building that bridge
20 between the two systems.

21 And similar out here, we also have a
22 talent network and that will be where
23 people eventually do apply. So there's
24 tons of analytics that's our system. There

1 will be tons of analytics, and so we will
2 be able to provide those heat maps, where
3 people are coming from, education,
4 demographics and really look at -- even
5 through the Skill Smart is where are we
6 short? Where do we need to ramp up and
7 call out -- call Bob and some others
8 saying, "We need X, Y, Z training to make
9 sure we can fill a position." So that is
10 all in the works.

11 CHAIRMAN CROSBY: That's great.
12 That's really gratifying to hear all this.
13 A long time ago Bob LePage and Bill Messner
14 came into our office when there was nobody
15 in the office except for the Commissioners
16 and Bruce and I met with Bob and Bill and
17 that is where -- and Jeff were there when
18 that started, and it's really come to
19 fruition and it's very gratifying.

20 Commissioner Stebbins has really
21 been point on this with Jill now and has
22 wrestled this to the ground. That's great.
23 So we have our fingers crossed. We're not
24 going to be counting chickens, but it's

1 really gratifying to hear about it. I
2 appreciate all of the effort that everybody
3 has put into it. Anything else, anybody?

4 COMMISSIONER ZUNIGA: Thank you very
5 much.

6 MS. MURREN: Thank you,
7 Commissioners.

8 CHAIRMAN CROSBY: Perfect timing,
9 wow. Next up would be Director Vander
10 Linden, number six on our agenda. While we
11 wait for Mark, let's take a real quick
12 break.

13
14 (A recess was taken)

15
16 CHAIRMAN CROSBY: We are reconvening
17 public meeting number 195 at about 11:37.
18 Is our stenographer ready to go and in good
19 shape?

20 THE COURT REPORTER: Mm-hmm.

21 CHAIRMAN CROSBY: All right,
22 Director Vander Linden.

23 MR. VANDER LINDEN: Good morning,
24 Chairman and Commissioners.

1 COMMISSIONER MACDONALD: Good
2 morning.

3 MR. VANDER LINDEN: I am joined this
4 morning with Michelle Collins. She is the
5 vice president of marketing for Plainridge
6 Park Casino, Marlene Warner you know as
7 executive director of the Mass. Council on
8 Compulsive Gambling and Terrance Lanier,
9 who is a legal fellow who is in his final
10 days in working with us here at the
11 Commission.

12 I also want to just acknowledge
13 before we proceed Terrance's service here
14 launch to Play My Way working on voluntary
15 self-inclusions, a number of issues as they
16 have just kind of come up over the past
17 year. It's been a great help to have
18 Terrance on board, and sorry you'll be
19 leaving us.

20 I have two items for you. The first
21 is an update on Play My Way. Without going
22 into too much detail and the background, as
23 you know, Play My Way is a budgeting tool
24 that is in place at Plainridge Park Casino.

1 Patrons can voluntarily enroll in Play My
2 Way and receive notifications at
3 50 percent, 75 percent, 100 percent and
4 every 25 percent after that. It's intended
5 to increase informed player choice about
6 when to gamble and how much to spend and
7 when to walk away.

8 It's supported by the Commission,
9 and the adoption of the responsible gaming
10 framework that we have been working on
11 since 2014. We have some data that is
12 beginning to roll in about Play My Way, and
13 this was launched June 9th.

14 The true evaluation how effective is
15 Play My Way at doing its job of, you know,
16 informing player choices is forthcoming.
17 We won't have that information for probably
18 another year or so before we really see
19 that coming in, and that's through our
20 partnership with Harvard Medical School and
21 Cambridge Health Alliance.

22 But what I can give you is just
23 information about number of enrollments.
24 So since from June 9th when it launched to

1 July 14th, so just over about a month and a
2 week, we had 2,723 marquee reward patrons
3 enroll in Play My Way, 2,723.

4 How big of a number is that compared
5 to the total number are pool of marquee
6 reward players that came to the casino at
7 that time? It represents roughly 6 percent
8 of unique marquee reward members that came
9 to the casino during that same time period.

10 I would like to say this is
11 fantastic news or this is a -- this isn't
12 fantastic news but we honestly have no
13 great idea of what we were -- what we were
14 going to expect. Is 6 percent great or was
15 it not so great? There just isn't a
16 precedent for us to judge it against. I am
17 pleased with the overall number there. I
18 think that that's a positive number of
19 enrollees in that initial push.

20 Another number that I wanted to put
21 out for you is the number of patrons that
22 have enrolled. So the 2,723 enrollees we
23 had roughly 10 percent of them unenroll.
24 That had again --

1 CHAIRMAN CROSBY: So the 2,700 is
2 not a net number. That's a gross number.

3 MR. VANDER LINDEN: Gross number.

4 CHAIRMAN CROSBY: So it's about
5 2,600 that are still enrolled.

6 MR. VANDER LINDEN: Correct, yes.
7 They've unenrolled, and that was to be
8 expected as well. We knew that there would
9 be patrons enrolled. They would want to
10 try it out and see how it worked all out of
11 curiosity enrolled because there is a nice
12 incentive connected to it, enrolled because
13 we have fantastic GameSense advisers that
14 introduced it to them and that find it not
15 to be a useful tool. And, so, 10 percent
16 is 10 percent. I think that that's an
17 acceptable number as well.

18 CHAIRMAN CROSBY: Mark, has there
19 been any data at all anecdotal or
20 otherwise? On July 9th people started
21 coming up would be there second time they
22 get the invitation, right? Because if you
23 first put your card in and you're declined,
24 it won't come up again for a month. So

1 starting July 9th, people have begun to see
2 it a second time. Have any idea whether
3 anybody has been enrolling a second time
4 up?

5 MR. VANDER LINDEN: Right. You
6 know, that's a fantastic question. I don't
7 have the answer to that.

8 CHAIRMAN CROSBY: Michelle, have you
9 gotten any sense of that?

10 MS. COLLINS: No, no. We don't have
11 any data either right now.

12 MR. VANDER LINDEN: We can continue
13 to kind of grow the data and look at it
14 from different ways. We'll add that to the
15 list of ways in which we are looking at it.
16 Also curious as to the number of people who
17 have unenrolled and then decided to
18 reenroll wanting to come back and use the
19 tool.

20 So we'll continue to kind of grew in
21 the way we're looking at the data, and
22 we're evaluating the program. As I said,
23 we are just -- we are in the infancy of
24 Play My Way, and we're very curious as to

1 how it's being used and the number of
2 people that are using it.

3 CHAIRMAN CROSBY: Well, you know,
4 one vague metric is, you know, to compare
5 6 percent of to the percent of the
6 population that are of the adults that play
7 in casinos that are either at risk or
8 problem gamblers. And we know from our
9 research that of adults 7 percent were
10 problem gamblers, 7 percent were at risk,
11 but only 22 percent of Massachusetts
12 residents that went to Mass. casinos, so
13 the numbers go up by 5 more or less.

14 So the percentage of people who are
15 at casinos who are problem gamblers who are
16 at risk is higher, whatever the amount is,
17 but still at a maximum it wouldn't be more
18 than say 20 percent that are -- you know,
19 it would be 80 percent or so are for sure
20 just having fun, healthy, casual, no
21 problem fun.

22 There may be as many of people who
23 are gamblers, not adults, but people who
24 are gamblers who have some degree of

1 concern. But 6 of 20 -- 6 percent of 20
2 precent is a pretty good sized number.
3 It's a meaningful proportion of the
4 targeted audience which of the folks who
5 might be in trouble. Bob?

6 MR. DESALVIO: Chairman, one thing
7 to think about that 6 percent is of the
8 marquee cardholders, not of the total
9 population. So against the total, it would
10 actually be much less of a percent.

11 CHAIRMAN CROSBY: Right, right.
12 Because we can't access the people who
13 don't. It has to be reasonable that people
14 who play who don't use marquee rewards
15 cards don't play that much and are very
16 likely not to be in the at risk pool. Is
17 that a logical --

18 MR. DESALVIO: It's a tough leap to
19 make.

20 CHAIRMAN CROSBY: That's
21 interesting. This is not the time, but I
22 would like to hear more about that.

23 COMMISSIONER ZUNIGA: I had a take
24 slightly different not on the relative

1 number 6 percent of something but rather
2 how that 6 percent evolves over time and
3 how the dropoff evolves over time because
4 there's an absence of an incentive, which
5 might want to make us reconsider it for
6 example, or because there is a reminder
7 that serves a purpose or doesn't serve a
8 purpose. To me that is the bigger question
9 for this problem.

10 We continue to look at it over time
11 and try to figure out whether messaging
12 could be improved or it's a barrier,
13 whether -- that sort of thing, all right.
14 But there will be plenty of time for that
15 and plenty of data for us to do that.

16 MR. VANDER LINDEN: You know, the
17 other ways in which we were -- other pieces
18 that we're paying very close attention to
19 included how it was being rolled out at
20 that casino. It was of the upmost concern
21 to us that we wanted to do this in such a
22 way that Plainridge Park Casino felt good
23 about that. It didn't interrupt their
24 daily operations and something that they

1 could say, "This is something that we see
2 as a benefit."

3 So I wanted Michelle to address that
4 to some degree, and then I was going to ask
5 Marlene to talk about it from a GameSense
6 adviser, GameSense perspective on some of
7 the experiences that our GameSense advisers
8 have had in using this as a game tool.

9 And then, finally, I think Terrance
10 can provide some incite on that initial
11 rollout. He was involved in the first week
12 as it hit the floor, and we were really
13 promoting this with patrons at the casino.
14 So I'll turn it over to Michelle.

15 MS. COLLINS: Thanks. I think we're
16 really pleased with the rollout. I don't
17 know that any of us expected it to be so
18 smooth. It's a great benefit for local
19 customers given that it's at Plainridge
20 Park. And, I think, it's important to note
21 that the collaboration that the parties had
22 together is what made this successful.

23 None of us wanted to roll anything
24 out that wasn't fully functional as the

1 scope was supposed to be and training for
2 employees was done properly, and we took
3 our time making sure that it was a quality
4 product versus rushing because of a due
5 date.

6 So I think the 6 percent that Mark
7 is mentioning, I recall talking to
8 Scientific Games asking them of the other
9 properties, there's a few others that are
10 using this in Canada, that their enrollment
11 was less than one percent. And of that we
12 thought with the incentive that is going to
13 make the difference. And, truthfully, only
14 50 percent of those 2,700 have actually
15 claimed the offer. So, I think, that's a
16 testament to the quality of the product,
17 the branding and the messaging.

18 CHAIRMAN CROSBY: Michelle -- sorry.
19 Other folks, anybody questions? Two
20 things. First of all, I hope the word came
21 down to you from the corporate office that
22 we really appreciated the work you and
23 others did.

24 MS. COLLINS: It did. I thank you.

1 I appreciate that.

2 CHAIRMAN CROSBY: And Mark and Ed
3 and others were tremendously flattering,
4 particularly about you and Mr. Giddles, I
5 believe, who a tremendous demand was made
6 on your time and we wanted to make sure
7 that word got back to you.

8 MS. COLLINS: It did. Thank you.

9 CHAIRMAN CROSBY: Because these are
10 public meetings, it's hard not for them to
11 be happy talk, you know, and it's hard to
12 talk about the hard issues. But, you know,
13 when you're in the back room talking with
14 people, were there some other -- are there
15 any other issues that you can -- have there
16 been bumps, had there been anecdotes, have
17 there been any upset customers? I'm pretty
18 comfortable that there haven't been any
19 systemic problems. But has it really been
20 bump free or what do your folks say in the
21 back rooms?

22 MS. COLLINS: Honestly, it has been
23 bump free for us. I know Marlene is going
24 to speak to some testaments, but it was so

1 smooth and I don't want to be that I was
2 thinking negative but I never expected it
3 to be run as smooth as it did. And, again,
4 it's just a collaboration between the teams
5 that made that happen and making sure that
6 we were all comfortable with testing
7 properly and not executing prematurely.

8 CHAIRMAN CROSBY: Great. You said
9 it's a nice -- you used the word "benefit"
10 for your marquee holders, cardholders.
11 Have you had any feedback that people see
12 this as a positive; does it serve you as a
13 marketing tool in any way; is it a positive
14 for you?

15 MS. COLLINS: I think, again, it's
16 going to be around the data when we
17 identify what opportunities there are. I
18 will say of the 2,700 plus people it's
19 across all levels of spend. So typically
20 one would expect that if there is a free
21 incentive and the customers that don't
22 necessarily qualify for offers based on
23 their play, they would be the ones
24 enrolling and that also is 50/50. So

1 50 percent of our targeted database that
2 receive monthly -- offers on a monthly
3 basis are part of that group.

4 CHAIRMAN CROSBY: Interesting. It
5 would be phenomenal if it could ever turn
6 out -- if this program turned out to be
7 something that was a competitive advantage
8 for our casinos. I don't want to be Polly
9 Anna here, but that would be incredible.
10 Then I would get Bob DeSalvio standing on
11 his head. Great, thank you very much.

12 MR. VANDER LINDEN: If I may mention
13 one bump that we experienced and had to get
14 over. It was around four a.m. in late May
15 where we were planning on going live the
16 following day. Michelle was in the room,
17 Executive Director Bedrosian was in the
18 room and Jason Giddles and Lance George who
19 was there as well, and we encountered a
20 problem with the system. One in which we
21 said we were right on the line of trying to
22 decide whether or not we were a go or a
23 no-go, and the decision was made that we
24 were a no-go.

1 As Michelle mentioned, we wanted to
2 make sure that when we were a go that we
3 were -- all parties involved were
4 comfortable with this system and we wanted
5 it to -- we were so invested in it being a
6 positive experience for the patrons that we
7 didn't want it to interrupt the business.
8 So we ended up delaying it until we could
9 find a fix to that issue. I also want to
10 mention Floyd Barroga and John Glennon in
11 that as well. But it was a bump and we
12 found a --

13 CHAIRMAN CROSBY: Well, I knew there
14 were bumps before launching and that was a
15 credit to everybody. But we were anxious
16 to get this thing going, but we delayed it
17 repeatedly notwithstanding what our
18 neighboring newspaper said. It was
19 important not to launch this thing until we
20 absolutely had the bugs out of it. So I
21 knew we had those issues.

22 MS. WARNER: Good morning.

23 COMMISSIONER MACDONALD: Good
24 morning.

1 COMMISSIONER ZUNIGA: Good morning.

2 COMMISSIONER STEBBINS: Good
3 morning.

4 MS. WARNER: So, I guess, I will
5 talk about it from a slightly different
6 point of view which is the GameSense
7 messaging, and the GameSense -- it really
8 has been positioned and sold as a GameSense
9 tool. I really think that is what it is.
10 We talked about the GameSense tool box. I
11 think Play My Way is a really important
12 piece of the tools within it.

13 You know, I also want to give credit
14 not only to all the people that have
15 already been given credit but also to
16 Elaine Driscoll and the team here in terms
17 of how it was rolled out and sold to the
18 players. I think that GameSense can only
19 do so much. And, so, having the signage
20 appropriately placed, having the balloons
21 where they needed to be, all of these
22 things make a difference. And, so, that
23 made it nice and smooth that way.

24 So overall, again, all anecdotal as

1 we have been alluding to, there is no true
2 data but anecdotally the GameSense advisers
3 are so thrilled and the patrons they're
4 serving are so thrilled with this tool.

5 Generally the message has been
6 considered very clear, easily understood.
7 Folks are finding it relatively easy to
8 change their amounts, which is good. I
9 know it was one of the concerns around the
10 technology, but people are finding that
11 relatively easy.

12 I will say that, in general, people
13 are having more confusion or having a
14 harder time figuring out what to do or how
15 to set it when they do it on their own at
16 the machine, which was a bit of a surprise
17 for us all.

18 CHAIRMAN CROSBY: At the slot
19 machines.

20 MS. WARNER: At the slot machines,
21 they're having a much better experience
22 with the program when they are doing it
23 with the GameSense advisers. Now, this is
24 from the GameSense advisers that we're

1 hearing this. So data, again, will give us
2 a more objective approach to it.

3 But one of the things we are also
4 seeing is that folks are getting a little
5 panicky and some anxiety when they are
6 getting repeated messages, and they don't
7 know what to do about it and they set it
8 low because they didn't know what else to
9 do.

10 And, so, the GameSense advisers are
11 able to very calmly walk them through it,
12 talk to them about it, talk to them about
13 how to set it more appropriately, ask the
14 right key questions to kind of engage them
15 and get the right information from them to
16 make a suggestion for them.

17 Again, they are not telling them
18 what to do. They are not saying a certain
19 amount. They are simply just kind of
20 gleaning information from that person to
21 help them make a more informed decision
22 about how they want to enroll in this
23 program.

24 Kind of more specifically, there

1 have been some surprises that Michelle
2 alluded to, which was a lot of the high-end
3 players are signing up for it and loving
4 it. Across the board --

5 CHAIRMAN CROSBY: This is antidotal
6 feedback.

7 MS. WARNER: This is anecdotal
8 feedback. This is from the GameSense
9 advisers who know a lot of these people and
10 know the regulars of how much they're
11 spending and those type of things. They
12 know the players really well.

13 So, in general, what they are seeing
14 is that most people, although they said
15 it's really specifically within the kind of
16 the higher end players, but generally what
17 people are doing is they're coming in.
18 They are swiping into the kiosk. They are
19 going to see how much they spent in the
20 previous days or hours but what's their
21 record look like. They go and gamble.
22 They come back. They swipe out again and
23 they leave, so it's great. Once again,
24 it's giving them a good record, a good

1 snapshot as to what is happening with their
2 play.

3 We find that couples are signing up
4 together. Now, obviously, they have their
5 own individual cards. But they are trying
6 to plan for a gambling budget in their
7 households, and so they are setting those
8 budgets together and the GameSense adviser
9 is helping them to do that. So it's all
10 kind of working in coordination.

11 Older adults who are on a fixed
12 budget are in particular talking about the
13 need for this in their lives. They really
14 do want to have a set amount in their
15 budget and talking about how this has been
16 useful.

17 There was a gentleman who I actually
18 don't know how old he was. Amy was telling
19 me about him. Let's call him George for
20 the purposes of this conversation. And
21 he's one of the kind of the higher-end
22 players. And when we say higher-end
23 players, that's, again, the GameSense
24 advisers kind of label but talking about

1 spending a couple of thousand dollars a
2 week gambling on slots.

3 And he felt like he had the means to
4 do so. He was fairly certain where he was
5 spending it. He wanted to enroll in the
6 program just to get a little more
7 information. He wasn't terribly concerned
8 about his gambling. And the first, I
9 think, she said over the span of the first
10 two to three weeks he kept hitting the
11 limit. He kept hitting the limit. He
12 thought he set it a little higher than what
13 he normally played. And, so, now he has
14 set his limit higher, because he knows he
15 has that money to spend but he was just
16 surprised.

17 So it's not necessarily always about
18 a big payroll change or a big problem.
19 It's that he has more money to spend, but
20 he is now much more informed about how much
21 he is spending. I think George is not
22 unusual in this circumstance.

23 I think a lot more people have been
24 pleasantly awaken to what they are

1 spending. And some people are saying, "I
2 am spending too much, and I'm going to
3 lower it." And some people are saying,
4 actually, I can spend a little more and I
5 am willing to do so and increasing it.

6 The other interesting thing is that,
7 as you all know, one of the things that we
8 do with the voluntary self-exclusion
9 program is that we conduct exit interviews,
10 and these are for folks whose term has
11 expired, and they are just chatting with
12 myself and getting some additional
13 information and signing the proper legal
14 paperwork to get off the self-exclusion
15 list.

16 I think -- and we have a very small
17 sample size at this point. We have done
18 five of them. But I would say across
19 those, the general concern is how am I not
20 going to spend as much money when I'm
21 gambling. Now that I'm going back, how am
22 I not going to spend as much money as I
23 once was spending.

24 So, obviously, the immediate thing

1 that we are talking to them about is Play
2 My Way and how it's a really nice tool to
3 be able to launch. So the other nice piece
4 is that we already prior to this are
5 handing people off to the GameSense adviser
6 and saying, "GameSense advisers is going to
7 be able to help you be aware of the time
8 you're spending if that is something you
9 want or they can help you exclude from
10 credit or cash, check cashing." This is
11 another tool, again, that they have at
12 their disposal to be able to connect with
13 the players on the floor.

14 Yes, so that is a little bit about
15 the experience of the GameSense advisers we
16 had.

17 COMMISSIONER ZUNIGA: You know, I
18 think the theme of a lot of your remarks,
19 Marlene, is something I had already thought
20 about and we talked about it before a few
21 days because I knew some of these results.
22 And that is the synergy between the Play My
23 Way and the GameSense adviser is something
24 that is really key. And there was not

1 really a big thought about, you know, how
2 these two were going to converge by design
3 when we first started each of them, but
4 it's something that I find is probably
5 really key in terms of the percentage, in
6 terms of people might continue to use it
7 and something that may have fallen into an
8 alternative, slots attendants, for example,
9 if we didn't have the GameSense advisers.
10 But it occurs to me that working in
11 conjunction, these two programs have real
12 potential. It's really good to hear.

13 CHAIRMAN CROSBY: Michelle, do you
14 have any evidence anecdotal or any feedback
15 anecdotal or otherwise about the GameSense
16 advisers, you know, how whether they are an
17 asset for your facility, whether they are
18 neutral to your facility, how your players,
19 how your regular players feel about it,
20 what kind of good or bad?

21 MS. COLLINS: As Marlene said, a few
22 of them are our regulars that hang out
23 there frequently. They've become quite
24 friendly with the group. But, I think,

1 it's important because they look at the
2 business at a different perspective than we
3 do, right.

4 So they are there to answer
5 questions that our staff maybe isn't
6 necessarily capable of doing, and the fact
7 that they are on site makes it a lot
8 easier. I have worked in jurisdictions
9 where you have to go to local areas in
10 order to self-exclude or to ask questions,
11 so I definitely think it's a benefit for
12 our customers and honestly our employees.

13 CHAIRMAN CROSBY: In theory there is
14 a tension between their efforts and your
15 bottom line. You know, there is -- I mean,
16 maybe in a big picture in the bottom line
17 maybe it's potentially a positive but in
18 one sense it's a negative. How do you
19 reconcile that? How do you play that out?

20 You have people on the floor. You
21 probably have people on floor who are
22 commissioned by their customer's play,
23 right? So how does that cut? Isn't that
24 potentially a negative in some ways to

1 people for the company?

2 MS. COLLINS: I guess the way to
3 think about it is if they are going to the
4 GameSense advisers for anything, then most
5 likely it's because they do have a problem
6 and nobody at our property or Penn wants to
7 codone or allow somebody to be spending
8 above their means or if they have a
9 problem.

10 So, I think, it's just a fine line
11 as to what the needs are for that customer.
12 And, honestly, if they are going to
13 GameSense and inquiring, then most likely
14 they do need the assistance.

15 CHAIRMAN CROSBY: Great. Excuse me,
16 is there any -- again, this is the pie in
17 the sky aspiration, but is anybody going to
18 Plainridge rather than Twin Rivers because
19 of the GameSense advisers; is there any --

20 MS. COLLINS: That is a pie in the
21 sky. I don't know. We will see. Once we
22 have the data and we can actually drill
23 down the two regions, we will be able to
24 get a better idea of the trends.

1 MR. VANDER LINDEN: We are about
2 ready to release a report of the GameSense
3 information center as it relates to the
4 patron experience with it and the next
5 phase of this, as we move into fiscal year
6 '17, we are going to be looking at what the
7 casino employee experience is of the
8 GameSense program at the casino, so I look
9 forward to answering partially some of
10 those questions.

11 CHAIRMAN CROSBY: So that's right.
12 So there is in this first report that is
13 coming out pretty soon, there is customer
14 interviews, right, there have been employee
15 interviews?

16 MR. VANDER LINDEN: Player surveys.

17 CHAIRMAN CROSBY: Player surveys,
18 great.

19 COMMISSIONER ZUNIGA: Well, I was
20 going to make -- perhaps I was going to
21 speculate a little bit based on antidotal
22 evidence not entirely on pure speculation.
23 That the GameSense program they spend quite
24 a bit of time developing relationship with

1 customers. Yes, they get into very
2 difficult conversations in terms of
3 self-exclusions and things like that. But
4 they really develop relationships most of
5 the time just regular readings and whatnot.

6 And that's -- it occurs to me and I
7 hope to see, you know, some of this in the
8 data and the evaluations and things like
9 that, that there's really a customer
10 service component to the GameSense advisers
11 where, you know, tension notwithstanding
12 this is very much in alignment with the
13 operators, because they really are all
14 about customer service.

15 And for certain customers, there
16 will be -- there is this area where they
17 are comfortable talking to somebody because
18 they are in a green shirt and outside of
19 the casino and they are really friendly
20 about, you know, just about including odds
21 and they play their wish. So I really am
22 looking forward to the evaluations.

23 I know that, you know, we are
24 drawing from a lot of forms that have to be

1 submitted and has to be submitted in order
2 to really get some good data and response
3 rates are key and things like that. But
4 what I have gleaned from conversations like
5 this with Amy, Terrance and others that
6 there really is a customer service nexus
7 here. That is very important.

8 MR. VANDER LINDEN: So, I also
9 wanted to give Terrance an opportunity to
10 talk about the launch. And there was a
11 plan that we had that where we wanted to
12 increase the presence of staff to help
13 support the launch of Play My Way, and
14 certainly a part of that was going to be to
15 assist patrons that had questions and help
16 them enroll. But should there be any
17 problems that came up, we wanted to be
18 there, be present and help support that.

19 And a number of staff from the
20 Gaming Commission and organized by Mary Ann
21 Duly, just a thank you to all of those
22 commission staff that helped out to
23 additional staff at the Mass. Council that
24 came on board to work some extra shifts to

1 help out with the launch of Play My Way. I
2 think that was a good decision, and I think
3 it got it off to the right start.

4 Terrance was one of those extra
5 staff. He spent a lot of time out there in
6 the first week of launch. And so,
7 Terrance, do you want to just share a
8 little bit about what that first week was
9 like and the work that you did?

10 MR. LANIER: Sure. Good morning. I
11 think it was a really successful launch.
12 We went up there -- I think my first shift
13 started somewhere around nine a.m. We went
14 out there with a basket full of promotional
15 materials, which I thought were very
16 effective. We had stylish pins, eyeglass
17 cleaners. There was a \$5 food incentive.
18 I think a lot of those things worked really
19 well to draw customers towards us so we can
20 actually engage them and to begin a
21 conversation with them, and it's really
22 surprising.

23 It was so much time spent building
24 this program, months and months of research

1 and efforts went into building it. It's a
2 very simple and user friendly program.
3 Customers were shocked, and I was shocked
4 in how simple and fast to sign someone up.

5 It was a few swipes. We punched a
6 few buttons for you. We asked a few
7 questions to understand how much you were
8 actually spending. And that's really it,
9 and then you're enrolled. The whole thing
10 takes less than five minutes.

11 Initially, our initial approach was
12 to go out and give people all the
13 information that I had in my head. Just
14 sort of talk at however to 30 seconds to a
15 minute. That was not the most effective
16 approach. Over time I really think walking
17 people over, showing them how to enroll is
18 the best way of doing it. Ultimately, I
19 think that's the way we had the most
20 success, and customers felt they understood
21 what was going on the best.

22 One example is watching Amy enroll
23 someone, who is one of the GameSense
24 advisers. She walked them through the

1 process. She asked them how much money do
2 they do bring to the floor, do they go back
3 and visit an ATM. When they do, how much
4 money do they withdraw? That way they can
5 figure out how much money they actually do
6 spend so they can set an appropriate
7 budget.

8 The only times I ever dealt with a
9 customer might have been dissatisfied is
10 they set a budget that was too low, and so
11 the notifications became a problem. But
12 anytime they worked with a GameSense
13 adviser who could actually help them
14 realize how much they are spending, they
15 tended to really enjoy the program. It let
16 them enjoy the experience of going to the
17 casino without having to worry about one
18 more thing. It just streamlined the whole
19 experience for them.

20 So, I thought it was a very
21 successful launch. Everyone I spoke with
22 really enjoyed the product, and I thought
23 it was pretty professionally done honestly.

24 CHAIRMAN CROSBY: What is the status

1 of the DSE program at this point, how many
2 people?

3 MR. VANDER LINDEN: How many people
4 are enrolled in the DSE program?

5 MR. LANIER: I would say
6 approximately 150, something like that.

7 CHAIRMAN CROSBY: You don't know
8 exactly. Anybody else have anything for
9 Mark?

10 MR. LANIER: I just have one more
11 thing to say.

12 COMMISSIONER ZUNIGA: Please.

13 MR. LANIER: I just want to say
14 thank you for letting me work here for a
15 year. This has been a really interesting
16 experience. The world of gaming is far
17 larger and far more complex than even I
18 imagined and I had a lot of fun, especially
19 seeing an agency -- such a young and robust
20 agency a chance to go around and see
21 different things and working on a lot of
22 different issues. I really appreciate it,
23 so thank you.

24 CHAIRMAN CROSBY: Great. Thank you,

1 Terrance.

2 COMMISSIONER ZUNIGA: Thank you.

3 COMMISSIONER MACDONALD: Thank you.

4 CHAIRMAN CROSBY: All right. It is
5 a little after 12 --

6 MR. BEDROSIAN: I think we have one
7 more. Do we have one more item?

8 CHAIRMAN CROSBY: I'm sorry.

9 MR. VANDER LINDEN: Responsible
10 Gaming Education Week is August 1st through
11 5th. You know, things are better within
12 partnerships and, I think, that Responsible
13 Gaming Education Week is another example of
14 how doing this in partnership with the
15 Mass. Council and GameSense led by
16 Plainridge Park Casino and us supporting
17 that is I'm excited about it, and I wanted
18 to provide Michelle an opportunity to talk
19 about their plan.

20 MS. COLLINS: Thank you. So, what
21 we decided to do this year after you're
22 familiar with this effort but generally
23 what happens is Penn National has each
24 property participate in the first week of

1 August for Responsible Gaming Education
2 Week and they asked us with getting
3 creative and making it fun, because we all
4 know how serious a subject it is.

5 So, we were sitting in a room trying
6 to figure out what we should do and
7 everyone was throwing out ideas and then
8 Lance was like, "Oh, my gosh. We have it.
9 We're the only property that has this tool
10 Play My Way." And then Jason Giddles was
11 like, "Play My Way everyday." So that is
12 our slogan that we will be using. And this
13 presentation kind of highlights what we
14 will be doing during that week.

15 So, the theme this year is a
16 year-round commitment. So that's where we
17 came up with the Play My Way everyday 365
18 for 365 days, and it will be from
19 August 1st to August 5th when we will
20 actually do the different promotions and
21 events off property, on property, to
22 educate staff, to educate customers and
23 gist educate the community.

24 Our objectives are obviously to make

1 sure that the public is aware this is going
2 on, to make sure that everyone is educated
3 on what this gaming week is. And then in
4 addition to that, just increasing
5 participation, really getting people
6 involved and excited about it.

7 COMMISSIONER STEBBINS: I'm curious
8 about that comment in reading over your
9 objectives. I understand getting the
10 property participation rate up. Give me
11 some ideas how you get the employee
12 participation up.

13 MS. COLLINS: It's making sure that
14 employees understand what responsible
15 gaming is. So, we all go through training
16 when we come on board. And like anything,
17 you need refreshers, right, so to keep up
18 with what is going on, to make them more
19 aware of maybe something that they are not
20 noticing or they are forgetting about. So,
21 really what we do on the floor is get them
22 involved. And as I walk through this
23 presentation, you will see some of the
24 things that we will be doing to make sure

1 everybody is involved and gets something
2 out of it.

3 So, because we have the slogan I
4 already told you about, we have several
5 different events we will be doing each day,
6 which I will walk through those. We also
7 want to take advantage of the partnerships
8 that we have. We have some pretty high
9 exposure partnerships. We sponsor the
10 NESN, Red Sox programs.

11 So, it will enable us to do live
12 reads regarding Play My Way everyday. We
13 have got Xfinity and then the Plainridge
14 Park Fenway concert series. So that allows
15 us to actually get in front of 33,000
16 people and really push this effort. And
17 then in addition to that, again, just the
18 partnership and collaboration between the
19 two of us, we'll be able to really make an
20 impact.

21 So the first day I wanted to do a
22 balloon launch. Apparently that is not
23 allowed given the birds and stuff, so we
24 won't be doing that. It would have been

1 cool.

2 CHAIRMAN CROSBY: Only in
3 Massachusetts.

4 MS. COLLINS: What we're going to do
5 is called the balloon drop and pop. So on
6 the launch of August 1st, we will get 365
7 employees and guests into the Revolution
8 Lounge. We'll do a balloon drop using the
9 colors of GameSense and Play My Way in
10 purple and green. We'll drop the balloon
11 from a net like we do on New Year's Eve.

12 And then at the same time, we will
13 have the MC have everyone pop a balloon at
14 the same time. And then each balloon will
15 have an RG message or a tip and then some
16 of them will have food vouchers and
17 whatnot. So, it's just really a way to
18 make it exciting, again, involving
19 employees.

20 CHAIRMAN CROSBY: Inside the
21 balloons?

22 MS. COLLINS: Yes.

23 CHAIRMAN CROSBY: Who's going to
24 stuff the balloons?

1 MS. COLLINS: I don't know yet. Are
2 you interested? So that will be the first
3 day. Again, it allows us to have a photo
4 op, social media, really make a big deal
5 out of it to start the week off.

6 For day two, this is also really
7 neat. During the week two, we will have a
8 \$3.65 special at each of our outlets which
9 is 365. But we will be branding a
10 calender, 18 month calender starting with
11 August -- December of 2017 and each page of
12 the calendar will have a tip, a GameSense
13 tip or there is a knowing the odds, just
14 kind of trivia.

15 And then, again, really promoting
16 the importance of responsible gaming and
17 reminding guests what the importance is and
18 to keep in mind when there is gaming. I
19 think a lot of people don't think of things
20 for Marlene's example of who we are calling
21 George where he didn't realize how much he
22 was spending until he paid attention. So,
23 it's kind of the same type of thing. We
24 want everyday the calendar is up and people

1 will see it, and it's just a good reminder.

2 On day three, we'll do an event on
3 the actual gaming floor with a promotional
4 board, and this is really to target the
5 customer base. And, in fact, a house will
6 do a wheel for employees where a GameSense
7 adviser will be there. And, again, it's
8 just knowing the odds and tips and building
9 awareness. We will give out swag that is
10 branded "Play My Way."

11 The James Taylor concert will be at
12 Fenway. So, this is where we will have
13 exposure to 33,000 people with the tent
14 that we have there. So, we will have a
15 GameSense tent set up, and it will allow
16 customers or concert viewers to come over
17 and win some swag and get some information.

18 I love this one too. So Be Good is
19 one of our food outlets, and they have
20 what's called their Be Good traveling
21 smoothie truck. And I spoke with them, and
22 they are willing to turn their kale crush,
23 which is a green smoothie, and call it the
24 Play My Way smoothie for the week and it

1 will be 365. And then on Thursday, they
2 will actually be on site, on property
3 giving out free samples of the Play My Way
4 smoothie.

5 There is also apparently a mascot
6 that is dressed as a hamburger that will
7 spin the wheel for customers. Another
8 opportunity for GameSense to be present and
9 hand out materials and swag.

10 Last but not least, we will be
11 doing, and Marlene will speak to this, a
12 carnival that will be both for employees
13 and for customers. We will be at Xfinity,
14 because Florida Georgia Line will be there.
15 And then in addition to that, we've reached
16 out to Doug Flutie who has a band. I don't
17 know if anyone was aware of that. But he
18 will be playing at the Revolution Lounge
19 that evening and him and his band will do
20 live reads in between sets as well as
21 throwing out swag to the audience.

22 So really what we have done here is
23 we've utilized our partnerships and
24 collaborated with GameSense and with

1 ourselves. And now we've got this pretty
2 exciting plan, I think, and we're going to
3 execute it. So now Marlene is going to
4 give you a little more idea of how the
5 carnival is going to work.

6 MS. WARNER: It probably speaks for
7 itself. We won't have a dancing hamburger.
8 That's genius. But the carnival is just
9 that, right? It's a little carnival. It's
10 going to have tying all of the games back
11 into odds and talking a little bit about
12 probability, you know. So I'm sure nobody
13 is going to have their weight guessed, but
14 we will have jars of candy where people can
15 guess how many things are in -- how many
16 pieces of candy are in there. We talked
17 about like the rubber duckie going, getting
18 it out of the pool of water. Doing --
19 these folks we know are going to get a
20 GameSense tattoos.

21 So those type of fun activities,
22 having the GameSense advisers there. And,
23 again, they are both for patrons and
24 employees so that we're engaging them just

1 continuing to build those relationships and
2 get the messages out in a fun and engaging
3 way.

4 I should also say the GameSense
5 advisers can be a part of all the other
6 days and activities so that they are
7 continually getting themselves out there
8 and making sure that they're further
9 developing a relationship.

10 COMMISSIONER STEBBINS: Not
11 permanent tattoos, right?

12 MS. WARNER: Not permanent tattoos.

13 CHAIRMAN CROSBY: Great. Anybody
14 questions, thoughts?

15 COMMISSIONER STEBBINS: You didn't
16 like the idea of the Commission dunk booth
17 as part of the carnival?

18 MR. VANDER LINDEN: Now that you
19 mention it.

20 CHAIRMAN CROSBY: Did you say dunk?
21 That's an idea.

22 COMMISSIONER ZUNIGA: You can
23 volunteer for that one. Sounds like a
24 packed week. It's great. It's very

1 exciting.

2 COMMISSIONER MACDONALD: What's the
3 reference to the tent at the Florida
4 Georgia Line?

5 MS. COLLINS: We have a partnership
6 with Xfinity Center in Mansfield, so we
7 will have presence at that concert where we
8 will be handing out information regarding
9 Play My Way and swag to the audience.

10 MS. WARNER: They're a band.

11 COMMISSIONER STEBBINS: It's a
12 country band.

13 MS. COLLINS: Oh, it's a band, yes.
14 It's a country band.

15 COMMISSIONER STEBBINS: Thank you
16 for asking the question.

17 COMMISSIONER ZUNIGA: I thought they
18 were going to go further out-of-state.

19 CHAIRMAN CROSBY: They are extending
20 their reach. Terrific, great stuff.
21 Thanks very much all of you.

22 COMMISSIONER ZUNIGA: Thank you.

23 CHAIRMAN CROSBY: Now, we are a
24 little bit behind our anticipated schedule,

1 but I think it would be right that we take
2 a half hour break now, have a quick lunch.
3 We will be back at let's call it one, and
4 we can decide then whether we do racing
5 then or do Ombudsman Ziemba first. All
6 right, we have an adjournment until 1:00.
7

8 (A recess was taken)
9

10 CHAIRMAN CROSBY: We are reconvening
11 public meeting number 195 at about 1:05,
12 and we will go to item number ten on the
13 agenda, which is legal division, General
14 Counsel Blue.

15 MS. BLUE: Good afternoon,
16 Commissioners.

17 COMMISSIONER MACDONALD: Good
18 afternoon.

19 COMMISSIONER ZUNIGA: Good
20 afternoon.

21 COMMISSIONER STEBBINS: Good
22 afternoon.

23 MS. BLUE: On the first item, the
24 Mass. Gaming and Entertainment license

1 decision, you have in your packet the final
2 version of the Commission's written
3 decision on this matter and you also have
4 two letters along with that decision from
5 the attorney from MG&E, John Donnelly.

6 And what you will see from those
7 letters is that Mr. Donnelly has requested
8 that the Commission not finalize this
9 decision pending resolution of certain
10 matters that are in court regarding the
11 tribes land and trust.

12 I have spoken with Mr. Donnelly and
13 I have advised him that the Commission's
14 decision from a legal perspective was final
15 when it was voted on back at the end of
16 April, and that this is simply the written
17 embodiment of that decision that was made
18 back then. So there would be no reason not
19 to finalize it.

20 CHAIRMAN CROSBY: Did he get that
21 distinction; did he disagree?

22 MS. BLUE: He did. He understood.
23 And he appreciates the Commission's
24 consideration of his comments and his

1 concerns. So what we are asking today is
2 for the Commission to approve this as the
3 final version. We brought it before the
4 Commission, I think, about a month or a
5 little more ago. The commissioners
6 provided comments. We incorporated those.

7 So this has all of the Commission's
8 comments in this version. If the
9 Commission votes to approve this today, we
10 will send it around for your execution. We
11 will supply a copy to MG&E, and we will
12 post it on our website.

13 MR. GROSSMAN: I'm sorry. Good
14 afternoon. If I could just add that we did
15 discover recently that there might be one
16 area that needed a slight addition and that
17 is in the financial section just to clarify
18 some of the numbers which are taken from
19 the reports, so obviously not changing any
20 analysis or anything of that nature. Just
21 clarifying some of the numbers are based on
22 the inflow situation that we didn't
23 recognize in the decision. But, otherwise,
24 there wouldn't be any other changes.

1 COMMISSIONER ZUNIGA: Let me just
2 provide more context on that. Attorney
3 Grossman and I were talking about the
4 specific numbers. They can get confusing
5 when we get right to the number of
6 scenarios and the ranges, because my
7 consensus was made during the number of
8 assumptions. I had suggested, he had
9 suggested also that we approve this
10 decision today.

11 We reserve the right the notion of
12 whether it's a typographical or mechanical
13 correction that comes directly from the
14 reports that has already been -- the
15 reports that have already been very much in
16 the public domain and was part of the
17 discussion that we do that with that caveat
18 and come back to specifically just the
19 market assessment numbers for modifying
20 this written decision. Otherwise, I think
21 it's a very solid decision.

22 CHAIRMAN CROSBY: I was fine with
23 it. Anything else?

24 MS. BLUE: I have a motion if you're

1 ready to approve it that you can use it to
2 move it.

3 COMMISSIONER STEBBINS: Mr. Chair, I
4 move that the Commission approve the
5 written decision denying the license for
6 operator Category 1 gaming establishment
7 Region C as presented in the packet subject
8 to typographical and mechanical corrections
9 and instruct staff to provide a copy of the
10 written decision to the applicant, MG&E,
11 and post the decision on the Commission's
12 website.

13 COMMISSIONER MACDONALD: Second.

14 CHAIRMAN CROSBY: Further
15 discussion? I just want to clarify the
16 point, sort of a point that Catherine made
17 that there has been, and Mr. Donnelly's
18 letter, attempted to create a link between
19 the decision and what's happening with the
20 tribal application and the loss of the
21 tribal land and trust and the lawsuit and
22 so forth. And we are making the point,
23 making it clear that those are two totally
24 separate matters.

1 We made a decision, and that
2 decision was final at the time of our
3 meeting. This is simply memorializing that
4 decision. Whether or not anything happens
5 with the tribe that affects us on Region C
6 is nothing -- is something that we never
7 discussed, never considered. If and when
8 there is a reason to do that, we'll do
9 that. But at the moment, the two things
10 are totally separate. One decision is
11 made, it's final. The other is on its own
12 track. Further discussion?

13 COMMISSIONER ZUNIGA: I note for the
14 record that we'll treat potential edits to
15 numbers in the marketing assessment as a
16 mechanical or typographical corrections.

17 CHAIRMAN CROSBY: All in favor?

18 COMMISSIONER ZUNIGA: Aye.

19 COMMISSIONER MACDONALD: Aye.

20 COMMISSIONER STEBBINS: Aye.

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

23 MS. BLUE: Thank you. Mr. Grossman
24 will take you through the slots regulation

1 amendments and the skill based gaming
2 process.

3 MR. GLENNON: Thank you. Good
4 afternoon, Mr. Chairman, Commissioners. As
5 you know, after we opened Plainridge Park
6 Casino, we implemented a central management
7 system. And along with that, it became
8 necessary to make some amendments to our
9 regulations in order to operationalize the
10 way we work.

11 And, so, working with our licensee,
12 Penn National gaming and with gaming
13 equipment manufacturers as well as GLI,
14 we've made some modifications and
15 amendments to regulations which were
16 promulgated and approved by you prior to
17 the opening of Plainridge Park last year.
18 So that is what you have before you today,
19 and you have seen once before informally.

20 We bring them to you today for a
21 vote in order to begin the formal
22 promulgation process. Again, they're
23 really procedural changes that make the
24 operating easier along with how we're

1 operating, and we certainly can entertain
2 questions relative to what we are most
3 specifically what those changes are. This
4 streamlines our process. I think it makes
5 it easier and makes the changes, which are
6 favorable, to making our regulatory model
7 enhanced and improved.

8 COMMISSIONER ZUNIGA: I think it
9 might be beneficial to talk at a high level
10 of those changes to remind myself, my
11 colleagues and the public. I know that
12 this reflects a lot more what we currently
13 do and going to do. But you could draw a
14 high level distinction with --

15 MR. GLENNON: I think Attorney
16 Grossman is prepared to walk us through
17 those high level changes.

18 MR. GROSSMAN: So, I can move
19 through some of these changes really
20 quickly. And obviously if there's an
21 interest in discussing it in further
22 detail, we can do so.

23 The first page all we're talking
24 about is adding to the internal controls to

1 make sure that before machines are removed
2 from the floor and subsequently removed
3 from the property that they are checked to
4 make sure there is no cash or other tickets
5 left in there so everything is properly
6 reconciled and that our seal is removed
7 from the machine before it leaves the
8 state, so that is all that does.

9 Secondly, on page two at the top, we
10 just clarify that there are essentially two
11 things that our slot approval regs discuss.
12 They first discuss the delivery of slot
13 machines into Massachusetts and how that is
14 supposed to work, and then they discuss how
15 a machine would be installed and approved
16 for operation and modifications. So those
17 are the two categories essentially that are
18 discussed here in Section 144.

19 And further on that page, as we had
20 before, we discussed what an electronic
21 gaming device is. Essentially, those are
22 all of the devices that are covered by the
23 GLI standards, which have been adopted by
24 reference previously in the Commission's

1 regulations.

2 Importantly at the bottom of page
3 two, we also for the first time defined
4 what a prototype is because it's that that
5 is actually getting approved at the
6 independent test lab. They don't test
7 every single machine. They just test a
8 prototype of a machine.

9 That gets certified, and it's based
10 on that prototype certification that we
11 allow all of the machines of that nature to
12 come into the Commonwealth. So here we
13 define exactly what we mean by a prototype.

14 On page three we start getting into
15 the delivery of machines, and there we
16 essentially are just saying that when a
17 gaming device manufacturer who of course
18 has to be licensed as a gaming vender is
19 prepared to submit a device to the
20 independent test lab that they provide us
21 notice of that in the event that we're
22 interested in seeing one of these actual
23 machines.

24 Once the device is then certified by

1 the independent test lab, they need only
2 provide us notice when they are going to
3 ship one of these machines into
4 Massachusetts. They don't require approval
5 at this point, as they are not going to be
6 used necessarily in the casino or operated
7 immediately. But we will be notified that
8 they are going to be shipped into the
9 Commonwealth and where they are going to be
10 shipped. We talk about that a little
11 further at the end of these regulations in
12 Section 145.

13 It's not until a little further on,
14 moving on to page five, where we talk about
15 the process that is undertaken once the
16 casino decides that it wants to operate one
17 of the slot machines that has already been
18 shipped into the Commonwealth.

19 And here, again, as Mr. Glennon had
20 said, all we've really done is implemented
21 some of the best practices that were
22 learned during the opening of Plainridge
23 Park. It's a similar approach to that, so
24 it worked well there. As I understand,

1 it's a fairly garden variety in the
2 industry as far as these types of approvals
3 go.

4 Essentially, the casino would notify
5 the Commission most likely through the
6 gaming lab or the knock that it intends to
7 operate a machine. We would test it. We
8 would validate it to ensure that it works
9 with our CMS, and that it's consistent with
10 the certification that was issued by GLI
11 and then any other conditions have been
12 met.

13 Once it's been validated, the
14 licensee is notified. The licensee then
15 notifies the IEB who coordinates an
16 inspection on the floor of the device to
17 ensure that proper surveillance is in
18 place, and that the other operational
19 features are working properly. At that
20 point, the IEB approves the device for use.

21 And it's essentially the same
22 process for moving or modifying the device
23 as well. It's also just worthy of note
24 though in the middle of page five for the

1 first time we defined what it means to
2 modify a device and when it is exactly that
3 expressed approval that is required by the
4 Commission to make an alteration to a
5 machine for things like changing the payout
6 percentage or denominations or things of
7 that nature.

8 COMMISSIONER ZUNIGA: Todd, before
9 you continue, so the statute affirms the
10 illegality of transporting slot machines in
11 Massachusetts and our approval is going to
12 come prior to the insulation. So
13 notification will be sufficient in the case
14 of is what is going on here. They will
15 simply have to notify that they are
16 shipping machines; and, secondly, they
17 would have to identify a prototype and the
18 prototype would have to be tested by the
19 lab?

20 MR. GROSSMAN: It would have been.
21 So, the shipment of slot machines is
22 governed under federal law as interstate
23 commerce and the federal statute
24 essentially says that a state may expressly

1 allow for the shipment of slot machines
2 into its state, which was done by the
3 general court here in Massachusetts as part
4 of the Gaming Act at the end of the Gaming
5 Act. It's not in Chapter 23K.

6 But in the Gaming Act, the
7 legislature with the governor's signature
8 authorized the shipment of slot machines
9 into Massachusetts for use in gaming
10 establishments essentially. So it's legal
11 for those purposes.

12 It's illegal under Massachusetts law
13 to possess a slot machine in Massachusetts
14 unless it's approved for use in accordance
15 with Chapter 23K. I didn't mean to say
16 approve there. But consistent with our
17 regulations, such shipment would be okay
18 into Massachusetts in accordance with these
19 regulations provided that proper
20 notification is given to the Commission.

21 There's under that same body of
22 federal law, gaming manufacturers, slot
23 machine manufacturers are required to
24 register themselves with the United States

1 Attorney General and identify each of their
2 machines and keep records necessary as to
3 how many machines they have and have
4 shipped and whatnot. So there's a separate
5 body of law that governs slot machines as
6 well in addition to this.

7 So, I think, what we are doing here
8 is in accord with that and just gives us
9 the infrastructure to monitor these
10 machines into the state and then on to the
11 floor and then any subsequent
12 modifications. So that is what this is
13 designed to do. It recognizes these bodies
14 of law in here. So we also cited the
15 federal statutes as well.

16 We have one other provision in here
17 that we just clarify, and this is the last
18 point I think I would just make, is that we
19 clarify the ability of the Commission to
20 revoke or condition any approval of a slot
21 machine for noncompliance with either the
22 GLI standards or the GLI certification or
23 any other operation issues.

24 So that is an important component in

1 this report as to that we have the
2 flexibility to ensure that only functioning
3 machines are on the floor. Otherwise,
4 there's obviously a number of other
5 adjustments in here. I think that's the
6 high level of review of what we have done.

7 COMMISSIONER STEBBINS: Todd, can
8 you quickly speak to the changes under
9 14405, the fees for testing we drop defined
10 amount and giving us the flexibility to
11 assess the appropriate equipment to a
12 gaming vender.

13 MR. GROSSMAN: We have rethought the
14 process, and the initial process called for
15 the permitting of each machine before it
16 was sent in, and there would be a slightly
17 different process that would be utilized
18 than the one I just described.

19 Part of that initial process would
20 require the payment of \$500 per, I think,
21 per machine for a permit for that. That's
22 a process that has never really taken
23 afoot. And, so, we are really just
24 recognizing here by striking it that we're

1 not going to assess those fees.

2 What we may do, though, is in the
3 event that the gaming lab desires to
4 analyze the machine or review it for
5 compliance with the GLI standards itself
6 that we may assess a fee for our time in
7 undertaking that process.

8 COMMISSIONER ZUNIGA: Who is that
9 assessment on, the manufacturer?

10 MR. GROSSMAN: Yes, it's on the
11 manufacturer. I think we clarified that
12 point, yes, to the gaming vender.

13 CHAIRMAN CROSBY: Any other
14 questions, thoughts? Do we need a motion?

15 COMMISSIONER MACDONALD: We do.

16 MS. BLUE: Yes, please.

17 COMMISSIONER ZUNIGA: This is minor.
18 But page six, subclause four, did we change
19 the shall when possible to may?

20 MR. GROSSMAN: Yes, I apologize. I
21 didn't mention that. The only change I'd
22 recommend based on the astute observation
23 was that we say here on the bottom of page
24 six that the gaming -- the Commission shall

1 when possible do something. Instead of
2 saying that, we should just say that we may
3 do it. That's the only adjustment that I
4 would make there.

5 COMMISSIONER STEBBINS: So you need
6 a vote to begin the formal promulgation
7 process for this?

8 MR. GROSSMAN: Yes.

9 CHAIRMAN CROSBY: Is this step one
10 in the process?

11 MR. GROSSMAN: As was mentioned,
12 it's been released for informal comment.
13 We received a number of comments, but now
14 we would like to begin these.

15 COMMISSIONER ZUNIGA: Who are those
16 comments from, licensees, operators?

17 MR. GROSSMAN: From two of my
18 licensees have commented. We have
19 incorporated most of the recommendations.

20 CHAIRMAN CROSBY: Somebody want to
21 move?

22 COMMISSIONER STEBBINS: Mr. Chair,
23 I'd move that the Commission direct staff
24 to begin the formal promulgation process

1 for changes in regulations to 205 CMR 138
2 and 205 CMR 144 as included in the packet.

3 CHAIRMAN CROSBY: Second?

4 COMMISSIONER MACDONALD: Second.

5 CHAIRMAN CROSBY: Further
6 discussion?

7 COMMISSIONER ZUNIGA: Which one was
8 144?

9 COMMISSIONER STEBBINS: It starts on
10 page two.

11 COMMISSIONER ZUNIGA: Page two.
12 What about 145?

13 MR. GROSSMAN: It's 138 and 144 and
14 145.

15 COMMISSIONER STEBBINS: And 145. I
16 will amend my motion to include 145.

17 COMMISSIONER MACDONALD: Seconded as
18 amended.

19 CHAIRMAN CROSBY: Further
20 discussion? All in favor?

21 COMMISSIONER ZUNIGA: Aye.

22 COMMISSIONER MACDONALD: Aye.

23 COMMISSIONER STEBBINS: Aye.

24 CHAIRMAN CROSBY: Aye. Opposed?

1 The ayes have it unanimously. Catherine?

2 MS. BLUE: Mr. Grossman is going to
3 provide an update on the skill based
4 gaming.

5 MR. GROSSMAN: Again, I'll turn it
6 over to Mr. Glennon to take on this
7 subject.

8 MR. GLENNON: Thank you very much.
9 So we have started the process of
10 developing some regulations of our own to
11 encompass skill based game. And during
12 that process, we became aware that GLI was
13 undertaking a rewrite of their GLI 11
14 standard and a full rewrite that includes
15 language that takes into account skill
16 based gaming. And, so, we decided to wait
17 for GLI to issue that.

18 They have issued a draft for public
19 comment. That is in your package today,
20 and there is a considerable amount of
21 changes to this that take into account
22 skill based gaming, how it would be tested.
23 And this is certainly a conversation which
24 we could continue today or talk about it in

1 more at length. But, I think, there is
2 some interesting components to that.

3 What we are waiting for is for this
4 to be finalized, and then we will come
5 before you with recommendations to modify
6 our existing regulations, which adopt the
7 GLI standards to move from version 2.1 to
8 version 3.0. We have had conversations
9 with manufacturers and including Gamblet
10 and also with GLI and giving them our
11 comments about the draft and had some long
12 discussions that Todd and myself and we
13 will certainly entertain any questions
14 relative to that process and what we are
15 doing.

16 COMMISSIONER ZUNIGA: So we believe
17 that this will eventually make it into our
18 regulation or our reference from
19 regulations?

20 MR. GLENNON: So we adopt by
21 reference GLI standards. GLI 11 version
22 2.1 is one of those which we currently
23 adopt. It would be our intention, I
24 believe, to revise that to adopt this newer

1 version of the GLI 11 standard, which
2 includes all the language relative to skill
3 based gaming.

4 CHAIRMAN CROSBY: Do other
5 jurisdictions do pretty much the same
6 thing? Are New Jersey, Pennsylvania, other
7 --

8 MS. BARROGA: Yes. So around 60 to
9 70 jurisdictions adopt GLI version 2.1 and
10 about a month ago GLI sent this draft
11 version out to all those jurisdictions, and
12 they've had the opportunity to comment on
13 those. And it's going to take a matter of
14 maybe two to three months before GLI
15 finalizes those comments from each
16 regulatory body and encompasses another
17 update, a final version of GLI 11 version
18 3.0.

19 CHAIRMAN CROSBY: So I had not read
20 this. So will this be the totality of the
21 regs relative to skill based gaming or will
22 there be other dimensions that aren't
23 covered in the GLI draft?

24 MS. BARROGA: So, essentially, it

1 will encompass nearly all of the slot
2 regulations. Any machine that you see on
3 the floor within a licensee in
4 Massachusetts GLI 11 encompasses that
5 fundamental gaming device, whether it's an
6 electronic table game or a slot machine.
7 So it includes everything on top of the
8 addition of our skill based requirements.

9 COMMISSIONER ZUNIGA: So what's in
10 the package are the skill based
11 requirements, right?

12 MS. BARROGA: Can you repeat that?

13 COMMISSIONER ZUNIGA: What's in the
14 packet GLI 11 3.0, that's the only skill
15 based portion?

16 MR. GLENNON: It's actually
17 everything. It's the full revision of 2.1.
18 So they took the 2.1, which we adopt, they
19 reorganized it, made some changes to the
20 way it reads through and included language
21 relative to skill based gaming and also
22 opened up some language to allow for
23 inclusion of continued innovation in the
24 industry, I believe.

1 COMMISSIONER ZUNIGA: So we would be
2 doing this whether it had skill based
3 gaming or not essentially?

4 MR. GLENNON: I think so.

5 MS. BARROGA: The last update for
6 GLI version 2.1 was released in 2011, and
7 it's essentially been in the regulations
8 before that gets released.

9 MR. GLENNON: And as of this time, I
10 believe only one or two manufacturers have
11 submitted a skill based game for testing to
12 GLI at this point. So there really isn't a
13 lot that's ready to be ready at this point.

14 COMMISSIONER ZUNIGA: To refresh my
15 memory, when we had the discussion about
16 skill based gaming, was it via regulation?

17 MR. GROSSMAN: We came up with a
18 draft you'll recall about skill based
19 regulations. At the time, GLI hadn't
20 released any draft. We didn't know what it
21 may or may not entail or how long it would
22 take or anything like that. In the
23 interim, they released this draft which
24 incorporates this skill based provisions as

1 was just described, many of which are
2 similar to the ones we previously released.

3 So in the name of uniformly, we
4 thought we would pause on our unique
5 language and see if we could just coalesce
6 with the other jurisdictions around this
7 standardized type. Of course it's all
8 subject to the Commission's acceptance and
9 modification.

10 COMMISSIONER ZUNIGA: So those
11 regulations are effectively on hold?

12 MR. GROSSMAN: It's on hold, and we
13 may never move forward with those if we
14 like what's in GLI 11 3.0. And you will
15 see a lot of the same subject matter, then,
16 you know, we would never adopt those other
17 ones.

18 COMMISSIONER STEBBINS: You
19 mentioned manufacturers when other
20 jurisdictions when how often do gaming
21 companies or licensees waiting on GLI
22 standards?

23 MS. BARROGA: Essentially, every
24 version that comes out they have the

1 opportunity to, along with the regulatory
2 bodies, the licensed venders, will provide
3 comment for every revision of this
4 standard.

5 MR. GROSSMAN: And of course even
6 once it goes through the full GLI process,
7 if the Commission elects to seek to adopt
8 it here, we will go through another public
9 comment period so all of our stakeholders
10 can comment on it, again, if they haven't
11 already.

12 CHAIRMAN CROSBY: Yes. So there's
13 nothing for us to do at the moment.

14 MR. GLENNON: No, informational
15 only.

16 CHAIRMAN CROSBY: Okay. All right,
17 item D.

18 MS. BLUE: Item D is a small
19 business impact statement. This is for 205
20 CMR 138, Uniformed Standards of Accounting
21 Procedures. And as you may recall, we did
22 an emergency amendment to that regulation
23 to address the ATM concerns that we had at
24 a prior meeting. So this is just the first

1 small business impact statement so we can
2 start the formal process to implement this
3 in the regular course.

4 CHAIRMAN CROSBY: Okay. Do we have
5 a motion?

6 COMMISSIONER MACDONALD: I'll move
7 that the Commission approve the small
8 business impact statement for 205 CMR 138,
9 Uniformed Standards of Accounting
10 Procedures and Internal Controls as
11 included in the packet and authorize the
12 staff to take all necessary -- all steps
13 necessary to file a small business impact
14 statement with the secretary of the
15 commonwealth and proceed with the
16 regulation promulgation process.

17 COMMISSIONER STEBBINS: Second.

18 COMMISSIONER ZUNIGA: So this is to
19 prior changes, not just the ones that we
20 just did. This happens to be the same
21 section, 138.

22 CHAIRMAN CROSBY: Correct. It's
23 just a coincidence.

24 MS. BLUE: Yes. This is just for

1 the ATM changes.

2 COMMISSIONER ZUNIGA: This is just
3 the ATM changes.

4 CHAIRMAN CROSBY: Further
5 discussion?

6 COMMISSIONER ZUNIGA: I wonder how
7 you keep it all straight when you do all
8 those revisions.

9 MS. BLUE: We will be back for the
10 next set of changes for another small
11 impact statement.

12 CHAIRMAN CROSBY: Further
13 discussion? All in favor?

14 COMMISSIONER MACDONALD: Aye.

15 COMMISSIONER ZUNIGA: Aye.

16 COMMISSIONER STEBBINS: Aye.

17 CHAIRMAN CROSBY: Aye. Opposed?
18 The ayes have it unanimously. Thank you.

19 MS. BLUE: Thank you. That
20 concludes the --

21 CHAIRMAN CROSBY: Director Wells,
22 are you prepared to do item nine?

23 MR. BEDROSIAN: Yes, I think she is.

24 MS. WELLS: Good afternoon,

1 Commissioners. On the agenda today is a
2 proposed emergency regulation change for
3 205 CMR 134.13. This proposed regulatory
4 change would make the fingerprint
5 requirement for non-gaming venders
6 discretionary as opposed to automatic that
7 our lower level venders that are doing
8 business with the casinos. As a result of
9 our operational review in licensing and
10 IEB, this is an area where regulatory
11 change is recommended.

12 It was obviously overly burdensome
13 to have all officers and notable employees
14 be fingerprinted at that non-gaming vender
15 level, especially because these are the
16 applicants for registration, not licensed
17 but registration who are not providing
18 gaming equipment in any capacity and who
19 are not having a significant impact on
20 casino operations.

21 And we have found the current
22 practice of having a single representative
23 file the fingerprints with the Commission
24 really doesn't result in any substantive

1 benefit to the investigation, particularly
2 because it's easy for the applicant to
3 designate that representative someone
4 without a criminal history. So in short in
5 a colloquialism, we are not getting a lot
6 of bang for our buck with that provision.

7 So going forward under the proposed
8 change, we will be focusing on the entity
9 and then only requiring fingerprints when
10 concerns are identified using a risk-based
11 approach. So we will take a look at the
12 company and if there's any concerns, then
13 we can require the fingerprints if that is
14 applicable in the particular investigation.

15 Notably we're not aware of any other
16 states that have this type of fingerprint
17 requirement for this level of vender. I
18 did speak with counsel at Fox Rothchild and
19 confirmed this understanding. Pat Mandam
20 had the same understanding as well.

21 And I have Director Connelly with me
22 here this morning. He can speak to the
23 Commission as to the operational impact
24 that this proposed change would have going

1 forward. Because this really came from
2 talking with the venders and seeing where
3 the pain points were in the vender and
4 registration and licensing progress and has
5 had a lot of contact with the venders and,
6 I think, he can speak to that and
7 operationally the impact that this change
8 would have.

9 MR. CONNELLY: Thank you, Karen. As
10 we have done, as Karen mentioned, started
11 looking through the regulations as well as
12 our internal policies and procedures. And
13 this was an area that really stood out for
14 all of the reasons not only what Karen
15 mentioned but also the fact that it's a
16 heavy lift to put it lightly in terms of
17 the registration process.

18 We have a lot of businesses, some
19 small, some medium, some large size. But
20 for each one of them, it does require them
21 taking time out of their day to come in and
22 get printed and, particularly, where there
23 is not much bang for the buck, it seems
24 like an area that is right not only to save

1 time at the Commission but also on the part
2 of our registrants to reduce their burden,
3 because we are not getting that bang for
4 the buck again.

5 So we think it was something that
6 makes sense right out of the gate. It also
7 brings us in line with other jurisdictions.
8 It's something we've heard from our
9 licensees in terms of a change that they
10 would encourage, and so we wanted to be
11 receptive to that as well.

12 What the real world impact is that,
13 you know, anecdotally I don't have
14 statistics unfortunately, but I know
15 anecdotally from talking with staff that a
16 lot of venders, and by a lot I mean
17 somewhere close to half, at some point in
18 time have to change an appointment, have to
19 miss an appointment, have to reschedule
20 because it is difficult for them to do.

21 So, there is a lot of churn in terms
22 of time not only on licensing staff but on
23 whoever is going to conduct the
24 fingerprint, fingerprinting that would be

1 able to save and, again, save time on the
2 part of the registrant. So it will have an
3 immediate impact on our operations, and I
4 think in terms of those venders who will be
5 coming through the registration process.

6 COMMISSIONER ZUNIGA: I agree
7 entirely for all the reasons you state.
8 You obtain the discretion and you can take
9 it as you see fit, so I will be all for
10 that. I wonder, though, if the same
11 discretion could be placed on the employee
12 registration.

13 Because currently every employee
14 would have to come -- even if they are just
15 a service employee, right, who only gets
16 registered, who gets licensed or can go to
17 work as soon as the registration is
18 complete. Do all the arguments that you
19 make transfer to the service employee?

20 MS. WELLS: No. I would not make
21 the same recommendation for the service
22 employee. Because what we're registering
23 really is an entity as opposed to the
24 registration we're registering a person to

1 work at the casino. As far as having the
2 comprehensive look, that required look at
3 the criminal background check, I wouldn't
4 just rely on not having the backup of the
5 criminal check, so I wouldn't recommend
6 that.

7 CHAIRMAN CROSBY: Anything else?

8 COMMISSIONER STEBBINS: I think this
9 move is well thought out. I've been with
10 Paul, and we have been down to Plainridge
11 trying to get companies to come in and
12 thinking about doing business. The
13 fingerprinting is just kind of an extra
14 layer, and oftentimes it was the sales
15 agent or the point person for the
16 relationship that was coming in to do the
17 fingerprinting.

18 I agree if you necessarily capture
19 the information what we capture. It is an
20 extra. I don't want to call it an
21 inconvenience. You just can't run down to
22 7/11 and get your fingerprints. You either
23 have to go to the police station or you
24 have to do it through our entity.

1 I do applaud the changes that you
2 made. I just have one quick question kind
3 of above, and maybe it's more of a
4 clarifying change. You added language in
5 there about each qualifier for a gaming
6 member. Is that a clarification?

7 MS. WELLS: Correct. That is what
8 was happening in practice. We just wanted
9 to make sure it's clear in the regulations.

10 COMMISSIONER ZUNIGA: So does the
11 statute require -- what does the statute
12 require in terms of the background for the
13 gaming service employees?

14 MS. WELLS: I don't know. I would
15 have to look at that.

16 CHAIRMAN CROSBY: What was the
17 question?

18 COMMISSIONER ZUNIGA: What does the
19 statute require for the gaming service
20 employees or the registration?

21 MS. WELLS: I'd have to go back and
22 check.

23 COMMISSIONER ZUNIGA: So we did by
24 regulation the fingerprinting?

1 MS. WELLS: Yes, because this has it
2 right in here.

3 COMMISSIONER ZUNIGA: Yes. Which is
4 the current, which is not being modified.
5 I am following the same sort of parallel to
6 if there is a case to be made that there's
7 parallels between venders and employees and
8 level of risk that we are implementing a
9 risk-base approach, I'd just like to
10 explore the level of burdensome that we put
11 on service employees, registrants, as well
12 as our own operations.

13 MS. WELLS: The burden I don't think
14 is different for venders, because employees
15 are going to be at the facility anyway when
16 they go through the HR process. We have
17 the state police right on site to do all
18 that. So it's not quite the same as a
19 company that is coming in and looking to
20 do, because there's already that nexus with
21 the casino.

22 They're already on site, and it's a
23 minimal effort on behalf of the employee as
24 opposed to a vender, which would have to

1 designate someone, and that is where the
2 logistics is very different for employees
3 as opposed to a vender.

4 MR. CONNELLY: And as Karen
5 mentioned before, one of the things we
6 talked about a lot was the relationship. I
7 mean, there's a direct relationship to
8 commission, registers, licensees and
9 individual employee. But with a vender,
10 it's an entity. And so what we are trying
11 to do is acknowledge that there is not one
12 individual person who stands for that
13 entity.

14 And, so, as Karen mentioned, they
15 might have to put someone forward who is
16 highly likely to pass but is not obviously
17 representative of the company. So we said,
18 let's take a focus on the entity, which is
19 what we're really concerned about.

20 And on the employee side, it's a
21 direct one-to-one relationship which that
22 was one of the things we had talked about
23 when we considered this change and why it
24 made sense on the vender side.

1 CHAIRMAN CROSBY: The issue of
2 whether or not to change other things or
3 other categories isn't on the agenda. We
4 probably technically can't spend too much
5 time talking about it, but we will have
6 other bites of this apple.

7 IEB, as you know, is reviewing a lot
8 of stuff and will make a recommendation on
9 these issues to us. We will then talk
10 about it and decide whether we agree or
11 not. So I mentioned, I am not sure you
12 were in the room, but I mentioned to the
13 other licensees that you have undertaken
14 this process and we are going to be anxious
15 to have them weigh in as well as this
16 process unfolds. So there will be more
17 bites to this apple.

18 Okay. Other comments on this
19 proposed change? Do we have a motion,
20 Commissioner Stebbins?

21 COMMISSIONER STEBBINS: Are we
22 adopting this as part of the emergency?
23 Mr. Chair, I move that the Commission adopt
24 for emergency purposes the included changes

1 to 205 CMR 134 with respect to
2 fingerprinting.

3 CHAIRMAN CROSBY: 134.13.

4 COMMISSIONER MACDONALD: Second.

5 CHAIRMAN CROSBY: Further
6 discussion? All in favor?

7 COMMISSIONER MACDONALD: Aye.

8 COMMISSIONER ZUNIGA: Aye.

9 COMMISSIONER STEBBINS: Aye.

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

12 MS. WELLS: Thank you.

13 CHAIRMAN CROSBY: All right. We are
14 now going to item eight, racing division
15 Director Lightbown and guests.

16 MS. LIGHTBOWN: Good afternoon,
17 Commissioners.

18 CHAIRMAN CROSBY: Good afternoon.

19 COMMISSIONER MACDONALD: Good
20 afternoon.

21 COMMISSIONER ZUNIGA: Good
22 afternoon.

23 COMMISSIONER STEBBINS: Good
24 afternoon.

1 MS. LIGHTBOWN: So our first item
2 under racing is the local aid payments and
3 Doug O'Donnell will address that issue.

4 MR. O'DONNELL: Good afternoon.
5 What you have in front of you is the
6 memorandum for the local aid distribution
7 for the quarterly payments made to the
8 tracks where racing is conducted. It's
9 based on it's six month in arrears from the
10 time the payments are made. This is the
11 June 30th payment. The total amount is
12 \$180,970.07.

13 And on the following page, if you
14 have it in the packet, you will have the
15 breakdown of the handles from October,
16 November and December of 2015. The
17 payments go to Boston and Revere,
18 Plainville and Raynham. We do need a
19 Commission vote on this, too, to approve
20 it.

21 COMMISSIONER ZUNIGA: These are the
22 ones that come out of the handle what you
23 mentioned?

24 MR. O'DONNELL: Correct. It's .35

1 percent of the total handle, which is
2 distributed to the cities and towns.

3 COMMISSIONER ZUNIGA: Now, there
4 used to be an appropriation for this
5 purpose. This is not related, right?

6 MR. O'DONNELL: Correct.

7 CHAIRMAN CROSBY: This says amount
8 wagered. So that is amount wagered, not
9 amount lost.

10 MR. O'DONNELL: Correct, that's the
11 handle.

12 CHAIRMAN CROSBY: That's like GGR
13 comparable to horse gaming.

14 MR. O'DONNELL: Yes. It's both --
15 it's for all handles both on track and
16 exports as well.

17 CHAIRMAN CROSBY: Right. Is there
18 anything significant about this number; is
19 it up, down?

20 MR. O'DONNELL: Yes. In comparing
21 it to last year's number, last year for the
22 same time period was \$155,335.

23 CHAIRMAN CROSBY: Wow, so the handle
24 is up.

1 MR. O'DONNELL: It bumped up a
2 little bit from last year, yes.

3 CHAIRMAN CROSBY: Quite a big
4 percent actually. Other questions,
5 comments? We don't have Commissioner
6 Cameron for a motion. Somebody want to
7 pick it up?

8 COMMISSIONER ZUNIGA: I will be
9 happy to move, Mr. Chair, that this
10 Commission approve the local aid quarterly
11 payments for June 30th of 2016 for a total
12 of \$180,970.07 to the Cities of Boston,
13 Plainridge, Raynham and Revere in the
14 manner that is broken out in the packet
15 here today.

16 CHAIRMAN CROSBY: Second?

17 COMMISSIONER MACDONALD: Second.

18 COMMISSIONER STEBBINS: Second.

19 COMMISSIONER ZUNIGA: Second.

20 CHAIRMAN CROSBY: Further
21 discussion? All in favor?

22 COMMISSIONER MACDONALD: Aye.

23 COMMISSIONER ZUNIGA: Aye.

24 COMMISSIONER STEBBINS: Aye.

1 CHAIRMAN CROSBY: Aye. Opposed?
2 The ayes have it unanimously. Okay, item
3 8B, Brockton Fairgrounds request to
4 racehorse development funds is next. I
5 just want to say one thing for the record.

6 One of the interested parties here,
7 Mr. Carney, called me yesterday late
8 afternoon and I took his call and he said
9 that he had heard rumors that the
10 Commission would be declining his offer --
11 his proposal. And that if it would be
12 easier for us, he would be happy to
13 withdraw if that were the case.

14 I said, "Nobody can know whether or
15 not the Commission will approve or
16 disapprove this proposal, because the
17 Commission has never discussed it. None of
18 us knows yet prior to that discussion where
19 we will come down." If he wanted to
20 withdraw it, he was welcome to do so but,
21 otherwise, we would deal with it up front
22 and make our decision and if we approve it,
23 fine. If we don't approve it, fine. And
24 he said thank you and decided to leave it

1 on. We did not discuss any of the
2 particulars of the proposal. He did not
3 lobby me one way or the other.

4 I also asked him about whether he
5 had an opinion about the racing reform
6 legislation, which is up at the state house
7 the senate has passed. I think it's in
8 conference right now. He said that he had
9 thought about it. He was immaterial. He
10 was not opposed to it. He was fine with it
11 if it went through. If it didn't go
12 through, he was fine with it and that was
13 the end of our conversation. Director
14 Lightbown.

15 MS. LIGHTBOWN: So during this
16 discussion, I'll probably use the word
17 "Brockton" instead of Middleboro. It's
18 actually the Middleboro Agricultural
19 Society who is requesting it but it's going
20 to be -- would be run at Brockton and so
21 typically we just call it Brockton, so I
22 wanted to make sure everyone realizes
23 that's interchangeable.

24 So the president of the Middleboro

1 Agricultural Society, Robert Kelly,
2 submitted a request for 2.5 million from
3 the racehorse development funds to use for
4 purses to plan for 15 days of racing.
5 They're estimating maybe 10 races a day,
6 and it will come out to more purse per day
7 than what Suffolk used to offer when they
8 ran a full meet. That was a couple of
9 years ago. So with inflation and the need
10 to be able to draw the horses and all,
11 that's probably a reasonable figure.

12 They've also requested 262,000 from
13 the racehorse development fund for the
14 Massachusetts Thoroughbred Horsemen's
15 Association to cover administrative costs.
16 And as you all are aware, you recently
17 approved the Suffolk Downs' request for
18 225,000 for the New England HPPA for their
19 costs. So, again, the costs are fairly
20 comparable.

21 I want to mention also that Mike
22 Morizio with the Carneys is here as well as
23 George Carney and Bill Lagorio from the
24 Mass. Thoroughbred Horsemen's Association

1 are here too if you have questions.

2 Mr. Kelly also requested 1,473,947
3 from the racehorse development fund for
4 administrative and operational expenses.
5 They are not going to simulcast, so they
6 won't have income from simulcasting to use
7 towards these costs.

8 In looking at this issue, there is a
9 couple of different things that you are all
10 are aware of the Chapter 23K, the gaming
11 legislation, which addresses racing and
12 also the racing regs. 128A and C. So under
13 Chapter 23K is where the racehorse
14 development fund money is addressed.

15 And just paraphrasing it, the 80
16 percent from the funds approved by the
17 Commission would be deposited weekly into a
18 purse account established for the horsemen.
19 The amounts would be combined by the
20 licensee with funds from existing purse
21 agreements to fund purses for live races.
22 So right there it talks about using the
23 racehorse development fund for purses.

24 When you go to racing legislation,

1 in 2015 the acts of, 2015 Chapter 10, added
2 wording that allows monies from the live
3 and simulcast handle that would go into the
4 purse account to be used for administrative
5 and operational expenses. However, in
6 speaking with Catherine Blue and reading
7 the statute, we determined that this didn't
8 include necessarily the racehorse
9 development fund money.

10 So my recommendations were that the
11 Commission approve the request for the
12 2.5 million from the fund for the purse
13 money. That seems to fall in line with
14 what they are intending to do. The
15 Commission approve the request for the
16 money going towards the Thoroughbred
17 Horsemen's Association's administrative
18 costs. Again, that seems consistent with
19 what has been done in the past. But then
20 that the Commission deny the request for
21 the administrative money requested to run
22 the meet. And now if Catherine Blue wants
23 to add something to that, she may.

24 MS. BLUE: I think Director

1 Lightbown and I have looked at this in
2 detail, and we've had several meetings with
3 the folks from Brockton. We've given this
4 a lot of thought and also have taken a long
5 look at the statutes. And one of the
6 things that, you know, really came out to
7 us was that the legislature was very
8 specific when they amended 128A and 128C to
9 talk about operations and administrative
10 expenses, and they amended certain
11 provisions of the Racing Act to do that.
12 There were particular provisions that dealt
13 with premium, simulcast and live handles.
14 They did not go and amend the racehorse
15 development fund statute in a similar way.

16 And, so, it seems to set up a
17 situation where the legislature assumed
18 that some of the streams of purse monies
19 could be used for those expenses, and then
20 we have purse monies under the racehorse
21 development fund that seem primarily
22 dedicated to purses.

23 And, I think, that falls in line
24 with what we have seen in other

1 jurisdictions that have taken gaming money
2 and, you know, wanted that to supplement
3 purses so they could help the industry
4 grow.

5 So having looked at all of that and
6 met with the folks in Brockton and thought
7 about it, I support Director Lightbown's
8 recommendation. I think legally that
9 passes mustard. It is a very difficult
10 decision to try to make because we
11 understand the folks who are involved in
12 the passion for what they want to do, but
13 we think that that recommendation is the
14 legal recommendation.

15 COMMISSIONER ZUNIGA: Thank you.

16 I --

17 CHAIRMAN CROSBY: Excuse me one
18 second. I wondered if the proponent wanted
19 to --

20 COMMISSIONER ZUNIGA: That's exactly
21 what I was going to ask. I did want to ask
22 Mr. Carney or Mr. Morizio the
23 recommendation is to exclude a significant
24 portion of the budget that you had here

1 includes \$1.4 million that we would not be
2 agreeing to if we decide with the
3 recommendation. Can you run the meet
4 without that money plain and simple?

5 MR. MORIZIO: Let me first say,
6 Commissioners --

7 MR. BEDROSIAN: Can you get the
8 microphone, sir? Just the button right in
9 front of you.

10 MR. MORIZIO: We have enjoyed
11 working very closely with staff.
12 Commissioner Stebbins has given a lot of
13 help and direction, and so hasn't
14 Commissioner Cameron. A lot of that has
15 been working with the Mass THA to get us to
16 this point. And Catherine Blue, Attorney
17 Blue has been very helpful, so hasn't
18 Director Lightbown. So we really
19 appreciate all the work that everyone has
20 done thus far to try to bring us to the
21 point where we can help provide racing in
22 Brockton and racing -- live racing,
23 thoroughbred racing in the state.

24 If the Commissioners recall, we

1 originally applied for and received what
2 we've all called the placeholder's license
3 last fall. And we did that because we did
4 not want to compete with Suffolk Downs and
5 Suffolk Downs had decided to apply for and
6 receive a robust racing schedule.

7 The economics of it just don't work
8 to have two racetracks with aggressive
9 racing schedules operating at the same
10 time. So we have taken a second chair to
11 Suffolk Downs and waited to see what their
12 plans were and how it all played out.

13 And as the Commission knows, Suffolk
14 Downs has elected to run a very small brief
15 schedule of just a few race days. So it's
16 for that reason we said, fine, we will step
17 up and bring back racing and support racing
18 in the state in every which way we can. We
19 don't expect to make any profit from the
20 operation, especially in the beginning
21 because it's very, very expensive to bring
22 back racing in a location that hasn't had
23 racing for now some 15 years.

24 I'd also like to say that Bill

1 Lagorio of Mass THA, the president, has
2 been a tremendous help. He's really, if
3 anyone, has excelled in making today or
4 bringing this as far towards the potential
5 of bringing racing back. No one has done
6 more than Mr. Lagorio. He has provided a
7 tremendous amount of support and
8 information to get us to this point.

9 I know that's a long introduction to
10 really answer your question, Commissioner.
11 But I have to say we're a bit surprised by
12 hearing that recommendation that it's
13 legally not possible to support to provide
14 these administrative and operating expenses
15 after having spent all this time. We
16 didn't hear that before. We heard certain
17 categories of costs might be difficult, but
18 that administrative and operating expenses
19 are allowed.

20 So I can't say that we came today
21 with a thorough analysis of why it's not,
22 but let me just say this. If the New
23 England HPPA can receive funds for
24 administrative and operational expenses in

1 support of horseracing and if the Mass THA
2 can legally receive the same funds, then
3 the track can as well.

4 Because there's nothing in the
5 legislation that says only the Horsemen's
6 Association can receive those funds. It
7 says that the funds are to be used for
8 administrative and operational expenses in
9 support of horseracing. That's what the
10 language says.

11 CHAIRMAN CROSBY: That's with
12 respect to the contribution to the fund for
13 the various takeouts.

14 MR. MORIZIO: From the horseracing
15 or from the horse development fund, from
16 the fund we are talking about here today,
17 the same fund that we are asking that
18 administrative and operating expenses be
19 dedicated where those operating expenses
20 are actually at the racetrack, which are
21 the most important operation and
22 administrative expenses that make racing
23 possible.

24 COMMISSIONER ZUNIGA: That's not

1 what Chapter 10 does say. What Chapter 10
2 says of the actual 2015 is just what the
3 Chairman said and Counsel Blue says, which
4 was operational costs to the associations
5 would be allowed but from the takeouts from
6 those monies, not from the racehorse
7 development fund.

8 MR. MORIZIO: As I said, I am
9 operating from memory. I didn't come here
10 prepared. But my memory suggests that the
11 language was broader than that. That if
12 it's for administrative and operational
13 expenses to support horseracing, then
14 that's what the money is for.

15 I would think from a larger
16 legislative purposes of that fund it is to
17 bring back horseracing in this state. It's
18 to support the horseracing industry. The
19 Horsemen's Association and the tracks are
20 very vital. They are very important, but
21 they are not the heart of the industry.

22 The heart of the industry is the
23 horses themselves and really the patrons.
24 Because if you don't have the horses and

1 you don't have the patrons, you don't have
2 a horseracing industry. Also, if you don't
3 have a track, you don't have a horseracing
4 industry.

5 CHAIRMAN CROSBY: We understand
6 that. Right now I will say I thought that
7 previously the conversation had been about
8 what kinds of expenses and, in effect, how
9 much might be allocated out of the
10 racehorse development fund. And there was
11 a question like, was there a capital cost?
12 That doesn't sound like it ought to be
13 involved, what's a capital cost, what's an
14 operating cost, how much seems reasonable
15 in the context of our experience of what we
16 know.

17 I was surprised actually to see just
18 the flatout preclusion that this was not
19 something that we had the authority to do.
20 So the discretionary questions about how
21 much and what kind of expenses were
22 irrelevant. But, apparently, you hadn't
23 heard this before either.

24 MR. MORIZIO: We hadn't either at

1 all.

2 CHAIRMAN CROSBY: I know you guys
3 have talked. Do you have a different view
4 of that?

5 MS. BLUE: No. Mr. Morizio has not
6 been part of many of our conversations. So
7 that would be why Mr. Morizio is here kind
8 of on the spot today. These are
9 conversations that we've had with various
10 members of the Brockton team as we met with
11 them over time. We reviewed various
12 proposals from them.

13 When you approved a license for them
14 back in the fall, the proposal was
15 different than it is now. There was a
16 purse money and percentage it was going to
17 the track. Director Lightbown and I looked
18 at that. We thought maybe there was some
19 flexibility in the proposal to look at
20 that. We also wanted more information on
21 whether they were going to simulcast at the
22 fair because they can. And what was going
23 to come of the money, that could come to
24 purses from the live handle and where that

1 money was going to go.

2 So as we have had more conversations
3 and understood better what the proposal was
4 and their proposal has been refined over
5 time, this is informed how we viewed it
6 against the law and the recommendations
7 that we've made.

8 COMMISSIONER MACDONALD: General
9 Counsel Blue, what is the operative
10 language in the statute relating to the
11 racehorse development fund that apparently
12 is being interpreted to exclude the
13 application of racehorse development funds
14 to operational and administrative expenses?

15 MS. BLUE: So, in 23K Section 60,
16 and the Chairman has a copy of it there,
17 the 80 percent language talks about it goes
18 to purses, gets paid to the licensee, goes
19 to purses, gets co-mingled in a purse
20 account and then is paid out. It just says
21 pursuant to a horseman's agreement.

22 Historical practice under 128A and
23 128C there was language similar to that,
24 and that has been how people have worked at

1 the track under the racing statute for a
2 very long time. Last year the legislature
3 specifically added language that said you
4 could use purse money for operational
5 administrative expenses.

6 But in going back and looking at
7 128A and 128C, that operations and
8 administrative language has only been
9 inserted in certain sections. In fact,
10 it's only been inserted in the live handle
11 section, I believe, just for thoroughbred
12 racing, not for harness. And in the
13 simulcast, it's all for thoroughbred,
14 harness and the greyhound simulcasting.

15 So the legislature was very specific
16 about what they wanted to do to conform the
17 practice into the statute under the racing
18 legislation. They did not make a similar
19 change to the racehorse development fund.
20 And racehorse development fund is a gaming
21 statute. It's applied differently, and it
22 was enacted for different purposes.

23 CHAIRMAN CROSBY: So the language
24 which permits the use for some

1 administrative and operational expenses
2 doesn't refer to the racehorse development
3 fund. It only refers to that takeout that
4 goes to purse accounts.

5 MS. BLUE: It only refers to
6 takeouts under 128A for simulcasting, for
7 premiums and live handle.

8 MR. MORIZIO: If I may, Mr. Chair?
9 Thank you for reading that, because it
10 refreshed my own recollection of the
11 statute. I have been doing this now for
12 the Carney family for 20 years. So I am
13 familiar with the history of 128A, 128C and
14 how things have operated over that period
15 of time, although we haven't been on the
16 horseracing side of the industry.

17 The Commission's authority is to
18 approve what comes out of the purse
19 account. That is even before Chapter 23K
20 was passed under the old racing commission,
21 which I was before hundreds of times on
22 issues of purse account payouts and when we
23 were running the live dog racing.

24 There is no language or practice

1 that says over the 20 years that I've been
2 involved that the Commission can only allow
3 purse account money to go to whether it's
4 dogmen or horsemen and the horseracing
5 association.

6 What has always happened before 23K
7 was passed was that there was a purse
8 agreement of some form that was approved by
9 the racing commission. And the purse
10 agreement itself talked about where the
11 funds will come out of out of this purse
12 account and how they will be paid.

13 And the Horsemen Association, I
14 can't say how they operated, but you can
15 look at their current agreement, which
16 basically says funds out of the purse
17 account will come out of the purse account
18 and they'll receive a certain percentage.
19 And the old racing commission would simply
20 approve that.

21 Now, that's also before there was a
22 Chapter 23K. That was before there was a
23 horseracing development fund, and that was
24 before the legislature just passed that new

1 legislation that you're looking at in 2010.
2 The legislature is --

3 COMMISSIONER MACDONALD: You mean
4 2015.

5 MR. MORIZIO: 2015, I'm sorry. The
6 legislature is presumed when they pass a
7 statute to understand the existing law and
8 how it fits in. If the legislature wanted
9 to restrict the Gaming Commission's
10 authority to what it could approve purse
11 account monies to be used for, it would
12 have said administrative and operating
13 expenses of the horseracing -- Horsemen's
14 Association only or it would have said some
15 other restriction. All it did in that
16 statute is say purse accounts can be used
17 to support administrative and operational
18 expenses for horseracing, which obviously
19 the legislature --

20 CHAIRMAN CROSBY: You're talking
21 about purse accounts.

22 MR. MORIZIO: Yes. In other words,
23 the money comes from the fund to the purse
24 account and then out of the purse account

1 for what purposes. The existing law
2 already says it goes, in this case, to the
3 horsemen. But this 2015 amendment said it
4 can also go for administrative and
5 operational expenses without limitation.
6 That it's only those expenses of the
7 Horsemen's Association.

8 CHAIRMAN CROSBY: But that's not the
9 issue that's on the table at the moment.
10 We are not debating that -- the question is
11 the source of that distribution, and the
12 source of the distribution in our staff's
13 reading is in that amendment is the
14 takeouts that go to the purse account. So
15 key portions of the takeouts can be
16 utilized for administrative purposes, which
17 is presumedly where this 262 and the two
18 whatever it is are coming from.

19 MR. MORIZIO: And that's exactly my
20 point. And what I'm saying is recalling of
21 the takeouts under that 2015 statute, the
22 legislature did not limit what the takeout
23 could be used for except to say operational
24 and administrative expenses.

1 COMMISSIONER ZUNIGA: Isn't it
2 affected with limited on the takeout?

3 CHAIRMAN CROSBY: What is the
4 takeout? What portion of the racehorse
5 development fund -- I'm sorry. What
6 portion of the purses, I guess it is, the
7 purse account comes from the various
8 takeouts as opposed to the portion that
9 comes from the racehorse development fund?

10 MR. MORIZIO: Well, it probably
11 depends all the time. You have the casino
12 slot money, as the Commission knows, that
13 goes into the horseracing development fund.
14 From that fund it goes into the purse
15 accounts as the Commission decides what
16 percentages will go to harness racing, what
17 percentages will go to thoroughbred racing.
18 But also keep in mind now, to some degree I
19 hope the Commission would recognize it
20 should look at this in a consistent way.
21 The simulcast --

22 CHAIRMAN CROSBY: We are talking
23 past each other, and I know this is
24 complicated. But I'm looking at Section 60

1 of 23K and it talks about the 80 percent
2 that goes to purses essentially, and the
3 language is clear. The language says, "The
4 licensees shall combine these funds," that
5 is the racehorse development funds, "with
6 revenues from the existing purse
7 agreements," which is the takeout money.

8 MR. MORIZIO: Simulcast takeout,
9 Mr. Chairman?

10 CHAIRMAN CROSBY: Yes. To fund
11 purses for live races consistent with those
12 agreements. So the racehorse development
13 fund, a portion of the purse agreements, is
14 to be used to fund purses for live races.
15 That portion of purse agreements, which
16 comes from another source, can be used for
17 administrative purpose but not money in the
18 purse accounts which come from the
19 racehorse development fund.

20 MR. MORIZIO: I think what the
21 difference here is the Commissioner's
22 viewing the purse account as a separate
23 stream of money and the horseracing
24 development fund as something independent

1 of that. Taking the chain of payments in
2 reversed order and using horseracing as an
3 example, the horsemen of the -- runs a race
4 and supposedly wins the race. How does he
5 receive its purse money? It only receives
6 one purse check, one payment and it comes
7 from the track out of the purse account.

8 The track doesn't have two sets of
9 books shall we say. One is funded with
10 takeout money, and one is funded with
11 horseracing development money. All sources
12 of revenue come into one pot, which is what
13 we've all called for 20 years that I've
14 seen it, the purse agreement. And then the
15 purse agreement is used to payout to the
16 horsemen.

17 CHAIRMAN CROSBY: Let me -- this is
18 going to take us a while. We don't want to
19 take this -- we've got to resolve this. I
20 would be interested in having a
21 conversation, if we do have the discretion
22 to use this money for these purposes, I'm
23 interested in the conversations pro and con
24 about why that is or isn't a good idea.

1 But we can't get to that until we can agree
2 whether or not we have that discretionary
3 authority, so let's focus on this.

4 So you've got the purse agreements,
5 which is the distribution vehicle is what I
6 heard you say is. Into that purse
7 agreement, and if I'm hearing this right,
8 and, please, anybody correct me if I'm
9 hearing this wrong, into this purse
10 agreement comes money from the racehorse
11 development fund, which is the 9 percent
12 from the slot parlor right now and a
13 variety of takeouts from simulcast, et
14 cetera. Together that creates the purse
15 agreement, purse account, purse bucket.

16 COMMISSIONER ZUNIGA: Purse funds.

17 CHAIRMAN CROSBY: Funds the purse
18 agreements, right, and the purse agreements
19 are subject to a variety of limitations on
20 distribution. Some of the purse agreements
21 can go to the administrative expenses
22 because 128 and 129 say that that portion
23 that comes in from the takeouts can be used
24 for administrative. But that portion what

1 comes in from the racehorse development
2 fund, which is in our statute, is not
3 authorized to be used for administrative.

4 It looks to me like that's pretty
5 black and white. So if there is -- if
6 somebody disagrees with that and if we need
7 to go to another topic for a half an hour,
8 if somebody wants to go look into that, I'm
9 happy to wait because we've got to get this
10 resolved. This is a big important issue.
11 Bill.

12 MR. LAGORIO: Mr. Chairman, if I may
13 say something?

14 CHAIRMAN CROSBY: Sure.

15 MR. LAGORIO: I attended every
16 meeting within --

17 CHAIRMAN CROSBY: Why don't you
18 identify yourself.

19 COMMISSIONER ZUNIGA: Come to the
20 mike.

21 MR. LAGORIO: Thank you. William
22 Lagorio. I'm president of the
23 Massachusetts Thoroughbred Horsemen's
24 Association. I just wanted to add that I

1 did have and have attended every meeting
2 with Attorney Blue and with Director
3 Lightbown. And I can honestly say there
4 was no point in time where I was told or
5 instructed that that money could not be
6 used for administrative and operating
7 expenses.

8 We did talk about limitations as far
9 as capital expenses versus general
10 operating expenses and possibly limitations
11 to amounts. But it was never said to me,
12 and I attended the last meeting with Chris
13 Carney, myself and George Carney that that
14 money could not be used. And we started
15 under that premise. We went forward from
16 the beginning understanding that we could
17 contrive some operational monies from this.

18 So this interpretation is new to me,
19 and I have not missed anything along the
20 way. I will say as far as racing goes in
21 the Commonwealth, we've lost respect in how
22 purses are ran because if we had no
23 resource development fund they are earned
24 from simulcast revenues and live handle

1 revenues and we all understand that. Our
2 goal of course is to return racing.

3 But at no point in time we would not
4 be this far if we were told at any point in
5 time that from a statutory standpoint that
6 money could not be used for some
7 administrative and operational expenses.

8 COMMISSIONER ZUNIGA: Well, there's
9 a difference in the administrative expenses
10 that's understood here, which is the
11 association's expenses and the track's
12 expenses.

13 CHAIRMAN CROSBY: We are not to that
14 issue yet. This is saying racehorse
15 development fund can't be used for either
16 one, can't be used for either one.

17 MR. LAGORIO: That's what I'm
18 saying. That's new to me, because I've
19 never been led in that direction.

20 CHAIRMAN CROSBY: Well, there's two
21 issues. One is, is this new to the table?
22 That's interesting but not really in the
23 long run relevant. The question is: What
24 does the law say? And the law looks -- I

1 mean, like I say, if somebody wants to go
2 read it differently to me, I'm happy to
3 hear it.

4 But it looks to me like the language
5 of the law says that that portion of the
6 purse agreement account, which is funded
7 through the racehorse development funds --
8 maybe we missed this for a while. I don't
9 know. Did we miss this for awhile?

10 MS. BLUE: I think, Mr. Chairman, as
11 their proposal has evolved over time,
12 Director Lightbown and I have been trying
13 to think of ways, quite honestly, to be as
14 flexible as the Commission could be within
15 the law. And we were hopeful that we could
16 work something that maybe would pass
17 mustard.

18 As we looked at it closely, as the
19 numbers got larger as more of it was
20 devoted to the track and, you know, and
21 less to the horsemen, we took a closer look
22 at the statute. And looking at that
23 thought we can't -- we have to be up front
24 with the Commission about what we think

1 your discretion is and what isn't.

2 So I would say, yes, has our
3 thinking and review evolved over time, yes.
4 I think generally in the industry there has
5 been a lot about operational and
6 administrative expenses and everybody is
7 throwing that around. I think there has
8 been some sense, well, this is what Suffolk
9 does.

10 But upon a further review of
11 Suffolk's agreement with the horsemen, what
12 we understood was that Suffolk is using
13 simulcast monies under 128A and C to fund
14 their operational expenses. So I would say
15 we learned a lot, Director Lightbown and I.

16 MS. LIGHTBOWN: We did have that
17 discussion at one of the later meetings
18 that that was what the difference was.
19 That Suffolk was using money under 128A and
20 C, the simulcast money, to fund the
21 operational expenses and this money was
22 going to be coming from the racehorse
23 development fund. The other money doesn't
24 go through the Commission. The racehorse

1 development money does come to us and then
2 is given out.

3 COMMISSIONER MACDONALD: Is this
4 interpretation of the racehorse development
5 fund statute been shared with Mr. Morizio
6 or Mr. Carney before today?

7 MS. BLUE: With Mr. Morizio, no.
8 With Mr. Carney, Alex has just described
9 the conversation that we had. There were
10 different sources of the funds, different
11 statutory sections were amended and that we
12 were looking at that to try to determine
13 what that meant.

14 CHAIRMAN CROSBY: We've all,
15 frankly, I think been trying to figure out
16 a way to be as flexible with these monies
17 as we can. And to make that point, by the
18 way, the legislation which is in conference
19 committee right now, makes it absolutely
20 plain that the Commission would have the
21 authority to use the racehorse development
22 fund for this kind of thing.

23 We want to be in the position to
24 fund smart strategies that might bring this

1 industry back. Is yours one? I haven't
2 got to that point yet. We want that
3 flexibility. That is why we expressed
4 support for that legislation and the
5 legislation -- if we knew that it was
6 messy, the authority we had over the
7 racehorse development fund, which is why
8 we've been actively trying to get this bill
9 passed so we would have the flexibility to
10 do this.

11 MR. MORIZIO: Mr. Chairman, let me
12 just say this much. I have been working
13 with, especially with 128A and C now for 20
14 years. I feel very confident based on the
15 2015 change in legislation that what we
16 have advocated as your authority is exactly
17 that. So I would ask the Commission to
18 consider putting us on the agenda for your
19 next meeting to give us time to put
20 together our explanation as to why, as
21 government lawyers will say, the color of
22 money once it goes into the purse agreement
23 is one fund. There is no maintenance of
24 different color of money in that purse

1 agreement, one being development fund funds
2 and the other being simulcast premiums.

3 I would also point out for the
4 Commission's consideration that the
5 simulcast premium statute, the 128C,
6 clearly says the same thing. That those
7 simulcast premiums are to go into the purse
8 account. They cannot be diverted
9 statutorily without going through the purse
10 account first.

11 And, so, if the Commission could
12 authorize, if you want to consider that the
13 color of money doesn't change, once it's in
14 the purse account, if you could authorize
15 simulcast premiums to come into the purse
16 account and then out to the track when
17 there's really no legislative authority for
18 that, I think there is certainly authority
19 to allow horseracing development funds to
20 do the same. So I would simply ask to be
21 put on the next agenda and give us the
22 opportunity to more thoroughly explain
23 this.

24 CHAIRMAN CROSBY: We may have to do

1 that. I hate to do it for lots of reasons
2 and at least our next scheduled meeting is
3 not until late August, but we can change
4 that if we have to. Let me ask it a
5 different approach here. How much money is
6 in the racehorse development fund at the
7 moment that comes from takeouts?

8 MS. BLUE: There's no money in the
9 racehorse development fund. In their purse
10 account because they haven't raised, there
11 is no money in their purse account, I
12 believe, at the moment.

13 CHAIRMAN CROSBY: Okay. So it would
14 only be the proceedings.

15 COMMISSIONER ZUNIGA: Now there's a
16 further complicating factor because they
17 don't intend to simulcast at Brockton.

18 MS. BLUE: That's our understanding.

19 COMMISSIONER ZUNIGA: So whatever is
20 coming to their simulcast license, you can
21 wait. It's already funded in the
22 operations.

23 MR. MORIZIO: Excellent point,
24 Mr. Commissioner. Because there will never

1 be, even if we were racing under current
2 law year-round in Brockton so called
3 simulcast takeout funds because we are not
4 the host track for thoroughbred racing.
5 Suffolk Downs technically, as long as they
6 continue to have a license, is the host
7 track for the thoroughbred racing. The
8 statute has never been cleaned up. So
9 that's another reason to understand that --

10 COMMISSIONER ZUNIGA: That would be
11 too easy to ask. Why aren't you
12 simulcasting in Brockton?

13 MR. MORIZIO: We made a business
14 decision we need to walk before we run. We
15 need to focus on the live racing product.
16 We need to focus on bringing the patrons
17 back and getting that part of the operation
18 solid, accepted and raised and growing
19 before we get into this tangential issues
20 such as simulcasting or more food and
21 beverage services, all these other things
22 that makes the operation more effective.

23 You have to start, though, in our
24 view with the core service, the core

1 operation, which is the horseracing. So
2 that is 15 days of racing, which I also
3 mentioned we may have 15 days of racing in
4 our proposal but we have four months of
5 horseracing support. We're providing
6 stalling and training services to the
7 industry for four months.

8 We are going to have the
9 entertainment element 15 days of racing,
10 get the crowd interested in, get the
11 patrons excited and then we said to
12 ourselves -- it was really Billy's idea and
13 his urgent that his horsemen need more than
14 just 15 days of racing. They need a home.
15 They need a place to train. So we decided
16 to support that with the additional four
17 months of activities.

18 COMMISSIONER ZUNIGA: If we put
19 aside the legal question, which is a
20 fundamental one, but if we just put it
21 aside for a minute, there is an equally
22 large implication to your request, which is
23 what would prevent Plainville -- Plainridge
24 or Suffolk to come next year either

1 retroactively or that year and ask for
2 monies from the racehorse development fund
3 to using their operating expenses?

4 Because we've already taken the
5 position, whether we have the legal
6 authority or not, that you could do that
7 out of the racehorse development fund
8 monies. That opens the door in my view
9 wide open to a real quick to the racehorse
10 development fund which was never the
11 intention of the Gaming Act.

12 MR. MORIZIO: I think the answer to
13 that is twofold. First is, it's all within
14 your discretion. So you will manage those
15 funds, and you will invest those funds
16 where you believe they should be invested.
17 As to the retroactive element of it, you've
18 already approved their expenses to be paid
19 for or covered through a different vehicle.
20 So no one is going to come back to you or
21 they can't come back to you and ask for a
22 different source of funding. You've
23 already given them what they've asked for.

24 But on a going forward basis, it's

1 all within your discretion. You'll decide
2 what makes sense for the industry, how much
3 support is necessary. I believe that's
4 what the legislature gave you the authority
5 to do. And as the Chairman said, that's
6 the legislation and the concept of the
7 legislation that is moving through the
8 house and senate today.

9 MR. LAGORIO: Can I just add
10 something? So if we could add to those
11 logistics, if Suffolk Downs were to say
12 they would accept stabling and training of
13 our horses and they are in dire need for
14 four months, I'd be the first one to jump
15 up, please. Give them the money because
16 that is what we are lacking.

17 We have an industry that is no
18 longer an industry. We have just a couple
19 of days of racing and people just don't
20 know where to go. If Suffolk Downs wanted
21 to step up and participate what they used
22 to participate in, which was the stabling
23 and training, which is our industry, then I
24 would say to the Commission, please, grant

1 them whatever money at your discretion that
2 you can if it's available.

3 That's the issue at hand, and that's
4 why the discretion of the Commission is at
5 hand here. What is it providing -- what is
6 that money providing versus what they're
7 requesting? I think you have to weigh it
8 and really take a look at it.

9 CHAIRMAN CROSBY: Let me ask a
10 question, which may reveal my ignorance.
11 If there is no purse account money from the
12 simulcast or anything else available now,
13 where is the 225 or the 262 coming from?

14 MS. BLUE: Mr. Chairman, Director
15 Lightbown and I were trying to be fair to
16 both horsemen groups. To be honest,
17 legally if I to be a very stickler legally,
18 I would have to take the same position and
19 say that that can't be tacked on to the
20 purse money. We really were trying very
21 hard to wrap our heads around what could we
22 do statutorily that would get this up and
23 running. And we thought that maybe that --
24 we could do that under the purse account.

1 I think if it helps the Commission
2 to think about it, money goes into a purse
3 account from approximately four sources
4 really. It goes in from simulcasting, life
5 handle, premium and in the past, and I
6 don't recommend this, but tracks have
7 oftentimes put money in the purse account
8 themselves.

9 The racehorse development fund came
10 along as a new source of money. And as
11 Director Lightbown pointed out, we make
12 those payments. The other monies don't
13 come through us. We don't see them, but
14 this is something new that was given to us
15 by the legislature.

16 CHAIRMAN CROSBY: Right. So in the
17 absent, you know, the clarifying language
18 that's up in the statehouse today, even
19 that 262 is a stretch in our reading of the
20 law. So there is no other bucket of money
21 out there that we could have access if we
22 wanted to to try to meet some or all of the
23 million four request.

24 MS. BLUE: Not that the Commission

1 has access to.

2 CHAIRMAN CROSBY: That we have
3 access to.

4 MS. BLUE: No.

5 CHAIRMAN CROSBY: By our
6 interpretation of the law.

7 MS. BLUE: That's right.

8 CHAIRMAN CROSBY: Well, I hate to
9 say it but I would love to have you have a
10 chance to try to put together an argument,
11 and we're trying to figure out how to say
12 yes -- not specifically your proposal.
13 Don't misunderstand. We're trying to
14 figure out how to say yes to flexibility in
15 the racehorse development fund so that we
16 can be supportive of smart strategies to
17 move forward. If we can't get that
18 flexibility, if we can't get yes on that,
19 then we can't get to the question of
20 whether we think that million four is
21 appropriate to spend it on.

22 So if you can figure out a way short
23 of running up to the state house right now
24 and talking to somebody and getting the

1 bill passed that can persuade us to the
2 contrary, get us yes on the question of
3 flexibility on the racehorse development
4 fund, we are open to it, as I hope you can
5 see.

6 So I for one, and I set the agenda,
7 so I get to do this. I would be willing to
8 set up a meeting next week or whenever,
9 however you long you think it's going to
10 take. I don't want to stall this for the
11 reasons of the folks sitting here. This
12 whole thing becomes moot if we don't get
13 this resolved pretty soon. How long do you
14 want, and then let me talk with the
15 Commissioners as to whether we can do that.

16 MR. MORIZIO: Any time next week
17 would be fine, Mr. Commissioner. I believe
18 I have one schedule conflict on the 27th.

19 CHAIRMAN CROSBY: What day is that?

20 MR. MORIZIO: I believe it is a
21 Wednesday or Thursday. Let me turn on my
22 calendar.

23 COMMISSIONER MACDONALD: I think
24 it's a Wednesday.

1 CHAIRMAN CROSBY: So are you,
2 Commissioners, willing, assuming we can get
3 a quorum, which I am sure we can, that we
4 find the time towards the end of next week
5 to deal with this issue?

6 COMMISSIONER MACDONALD: Absolutely.

7 COMMISSIONER STEBBINS: Absolutely.

8 CHAIRMAN CROSBY: Am I missing
9 anything else, Mr. Bedrosian or Ms. Blue or
10 Ms. Lightbown, any other reason not to do
11 that?

12 MS. BLUE: No.

13 COMMISSIONER MACDONALD: I'm
14 unavailable Thursday and Friday but
15 Wednesday.

16 MR. BEDROSIAN: Mr. Chairman, I
17 think you have a conflict on Friday.

18 CHAIRMAN CROSBY: I've got conflicts
19 the whole week, but that's my problem.
20 I'll figure that out. We can, as long as
21 we have a physical quorum, we can have
22 people call in if need be. So we'll figure
23 this out. So we will work on coming up
24 with a date that we can get the most number

1 of Commissioners in attendance and get back
2 to you.

3 MR. MORIZIO: Thank you,
4 Mr. Chairman.

5 CHAIRMAN CROSBY: Is there anything
6 else that we need to do to make this issue
7 as precise and clear as possible? Am I
8 explaining it right, first of all, and are
9 you hearing it right that the question is:
10 Do we have the authority under law to use
11 racehorse development fund monies for
12 anything other than purses; and secondarily
13 if so, what and would that include a track?
14 That's the issues in that sequence that's
15 in front of us.

16 COMMISSIONER ZUNIGA: And if so, can
17 you put together a meet as a business
18 proposition with those suggestions.

19 CHAIRMAN CROSBY: Okay. Then we
20 will be back to you with a date as soon as
21 within the -- before the date the next
22 meeting comes up, we'll be back to you with
23 a date.

24 MR. MORIZIO: Thank you,

1 Commissioner.

2 MS. LIGHTBOWN: Thank you.

3 CHAIRMAN CROSBY: All right. Where
4 are we? I guess the only thing we have
5 left is two updates. I think we should go
6 to John's. We will take a quick break
7 while John gets organized and we'll
8 reconvene.

9
10 (A recess was taken)

11
12 CHAIRMAN CROSBY: So, we are
13 reconvening public meeting number 195 with
14 the ombudsman's report from Mr. Ziemba.

15 MR. ZIEMBA: Thank you, Mr. Chairman
16 and Commissioners. The first item on the
17 agenda today is the review of the
18 applications for the 2016 Community
19 Mitigation Fund. Joining me here today is
20 the review team for this year's program,
21 which includes General Counsel Blue, our
22 chief financial officer Derek Lennon,
23 paralegal Mary Thurlow and construction
24 project oversight manager Joe Delaney.

1 The review team has provided
2 recommendations on this year's applications
3 for your review. They are included in your
4 packet. Applicants have been informed that
5 the Commission may accept these
6 recommendations, may reject these
7 recommendations and they require further
8 information.

9 We're making these recommendations a
10 very thorough review detailed in your
11 packet, which is being offered in the
12 timetable that was anticipated in the
13 guidelines published last December. You
14 will see that as of the date, as of the
15 date today before the impact of today's
16 recommendations, 14,350,000 remains not
17 reserved or awarded in the Community
18 Mitigation Fund.

19 No additional funds will be put into
20 the fund until four casinos are operational
21 and generating gaming taxes, a portion of
22 which 6.5 percent of such taxes is
23 allocated to the Community Mitigation Fund.
24 In comparison to the funding that will be

1 available after the four casinos are open,
2 resources are now constrained. We note
3 that the greater availability of future
4 dollars makes sense, because the majority
5 of impacts are likely after the casinos are
6 operational.

7 Our review today will be organized
8 by the three different categories of
9 funding programs, requests from communities
10 to use 2015, 2016 reserve funds, 2016
11 transportation planning grant applications
12 and specific impact applications. First,
13 let's look at the request of the use of
14 reserve fund.

15 I plan to provide a very brief
16 overview of the request for reserves, and
17 then we will break for any questions. If
18 there are no immediate questions, we can
19 move on to the brief overview of the
20 transportation applications and then a
21 brief overview of the specific impact
22 applications. Following these brief
23 overviews, we can get into more depth on
24 any applications Commissioners may want to

1 discuss.

2 Now, we do apologize for the 30 page
3 length of the quote, unquote brief summary
4 in your packets. But as I understand it,
5 there is over thousand pages of materials
6 included in your packets today. So we do
7 apologize, but we'll try to make this brief
8 and understandable.

9 So assuming that that's an
10 acceptable way of proceeding --

11 CHAIRMAN CROSBY: John, I just want
12 to, before you get into the specifics, I
13 just want to make a couple of general
14 comments about at least my own view of the
15 Community Mitigation Fund and about this
16 process.

17 You mentioned that this is for
18 unanticipated expenses. When we talked
19 with the communities, the surrounding
20 communities, we talked a lot about do your
21 jobs thoroughly and well because the
22 Community Mitigation -- don't think of the
23 Community Mitigation Fund as a fallback
24 where if you don't think about stuff you

1 should have thought about, you know, this
2 is for unanticipated and unanticipatable.
3 That's not an absolute heart proof, but
4 it's a predisposition.

5 We don't know what's going to happen
6 with this Community Mitigation Fund. It
7 seems like it's going to be a lot of money
8 when the thing is up and running and
9 everybody is mature and contributing to it,
10 but we don't know what the demands are
11 going to be. This is a totally new area.
12 There is no such thing as a Community
13 Mitigation Fund in any of the jurisdictions
14 when we get some experience.

15 It's very important that we not do
16 anything here that is construed as a
17 precedent that's going to bind us going
18 forward in any way. You know, we're going
19 to make discreet judgments on each of these
20 issues as best we possibly can knowing what
21 we know, but realizing that there is a
22 whole world here to unfold. And it's for
23 years and years and years this is going to
24 be going on.

1 So we will be retaining the maximum
2 amount of flexibility, and I want to make
3 that clear to everybody heads-up,
4 particularly people like you who is going
5 to be dealing with this kind of stuff a
6 lot, we're going to try to figure it all
7 out but we're still at a very early space
8 on our learning curve here and nobody
9 should construe anything we do here is
10 binding us going forward other than
11 whatever commitments we make.

12 COMMISSIONER ZUNIGA: Can I mention
13 something? You reminded of a point I
14 wanted to make to the staff, and it's
15 opportune to make it now. There's clearly
16 a lot of work that you put into these and
17 it's going to be self-evident by your
18 remarks and some of the questions, the
19 correspondence, the submissions, the
20 correspondence to submit additional
21 information so on and so forth. And
22 there's also a lot of information in this
23 meeting in other areas, racing, on
24 regulations.

1 I could barely go through the
2 binder, you know, when it came to me. And
3 there is a lot of you know -- there is
4 fantastic comments we should think about,
5 permutation of ways to go about, you know,
6 thinking of caps, thinking of, you know,
7 what may be out there. And this is not
8 uncommon on the effort which is
9 substantial. It's just more a cry for help
10 to the staff and our executive director.

11 To the extent that we can get a
12 little bit more further notice on some of
13 the illusion of these conversations,
14 iterations, this is true for racing, it
15 would be that much helpful to me, and I can
16 only imagine to my colleagues, to
17 understand the background, the back and
18 forth, et cetera. Because a binder of this
19 size, it's all in here. The
20 correspondence, the history, the memos, but
21 I wouldn't want it to be at the service to
22 our decision-making by virtue of having to
23 read this very quickly.

24 So, I just think we need to -- I

1 know it's exacerbated perhaps because we
2 only had one meeting this month, and it may
3 be the same case next month. We knew some
4 of that, but it's very hard for me to go
5 through a binder like this in one day, even
6 with the briefings that we had, to make
7 some decisions.

8 CHAIRMAN CROSBY: In other words, we
9 need more time if we can possibly get it on
10 these things. Okay.

11 MR. ZIEMBA: In order to amplify the
12 Chairman's thinking regarding the
13 precedential value of some of these
14 decisions, I will note that what we plan to
15 do in the future is that we will take
16 advantage of all the resources of the
17 gaming policy, advisory committee and the
18 subcommittee structures to further work
19 through a lot of these very thorny issues.

20 In many ways, some of the questions
21 that are before the Commission are
22 questions that have been looked at in all
23 different walks of governmental life,
24 utility regulation, schools, school

1 funding, housing issues, gentrification
2 issues, different agencies have taken
3 different approaches to that and we will
4 take a look at a lot of those issues.

5 But in many ways, I think over the
6 course of the next few years people will
7 ask us to a take a look at things
8 differently than even well-established
9 policies and we will have to make a
10 determination of whether or not we go
11 forward with those recommendations or not.

12 In regard to the timing matter, I
13 apologize for the lateness of the
14 memorandum. We got materials, the
15 application materials earlier to you this
16 year and gave you copies of the questions
17 and answers as we were going forward. But
18 you do have a very good point. This is a
19 very dense memo that didn't get to you
20 until a few days ago. So we'll work even
21 harder to try to get that to you quick so
22 you can evaluate that.

23 COMMISSIONER STEBBINS: John, just
24 one comment, one additional comment before

1 we start, and I mentioned this to John
2 earlier. As I was going through some of
3 the applications, some of them look beyond
4 just transportation issues or roadway
5 planning issues. Some start to get into
6 communities wanting to do things along the
7 lines of employment, business opportunities
8 for local businesses with our casinos.

9 And my suggestion to John was for
10 him to consider adding Jill Griffin to the
11 review team so that all of her work is
12 somewhat aligned with what individual
13 communities are doing, and she might be
14 able to bring some resources that those
15 individual communities might not be aware
16 of.

17 COMMISSIONER ZUNIGA: You picked up
18 on something that I was going to push back
19 on, by the way. I can do it now or wait.
20 I don't think we should be paying those
21 kinds of efforts out of this mitigation
22 fund, but let's get to those applications
23 or those individual examples.

24 MR. ZIEMBA: Great. So with that in

1 mind, why don't I proceed on giving you a
2 little bit of overview of the reserve
3 requests. As you're aware, we have
4 established \$100,000 reserves to 28
5 communities totaling 2.8 million-dollars.
6 Unlike our annual funding around where
7 applicants must apply by February 1st of
8 each year, communities may apply for the
9 use of reserves on a rolling basis once
10 these needs are identified.

11 Pursuant to our guidelines, reserves
12 may be used to cover specific impacts in
13 2016 or thereafter. A reserve may be used
14 for planning either to determine how to
15 achieve further benefits from a facility or
16 to avoid or to minimize any adverse
17 effects. What I'm referring to are
18 policies that were included in our 2016
19 guidelines.

20 After our reviews, our meetings and
21 conference calls and the follow-up written
22 questions to the communities included in
23 your packet, we believe that all of the
24 still pending applications are consistent

1 with the 2016 guidelines.

2 First I will describe Lynn's use of
3 reserves as East Longmeadow has for now
4 withdrawn its application, and Chelsea will
5 be discussing the transportation planning
6 grant application section.

7 Lynn: Lynn plans to use its
8 \$100,000 reserves to conduct studies
9 relative to its predominant concern
10 relative to the Wynn Boston Harbor casino
11 traffic. Lynn is concerned about the
12 impact of both construction and
13 operation-related traffic on its congested
14 roads.

15 Notably we would like to assess how
16 the city could address congestion through
17 improvements to its roadways on Route 107
18 and Route 108 -- Route 1A, excuse me, the
19 Lynnway and through alternative modes of
20 travel through potential commuter rail
21 connections and water ferry service.

22 These studies would be based upon
23 analysis that has already been done on the
24 area. Following getting Commissioner

1 approval, we recommend that staff work with
2 Lynn on the scope of such studies. The
3 scope for land and other grantees would be
4 part of the grant contract and
5 administrative process.

6 Malden: Malden plans to use the
7 reserve for a portion of the annual salary
8 of a senior planner to work on
9 gaming-related opportunities for Malden.
10 Malden is committed to significant matching
11 funding for the planner, 65 to 70,000 per
12 year versus the 25,000 requested
13 assistance.

14 Malden would use \$15,000 for a
15 comprehensive marketing program to promote
16 Wynn-related opportunities for Malden
17 businesses and \$10,000 to launch a
18 citizen's engagement program to provide
19 employment opportunities for Malden
20 residents.

21 We view this application as directly
22 on point regarding the intent of the
23 reserves to use planning -- to use planning
24 funds to determine how a community may

1 achieve further benefits from the facility.
2 That's taken from the 2016 guidelines.
3 These efforts are a compliment --

4 CHAIRMAN CROSBY: John, was that a
5 quote?

6 MR. ZIEMBA: Yes. These efforts
7 would compliment and build upon the efforts
8 of the Commission and Jill Griffin,
9 Director of Workforce and Development, to
10 help residents and businesses make the most
11 out of this unique opportunity with Wynn
12 Boston Harbor facility.

13 Indeed I take, in conversations with
14 Commissioner Stebbins, I think that Jill's
15 participation on our team would be very
16 welcome. It's a large team but not too
17 large of a team, and this is a very
18 important matter.

19 Saugus: Saugus also plans to use
20 \$35,000 to assess potential opportunities
21 for Saugus businesses to benefit from the
22 Wynn Boston Harbor facility. While Saugus
23 will focus -- while Saugus' focus will be
24 to benefit Saugus businesses, it will work

1 with MAPC and the North Shore Economic
2 Development Council and the Commission as
3 we just discussed with Malden.

4 Saugus requested that the \$65,0000
5 balance of the reserve be utilized for the
6 implementation of steps identified in the
7 review. We discussed with Saugus that our
8 approval of such additional work would be
9 more appropriate when such steps are
10 identified. Therefore, we have recommended
11 for now only the 35,000 first phase of
12 Saugus' request.

13 COMMISSIONER ZUNIGA: What's the
14 difference between the 35 and the 65 again?

15 MR. ZIEMBA: So they have \$100,000
16 worth of reserves. They would like to use
17 the full 100,000 for assessment of these
18 business opportunities in order to allow
19 Saugus businesses to take advantage of the
20 opportunity of the Wynn facility. \$35,000
21 would be available for the initial
22 consultant to determine what are the
23 appropriate steps, and what they should do
24 to get organized to take advantage of those

1 opportunities.

2 And then the \$65,000 would be once
3 those steps are identified to implement
4 those steps. But those steps are not yet
5 identified since our focus is on the first
6 part of the study. So, therefore, we, and
7 I think with the agreement of Saugus, both
8 believe that could be a subject of a
9 separate submission to the Commission.

10 COMMISSIONER ZUNIGA: In a future
11 year?

12 MR. ZIEMBA: No. In a reserve
13 request on a rolling basis. So as soon as
14 they develop their implementation steps,
15 they can forward that to the ombudsman
16 office. We would review that, and then put
17 that back before the Commission.

18 COMMISSIONER STEBBINS: So due the
19 35,000 for the assessment and come back
20 with the 65,000 when you have the better
21 strategies that arise as a result of the
22 assessment.

23 MR. ZIEMBA: That's right. And
24 Saugus plans to work, you know, consistent

1 with our regulations with MMPC on regional
2 opportunities, and then obviously they'll
3 take advantage of our guidance that we
4 provide through the Commissioners and Jill
5 on how businesses can take advantage
6 statewide.

7 But, obviously, the focus with
8 Saugus would necessarily be on Saugus when
9 we created the reserves and created the
10 opportune for them to use it to try to take
11 advantage of opportunities from the casino.
12 I think that's what we determined or at
13 least in the guidelines were determined as
14 an allowable use.

15 Wrentham plans to use 50,000 of its
16 reserve for a Route 1 corridor study. The
17 focus of the study would determine
18 constraints to the developments such as
19 zoning development, environmental factors
20 and traffic and to identify the type of
21 development that would succeed along the
22 corridor.

23 Wrentham provided evidence that the
24 Plainridge Park casino is having an impact

1 on increased development in this corridor.
2 Our licensees were requested to provide
3 assistance as part of -- excuse me, provide
4 their opinions regarding these requests for
5 assistance as part of our application
6 process, and our licensee has provided
7 support for all these applications.

8 So in that regard, before I turn to
9 the transportation planning applications,
10 I'd welcome any questions.

11 COMMISSIONER ZUNIGA: In the spirit
12 of these opportunities, what opportunities
13 are we thinking about, when they are
14 operational?

15 MR. ZIEMBA: Yes, when they are
16 operational. So, obviously, if they are
17 operational, a couple of years from now it
18 may take business at least a couple of
19 years to try and get ready for those
20 opportunities. They can understand what
21 Wynn's standards are, what specks they
22 usually call for a lot of their products.

23 I believe that Commissioner Stebbins
24 and Jill have been working on trying to

1 identify what those standards would be so
2 that we can make sure that Massachusetts
3 businesses take advantage as much of all
4 those opportunities.

5 There were substantial purchases
6 that were included within both Wynn and
7 MGM's applications to the Commission for a
8 license that they would try to achieve as
9 much as their purchases locally. This
10 would enable Saugus and other communities
11 to try to take advantage of those
12 opportunities.

13 In addition, there's significant
14 opportunities for employment regionally.
15 Wynn has requirements in its agreements
16 that it should try to reach out to those
17 employees. It does consistent with our
18 outreach requirements. We obviously have
19 quarterly reports. We ask them to tell us
20 about their outreach requirements of what
21 they shall do to try to get employment
22 opportunities for local persons.

23 This would enable communities to
24 continue to try to focus on their citizens

1 in order to take advantage of those
2 opportunities, jobs, businesses.

3 COMMISSIONER ZUNIGA: Well, let's
4 get going, because I have other points to
5 make in the other ones in the different
6 categories.

7 CHAIRMAN CROSBY: Are we going to
8 vote on the category, each one?

9 MR. ZIEMBA: I think what I
10 recommended was that I was going to go
11 through by category. I'd take any brief
12 questions on the category. I would then
13 for efficiency sake go on to descriptions
14 of further grants, take any sort of
15 questions and then go to the final
16 category, the specific impacts.

17 And then obviously we could have a
18 robust discussion by the Commission,
19 general themes, specific applications if
20 there's specific questions regarding any
21 particular application, we can get into
22 depth regarding any one of these.

23 COMMISSIONER STEBBINS: I would only
24 suggest, John, again, in this first group,

1 if we approve this first group, at such
2 time that is, correct me if I'm wrong, you
3 actually write a contract for the use of
4 funds with these individual communities
5 and, you know, be thoughtful, and I don't
6 need to tell you this, but to be thoughtful
7 if Saugus is doing something to talk to
8 Saugus businesses that they are not doing
9 it in a vacuum that they have Wynn's
10 expectations in front of them, that Paul
11 Connelly in licensing is there to talk to
12 them about what is going to be required of
13 them to do business, so to paint the full
14 picture and not just have a very narrow
15 side conversation among the recipient
16 communities.

17 MR. ZIEMBA: It's always been my
18 intention since the beginning since we
19 crafted the original draft of the
20 guidelines that local efforts through these
21 funds would build upon everything the
22 Commission is doing. Everything the
23 Commission is doing, our efforts but it was
24 also built upon whatever regional efforts.

1 You'll see in some of these
2 applications they do have an outreach to
3 their regional planning agencies and local
4 economic development organizations, but
5 this is a comprehensive whole. At least
6 that is the way that it's been up forwarded
7 in my mind as how these communities should
8 operate.

9 We have a tremendous role to try to
10 promote business, and the Commission has
11 done a tremendous job and Jill has done a
12 tremendous job to try -- and Paul and
13 others has done a tremendous job to try to
14 promote that, you know. At least I have
15 also believed there is some role for the
16 locals to try and promote their own
17 communities in order to take advantage of
18 these opportunities.

19 There are benefits to the facility.
20 We have been talking about those benefits
21 for the last couple of years, their
22 potential impacts and those benefits and
23 those impacts would really accrue to some
24 of the nearby areas to the greatest extent.

1 Hopefully we know they are statewide
2 benefits and statewide impacts, but really
3 what we're talking about is some more
4 contiguous communities that we hope can
5 benefit as well as we can remedy some of
6 their impacts.

7 COMMISSIONER ZUNIGA: Let me hone in
8 on the notion of impacts. This community
9 mitigation I really see as mitigating the
10 adverse impacts. I know it's broad to
11 think about it from capitalizing on
12 opportunities as a good impact. But from
13 my memory of all the hearings that we had,
14 with all the concerns that we heard from
15 citizens surrounding communities, number
16 one was always traffic and there is others
17 and we need to think about that.

18 I think that the opportunity is a
19 good thing to have where there is an
20 existing infrastructure in local
21 nonprofits, Chambers of Commerce, et
22 cetera, and the very active role of the
23 licensee and our own role. We have funding
24 for community colleges, local nonprofits

1 that we are doing out of our own budget
2 that if we fund these local efforts, and
3 I'm not saying there is no role for local
4 people in this effort, the Community
5 Mitigation Fund in the next two years is
6 going to grow very thin very quickly.
7 Maybe not right now.

8 But when other communities realize,
9 and it's only a matter of time, that they
10 can fund planners or conveners or local
11 nonprofits to capitalize on opportunities,
12 in my mind that opens the door to a lot of
13 costs at the expense of what was really a
14 concern and has been always a concern of
15 just about everybody when it comes to
16 traffic, transportation, et cetera, et
17 cetera. I know that that's on the margin.
18 Each one of them is notorious, you know, a
19 percentage of a planner that is also going
20 to do outreach seems pretty
21 straightforward.

22 But I'm really worried in terms of
23 the precedent setting that opens the door
24 for real erosion of the bulk of what we

1 have, which we need to preserve until real
2 money comes to these Community Mitigation
3 Funds.

4 So as we go along, I am going to
5 push back and try to convince my colleagues
6 to not authorize certain of those portions
7 of costs and focus on the ones that are
8 very targeted to transportation issues, for
9 example, transportation planning like
10 Chelsea and others, and we will get into
11 that because those are very targeted --
12 very localized and very, in my view, really
13 square along the lines of what mitigation
14 means and the general spirit of the
15 Community Mitigation Fund. I just wanted
16 to mention that from the get-go.

17 MR. ZIEMBA: One thing I would
18 respond that, I think, that over the course
19 of our reviews we have been very mindful
20 and communities have been very mindful of
21 the prominence of transportation items as
22 items of concern for mitigating impacts.
23 But, obviously, that is not everything that
24 we have heard. We've heard a lot of other

1 concerns regarding mitigation impacts.

2 In the review team, we discussed the
3 whole point that you just mentioned,
4 Commissioner, which is what is the line
5 between an impact and actually trying to
6 allow communities to proactively try to
7 take advantage of opportunities. And, I
8 think, what we determined is that they can
9 be viewed, in many cases this is a flip
10 side of the coin, by taking advantage of
11 the opportunities and you can actually
12 prevent some of the negative impacts of
13 loss of business and such other things that
14 we would concern ourselves.

15 When we created the 2016 fund, we
16 created this category funding to take
17 advantage of those opportunities. I hear
18 your point and I think -- obviously, you
19 have the ability to take a look at these
20 applications in this funding round. I
21 would say that perhaps it should be in the
22 context of the guidelines that we issued in
23 the 2016 program and that we have many
24 opportunities over the next year, over the

1 next couple of years before they are open,
2 and obviously over the 15 years, that these
3 facilities are operational to remedy any
4 potential excess that we may find with
5 communities or others creating such
6 precedential types of applications.

7 But today, I think, that the review
8 team certainly has been trying to be very
9 responsible with these dollars. You'll see
10 the number of applications and the
11 recommendations that we have. And you will
12 see some of the analysis of the
13 applications, how we try to make sure that
14 we constrain ourselves to casino-related
15 impacts. I guess that's what I have to
16 offer on that matter.

17 COMMISSIONER MACDONALD: Can I just
18 ask a procedural question, John? Is there
19 a reason that it wouldn't be more efficient
20 for us to state our opinions, conclusions
21 as to your recommendations on a category by
22 category basis? There is a lot of material
23 here, and you've broken it down very
24 efficiently. For example, this first

1 section as to the use of reserve funds, we
2 just had a discussion about that. Wouldn't
3 it make more sense for us to respond at
4 this point to your recommendations?

5 MR. ZIEMBA: We certainly could.
6 There's one exception, which is the City of
7 Chelsea which has a use of a reserves for
8 transportation purposes. That is directly
9 linked to a transportation planning grant,
10 and those two are linked. I included that
11 in the next section of the review.

12 But if you wanted to move forward on
13 the recommendations on the use of the
14 reserves, we can certainly do that just
15 noting that reserves are actually a part of
16 the Chelsea application.

17 COMMISSIONER MACDONALD: I am
18 just -- myself once I go to the second
19 category, I forget about what I was
20 thinking about in the first category.

21 CHAIRMAN CROSBY: I kind of like
22 that too. I just want to follow-up on the
23 conversations you were having. I don't
24 want to muddy the waters on precedence. We

1 are not setting precedence here. We are
2 not setting precedence here. We are taking
3 these on a case by case basis, and we'll
4 see what the future holds.

5 I agree a lot with your comments. I
6 do think we intentionally set up the
7 reserve fund with more flexibility in it.
8 I wouldn't react the same way for a
9 proposal outside the reserve fund as I
10 would the reserve fund. We sort of set
11 that up as a pretty loose packet. We even
12 specifically put in that criteria about how
13 do you maximize the benefits as well as
14 minimize the negative consequences.

15 So I would be less concerned about
16 that as a fine item of money, and that was
17 sort of a different purpose when we set it
18 up. Let's take Lloyd's suggestion and
19 let's comment and tell John where we're at
20 on the first package of proposals.
21 Anybody?

22 COMMISSIONER ZUNIGA: I think I made
23 a couple of points already. We're going to
24 this category of planning. I do agree that

1 the reserve was meant to be broad. I can
2 go along with the way it's currently
3 structured. I would offer the following,
4 because I think by any kind of decision we
5 make does set a precedence in peoples'
6 minds, and we will repeat that this is
7 always the case.

8 CHAIRMAN CROSBY: I don't want any
9 language in the record that muddies our
10 assertion.

11 COMMISSIONER ZUNIGA: No, no, no.
12 But a lot of that is already here de facto.
13 I would be a lot more comfortable if we had
14 a cap on things like planners, which are
15 effectively overhead costs.

16 CHAIRMAN CROSBY: Even within the
17 reserve category?

18 COMMISSIONER ZUNIGA: Even within
19 the reserve and consultants for the
20 purposes of the scope. I know you talked
21 about in the abstract, but it's very
22 important that we follow-up on, to me, to
23 make sure that not -- that we minimize
24 duplication wherever possible. That at

1 least different communities take the same
2 data if they are going to be studying
3 similar pattern, traffic patterns, for
4 example.

5 I know in the case of Chelsea and
6 Lynn, for example, it's very different and
7 have different areas. But where the region
8 can help, where the role can help the MPCC,
9 et cetera, in terms of consistency,
10 methodology, data sources, to me that is
11 where we begin to be a little bit more
12 effective on what we fund that does not
13 replicate efforts.

14 I do want to talk about Wrentham,
15 because this is the one that is a Category
16 2 community and it's suggesting to spend --
17 to do a study on Route 1. Remind me,
18 wasn't there an agreement from many of the
19 communities around Plainridge that were
20 going to do the one year look back funded
21 by Penn and how does that relate to these
22 requests?

23 MR. ZIEMBA: Yes, Commissioner, and
24 I agree it's a voluminous packet. Again,

1 over a thousand pages. I understand that.
2 If you take a look at the applications, and
3 specifically with Wrentham, we sent a note
4 to Wrentham and we asked them to conclude
5 whether or not the study that would be
6 conducted as part of the impact analysis by
7 Plainridge Park would be duplicative of
8 some of the components of the Wrentham
9 analysis.

10 Both Plainridge Park and it's
11 response to the Commission said that it
12 would not be duplicative, and also the Town
13 of Wrentham provided a response to that
14 question, which I can read if you would
15 like.

16 "The proposed study will differ from
17 any impact studies conducted by the
18 Plainridge Park casino as part of its
19 surrounding community agreement and it will
20 be much more wide ranging and
21 comprehensive. For example, the
22 surrounding community agreement contains a
23 section entitled "impact studies and
24 contingent obligations" in which it details

1 the timeframe and scope for various studies
2 for which the developer is responsible to
3 conduct.

4 "These studies are limited to
5 tangible and verifiable conditions
6 identified in the baseline studies. The
7 baseline studies are to be conducted 60
8 days prior to the opening of the casino.
9 The study proposed in the application
10 submitted when analyzed conditions and
11 impacts that have arisen since the opening
12 of the casino as well as the projected
13 impacts in the future. In other words,
14 impacts that are related to the casino
15 opening in addition to directed impacts to
16 the casino.

17 "Secondly, the categories listed in
18 the agreement are limited to traffic,
19 public safety, emergency response and
20 problem gambling. The study that will be
21 contemplated that would be conducted using
22 the funds would be a more wide range study,
23 not only traffic impacts but other related
24 development that have occurred or may occur

1 as a result of a location of the casino."

2 And it goes on. It's a little bit
3 more of a lengthy response. In essence,
4 the Plainridge Park analysis, impact
5 analysis, this talks about a more wide
6 range comprehensive study in terms of
7 projected impacts in the future.

8 COMMISSIONER ZUNIGA: Problem
9 gambling, are they going to study problem
10 gambling in Wrentham?

11 MR. ZIEMBA: No. That's part of the
12 look back and Plainridge Park.

13 COMMISSIONER ZUNIGA: What is
14 Wrentham proposing to study on Route 1?

15 MR. ZIEMBA: If you take a look at
16 the summary --

17 CHAIRMAN CROSBY: What page, John?

18 MR. ZIEMBA: Page seven of the
19 summary. The focus of the study would be
20 to determine constraints to development
21 such as zoning and environmental factors
22 and traffic, as well as to identify the
23 type of development that would succeed
24 along the corridor in summary.

1 COMMISSIONER ZUNIGA: So it includes
2 traffic. Wasn't Penn going to do a traffic
3 study a year after?

4 MR. ZIEMBA: That's correct.

5 COMMISSIONER ZUNIGA: How is that
6 not duplicative?

7 MR. ZIEMBA: Let me go to section
8 number two of the Wrentham response.

9 CHAIRMAN CROSBY: Well, I think the
10 issue -- the look back we are looking at is
11 casino -- consequences of casino traffic
12 related traffic. What this is looking at
13 this is more like perspective for the
14 future. This is looking at constraints to
15 development. It's not like remediating the
16 traffic problems. It's like given what the
17 casino is going to do next, what kind of
18 constraint does that pose for other
19 development or enhancement or whatever.

20 They are taking another look at
21 Route 1 in terms of, okay, we are going to
22 have a casino. It's going to do whatever
23 it's going to do. How does that impact our
24 potential for development on that strip

1 negatively or positively?

2 COMMISSIONER STEBBINS: As I
3 understand it, John, Wrentham has been
4 approached by potential developers looking
5 for development opportunities along Route 1
6 potentially as a result of the development
7 of the casino and, you know, it's close
8 proximity to a number of other attractions.

9 I'm trying to figure out is zoning
10 correct, environmental issues as well as
11 maybe what this future development is going
12 to do, not necessarily the Plainridge Park
13 traffic, but what constraints are there
14 from additional traffic being generated by
15 the other development?

16 MR. ZIEMBA: That's right. Included
17 within our responses in the application was
18 a letter from a mixed-used retail housing,
19 a number of other components, 685,000
20 square foot development is being proposed
21 along Route 1. The developer included
22 within the cover letter to us that part of
23 that opportunity was as a result of the
24 citing of the Plainridge Park facility.

1 I mentioned some in the brief
2 summary from Saugus of what they wanted to
3 include. But what Saugus would like to do
4 is take a look at a number of different
5 things. It will take a look at comments on
6 current zoning, and land use restriction.

7 COMMISSIONER ZUNIGA: John, Saugus
8 or Wrentham?

9 MR. ZIEMBA: Wrentham. Did I say
10 Saugus?

11 COMMISSIONER ZUNIGA: Yes, twice.
12 That's okay.

13 MR. ZIEMBA: I apologize. Will
14 offer comments to current zoning land use
15 restrictions, suggestions for changes to
16 the zoning bylaws and other town
17 regulations in order to facilitate
18 appropriate development along the Wrentham
19 portion of Route 1.

20 COMMISSIONER ZUNIGA: Route 1 is far
21 apart. Remind me, Chris, there is no
22 funding that can come from the Category 2
23 license to the Community Mitigation fund up
24 front, did it?

1 MR. LENNON: They are all the same.

2 CHAIRMAN CROSBY: Out of the
3 25 million.

4 MR. LENNON: Out of the 25 million
5 or 85 million, they all got distributed the
6 same exact way. The only difference is the
7 tax on gross gaming revenues. That's the
8 only difference.

9 COMMISSIONER STEBBINS: But the
10 community mitigation upon going forward
11 will not get gaming.

12 MR. LENNON: Correct.

13 CHAIRMAN CROSBY: In the interest of
14 time here, we are going to be here for a
15 long, long time. Are you thinking about
16 proposing Wrentham or are you ready to move
17 on?

18 COMMISSIONER ZUNIGA: Yes. No, no.

19 MR. LENNON: Commissioners, I don't
20 mean to be rude when I stand up and step
21 out. I'll come back in.

22 CHAIRMAN CROSBY: Anybody else
23 questions, comments, issues, concerns?

24 COMMISSIONER MACDONALD: I just note

1 from the summary, which the review team has
2 presented to us that they quote from
3 Plainridge's comment on this that to this
4 effect we, therefore, have no reason to
5 believe that the studies contemplated by
6 the application will be duplicative with
7 the impact studies and accordingly support
8 the town's request as set forth in the
9 application and note further the review
10 committees' conclusion, it's well recent
11 and consistent with the 2016 Community
12 Mitigation Fund guidelines.

13 CHAIRMAN CROSBY: Any other
14 projects? I am in support of all of these.
15 I think they are all within the range, the
16 reasonable range. And I think, as I said,
17 we are going to get to a lot harder
18 scrutiny, other appropriations but I think
19 this is by definition flexible and
20 certainly suits me. So do we need to vote
21 on these?

22 MS. BLUE: Yes.

23 CHAIRMAN CROSBY: Why don't we
24 sticking with your plan --

1 COMMISSIONER ZUNIGA: Can we take
2 them individually? I want to oppose some
3 of them.

4 CHAIRMAN CROSBY: Sure. Somebody
5 want to start running through them and set
6 up a series.

7 COMMISSIONER MACDONALD: Where do I
8 start? I move that we approve the
9 recommendations of the review team as it
10 relates to the Lynn's proposed use of the
11 reserve of \$100,000 as summarized in the
12 summary memorandum.

13 CHAIRMAN CROSBY: Second?

14 COMMISSIONER STEBBINS: Second.

15 CHAIRMAN CROSBY: Discussion? All
16 in favor?

17 COMMISSIONER MACDONALD: Aye.

18 COMMISSIONER ZUNIGA: Aye.

19 COMMISSIONER STEBBINS: Aye.

20 CHAIRMAN CROSBY: Aye. Opposed?
21 The ayes have it unanimously.

22 COMMISSIONER MACDONALD: Similarly,
23 I propose that we approve the review team's
24 recommendation with regard to Malden's use

1 of reserve of \$100,000 as described in the
2 summary memorandum submitted by the review
3 team.

4 CHAIRMAN CROSBY: Second?

5 COMMISSIONER STEBBINS: Second.

6 CHAIRMAN CROSBY: Discussion,
7 further discussion?

8 COMMISSIONER ZUNIGA: I will be
9 opposing it for what I already said on the
10 record about the use of mitigation monies
11 for outreach on business opportunities and
12 marketing, which I believe are better
13 placed on the applicant and some of the
14 other budget items that we have in our own
15 budget.

16 CHAIRMAN CROSBY: If this were not
17 in the reserve fund, I might share that
18 feeling. But within the reserve fund, I am
19 cool with it. So any other comments on
20 this? All in favor of Commissioner
21 MacDonald's memo on the Malden acceptance
22 say aye?

23 COMMISSIONER MACDONALD: Aye.

24 COMMISSIONER STEBBINS: Aye.

1 CHAIRMAN CROSBY: Aye. That would
2 be Commissioner Stebbins, Crosby and
3 Macdonald. Opposed?

4 COMMISSIONER ZUNIGA: No.

5 CHAIRMAN CROSBY: Commissioner
6 Zuniga. Next.

7 COMMISSIONER MACDONALD: I move that
8 we approve the recommendation of the review
9 team as it relates to Saugus' request of
10 the use of reserves in the amount of
11 \$35,000 as described in the summary memo
12 that's part of the materials for today's
13 meeting.

14 CHAIRMAN CROSBY: Second?

15 COMMISSIONER STEBBINS: Second.

16 CHAIRMAN CROSBY: Further
17 discussion?

18 COMMISSIONER ZUNIGA: Same as
19 before. I will be opposing it on the same
20 grounds as Malden.

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

23 COMMISSIONER MACDONALD: Aye.

24 COMMISSIONER STEBBINS: Aye.

1 CHAIRMAN CROSBY: Aye. That would
2 be Commissioner Stebbins, Crosby and
3 Macdonald. Opposed?

4 COMMISSIONER ZUNIGA: No.

5 CHAIRMAN CROSBY: Commissioner
6 Zuniga. Next up.

7 COMMISSIONER MACDONALD: I further
8 would propose that we approve the
9 recommendation of the review team as it
10 relates to the Wrentham proposal as to the
11 use of \$50,000 of its reserve account as
12 described in the summary memorandum
13 submitted by the review team.

14 CHAIRMAN CROSBY: Second?

15 COMMISSIONER STEBBINS: Second.

16 CHAIRMAN CROSBY: Further
17 discussion? All in favor?

18 COMMISSIONER ZUNIGA: Aye.

19 COMMISSIONER MACDONALD: Aye.

20 COMMISSIONER STEBBINS: Aye.

21 CHAIRMAN CROSBY: Aye. Opposed?
22 The ayes have it unanimously. All right,
23 nice job everybody.

24 COMMISSIONER ZUNIGA: Are we taking

1 Chelsea on this matter or is that a
2 rollover to the transportation planning?

3 MR. ZIEMBA: It's on transportation
4 planning.

5 CHAIRMAN CROSBY: All right. You're
6 up, John.

7 MR. ZIEMBA: Thank you, Chairman.
8 So next up for consideration is Chelsea.
9 They've proposed \$100,000 use of their
10 reserve and use of \$167,150 in a
11 transportation planning grant. Although --
12 let me go back to my notes and give you a
13 little bit more of a background on what the
14 transportation planning is.

15 So, Commissioners, under our
16 guidelines, communities can apply for the
17 cost of planning projects that are clearly
18 related to addressing transportation issues
19 and impacts directly related to the gaming
20 facility. Communities must first expend
21 any reserves before accessing
22 transportation planning grant funds.
23 Transportation planning grant funds may be
24 sought to expand a planning project be done

1 with reserve funds. The joint use of
2 reserves in transportation planning grant
3 funds is characteristic of the Chelsea
4 application.

5 Chelsea's request to utilize it's
6 \$100,000 reserve and its \$167,150
7 transportation planing grant applications
8 involve the same use of transportation
9 planning and the same corridor Beacham
10 Street/William Street. The assessment of
11 existing and future conditions under this
12 corridor under the \$100,000 reserve study
13 would be utilized to develop a conceptual
14 plan for this area.

15 Chelsea notes that this corridor
16 serves as an important role for commerce
17 connecting to commercial and industrial
18 areas in Chelsea in the lower Broadway
19 district in Everett. Once Wynn is
20 operational, Chelsea believes that this
21 corridor will function as one of the
22 gateways to the casino for patrons,
23 employees and deliveries, especially
24 including taxies and other delivery

1 vehicles.

2 Chelsea also describes significant
3 economic development and public safety,
4 environmental and transportation benefits
5 that may spring from this effort. Upon
6 questions from the review team, Chelsea
7 identified approximately 15,000 to 20,000
8 dollars in efficiency that became by
9 connecting two studies together.

10 Everett: Everett plans to utilize
11 \$100,000 --

12 CHAIRMAN CROSBY: Go ahead and do
13 them one by one. I'm not so -- if this is
14 the 100,000, I'm okay with for the reasons
15 I said. We have a lot of flexibility here.
16 The 167 is this further -- well, first of
17 all, it looks to me like this is more sort
18 of a prospective. It's really a
19 prospective planning grant on the
20 development grant sort of like what we were
21 just talking about on the Route 1 corridor.

22 It's saying we're going to have a
23 casino. It's going to do X. Now that
24 we've got X happening in our community,

1 where do we go from here? What do we do to
2 maximize the future as opposed to studying
3 the negative impacts and mitigating them?
4 Am I understanding it correctly?

5 MR. ZIEMBA: I think in fairness to
6 the previous conversation, certainly there
7 is an element of improvement of conditions
8 in Chelsea, but there is some significant
9 transportation hurdles that Chelsea is
10 experiencing along that corridor. If you
11 ever traveled that corridor -- I will let
12 Joe give me a little more amplification --
13 it's riddled with potholes and other issues
14 that affect the ability of people to travel
15 through the City of Chelsea.

16 So you have the assessment and the
17 existing conditions under the reserve study
18 which would then enable it to use --
19 Chelsea then to enable that to go to a 25
20 percent design plan for the potential
21 improvement at that area to serve both
22 patrons, employees and some of these
23 delivery vehicles that may commute to and
24 through the City of Chelsea.

1 Now, the way that we have taken a
2 look at all of these transportation
3 planning grant applications is that we
4 heard during, at least the initial rounds
5 of our conversations with communities, how
6 it may make sense to plan now in advance of
7 potential unanticipated impacts.

8 And, so, obviously we've been
9 through a very robust Section 61 process
10 that involved thousands and thousands of
11 pages for both of these applicants whereby
12 we are mitigating the impacts as determined
13 through DOT and through us and through
14 others and through the MEPA team to
15 mitigate those impacts that we have
16 identified. As in both Wynn and MGM, they
17 have an incremental amount of new traffic.
18 The Section 61 findings and the MEPA
19 reviews are designed to mitigate that
20 specific impact.

21 What the transportation planning
22 grants would allow us to do would be to
23 plan and to study some of these other areas
24 that may be impacted by the casino so that

1 you could avoid or minimize the lag time
2 between the ability of the Commission to
3 react to anything that may be unanticipated
4 that may spring from the facility.

5 So, if traffic is larger -- is
6 greater than was projected during all of
7 these reviews and we're experiencing
8 difficulties in and around the region, the
9 theory behind the transportation planning
10 grants is that we could enable ourselves
11 and communities to get better prepared by
12 at least getting some of the data, getting
13 some of the planning studies ready in
14 advance of actual spending of actual
15 dollars on transportation projects, which
16 are very, very costly.

17 So, I do agree that some of the
18 dollars that you are seeing here they are
19 significant dollars. But the thought is is
20 that if we can spend some of these dollars,
21 which are frankly de minimis compared to
22 the much larger dollars that it would pay
23 to -- it would take to actually pay for
24 some of these bigger construction projects,

1 that that is a good use of our limited
2 dollars during the preopening period.

3 Because if we open both MGM and Wynn
4 and we're experiencing significant
5 difficulties from a transportation
6 perspective, we don't want to be held back
7 through the lack of planning and the lack
8 of our ability to get, you know, concrete
9 plans in place so that we can adjust to any
10 sort of contingencies.

11 So that was our initial theory. It
12 was our theory when we created the
13 transportation planning grants function.
14 We always did anticipate that whenever you
15 do some improvements within a community or
16 you at least design improvements to
17 roadways that there would be benefits,
18 transportation benefits to that community.

19 So, yes, I do see your point in
20 regard to how this does relate to our just
21 prior conversation. But whenever you do
22 improve upon a roadway network, there would
23 be -- there would be improvements for the
24 community and economic improvements as

1 well.

2 MR. DELANEY: Just to add on to
3 that, I think in this corridor it's agreed
4 by everyone that there will be some impacts
5 from the casino. The question is to what
6 level. Chelsea thinks there will be more
7 impact than MassDOT thought there would be
8 during the Section 61 findings. So they
9 didn't require any specific mitigation for
10 this corridor.

11 But there is agreement that there
12 are impacts on this corridor, and this is
13 now allowing them to take us up to a
14 25 percent design level where they can now
15 go to MassDOT and get on the transportation
16 improvement program process and work
17 towards getting funding for that to
18 mitigate those particular issues that they
19 have.

20 Again, will there be ancillary
21 benefits to reconstructing the road? I
22 think absolutely. I don't think anyone
23 would argue that when you approve a road
24 there are ancillary benefits over and above

1 just simply traffic.

2 COMMISSIONER ZUNIGA: On this one I
3 happen to find is one of the most notorious
4 of the submissions. I think this is right
5 up to what was, you know, explained by
6 staff and intended by the guidelines. It's
7 perspective. There's a real linkage to the
8 casino.

9 I happen to be familiar with that
10 corridor, and it's very hard to navigate
11 but a real cup through that whole area and
12 a potential access between the airport and
13 the casino, which is not inconsequential
14 traffic accessing it and construction
15 vehicles as well. So this could be very,
16 very timely as well. I am in favor of this
17 request.

18 CHAIRMAN CROSBY: Anybody else?

19 COMMISSIONER STEBBINS: I'm not
20 necessarily saying not be in favor of the
21 request. Some of it has to speak to the
22 language. In the end, it's more than a
23 summary. You know, under your
24 recommendation, John, it talks about when

1 Everett facility is operational, it is
2 anticipated that this corridor will see
3 increased use from casino patrons.

4 Now, when Wynn went through this
5 whole where is the traffic coming from, you
6 know, did this fall within their review and
7 what percentage of traffic did they
8 estimate, not, you know, conversation
9 between MassDOT and Chelsea. But, you
10 know, how much is Wynn projecting or did
11 Wynn's traffic folks project would come out
12 of this corridor?

13 MR. ZIEMBA: So along this corridor,
14 and Joe can help me with this, but along
15 this corridor the traffic was not
16 significant enough for there to be Section
17 61 findings relative to -- or improvements
18 relative to this particular area. Because
19 of the conditions of the roadways, there
20 was a major impediment of the ability of
21 people to travel through the City of
22 Chelsea.

23 And, so, one of the questions that
24 we did ask is that there potentially may be

1 some additional traffic once you actually
2 improve those roads that would actually go
3 to the casino from the airport and from
4 other places. And we said, "Are you
5 mindful that that may increase the
6 commuting through you community?" And they
7 did note that.

8 But they did note that in any regard
9 they believe that this corridor will serve
10 as an important commuting place for many
11 vehicles, vehicles, you know, delivery
12 vehicles, other vehicles, some truck
13 traffic to the facility. And from the
14 perspective of being able to take a look at
15 this more holistically, the ability to
16 spread out some of the impacts on traffic
17 throughout the whole region, so it's not
18 just on one or two or three different
19 sources is a good and of itself.

20 But, again, those calculations are
21 left for a much later day after we have the
22 ability to assess all of the information
23 that we get from the studies, that we glean
24 from the long-term working group and what

1 they're going to take a look at. Those big
2 expenditures of dollars remain in the
3 future. But you're right, no, this was
4 not -- there wasn't significant mitigation
5 required as part of the Section 61
6 findings.

7 COMMISSIONER ZUNIGA: But given the
8 linkage, proximity and at least intuition
9 that this could be a thoroughbred, what is
10 not required to be studied are studies in
11 my opinion is warranted as to a good use of
12 the transportation planning fund. That is
13 what the guidelines was for.

14 COMMISSIONER STEBBINS: Under the
15 reserve application, you talk about
16 preparing -- I'm going to delve into your
17 experience in transportation here. Prepare
18 a comprehensive transportation corridor
19 study assisting in future traffic
20 conditions. You jump down to the planning
21 grant application, and the terminology is
22 "further assess existing conditions in
23 developing a conceptual plan." Down below
24 you say, "A final report will be prepared

1 to summarize the major findings of the
2 planning after the information contained in
3 the report will form the basis for future
4 funding applications prepared by the city."

5 Just for clarification, are those
6 future planning applications to us or as
7 they pursue potential MassDOT funds?

8 MR. ZIEMBA: Well, with all of these
9 major projects, I think communities are
10 going to be trying to find places to get
11 funding. But what we are talking about
12 here is enabling Chelsea to come to a point
13 in their design so they can compete for tip
14 funds.

15 And, so, if they get their designs,
16 and I think this has been an impediment for
17 many years for Chelsea being able to
18 compete within the MPO process or a lot of
19 these dollars is that their designs weren't
20 fully behaved. So when they are trying to
21 compete versus other projects, they aren't
22 really able to do so.

23 So part of what we are doing with
24 these transportation planning grants on

1 both sides of the state is to get
2 applicants to a condition that they can
3 actually go and seek some of these other
4 sources so that there isn't a major focus
5 on the Community Mitigation Fund but
6 between federal and state sources,
7 transportation -- traditional
8 transportation sources, the transportation
9 development and infrastructure fund, which
10 is a very substantial fund that is created
11 by the Gaming Act. And then the Community
12 Mitigation Fund, there's a number of
13 different resources.

14 But as we discussed earlier today,
15 the Community Mitigation Funds, and as
16 Commissioner Zuniga points out, it may draw
17 into many different areas in addition to
18 just transportation. There are numerous
19 areas. So part of what we're trying to
20 achieve here is to enable communities, in
21 essence, that sort of help themselves look
22 for funding that is not really coming down
23 to just to us where we will have a limited
24 pot of funds.

1 COMMISSIONER STEBBINS: And I know
2 you're probably summarizing here, but I
3 have to suggest that Wynn's commentary on
4 this Chelsea application is pretty full. I
5 know you probably just summarized it here.

6 MR. ZIEMBA: Part of the challenge
7 is that -- part of the challenge is that
8 when we're working with all communities and
9 licensees, I think there's an intent for
10 everybody to work together and that folks
11 don't necessarily jump to anything that may
12 be critical in the first instance.

13 CHAIRMAN CROSBY: Zero can say for a
14 licensee to oppose.

15 COMMISSIONER STEBBINS: I understand
16 that. Again, I'm reflecting that this is
17 John's summary but it seems like just a
18 good neighbor, cooperative, friendly
19 endorsement even though you've had cases
20 where licensees have gone into more depth
21 and more detail as to why they supported
22 the application. That's all I'm saying.

23 MR. ZIEMBA: The summary that is
24 provided is not much of a summary in

1 actuality. But what we did after we
2 received those recommendations is that we
3 had a meeting with Wynn licensee. They
4 were very gracious with their time and
5 resources and their consultants to try to
6 provide more of an overview of how they
7 have reviewed all of these things during
8 the process. So the review team did get a
9 lot more information through those direct
10 dialogue with the applicant than the
11 sentence that you saw here.

12 COMMISSIONER MACDONALD: I move that
13 we approve the recommendation of the review
14 with -- the review team in regard to
15 Chelsea's proposed use of the reserve of
16 \$100,000 and transportation planning grant
17 of \$167,150 as described in the summary
18 memorandum that was provided to us.

19 COMMISSIONER ZUNIGA: I second that.
20 And just to clarify, it's for a total of
21 267,000, right?

22 COMMISSIONER MACDONALD: Right, 100
23 and then 167.

24 CHAIRMAN CROSBY: 267.

1 COMMISSIONER MACDONALD: 267 and
2 150.

3 COMMISSIONER ZUNIGA: There are two
4 planning grants. They are using them in
5 conjunction for the same purpose. I second
6 that.

7 CHAIRMAN CROSBY: Further
8 discussion? It was seconded by
9 Commissioner Zuniga. Further discussion?
10 All in favor?

11 COMMISSIONER MACDONALD: Aye.

12 COMMISSIONER ZUNIGA: Aye.

13 COMMISSIONER STEBBINS: Aye.

14 CHAIRMAN CROSBY: Aye. Opposed?
15 The ayes have it unanimously. Next up.

16 MR. ZIEMBA: Everett: Everett plans
17 to utilize \$100,000 of its reserve and
18 \$50,000 of transportation planning grant
19 funds for a study to expand the Everett
20 portion of the Northern Strand Community
21 Trail bike path. The study would result in
22 the development of a 25 percent design for
23 the path.

24 We believe that the study would be

1 valuable in determining how the path can
2 provide further options to access the site
3 for Wynn workers and patrons in addition of
4 providing a regional cycling and pedestrian
5 benefit.

6 The information gleaned by the study
7 would be valuable to the Commission and
8 evaluating the benefits of the extension
9 and the overall cost while Everett
10 determines how to fund construction of
11 their support of the biking pedestrian
12 connection. The application has various
13 significant support.

14 One other addition is that the bike
15 path could potentially be a complimentary
16 item to the \$250,000 study that Wynn is
17 paying for to evaluate a pedestrian bridge,
18 a crossover into Somerville further making
19 connections to Somerville and beyond for
20 pedestrian and bikes.

21 COMMISSIONER ZUNIGA: I remember
22 very exciting talks and hearings about
23 these prospects for the city. The last --
24 the missing link in a series of roadways.

1 There's a lot of enthusiasts about
2 alternative transportation, et cetera. And
3 it was never anticipated in the host
4 community agreement. Remind me, there was
5 never any source for this monies?

6 MR. ZIEMBA: No. So Wynn had
7 requirements that connect up to the
8 pedestrian bike path from DCR on the other
9 side of the railway. So they need to
10 connect up. And then there is one link --
11 there is this one link is a missing link
12 that would then further lead to further
13 investment by DCR Gateway, and they are
14 extending it. So the eventual extension
15 could be a combination of a number of
16 entities.

17 So Wynn would be required to bring
18 it to its board with the DCR states, and
19 then DCR would then also have to do a
20 connection up to this missing increment.
21 Joe, is that a fair characterization?

22 MR. DELANEY: Yes. There is a
23 section underneath Route 16 and that
24 northern piece of the Revere Beach Parkway

1 where they stop the Northern Strand of
2 Trail. The Northern Strand of Trail goes
3 all the way up to Lynn. So that connection
4 would then create -- will get you down to
5 the gateway center.

6 Gateway is required to build a
7 section of it, then Wynn is required to
8 build their section. So, literally, you're
9 getting a connection from there all the way
10 up as far north as Lynn. In fact, the
11 trail goes beyond there but it's not paved
12 beyond that point.

13 MR. ZIEMBA: And Wynn had other
14 commitments to extend bike connections
15 through its Sweet Circle and some other
16 obligations along Broadway, and some of
17 those were determined that they are
18 dangerous for bikes.

19 MR. DELANEY: And it's not simple
20 connection. There are railroad tracks to
21 be moved. There's a lot of logistics.
22 There's DCR property. There's railroad
23 property. It's MassDOT property. It's a
24 tough one. If they can get that small

1 stretch that they need to do under Route
2 16, it's going to open up tremendous
3 opportunities.

4 MR. ZIEMBA: The one thing we would
5 want from this study is that -- it's
6 difficult to come up with the actual
7 quantifiable benefit of how many patrons
8 and how many employees would actually
9 utilize. We're hoping for that type of an
10 analysis as part of the study. They have
11 projections included in the application of
12 the benefits of, you know, very significant
13 benefits to the elimination of cars from
14 all of these bike paths. And we would like
15 to know a little bit more about the
16 quantification of the actual casinos and
17 patrons going to the casino.

18 MR. DELANEY: Of course the ability
19 to provide a truly protected path. There's
20 a lot of people now that use Sweet Circle
21 and Santilly and all of those to get down
22 Broadway and it's crazy because there is no
23 accommodations through those rotaries. You
24 get a protective connection underneath

1 those roadways, I think a lot more people
2 will use it than try to do that today.

3 COMMISSIONER ZUNIGA: Yes. This is
4 the rubber hitting the road on all those
5 high conversations, high level
6 conversations about alternative modes that
7 make their way and, you know, on Sullivan
8 Square and other working group and I think
9 this is a very tangible, very exciting
10 prospect that could open up a real relief
11 in many modes. And the other modes, which
12 is a car.

13 MR. ZIEMBA: I think the Commission
14 was extremely forward thinking when it
15 looked at a lot of the conditions with Wynn
16 and the evaluation of Wynn and focusing on
17 modes and to agree we get more and more
18 folks off of the roadway to these
19 additional modes, that's a benefit to
20 everybody.

21 And, so, to the degree that we can
22 take a look at realistic and targeted
23 investments that are affordable to get
24 folks off the roadways, that is really

1 worth the direction we're hoping to go.
2 That's hopefully the direction of the
3 long-term working group as well.

4 COMMISSIONER STEBBINS: I like the
5 fact the city is also stepping up and
6 offering any kind of services to help
7 facilitate the completion.

8 CHAIRMAN CROSBY: I have to say,
9 unfortunately, that I think that this hits
10 the line. From the reserve 100,000, I
11 wouldn't have a problem with it. The 50K
12 from -- this seems to me not mitigating the
13 negative consequences of the casino. This
14 is an enhancement to the community. It's a
15 great idea. I love the idea, and Everett
16 has a ton of money coming in where there
17 are other places might be able to come with
18 that 50,000.

19 If it were 5 million, I wouldn't
20 dream of it. It's so small that you're
21 kind of inclined to do it. But, I think,
22 we're going to have, particularly until we
23 know how much demand there is for this
24 money, we will have a hard time

1 distinguishing between enhancing the
2 community and making it a better place
3 versus mitigating the negative
4 consequences, which is the real essential,
5 I believe. So sort of a matter of
6 principal I would reluctantly not support
7 the 50 and doesn't make sense to me given
8 this tension, this distinction that we are
9 trying to make here.

10 Others, want to set a motion? Make
11 it maybe two steps, because I'm going to be
12 able to support part of it.

13 COMMISSIONER MACDONALD: What are
14 the other two elements of it?

15 MR. ZIEMBA: It's \$150,000 but
16 consistent with our guidelines all
17 communities must first expend their
18 reserves before they can utilize
19 transportation planning grant funds. So
20 it's \$100,000 out of the reserves and
21 50,000 out of the transportation planning
22 grants.

23 CHAIRMAN CROSBY: If anybody is
24 going to oppose one of them, we have to do

1 it in two motions.

2 COMMISSIONER ZUNIGA: I would
3 support both.

4 COMMISSIONER MACDONALD: I support
5 both, too.

6 COMMISSIONER ZUNIGA: There is such
7 a problematic application to this type of
8 effort, which is why I am supporting both.

9 COMMISSIONER MACDONALD: I'll make
10 the motion that we approve the
11 recommendation of the review team with
12 regard to Everett's transportation planning
13 grant of \$100,000 from the reserve fund and
14 \$50,000 from the transportation fund.

15 COMMISSIONER STEBBINS: Do you want
16 to take them separately?

17 CHAIRMAN CROSBY: As long as it's
18 going to pass, I can just make it clear
19 what I'm doing.

20 COMMISSIONER ZUNIGA: I second that
21 motion, Commissioner.

22 CHAIRMAN CROSBY: The way it's
23 framed, I will have to vote against the
24 whole thing and I'm in favor of two-thirds

1 of it, okay, fine. Second?

2 COMMISSIONER ZUNIGA: I second it.

3 CHAIRMAN CROSBY: Further
4 discussion? All in favor?

5 COMMISSIONER ZUNIGA: Aye.

6 COMMISSIONER MACDONALD: Aye.

7 COMMISSIONER STEBBINS: Aye.

8 CHAIRMAN CROSBY: Commissioner
9 Zuniga, Stebbins and Macdonald. All
10 opposed? Nay. Commissioner Crosby for the
11 reason I said. I think 100,000 I would
12 definitely support. The 50 I think is not
13 appropriate. Next up.

14 MR. ZIEMBA: Malden: Malden is
15 requesting \$100,000 to assess parking
16 capacities and pedestrian safety around
17 public transportation and parking in
18 Malden. Malden is recognized as a
19 transportation hub for the Wynn project.
20 Wynn will be providing shuttle service from
21 both Malden center for both employees and
22 patrons. Malden wants to assess its
23 parking resources through to understand the
24 need and costs for upkeep over the life of

1 the Wynn Casino project and will assess the
2 need to convert existing lots into parking
3 structures.

4 Malden further identified the need
5 for some redesign work around Malden
6 Station due to traffic impacts and
7 pedestrian and bicycle safety. Given the
8 importance of Malden center as a
9 transportation hub, we recommend this
10 funding.

11 As with all of these requests, staff
12 will work with Malden on the scope of such
13 efforts in compliance with how funds are
14 expended between Malden's reserve request
15 and this transportation request.

16 COMMISSIONER ZUNIGA: Same question
17 as before, John. My recollection of the
18 surrounding community agreement, which was
19 I think one of the first ones that Wynn
20 signed with Malden, was that there was
21 anticipation of these parking shuttling
22 services. What did they anticipate there
23 that is now insufficient to now make use of
24 these funds?

1 MR. ZIEMBA: So, if you take a look
2 at the memo, page 13 and 14. So the
3 relevant sections of the Wynn's surrounding
4 community agreement, Section 1 of the
5 surrounding community agreement Malden is
6 recognized as the transportation hub for
7 the project. Wynn would provide shuttling
8 services from Malden center for both
9 employees and patrons by buses, trains,
10 water services or commuter rail services.
11 And as a result, public safety upgrades,
12 improve lighting, coordination of transit
13 bodies as well as additional staffing by
14 the city would be necessary.

15 So there was a one-time up front
16 payment that the licensee awarded. It was
17 a \$500,000 transportation hub payment and
18 then 325,000 annual transportation hub
19 payment, which is due on or before 90 days
20 following the opening. \$100,000 on or
21 before 90th day following the reopening,
22 annual THB and transitional roads payment
23 one-time up front date that the licensee is
24 awarded, that 325 is available up front and

1 then \$225,000 annually transitional road
2 payments.

3 COMMISSIONER STEBBINS: So they've
4 gotten the \$500,000?

5 MR. ZIEMBA: Yes, based on my memory
6 of this summary. Let me just confirm.
7 Should be due upon the date the license is
8 awarded.

9 COMMISSIONER ZUNIGA: It's 500 plus
10 325 or 325 part of the 500?

11 MR. ZIEMBA: So there is 500, which
12 is the one-time up front payment. The 325
13 transitional roads payment is due on or
14 before 90 days following the opening of the
15 project. The annual payment mentions a
16 \$100,000 of -- an annual payment of
17 \$100,000 that is due on or before the 90th
18 day following the opening of the project.

19 COMMISSIONER ZUNIGA: What is the
20 fourth line?

21 MR. ZIEMBA: Then the fourth line,
22 then the transitional roads payment I
23 referenced a roads payment that was up
24 front. That is a one-time non-refundable

1 payment of \$300,000 due upon the award of
2 the license, and then there is 225 annual
3 transitional roads payment.

4 COMMISSIONER ZUNIGA: There was a --
5 there were two payments up front, 825 --
6 for a total 825 for transportation and for
7 transitional roads.

8 MR. ZIEMBA: Yes.

9 COMMISSIONER ZUNIGA: In their
10 request, Malden is characterizing it as
11 what? What do they need, help with the
12 same thing being a transportation hub and
13 part of the transitional roads? So how
14 does that request now compliment or what is
15 now needed that is not part of that page
16 25?

17 MR. ZIEMBA: Well, the THB and the
18 TRP, I'll read the language of it. They
19 are not prescriptive in terms of what is
20 allowable or not allowable. The THP, the
21 transportation hub payment, this shall
22 include to facilitate public transportation
23 to the project. The parties will explore
24 to cover parking facilities within the City

1 of Malden providing additional offset
2 parking for employees and members.

3 CHAIRMAN CROSBY: That is
4 specifically the same words in the
5 application.

6 COMMISSIONER ZUNIGA: The
7 anticipated parking being a transportation
8 hub totally legitimate and they got a
9 payment for that.

10 MR. ZIEMBA: Yes.

11 COMMISSIONER ZUNIGA: They
12 anticipated that there is going to be some
13 road impacts they got a payment for that
14 too. Now they want to put pen to paper and
15 are doing some transportation planning. Is
16 it costing them 935,000 so that they are
17 using the 825 first? I guess that's my
18 question.

19 MR. ZIEMBA: I think probably where
20 you are going is a fair question.

21 COMMISSIONER ZUNIGA: What is the
22 total scope and how are those initial
23 payments -- I want to make sure that they
24 are not being duplicated.

1 CHAIRMAN CROSBY: And I don't think
2 it would be duplicated. All of these
3 communities have multiple needs and use the
4 money wherever they -- I am with you. It
5 seems to me that this was something that
6 was discussed in the surrounding community
7 agreement. It was addressed in the
8 surrounding community agreement, unless
9 there is something to suggest that the way
10 it was addressed in the surrounding
11 community agreement was inadequate, which
12 is not a suggestion here, it does seem
13 like, even as you say, some of the language
14 is the same.

15 This is on the 60,000. The 40,000
16 for the study of the Malden center area is
17 a whole different story. It seems to me
18 like the 60 on the face of it from what I
19 see here has been covered by other
20 considerations, particularly in the early
21 stages. I think we need to be very
22 conservative about our judgments here.

23 COMMISSIONER ZUNIGA: We already
24 awarded a planning grant.

1 MR. ZIEMBA: As part of our
2 application, Malden was required as part of
3 the transportation planning grant
4 application to describe relevant excerpts
5 from the host surrounding community. Let
6 me just read what they said. I don't know
7 if it's contrary to the questions that
8 you're raising.

9 But it says, "As you can see from
10 the language of the surrounding community
11 agreement between the City of Malden and
12 Wynn Everett below, these impacts were not
13 addressed as part of the agreement to serve
14 potentially for as a transportation hub for
15 the casino. Both parties recognize and
16 agree" -- this is the language.

17 COMMISSIONER ZUNIGA: That's the
18 title of it.

19 MR. ZIEMBA: As you can see from the
20 language from the surrounding community
21 agreement, these impacts were not addressed
22 as part of the agreement to serve
23 potentially for as a transportation hub for
24 the Wynn casinos. Both parties recognize

1 and agree the City of Malden should be
2 unequally situated and play an important
3 role as the transportation hub for the
4 casino development. Both parties agree
5 it's mutually beneficial to work together
6 to capitalize on this infrastructure unique
7 to the City of Malden.

8 It shall include but not be limited
9 to the utilization of Malden center and
10 MBTA station as a designated shuttle area,
11 baa, baa, baa, the desire by the parties to
12 utilize the City of Malden covered parking
13 facilities to provide off-street parking
14 for Wynn Casino employees, including the
15 running of shuttles. This arrangement, if
16 one can be reached, shall be contained in a
17 separate document outlining the terms of
18 such agreement in its entirety.

19 COMMISSIONER ZUNIGA: Read the first
20 sentence one more time, and I will stop you
21 there because that is the title of the
22 surrounding community payment.

23 MR. ZIEMBA: "As you can see from
24 the language of the surrounding community

1 agreement between the City of Malden and
2 Wynn Everett below, these impacts were not
3 addressed as part of the agreement to serve
4 potentially for as a transportation hub for
5 the Wynn casino."

6 CHAIRMAN CROSBY: What was the added
7 scene to these impacts?

8 MR. ZIEMBA: The impacts is the --
9 there is -- the main section is the impact
10 description. It goes on for four
11 paragraphs. Let's see. Let me pull out
12 the appropriate parts.

13 "The increased use of the Malden
14 center MBTA utilization is centered as a
15 designated shuttle area for both customers
16 and employees will increase the amount of
17 pedestrian trips to and from the station as
18 well as cause a significant increase in the
19 amount of car traffic to the garages as
20 well as increased utilization of these
21 facilities.

22 "As a result, the City of Malden is
23 most concerned with developing safer
24 connections for all users coming to Wynn,

1 Mass. through Malden. We're looking to
2 receive funding to conduct a study to
3 develop better pedestrian management plan
4 to provide safer bicycle and pedestrian
5 linkage to the station as well as garages.

6 "Furthermore, given the expected
7 influx of customers and employees from the
8 proposed gaming facilities, the city is in
9 need of assessing its parking facilities
10 and are putting together a plan to address
11 the additional demands on the system, the
12 ability of the current facilities to handle
13 the demand. This would include but not be
14 limited to a comprehensive assessment
15 around the feasibility of possible
16 construction of new parking garages in the
17 future."

18 COMMISSIONER ZUNIGA: Can I just --
19 did you get all of that? I don't know if I
20 got half of that.

21 THE COURT REPORTER: Yes. Can you
22 just slow down just a little for me,
23 please?

24 MR. ZIEMBA: I am just trying to be

1 timely since we are going on for quite some
2 time. I apologize.

3 CHAIRMAN CROSBY: John, that was
4 from the application?

5 MR. ZIEMBA: That's from the
6 application.

7 CHAIRMAN CROSBY: I started to do
8 this but go back to the descriptions that
9 you gave to Commissioner Zuniga's questions
10 on the 500 and the 325. What the
11 application says is a surrounding community
12 agreement did not address the issues that
13 are addressed in this application, but
14 that's the application saying this is a
15 good idea. But I thought I heard you read
16 language in the surrounding community
17 agreement descriptions of the THPs, the
18 transportation hub payments, that did
19 allude to parking in the Malden area and so
20 forth.

21 MR. ZIEMBA: Correct. Then, I
22 think, I know I acknowledged that that is a
23 fair characterization.

24 CHAIRMAN CROSBY: So what

1 Commissioner Zuniga is getting at, and it
2 sounds like you agree, is that
3 notwithstanding the way the application
4 characterizes the surrounding community
5 agreement, it was intended to accomplish
6 largely what this is asking for.

7 MR. ZIEMBA: Right. Upon further
8 review, I think that's probably a fair
9 characterization.

10 CHAIRMAN CROSBY: So are we ready to
11 vote on Malden?

12 COMMISSIONER ZUNIGA: Yes, I am,
13 unless you want to suggest to go back to
14 them and further refine the scope if you
15 feel that might be more fair to the city if
16 they are going to continue to make a case
17 that is not a misunderstanding let's say.

18 MR. ZIEMBA: I think that makes
19 sense. Part of it is that we're here to
20 the best of our ability we are trying to
21 put forth a case for the communities. As
22 part of our reviews, we put together our
23 letter findings and our letter questions so
24 that in writing they could provide all of

1 those answers to the Commission.

2 I don't immediately see an answer to
3 the question that you're asking and perhaps
4 there is something that I'm missing, but I
5 can go back to the community and bring that
6 back to you.

7 COMMISSIONER ZUNIGA: Let me suggest
8 that, because I just don't want to go on
9 the characterization and application or the
10 title of a payment that is exactly what the
11 application says. Maybe the scope can
12 further clarify that. Because I'm going to
13 also recommend that we perhaps do that on a
14 couple of other applications, by the way.

15 CHAIRMAN CROSBY: So just for the
16 record, I mean, now we have an example of
17 both by our General Counsel and our
18 Ombudsman working to try to accommodate our
19 constituents' interests and I think that's
20 the appropriate presumption. Also, we have
21 our own judgment to exercise.

22 So, I think, that that presumption
23 that you're trying to figure out how to
24 accommodate our constituents' interests is

1 good, but that doesn't mean that we're not
2 going to go ahead and probe. Okay, next
3 up.

4 MR. ZIEMBA: Did you want to --
5 we'll just postpone.

6 CHAIRMAN CROSBY: We are going to
7 postpone at your recommendation.

8 MR. ZIEMBA: Yes, I think that makes
9 sense. All right, Medford. Let me move
10 some of these thousands of pages around.

11 CHAIRMAN CROSBY: You're doing
12 great. I don't know how you find those
13 things.

14 MR. ZIEMBA: Mary isn't even
15 assisting me here. All right.

16 Medford: Medford is seeking a
17 \$600,000 allotment of transportation
18 planning grant program for a multiyear
19 multifaceted transportation planning
20 program. It seeks \$240,000 for the cost of
21 a salary of a new transportation planner
22 for three years. Three years worth of
23 transportation consultant services to
24 assist the planner's work worth \$210,000

1 and \$150,000 for a water transportation
2 matching funds.

3 The city identified numerous areas
4 of studies by the planners, including
5 coordination of city efforts relative to
6 the \$1.5 million Wellington Circle update
7 study paid by Wynn to study numerous
8 intersections that Medford believes may be
9 impacted potentially work-related to
10 Medford's proposed water fairy service
11 study and review of parking related plans
12 relative to Wynn's planned use of
13 Medford's facilities for parking.

14 We note that Medford is due to
15 receive a very significant percentage of
16 Wynn-related traffic. Although the MEPA
17 process and the traffic mitigation required
18 pursuant to the MEPA process is reflective
19 of the significance of such traffic, we
20 believe that Medford's focus on
21 transportation planning fits squarely
22 within the Commission's purpose for
23 transportation planning grants to enable
24 communities to prepare for impacts which

1 may not have been anticipated.

2 Planning in advance is important as
3 the Commission has noted -- I've gone over
4 this point a little bit before -- planning
5 in advance is important as the Commission
6 has noted and as Medford has advocated
7 because transportation planning projects
8 may take many years to develop.

9 While the review team agreed
10 regarding the need for planning funding, we
11 believe a one year allocation instead of a
12 multiyear allocation is necessary.
13 Specifically, we noted that while the
14 Community Mitigation Fund is extremely
15 important in addressing casino-related
16 matters, it is not a mechanism to fund
17 general municipal activities. Our funding
18 can and should have positive ancillary
19 impacts on municipalities. However, our
20 funding cannot be used to pay for general
21 municipal activities not related to the
22 casino.

23 In this regard, while we believe
24 that Medford can spend 100 percent of grant

1 funds in the short term on gaming-related
2 planner activities, it is inevitable that
3 such expertise may be called upon to
4 address non-gaming related matters in a
5 municipality.

6 We believe that the cost of such
7 non-gaming activities should be borne by
8 Medford. Thus, while we pay for 100
9 percent of first year activities, we would
10 request that Medford reapply for future
11 years funding and include in its
12 applications the likely percentage of the
13 planner activities that would relate to the
14 casino. The city would need to certify
15 that its use of CMF money, Community
16 Mitigation Funding, relates to the casino.

17 As we recommend -- as such we
18 recommend one year funding of the planner
19 and associated consultant costs prorated to
20 when they are likely to begin. In addition
21 to the planner, Medford requests \$150,000
22 as a match for a \$750,000 earmark for the
23 study of a water ferry service that can
24 connect to the Wynn facility.

1 We recommend this study as it can
2 prove to lead to the development of a new
3 important alternative transit connection to
4 the Wynn facility. Staff will work with
5 Medford on the scope of the study to ensure
6 that it includes connections to the Wynn
7 facility. Our funding would be dependent
8 upon approval of the overall study by
9 MassDOT and federal partners.

10 COMMISSIONER ZUNIGA: You know, I
11 have a different suggestion that might end
12 up being very similar in terms of funding
13 and may help us with precedent setting or
14 not going forward. I would be a lot more
15 comfortable funding a third of a planner,
16 for example, assuming that -- which is
17 effectively what we did that just a few
18 minutes ago for -- I am going to forget the
19 city.

20 MR. ZIEMBA: Malden.

21 COMMISSIONER ZUNIGA: Malden, right.
22 If we were roughly to assume that the city
23 or the municipality can kick in another
24 third and there would be other sources,

1 federal or state let's say for this
2 purposes or maybe the person is already
3 there or something like that may help us in
4 bringing the -- having the city more of a
5 longer term approach to this aside from one
6 year.

7 It would be too unfortunate that we
8 fund the full position in a year and
9 somehow there's no funding or we decide
10 there's other priorities the next year and
11 then the position is terminated, for
12 example.

13 So when it comes to planning, I know
14 that I have stated my opinion relative to
15 funding this. And if it's in a shared way,
16 I would be a lot more comfortable.

17 MR. ZIEMBA: So, Commissioner, in
18 anticipation of your question, back in
19 June, we asked the City of Medford to react
20 to how we treated -- we treated a similar
21 request in Mansfield where we paid a
22 percentage of the overall costs of the plan
23 and in your packet -- I don't know the
24 page.

1 MR. DELANEY: Page 984.

2 MR. ZIEMBA: Page 984, Subset B,
3 Clause 1A. Their response was as follows,
4 because as you know, Commissioner Stebbins
5 and others, Commissioner Zuniga, has asked
6 for communities to provide significant
7 matching funds for any of these activities.
8 And, so, in the response the city to our
9 question of this utilization of this model
10 where we pay a certain percentage of the
11 planning activities, they noted that, "The
12 City of Medford may provide office space
13 and oversight of the plan of the position
14 as a public position and serves a public
15 purpose. The intention of the
16 transportation plan is separate from the
17 Gaming Commission or Wynn establishment
18 preserves to serve the public's interest.
19 The city will not contribute planning funds
20 unless planning funds can be from a city
21 grant source."

22 I think that, and as indicated in
23 our memo, at least not immediately the City
24 of Medford would not have the ability to

1 contribute further funds in this regard
2 from their response.

3 CHAIRMAN CROSBY: Other reactions?
4 I had in the briefing conversation with
5 John, I was persuaded that Wellington
6 Circle isn't as big a deal as Sullivan
7 Square but it's the next one. Wellington
8 Circle is a bad place, and there's going to
9 be a lot of stuff going on there. And to
10 anticipate that essentially everything the
11 planner does in the first year or so is
12 going to be focused on that or related
13 issues makes sense. So I am comfortable
14 with funding -- doing this.

15 This does seem like it's in further
16 response to mitigate negative consequences,
17 to understand, to go further than the
18 surrounding community agreement is done.
19 So I'm comfortable with the first year of
20 the planner.

21 The water shuttle, you know, again,
22 the water ferry, although I think it's a
23 great idea, I hope it happens, doesn't seem
24 to me -- again, it's a small amount money.

1 It's like the other thing we talked about
2 earlier. But as a matter of principal,
3 this seems like an enhancement. It's a
4 great thing to do, but it's not mitigating
5 a negative affect of the casino.

6 Maybe if one were built, it might
7 divert a little traffic, which would be
8 good, but that's just a nice thing to do.
9 It's not mitigating presently an
10 unmitigated negative. So I wouldn't be
11 supportive of the water ferry, again, this
12 early on when we don't know how
13 conservative we're going to have to be but
14 I would be in support of the plan.

15 MR. ZIEMBA: I'll let some of my
16 other team members pipe in on all of these
17 matters. Let me take a shot at it as we go
18 on. So in regards to the ferry, again, we
19 had a pretty robust discussion about how
20 we're really focusing on mode share and
21 we're trying to get more vehicles off the
22 roads by focusing on alternative methods of
23 transportation.

24 Wellington Station is one of the --

1 excuse me, Station Landing is one of the
2 potential major areas of departure for
3 patrons, for employees and there could
4 potentially be opportunities whereby
5 Station Landing is included in the scope of
6 this study that folks can get off at
7 Station Landing, jump on the ferry and go
8 to directly to the Wynn facility. And, so,
9 it might actually and/or some of the
10 employees if they park at that place, it
11 could be a rather quick connection to the
12 Wynn facility. Joe, let me have you handle
13 that.

14 MR. DELANEY: I think that caption
15 is really that this is a way of that had
16 been considered before to get some traffic
17 off the roads. This was just -- the
18 earmark that they received is an older
19 earmark. But now with the casino, they are
20 looking to modifying the scope to say, hey,
21 this is another way to do this thing and
22 for them it's also potentially it brings
23 some people -- they are looking at Malden
24 center as another location -- excuse me --

1 Medford center as another location for
2 this -- for the boat and other things. So,
3 I think, it's a good opportunity to get
4 some traffic off the roads that would
5 otherwise be going down Broadway or on
6 Route 16 or other places.

7 MR. ZIEMBA: But, again, one thing
8 that we are making clear now is that
9 studies are studies. Funding for services,
10 that is certainly a later date. And one
11 thing that I know that the Medford folks
12 study is can this actually survive without
13 major subsidies or significant studies from
14 government. And we made that clear as a
15 concern. Can they do it on their own? Is
16 there enough benefit up and down the line?

17 Our dollars on the water study would
18 not be available unless and until MassDOT
19 goes along with the scope of study. So to
20 the degree that they also have concerns
21 regarding how we expend limited dollars on
22 ferry services, that would be all part of
23 the mix as well.

24 COMMISSIONER ZUNIGA: Say that last

1 piece one more time, please. Our monies
2 will not be available until?

3 MR. ZIEMBA: Our monies will not be
4 available until the other dollars are
5 available pursuant to the earmark.

6 CHAIRMAN CROSBY: 750.

7 MR. ZIEMBA: So they have to get the
8 scope for the 750 approved. When we first
9 started going over this with the City of
10 Medford, it looked like the 750 remaining
11 portion of the earmark would be more
12 readily available than at the current
13 moment.

14 Medford noted in its response to us
15 that it is working more fully on the scope
16 with MassDOT where MassDOT wants them to
17 take a look at utilizing certain
18 consultants that have experience in
19 transportation matters.

20 So, there is going to be a final
21 approval of scope by MassDOT. We would
22 have to approve the scope as well on the
23 water transportation still to make sure
24 that it's directly related to the casino.

1 COMMISSIONER ZUNIGA: So the 750 is
2 an earmark from MassDOT for water
3 transportation?

4 MR. ZIEMBA: Yes. And ours would be
5 the state match for that federal earmark.

6 CHAIRMAN CROSBY: Could you pull up
7 the Community Mitigation Act language in
8 the statute?

9 COMMISSIONER MACDONALD: John, what
10 is the bottom line of the recommendation
11 with regard to at least the next year?

12 MR. ZIEMBA: In regard to the next
13 year, we believe we recommended that we
14 could fund a full one year's worth of
15 planner part-time or full-time. That the
16 city would have to certify to us that all
17 of the activities that are paid for relate
18 to the casino.

19 In order to access any future
20 funding for a transportation planner, its
21 application would need to go into some
22 detail regarding what percentage of the
23 activities of that planner would be
24 casino-related, anything that is general

1 municipal-related. Medford would have to
2 demonstrate that it has the resources to
3 pay for that planner.

4 But all of this would be contingent
5 upon what we do for the 2017 Community
6 Mitigation Fund guidelines. And, so, the
7 fact that transportation planning grants
8 are included there now, it's not to a
9 conclusion that they would be included in
10 the next year's program.

11 COMMISSIONER ZUNIGA: So help me
12 understand, the consultant services, the
13 210, and the water transportation matching
14 funds, 150, over what period of time are
15 they anticipating that?

16 MR. ZIEMBA: So those were three
17 years. And, so, what we have done is that
18 we prorated the -- if you take a look at
19 the memo.

20 CHAIRMAN CROSBY: Prorated the
21 consultants and planners and added in the
22 150.

23 MR. ZIEMBA: We prorated the
24 consultants. It's \$240,000 for three years

1 worth of the planner, one year's worth of
2 the planner would be 80,000. I think to
3 try to find the page -- but my memory would
4 take them at least three months to hirer
5 the planner, so we prorated that portion
6 for the rest of the fiscal year.

7 So they would only get a portion of
8 that 80,000 for the remaining portion. And
9 then to the best of my memory, Medford
10 estimated that it would not hire any
11 consultants for another couple of months
12 after they hired its planner.

13 So we recommended \$50,000 for those
14 consultants. \$40,000 represents the
15 prorated portion of 210 divided by three
16 years, it's a prorated portion of the
17 fiscal year, for that it came down to
18 40,000. We were a little bit generous
19 because -- just because you have three
20 years of planning activities, sometimes you
21 may want to do a little bit more at the
22 beginning versus at the end. So we did or
23 I did, I recommended putting an additional
24 \$10,000 more on the planning activity for

1 the first year.

2 CHAIRMAN CROSBY: So it's prorated
3 planner and consultants plus 150.

4 MR. ZIEMBA: So the total value
5 including the 150,000 equals about 267,000.

6 COMMISSIONER ZUNIGA: But how
7 likely -- wouldn't we be in a very
8 uncomfortable position of the nine the
9 second year if they had already funded the
10 first year?

11 MR. ZIEMBA: Yes.

12 COMMISSIONER ZUNIGA: So this is
13 effectively a three year request that's
14 just being quantified as the first year.

15 CHAIRMAN CROSBY: No. He is being
16 very explicit to that saying we're going to
17 recommend that we support you for one year.
18 Very likely will not recommend that we
19 support you going forward. You'll have to
20 going forward in future years document what
21 percent of your hours is on casino-related
22 work and that you have the wherewithal to
23 pay the balance. He has been very explicit
24 about that.

1 MR. ZIEMBA: That's right.

2 CHAIRMAN CROSBY: So they might
3 think they can suck us in, but they can't.

4 MR. ZIEMBA: And given this
5 conversation as well, it might be in our
6 best interest to get as much as they
7 possibly can out of that planner in that
8 year one, and especially where we
9 anticipate that should be for that purpose
10 knowing that there's no certainties in life
11 might be a good idea to do a lot.

12 CHAIRMAN CROSBY: Catherine, do you
13 have the statute?

14 MS. BLUE: I'm having a difficult
15 time pulling it off the internet.

16 MR. ZIEMBA: I have it.

17 CHAIRMAN CROSBY: Great, thank you.

18 COMMISSIONER STEBBINS: Mr. Chair,
19 while you're reading that, John, help me
20 understand the consultant services that
21 they are hoping to --

22 MR. ZIEMBA: So, I am going to let
23 Joe get into a little more detail. They
24 gave us some substance of what they were

1 thinking about when we met with them, when
2 we had our conference call with them, and
3 the answer to our question of what you
4 would utilize the additional service -- the
5 additional consultants for, they said the
6 scope of such consultants would need to be
7 determined after the hiring of the
8 transportation planner. But similar to
9 what we do, we have some staff expertise
10 but we do reach out for more specific
11 studies that might involve more specificity
12 such as roadway counts or things similar to
13 that.

14 MR. DELANEY: Yes. They identified
15 in their application 12 intersections that
16 they wanted to do further study on. Some
17 of them were studied under the Wynn EIR,
18 but most of them weren't. And they are
19 looking at those intersections saying,
20 well, we think -- they are signalized
21 intersections. We think that they need to
22 be retimed and reconfigured, perhaps
23 re-stripped, you know, for extra lanes and
24 other things. You'd need a consultant to

1 come in and to do those traffic counts,
2 turning moving counts, things of that
3 nature to lay out what the solutions are.
4 Until you have that data, you can't really
5 do that.

6 And, you know, the transportation
7 planner is typically hired by cities. And
8 towns don't have, A, the equipment to do
9 these kinds of counts nor the staff. I
10 mean, these turning movement counts are
11 still done by hand with people sitting at a
12 street corner with a computer counting
13 cars.

14 So, anyway, there are certainly
15 legitimate uses for a consultant to assist
16 the transportation planner in trying to
17 solve the problems that they are looking
18 at. But the exact scope of that would need
19 to be determined once the transportation
20 plan was done.

21 COMMISSIONER STEBBINS: And, you
22 know, the water transportation -- again, I
23 view it a little bit differently. Even
24 though you did raise the issue it's an

1 older earmark, so, you know, I would be in
2 favor of the condition of 150 and making
3 sure the 750 is still available. But I
4 think, John, this could be a successful
5 strategy in terms of getting more people
6 off the road and to use other modes of
7 transportation.

8 And when we look at the surrounding
9 community agreement, Wynn actually steps up
10 and says, we'll pay money for operating
11 some type of, you know, ferry service or a
12 water shuttle service or whatever it is to
13 draw people out of the Medford location.
14 So I would look at that maybe smart in
15 terms of, you know, additional
16 opportunities to kind of mitigate
17 trafficking and, you know, find an
18 alternative access ways for folks.

19 MR. ZIEMBA: I think that's exactly
20 spot on. In our review, we specified that
21 we would require the study to include --
22 continue to include Station Landing in it's
23 analysis but also include the analysis of
24 the connections directly to the Wynn

1 casino, and we can accomplish exactly what
2 you're talking about.

3 CHAIRMAN CROSBY: Well, as I said, I
4 think the ferry is a terrific idea but the
5 statute says about the Community Mitigation
6 Fund that we, quote, shall expend monies in
7 the fund to assist the host and surrounding
8 communities in offsetting costs related to
9 the construction and operation of a gaming
10 establishment, and it then gives all the
11 categories. So it's offsetting costs
12 related to the construction and operation
13 of the gaming establishment.

14 And, you know, I'm sure we thought a
15 hell of a lot more about this now than they
16 did when they wrote this, but I think it's
17 pretty clear that they were talking about
18 mitigating negative affects, negative
19 consequences which they were going to have
20 to fund that were not otherwise funded.

21 And I think we have probably the
22 flexibility here to construe this more
23 broadly if it turns out that there is
24 monies available in the future to do it.

1 But as we start out, I think we need to
2 adhere as hard as we can given that these
3 are very gray decisions. And as an
4 example, the water ferry does not fall
5 under a rigorous reading of this language.
6

7 COMMISSIONER STEBBINS: But, I
8 think, you also need to look at how we
9 define transportation planning monies when
10 there's this round of mitigation funding.

11 CHAIRMAN CROSBY: But we can't
12 define it outside the law. We've got to
13 define it within the parameters of the
14 statute.

15 MR. ZIEMBA: I would pause that we
16 are encountering negative impacts. One of
17 the biggest impacts of the facilities to
18 communities, to all communities is the
19 potential of additional traffic on
20 roadways. And to the extent that we're
21 expending monies to analyze how we get more
22 additional cars off the roadways, we are
23 spending monies that are offsetting costs
24 related to the facility.

1 It's not a direct cost, but it's a
2 cost in the larger sense of what are the
3 impacts to a community and it's, hence, the
4 Community Mitigation Fund to mitigate
5 impacts of the facility.

6 COMMISSIONER ZUNIGA: That was
7 exactly the case I was making against
8 funding people reaching out to businesses
9 have the community mitigation. I know you
10 interpreted it very flexible in terms of
11 the planning research, but that was
12 precisely my point.

13 We're trying to narrow it to what
14 was agreed by everybody that transportation
15 now funding an alternative mode, we can
16 disagree on that, but transportation
17 concerns was the top priority of just about
18 everybody.

19 CHAIRMAN CROSBY: This is a really
20 tough one because another reading of this
21 would cost, as you say, John, does not have
22 to be you wrote a check. One cost is the
23 damage done by a car driving to the casino.
24 So you could offset that cost by putting

1 the person on a ferry. So there's another
2 way to read this, which would make it
3 flexible, so I don't know. There's no
4 right or wrong here.

5 These are just tough calls. I go
6 back and forth between wanting to be very
7 risk up front -- restrictive up front so we
8 don't get ourselves in trouble by having
9 not enough money to do the job on the one
10 hand. On the other hand wanting to support
11 creative, thoughtful, positive in the
12 biggest extension of the word "mitigation"
13 of the affects.

14 COMMISSIONER ZUNIGA: There is
15 another -- you just made me think of
16 another sort of risk. We have by necessity
17 we are doing what needs to be done, which
18 is thinking about planning. There is going
19 to be a lot of planning in different areas,
20 water, Wellington Circle, et cetera.

21 But then there is going to be the
22 question about funding and which we are not
23 going to be able to fund out of the
24 Community Mitigation Fund. This is in many

1 cases of state and DOT and even perhaps
2 federal question.

3 So there is a risk of having all
4 these studies, but then there is really
5 just, you know, one or two areas that
6 realistically all the stakeholders are
7 going to be able to go less around. In the
8 sense that a study may end up sitting in
9 all of our desks for a long time. I don't
10 know which one is that going to be, and
11 it's very hard to predict.

12 But the risk of studying multiple
13 things now is that many of them will just
14 be that, studies. And, so, whenever we
15 have a doubt as to, you know, the sources,
16 the amount through that lense we should --
17 I might argue we should pair on diverting
18 them until later the ones that seem less
19 compelling now because now will have less
20 flexibility. We have spent the money.

21 Whether it's the water or whether
22 it's the definition of mitigation, in the
23 aggregate and each one of these, I would
24 like to think about decreasing some of

1 these amounts or staying until further
2 scope is understood or until the next year
3 of funding is more clear, and we have a
4 better sense of what's in the planning
5 fund.

6 MR. ZIEMBA: Commissioner, I think
7 you're talking about something in my old
8 world when I spent time in transportation
9 for all the time of how much money you
10 dedicate towards studies versus for some of
11 your actual concrete projects. And we
12 talked about how if there are unanticipated
13 impacts, we want to be ready to go right
14 away and have the studies done makes sense.

15 Every once in awhile, you have these
16 fall from the sky moments. I remember when
17 the federal stimulus bill was passed, was
18 the state in the best position to take
19 advantage of those dollars with shovel
20 ready projects? I hope we never have a
21 circumstance where IRA is necessary but,
22 you know, federal dollars become available
23 to infrastructure, it might just be a
24 necessity at some point given the

1 constraints that all states are
2 experiencing, but now we are going through
3 a whole other area.

4 COMMISSIONER MACDONALD: John,
5 following the Chairman's point and
6 Commissioner Zuniga, I don't have them in
7 front of me here. But do the guidelines,
8 the community mitigation guidelines that
9 you have been proceeding pursuant to today
10 address this issue as to as that has been
11 raised here?

12 MR. ZIEMBA: Yes. When we developed
13 the guidelines in this past December, we
14 anticipated that we would be undertaking
15 these planning activities for potential
16 future unanticipated impacts. And that was
17 why we were trying to do that. Obviously
18 we are not spending money duplicative of
19 the mitigation that's already been required
20 by the state.

21 The state has made a stance that
22 mitigation pursuant to Section 61 is the
23 impacts that are identified today, but it's
24 part of what we're trying to do with

1 transportation dollars -- I'm sorry, the
2 study dollars is to anticipate or at least
3 get ready things that we might have to take
4 a look at in the abstract from all sources
5 of funding.

6 MR. LENNON: Commissioners, to ease
7 your minds, competitive grant processes
8 guidelines change from year to year. We
9 don't have to fund everything that's in
10 that statute in one year. You can change
11 up these. You can decide this year, yes,
12 we did some planning. Next year we are
13 going to cut back on that.

14 But based on how the guidelines
15 look, a lot of these applications conform
16 to them. So they apply based on what we
17 have written what we would like to receive
18 for funding opportunities. And that is
19 what we evaluated in the case. If you're
20 having concerns, we can change that in
21 future years. We can limit that. We can
22 expand it.

23 We'll target one area in future
24 years and 75 percent of the funding that we

1 set aside will go towards that. That's the
2 beauty of a competitive grant application.
3 And if we want to expand meetings on what
4 the guidelines should be and what we would
5 like to open up competitive applications
6 for, that's something. This is kind of
7 over the top.

8 CHAIRMAN CROSBY: I think that's a
9 part of our whole review of everything. I
10 think that's a good idea. You guys
11 probably know a lot more about it now. At
12 some point, not to the future, we probably
13 ought to rethink those regs, rethink those
14 guidelines.

15 COMMISSIONER MACDONALD: That was
16 kind of my point is I read your
17 recommendations here from in the context of
18 having reviewed the guidelines that have
19 been shared with the applicants and it
20 struck me as that where your
21 recommendations -- that your
22 recommendations here were consistent with a
23 conclusion that the applicant's proposals
24 were ones that were consistent with the

1 guidelines that had been shared with them.
2 A little concern we might be shifting the
3 criteria at the last moment somewhat
4 unfairly on the applicants.

5 CHAIRMAN CROSBY: I am kind of
6 leaning towards that thought process. If
7 you took a look at the whole -- if we
8 approve everything that is recommended,
9 it's million eight of 14 and a half
10 million, it's one seventh for what's going
11 to be a three year process. It's pretty
12 robust in the big picture.

13 And given that this is our first
14 round, given that it is pretty much
15 compatible with our guidelines, all be it
16 maybe we will change them and have to do it
17 over again, I'm kind of leaning towards,
18 you know, let's go with it. If this were
19 8 million-dollars, I would say I'm not
20 sure, not first year out. That doesn't
21 make sense. But under two, I mean, maybe
22 that is a fairer way to go.

23 COMMISSIONER ZUNIGA: I have a
24 figure like that. I thought of it, you

1 know, remember there are 28 communities
2 that are either a host surrounding or
3 neighboring community in this state, which
4 does not include the Region C, which we
5 have not talked about.

6 If you take the 14 million that we
7 have and divide it by 22, it's about a
8 \$500,000 per community. And if you take
9 that over more than one year, say two
10 years, we have -- and this is a very, very
11 rough proxy -- we have a \$250,000 per
12 community per year. And which if we go
13 down the path of funding planners by
14 community, funding planners by community
15 and funding studies by community, we can
16 get them very quickly.

17 And, you know, for every one of the
18 requests that is more than 250 per year now
19 in like a proxy rough, that means that, you
20 know, there is less capacity for any one of
21 the other communities.

22 CHAIRMAN CROSBY: We really don't.
23 With have barely over 250. We basically
24 fall within your guideline here.

1 COMMISSIONER ZUNIGA: Except some of
2 them are thinking about multiyear, yes, we
3 will get to, you know, 50 per year per
4 community.

5 CHAIRMAN CROSBY: Yes.

6 COMMISSIONER ZUNIGA: Which includes
7 100,000 for the planning grants, which we
8 preserved for everybody.

9 CHAIRMAN CROSBY: So where are we?
10 So on Medford, do we have anymore
11 conversation about pre-vote on the Medford
12 recommendation of around 80,000 for a
13 planner, 50,000 for consultants and 150 for
14 the water study?

15 COMMISSIONER ZUNIGA: Are you
16 opposing any one of them?

17 CHAIRMAN CROSBY: I don't think I'm
18 going -- I'm going to be in favor of all of
19 them, I think. I'm changing my mind.

20 COMMISSIONER STEBBINS: And maybe
21 this just came up because some of the
22 things Joe talked about. Now I get a
23 little less comfortable with some of the --
24 we have gone through a process where Wynn

1 has evaluated as part of its MEPA review a
2 number of intersections. And correct me
3 if -- I'm not reflecting your comments
4 appropriately.

5 Now the city wants to go back and
6 look at some intersections that weren't
7 covered and talk about traffic signal
8 changes, more lanes, everything else as
9 well as a number of other activities that
10 they point to down there. I don't know.
11 I'm just maybe I'm overthinking it, but I'm
12 just thinking --

13 CHAIRMAN CROSBY: We're definitely
14 overthinking this.

15 COMMISSIONER STEBBINS: We're
16 definitely overthinking it. We wouldn't
17 still be sitting here.

18 MR. DELANEY: I think the point is
19 there were a number of intersections that
20 were originally proposed. That number was
21 cut down as the process went through.

22 COMMISSIONER STEBBINS: But they
23 were cut down for a reason.

24 MR. DELANEY: They were. But they

1 were on the same corridors that what we're
2 talking about. They eval this one
3 intersection on one end and another
4 intersection at the other, but there's
5 three more signalized intersections in
6 between. In order to do corrections at the
7 other ones, you have to look at the ones in
8 between as well.

9 And, now MassDOT, again, this is
10 that same thing that we had with Chelsea,
11 MassDOT and Medford disagreed with how much
12 traffic they expected on those. They're
13 saying, well, these two signalized
14 intersections at each end we're saying we
15 don't need to do anything with them.
16 Because the level of service drops a little
17 bit but not enough to require mitigation.

18 CHAIRMAN CROSBY: That's what DOT
19 says.

20 MR. DELANEY: That's what DOT says
21 under their Section 61 finding. We are
22 saying we don't agree with that at all. We
23 think they all need mitigation. Now they
24 are saying here now is we want to do some

1 additional study to see what we can do to
2 all of those intersections to improve the
3 flow of traffic through there. And in
4 doing so, it will certainly help the city,
5 but it will also help the flow of traffic
6 that's going to the casino as well. I
7 mean, there's ancillary benefits from
8 everything that you do.

9 COMMISSIONER STEBBINS: But judging
10 the flow of traffic through the casino that
11 hasn't opened its doors.

12 MR. DELANEY: Well, understood.
13 Again, these are planning steps. These are
14 not trying to address actual impacts. They
15 are trying to anticipate the impacts and
16 see what they can do to be ready for when
17 the facility opens or in certain cases it
18 will be much longer term than that.

19 You know, many of these design
20 projects that, you know, Chelsea project as
21 an example may be a multiyear design
22 project. They might be ready to break
23 ground when the facility opens or a year
24 after, whenever it is.

1 MR. ZIEMBA: And part of our
2 approach has been fairly conservative in
3 the eyes of the outside world where folks
4 would like to utilize a lot of the
5 response, but the actual heart of the
6 construction on some of these projects
7 right now. And our focus has been we don't
8 know what we don't know as of yet. Before
9 you made your decisions regarding major
10 allocation of dollars, this was a
11 reasonable interim step given the lead time
12 for transportation projects for years
13 before they become ready for construction.

14 COMMISSIONER MACDONALD: John, so
15 that maybe we can bring to closure this
16 discussion of Medford, can you state again
17 for the record what the review team's
18 recommendation is as to the next year's
19 commitment of these funds?

20 MR. ZIEMBA: So, we recommend that
21 the Commission authorize \$267,000 in one
22 year funding for the City of Medford for
23 the provision of transportation plan of
24 services and in addition to consultant

1 services as delineated in the Commission's
2 packet, the memorandum from the review
3 team. Such funding would include \$150,000
4 for water transportation study.

5 The staff will be instructed to work
6 with the City of Medford through the grant
7 contract process so that they understand
8 that future applications it would be
9 necessary to identify what specific
10 allocation of transportation planning
11 dollars would be necessary for
12 gaming-related versus general municipal
13 activities.

14 COMMISSIONER ZUNIGA: And the water
15 transportation would be contingent on
16 obtaining an earmark.

17 MR. ZIEMBA: Obtaining the earmark,
18 and it would be contingent upon inclusion
19 of gaming-related stops such as Station
20 Landing and the Wynn facility.

21 COMMISSIONER MACDONALD: I move that
22 we approve the review team's recommendation
23 as just summarized by John.

24 COMMISSIONER STEBBINS: Second.

1 CHAIRMAN CROSBY: Further
2 discussion?

3 COMMISSIONER STEBBINS: No.

4 CHAIRMAN CROSBY: Promise? All in
5 favor?

6 COMMISSIONER MACDONALD: Aye.

7 COMMISSIONER ZUNIGA: Aye.

8 COMMISSIONER STEBBINS: Aye.

9 CHAIRMAN CROSBY: Aye. Opposed?
10 The ayes have it unanimously. Now, it's 20
11 minutes of five. We've got West
12 Springfield. We have three more to go.
13 We'll never get them done by five. I have
14 a relatively hard stop at five. I think a
15 lot of us probably have hard to soft stops
16 at five, if not before.

17 We could keep trucking, but we've
18 already decided we're going to have another
19 meeting for the racehorse issue sometime in
20 the next week or so. I'm kind of leaning
21 towards postponing these until then,
22 including as well as the topic I didn't get
23 to do is the commission reports.

24 MR. ZIEMBA: Maybe we could just

1 finalize the West Springfield
2 transportation grant and close those out.

3 COMMISSIONER MACDONALD: I am just
4 wondering also the three observers back
5 here, you have been waiting patiently. Are
6 you here on a specific item?

7 SPEAKER: West Springfield.

8 CHAIRMAN CROSBY: Oh, West
9 Springfield. You're here for the fun of
10 it, I know. You turned your clock off
11 hours ago. You're just here for fun.

12 MR. BEDROSIAN: Oh, no, he didn't.

13 MR. ZIEMBA: Can we do West
14 Springfield?

15 CHAIRMAN CROSBY: Yes, let's try to
16 do West Springfield. I'm sorry, John. We
17 could have done that first.

18 MR. ZIEMBA: No problem. West
19 Springfield is requesting \$247,500 for the
20 design and permitting of a project to
21 reconstruct Memorial Ave., which it notes
22 it will be impacted due to the close
23 proximity to the MGM Springfield project.

24 West Springfield received \$665,000

1 for such design in its surrounding
2 community agreement, which resulted from an
3 arbitration with MGM Springfield. The
4 request is an overage to the regional cost
5 of the study. We believe that this overage
6 is reasonable. The overage results from
7 some delays and timing and also results
8 from the inclusion of a Complete Streets
9 design concept.

10 The Complete Streets design concept
11 would enable West Springfield to more
12 effectively compete for limited
13 transportation dollars as they complete the
14 design of standards that was more fully
15 developed after the arbitration, and it is
16 the standard of the day.

17 It includes taking a look at
18 pedestrian transportation and all access of
19 transportation requests. We believe that
20 the overage is reasonable and very
21 sufficient detail has been provided by West
22 Springfield.

23 COMMISSIONER ZUNIGA: Is this a
24 multiyear study?

1 MR. ZIEMBA: This is a design and
2 this is a one-time design and this funding
3 results from -- it's the additional costs
4 to the funds that were allocated by the
5 arbitrator in the arbitration at the time
6 they provided a reasonable estimate of what
7 that funding would be. This represents the
8 additional costs over and above there plus
9 the contingency.

10 COMMISSIONER ZUNIGA: And those
11 additional costs are because now they have
12 better estimates or bids?

13 MR. ZIEMBA: Now better estimates
14 from bids and also the design work will
15 include the Complete Streets design
16 concept, which is the standard that is now
17 standard with MassDOT planning. So in
18 order to develop the design of the Memorial
19 Ave. project, which is in concert with the
20 state's Complete Streets design concept,
21 West Springfield would be in a better
22 position to compete for these limited
23 transportation dollars because their
24 project would be designed in accordance

1 with the standards that receive money.

2 MR. DELANEY: Just to add on to
3 that, the 665 in the arbitration was done
4 just based on an estimate from an engineer.
5 This is about what it would cost to do it.
6 They went out to bid. They came in higher,
7 and it's that higher number plus the
8 Complete Streets element added more to
9 that. But based on the estimated
10 construction costs, it certainly is a
11 reasonable fee for the design.

12 It will take more than one year to
13 complete. These estimates of 25, 7,500 set
14 design, there have to be design hearings
15 and things of that nature. It's a longer
16 process, but it is -- they have a single
17 contract with a single designer for that
18 amount of money. So this just makes that
19 contract more whole.

20 CHAIRMAN CROSBY: He is not asking
21 how long it's going to take. He is asking
22 are they going to come back to another
23 round of money.

24 MR. DELANEY: No.

1 COMMISSIONER ZUNIGA: This is my
2 question too. However long this takes and
3 it's likely going to take more than one
4 year, by making a commitment, we are making
5 a commitment now with this amount, we are
6 making a commitment that is going to take
7 care of the actual design regardless of how
8 long it takes.

9 CHAIRMAN CROSBY: Right. Do I
10 understand correctly that, John, that
11 probably if they'd known these facts at the
12 time of the negotiation, they probably
13 would have gotten that money included in
14 the surrounding community agreement?

15 MR. ZIEMBA: We can never know what
16 an arbitrator would do, but they provided
17 an estimate. The arbitrators used that
18 estimate in their findings had they been
19 presented this additional information.

20 CHAIRMAN CROSBY: It seems kind of
21 fairly logical.

22 COMMISSIONER ZUNIGA: And the
23 arbitrator in this case sided with West
24 Springfield, right?

1 MR. ZIEMBA: West Springfield won.

2 COMMISSIONER ZUNIGA: Sounds good to
3 me.

4 COMMISSIONER MACDONALD: Mr.
5 Chairman, I move that we approve the
6 recommendation of the review team for
7 \$246,000 in transportation planning grant
8 funds to assist the Town of West
9 Springfield for the design costs of
10 Memorial Avenue Complete Streets design.

11 CHAIRMAN CROSBY: Second?

12 COMMISSIONER STEBBINS: Second.

13 CHAIRMAN CROSBY: It's always good
14 to leave your proposal until the end of the
15 day when everybody is so tired. They
16 couldn't possibly resist. Any further
17 discussion? All in favor?

18 COMMISSIONER MACDONALD: Aye.

19 COMMISSIONER ZUNIGA: Aye.

20 COMMISSIONER STEBBINS: Aye.

21 CHAIRMAN CROSBY: Aye. Opposed?
22 The ayes have it unanimously. So, I think,
23 we've agreed that we will pick the rest of
24 this stuff up on whatever day we do our

1 other meeting. John, that was a tour
2 deforce. Thank you very much.

3 MR. ZIEMBA: Thank you.

4 CHAIRMAN CROSBY: You and your team
5 have done an incredible amount of work.
6 And whether it looks like it or not, we
7 really appreciate it.

8 MR. ZIEMBA: Thank you.

9 COMMISSIONER MACDONALD: I think as
10 a final item of business we ought to all
11 acknowledge our stenographer who has been
12 going solidly for the last four and a half
13 hours.

14 CHAIRMAN CROSBY: Thank you.

15 COMMISSIONER ZUNIGA: I move that we
16 adjourn this meeting.

17 CHAIRMAN CROSBY: Second?

18 COMMISSIONER STEBBINS: Second.

19 CHAIRMAN CROSBY: All in favor?

20 COMMISSIONER MACDONALD: Aye.

21 COMMISSIONER ZUNIGA: Aye.

22 COMMISSIONER STEBBINS: Aye.

23 CHAIRMAN CROSBY: All right. thank
24 you everybody.

MR. ZIEMBA: Thank you.

(Meeting adjourned at 4:45 p.m.)

MASSACHUSETTS GAMING COMMISSION STAFF:

Ed Bedrosian, Executive Director

Catherine Blue, Staff Counsel

Jill Griffin, Director

Mark Vander Linden, Director of Research and
Problem Gambling

Marlene Warner, Massachusetts Council on
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Karen Wells, Director

Paul Connelly, Director

Alex Lightbown, Director of Racing

Doug O'Donnell, Senior Financial Analyst

John Ziemba, Ombudsman

Derek Lennon, Chief Financial Officer

Mary Thurlow, Paralegal

Joseph Delaney, Project Oversight Manager

GUEST SPEAKERS:

Robert LePage, Executive Office of Education

Darrell W. LeMar, Bunker Hill Community College

William Berardi, Bristol Community College

Jeffrey P. Hayden, Holyoke Community College

Jeremiah P. Riordan, Springfield Technical
Community College

Marikate Murren, MGM Springfield

Michael Morizio

William Lagorio, Thoroughbred Horsemen's
Association

Robert DeSalvio

COMMONWEALTH OF MASSACHUSETTS

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

WITNESS MY HAND, this 26th day of July,
2016.

A handwritten signature in black ink, reading "Kristen M. Edwards".



Kristen M. Edwards