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THE COMMONWEALTH OF MASSACHUSETTS

MASSACHUSETTS GAMING COMMISSION

OPEN MEETING

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Gayle Cameron

James F. McHugh

Bruce W. Stebbins

Enrique Zuniga

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SEPTEMBER 18, 2012, 1:00 p.m.

OFFICE OF THE DIVISION OF INSURANCE

First Floor, Hearing Room E

1000 Washington Street

Boston, Massachusetts

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PROCEEDINGS:

CHAIRMAN CROSBY: I think we can start.  
I would like to call to order the 27th public meeting of  
the Massachusetts Gaming Commission on September 18,  
2012.

September 11 minutes, I think we don't  
have yet, right?

COMMISSIONER MCHUGH: We don't have them.  
That was a really long meeting and I got some of the  
materials I needed to do the minutes yesterday. So, I  
haven't had a chance to do it. I will have them next  
time.

CHAIRMAN CROSBY: Are the video and the  
transcript posted?

COMMISSIONER MCHUGH: They are, yes.

CHAIRMAN CROSBY: Next on our item is  
Springfield schedule and process, following up on our  
meeting last week, our long meeting last week. You have  
in your packets a letter from Kevin Kennedy, the head of  
Planning and Economic Development for Springfield.

As you can see, I am glad to say that they  
have reconsidered after our meeting and have agreed to  
proceed with their process but not to submit -- to do two

1 things. One is to be sure that anybody that wants to be  
2 considered by them is a formal applicant - A. And B -  
3 and more importantly that they will not have a referendum  
4 on a host community agreement or selectee until we have  
5 completed our vetting process, which I think was the  
6 primary point that we made with them. On this, there is  
7 not anything more for us to say particularly on this  
8 topic.

9                   The Ethics Commission report that we are  
10 waiting on, apparently they still don't have that yet.  
11 They were supposed to have that in a couple of days. That  
12 goes to the issue of Shefsky and Froelich procurement.

13                   But on the big issue of the  
14 incompatibility with our schedule, I think they have  
15 rethought it and are happy to agree with us to try to match  
16 our schedules, which is a very good development. Other  
17 things on --

18                   COMMISSIONER ZUNIGA: I have a question  
19 for the Commission and eventually of course for the City.  
20 But for the Commission first, I was looking at the statute  
21 and section 15 subsection 13 does speak about the  
22 election and how after a host community agreement is  
23 executed there would be a request by the local officials,  
24 a request for an election. And the election can take

1 place in no less than 60 days and no more than 90 days.

2           As it refers to this particular issue but  
3 really for everybody, all regions, I'm curious as to what  
4 this Commission should consider as being that time that  
5 elapses between a host community agreement agreed to and  
6 the election or the request for the election. Whether  
7 the statute means, and I have the precise place where I  
8 can kind of read to, whether this shall mean immediately  
9 after or any time after.

10           This is a question that I wanted to pose  
11 to the group for us to consider because it may have  
12 inference in to what happens prior to the election, which  
13 is in Springfield or others, which is when that host  
14 community agreement is executed.

15           CHAIRMAN CROSBY: Right. I will give my  
16 two cents on this and I think that others can speak up  
17 on this.

18           What is happening here is that there have  
19 been some communities for whatever reasons, good  
20 reasons, have been further down the road than others.  
21 And some of them are fairly far down the road before we  
22 even got convened. We have not yet laid out all of the  
23 rules and regs to implement the legislation. And people  
24 are going ahead and making scheduling decisions and

1 tentative decisions without us knowing -- without us  
2 having putting out our regs, including on things like  
3 host community agreement. So, we are in the position of  
4 trying to retrofit once in a while. That is part of  
5 what's been going on with Springfield.

6 But as a practical matter, Springfield is  
7 aware that the referendum is on the host community  
8 agreement. And one of the issues that they have agreed  
9 to is understanding that we may have things, we may say  
10 things in our regs about host community agreements, which  
11 could conceivably change something that they have  
12 negotiated. So, as a practical matter I think they  
13 expect not to technically implement -- not to technically  
14 execute their host community agreement so that they don't  
15 run afoul of that 60-day timeframe.

16 However, having said that I think that as  
17 a response to this I think I take your suggestion. I  
18 think maybe we ought do some kind of an advisory as we  
19 are getting up and running and writing our regs to make  
20 sure people understand that. And I think everybody will  
21 now get the message not to referenda prior to our vetting  
22 process but they may not make the link to the technical  
23 execution of the host community agreement. And I think  
24 clarifying that sooner than later would be a good point.

1 That's just off the top of my head.

2 COMMISSIONER MCHUGH: I'm not sure I  
3 understand the point. I'm sorry.

4 CHAIRMAN CROSBY: I think what  
5 Commissioner Zuniga is saying is that the statute calls  
6 for the referendum to happen within a certain period of  
7 time after a host community agreement is executed.

8 COMMISSIONER MCHUGH: No, after a request  
9 for an election.

10 CHAIRMAN CROSBY: So, if you don't have  
11 the request --

12 COMMISSIONER MCHUGH: You can have time  
13 -- you can have a host community agreement negotiated but  
14 nobody requests an election and there is no time running.  
15 The time runs from the request.

16 So, to take your scenario just to follow  
17 that through, a host community agreement could be  
18 executed but conceivably both sides might want to wait  
19 to see what our draft regulations Phase 2 look like to  
20 make sure they've covered everything before they ask for  
21 a vote.

22 COMMISSIONER ZUNIGA: The question that I  
23 was posing is just that. If we believe or if we should  
24 issue an advisory relative to how soon after the host

1 community agreement is executed should there be a request  
2 for an election. Because Commissioner McHugh is  
3 precisely correct, it is the request for the election  
4 that triggers it. It's only an interim process.

5           But if the statute intended for just what  
6 Commissioner McHugh says, allow for there to be any time  
7 between a host community agreement being executed and a  
8 request for an election or if there can be or it should  
9 be immediately after a host community has agreed to an  
10 election should be requested.

11           COMMISSIONER MCHUGH: Why would we care?

12           COMMISSIONER ZUNIGA: Because our  
13 regulations come into play relative to those --  
14 potentially that could affect those agreements.

15           COMMISSIONER MCHUGH: Yes. But that  
16 doesn't necessarily have anything to do with the space  
17 between the time the agreement is executed and the time  
18 the request comes. That has more to do with when in that  
19 process we get our regulations published, right? I'm  
20 just trying to come to grips with why we would want to  
21 get involved in -- We might want to issue a regulation.  
22 I'm just trying to understand where the fault line would  
23 be and what the considerations for the Commission would  
24 be in trying to insert some regulatory mechanism in that

1 process. It's worth thinking about some more.

2 COMMISSIONER ZUNIGA: I'm just throwing  
3 it out there. I am just looking for the schedule and what  
4 is upstream from the election and it's the request. Then  
5 prior to the request it's the negotiated or agreed to  
6 community agreement.

7 There is also elsewhere in that section  
8 there is a timeline as to when that agreement should be  
9 posted. For example, I believe the municipality should  
10 put it on a website no later than seven days after it's  
11 signed by both parties. That's another requirement.

12 Assuming that a host community is agreed  
13 to, posting on the website because it has to seven days  
14 after, but then an election is not requested because that  
15 will trigger the 60 to 90 days, the more that that  
16 happens, the more time that the agreement would be in the  
17 website. Thus potentially informing -- having a more  
18 positive effect in terms of informing the public.

19 But then people might also forget, there's  
20 a case to be made, that it might be an optimum amount of  
21 time. My question is whether the legislation intended  
22 that or does this Commission have anything to say about  
23 just what that timeline should be. I guess that answers  
24 your question or that hopefully addresses some of your



1 question.

2 COMMISSIONER MCHUGH: It raises the  
3 question. It's certainly something to consider as we  
4 are going through the Phase 2 drafting process.

5 CHAIRMAN CROSBY: Thank you for  
6 clarifying, you're right. I thought what Commissioner  
7 Zuniga was saying was that the time starts to run from  
8 the execution of the agreement and that's wrong. It's  
9 from the request.

10 But I think this whole area is  
11 interlocking. I know from Palmer, Palmer is asking  
12 questions about what do we do next? What is the sequence  
13 of events here? We know there are some issues going on  
14 at Suffolk Downs.

15 So, I think this is one which maybe ahead  
16 of our normal promulgation of our regs that we need to  
17 think through a little better, at least make sure people  
18 understand the relationship between the host community  
19 agreement and a referendum. And the scheduling of  
20 referendum subsequent and only subsequent, which is the  
21 point we have now established to our completed RFA-1.

22 And these other subtleties about what  
23 starts to make the clock run, I think we can put out  
24 another sort of protocol, clarification like we've done

1 on the scheduling and community mitigation funds and  
2 stuff. That would just help clarify this.

3           Hopefully, we will have an ombudsmen in  
4 the next week or two. Either that person or we could put  
5 that together quickly.

6           In the meantime, we are doing this in  
7 one-offs. We are getting calls from people in one-offs.  
8 How do we deal with the host committee agreement? So,  
9 I think we just need to clarify this whole thing for  
10 everybody. I think you are right that it is confusing.  
11 There are some issues there that we have not really  
12 thought through ourselves.

13           So, unless there is something -- So, I  
14 think we should try to do that in the next week or so.  
15 Unless there is some particular issue on the table where  
16 we need to talk about it in a public meeting, one of us  
17 can just draft up that statement, that protocol in the  
18 next week or two and in the next week try to get it out  
19 shortly thereafter.

20           COMMISSIONER MCHUGH: Sure. We could do  
21 that. But when we get to the updated protocol that we  
22 are going to talk about today, there is another piece of  
23 that that I'd like to talk about. And it ties into this  
24 big fat book.

1                   CHAIRMAN CROSBY: This big fat book is the  
2 draft strategic plan for regulating casino gambling in  
3 the Commonwealth of Massachusetts, in case anybody  
4 wonders what we've been doing for the last few months.

5                   COMMISSIONER MCHUGH: So, there are a  
6 couple of things I'd like to bring up when we get to that  
7 piece and this fits into that, because I do think  
8 clarification is necessary. And I do think speed is  
9 consistent with our mission is necessary, as we all do.

10                  CHAIRMAN CROSBY: Right. So, we're  
11 going to get into that a little bit when we talk about  
12 the revised protocol that I sent around this morning. Is  
13 there anything else about this specific issue, any policy  
14 questions about this particular issue that you want to  
15 flush out now?

16                  COMMISSIONER ZUNIGA: Springfield?

17                  CHAIRMAN CROSBY: Or Springfield, yes.

18                  COMMISSIONER ZUNIGA: As a reaction to  
19 last week, I wanted to debrief on some of the thoughts  
20 expressed in Springfield last week. And I think right  
21 now might be as good a time as any.

22                  CHAIRMAN CROSBY: Sure.

23                  COMMISSIONER ZUNIGA: I think the  
24 legislation is not explicit as to what the Commission or

1 a host community is explicitly expected rather to do when  
2 -- with more than one proposal or more than one proponents  
3 for them.

4 I'd like to highlight the fact that  
5 Springfield with their consultants entertained the  
6 notion or the alternative of negotiating with everybody  
7 who might be interested. That would have been in my view  
8 clearly what the legislation may have intended because  
9 that would have put the matter to the voters.

10 The legislation is silent when it comes to  
11 multiple proposals but had they entertained all  
12 proponents prior to the RFP process that they want to do,  
13 in my view that have complied with the legislation by  
14 putting the matter to the voters.

15 They said that they are not doing that  
16 alternative for three reasons, according to what was  
17 expressed in the meeting last week. That the matter  
18 would create voter confusion. That they would be saving  
19 resources. By conducting this RFP process they would be  
20 saving resources, saving the Commission resources. And  
21 that they would also be expediting the process for their  
22 benefit because they want to move on a number of fronts  
23 elsewhere.

24 And I have three thoughts, one thought for

1 each one of those notions. And I think that the City may  
2 be underestimating the voters thinking that posing this  
3 matter to the voters would create voter confusion. I  
4 think I'd like to believe that something like this could  
5 be structured in a way that would be clear and the voters  
6 would make an informed decision. In this matter, I and  
7 the City may disagree, but I just wanted to state that  
8 they may be underestimating the voters.

9 I think their notion that they would be  
10 saving resources is misguided, because these resources  
11 come from the operators. The money to investigate the  
12 very operators who want to play, if you will, in  
13 Massachusetts comes from them. So, they are not saving  
14 anybody but the people who want to play, and are hoping  
15 to pay for play. So that I believe is misguided or  
16 misunderstood.

17 And we talked about last week relative to  
18 the expediting notion that by moving the way they want  
19 to move are not necessarily saving any time because they  
20 agreed apparently after this letter that we need to do  
21 the investigations or we need to complete the  
22 investigations ideally so that they can negotiate a host  
23 community agreement.

24 So, the three reasons that they cited for

1 moving in the direction that they're moving, again, I  
2 believe are somewhat misplaced.

3 CHAIRMAN CROSBY: Other thoughts about  
4 that?

5 COMMISSIONER CAMERON: I think those were  
6 issues last week that were mentioned, discussed. But I  
7 look at this recent letter dated September 18 as a  
8 good-faith effort to work with us with the concessions  
9 mentioned here, which does, in my opinion, alleviate some  
10 of the concerns that we expressed last week.

11 Holding off the vote until after our  
12 suitability investigations I think is a very good step.  
13 And then requiring the participants to become applicants  
14 with us when they enter their Phase 2 process I think is  
15 also an attempt to work collaboratively with us.

16 So, I shared some of your concerns last  
17 week and I look at this as a good-faith effort that the  
18 officials heard our concerns and heard our ideas where  
19 there maybe some overlap and made some good-faith efforts  
20 here to work collaboratively with us.

21 CHAIRMAN CROSBY: Anybody else?

22 COMMISSIONER STEBBINS: Again, I think we  
23 were reminded at last week's meeting and the point was  
24 made by Chairman Wagner about the authority

1 responsibility that are all placed with a host  
2 municipality be it a mayor or town council, board of  
3 selectmen, what have you.

4 I think we all agree on the fact that the  
5 legislation may not have been clear or saw the foresight  
6 of what happens in this type of situation where you have  
7 multiple operators looking at one municipality.

8 We can debate the process that in this case  
9 Springfield is looking to use. I think to Commissioner  
10 Cameron's point, I think this letter does reflect the  
11 fact that they heard our concerns. They are attempting  
12 to address it while at the same time trying to stick with  
13 the process that they need to go through. I hope that  
14 their process is clear.

15 If there was a concern I had at last week's  
16 meeting is how much detail was available to a potential  
17 applicant so that they could see a pathway through this  
18 process. As I mentioned last week, there is some benefit  
19 to the Commission if one or two or multiple operators end  
20 up not being a proponent who gets to negotiate with the  
21 City that they might look elsewhere. I think that  
22 increases the level of competition that we've all looked  
23 for.

24 It may raise the bar in terms of the

1 quality of the applications we are going to get whether  
2 an operator continues to look at Western Mass. or may look  
3 at another region of the State. I think we benefit from  
4 that. But I hear my colleague's points and addressing  
5 the points that were raised.

6 I had a different take on the saving  
7 resources and maybe not the financial piece but maybe in  
8 terms of people time. The use of internal City Hall  
9 staff to assess plans, the permitting issues, taking up  
10 the Mayor and his staff's time to actually sit down with  
11 these operators one-on-one and begin to negotiate a  
12 community agreement. So, I saw that saving resources  
13 maybe not necessarily on the financial end, because I  
14 think you are right. There are ways for the City to be  
15 reimbursed and made whole so that it doesn't cost in the  
16 end. But in terms of people time and staff resources the  
17 City would have.

18 Again, we have authority I think previous  
19 to section 15 in that statute which gives us authority  
20 to lay out some criteria I believe through the regulatory  
21 process towards the election process. That is an  
22 authority I think we need to make sure we hold onto if  
23 we have some concerns about the process as it goes  
24 forward. Or we step in and it may not necessarily just



1 be Springfield, but step in with another community that  
2 is again trying to get ahead of the gun or on a timetable  
3 that doesn't coincide with ours. Because we have a  
4 thoughtful process that involves a lot of -- I am reminded  
5 again everyday with the people I am talking to about the  
6 seriousness, the diligence of the investigatory process  
7 in looking at someone's financial integrity.

8           Again, I saw the letter from Springfield  
9 as we are trying to make those adjustments. And I think  
10 it is a step in the right direction. It gives us a chance  
11 to continue to move forward, working with them as well  
12 as any other community that is going to step up. We'd  
13 love it if there was another community that stepped up  
14 that all of a sudden had new interest from a new operator.

15           I am pleased with the direction. I know,  
16 Mr. Chairman, you've had several calls from the City of  
17 Springfield. I am happy to see that again their interest  
18 in working with us I think is reflective in these initial  
19 steps.

20           CHAIRMAN CROSBY: Anyone else,  
21 Commissioner?

22           COMMISSIONER MCHUGH: I really can't add  
23 anything to my two colleagues there. I understand  
24 Commissioner Zuniga's concerns, but more broadly, it's

1 pretty clear to me that this statute was drafted give the  
2 Commission a role and the ultimate role in making the  
3 decisions.

4                   But also heavily investing an important  
5 role for the local communities that are going to be  
6 directly affected by this. And the interface between  
7 those two roles is going to from time to time be a scratchy  
8 one. The only way you can remove those scratches and  
9 smooth it out is by the kind of conversations we had last  
10 week in which everybody thoughtfully if with enthusiasm  
11 articulates the views they hold and then thinks about  
12 what we've said. And comes to some resolution that  
13 allows us to work together effectively in carrying out  
14 our respective roles. That's how I look at this letter.  
15 So, I agree with my able colleagues as well as sharing  
16 and understanding some of your concerns.

17                   CHAIRMAN CROSBY: I'll just add my two  
18 worth too. I agree the law is not clear about this but  
19 I also agree that the intent of the law clearly was to  
20 empower the locals to make this move. We do have the  
21 overriding authority. I don't think there is any  
22 question.

23                   And I think we exercise that authority  
24 when but only when one of two things is at issue. One

1 is the integrity of our process. And we raised that.  
2 They thought about it and they concurred with us.

3 And two, if we think a local process is in  
4 any way below a very high standard of transparency and  
5 integrity. If that were ever to happen that would, I  
6 think, be under our authority to act. Because if we  
7 didn't, I think it would impair the whole process.

8 So, I think we need to continue to watch  
9 not only Springfield because it's not just about  
10 Springfield as I said last week, we need to continue to  
11 watch the local process by those two standards. But on  
12 this particular one, on the exercise of what process they  
13 use whether we agree with it or not, I think it is  
14 appropriate for them to make this step.

15 Our two criteria however are two that we  
16 need to continue to watch with the utmost care. It's the  
17 issue of why we raised the issues about Shefsky. We are  
18 still waiting on the Ethics Commission to make a  
19 decision. But that is I think our legitimate role.  
20 Anything else on this?

21 Just the last thing I had to mention in  
22 credit to Springfield. We asked two things of them. We  
23 asked that they slow down the process in order that we  
24 can work this out. That they not issue their RFP now

1 almost two weeks ago and they agreed - A. And B - we asked  
2 them to change their process to accommodate our schedule  
3 and they did that as well. That says a lot to me about  
4 where they are coming from on this.

5                   Okay. Anything else on that? Item  
6 number four, I don't think that there's much to add on  
7 our various searches. They are all underway. Some come  
8 to fruition. We have just recently posted the job  
9 definition for the Deputy Director of the Investigations  
10 and Enforcement Bureau. So, if anybody out there has any  
11 candidates, we are looking hard. But meanwhile, I think  
12 we are getting close on a lot of these things.

13                   COMMISSIONER MCHUGH: Can I just ask for  
14 some guidance here to make sure that I understand the  
15 procedure? Commissioner Cameron and I have been working  
16 on the staff attorney thing. We are well into the  
17 process.

18                   The next step will be to select a person  
19 who we want to recommend. And it's our understanding  
20 that we can go ahead, select that person, send him or her  
21 to the background investigations. And then when that is  
22 done, present that single candidate to the Commission for  
23 approval. Is that an acceptable procedure?

24                   CHAIRMAN CROSBY: Yes, is the answer.

1 It's a little tricky because you get pretty far down the  
2 road and for some reason or another the Commission didn't  
3 accept your recommendation, you've already done the  
4 background check.

5           But I think we have decided that the  
6 process is best if we don't make the name public and we  
7 don't give a recommendation to the Commission, unless it  
8 comes to multiple finalists. But I guess even then we  
9 are going to do multiple background checks first. So,  
10 yes that is the process.

11           COMMISSIONER MCHUGH: I should make clear  
12 that I am doing this and getting the able assistance of  
13 Commissioner Cameron. We have a single point of  
14 authority here, but I'm consulting periodically with  
15 Commissioner Cameron.

16           CHAIRMAN CROSBY: And we are getting  
17 great collaboration as I understand from the State Police  
18 to move quickly on this?

19           COMMISSIONER CAMERON: We are. They  
20 understand our need to move through the background  
21 investigation process quickly with multiple candidates  
22 in a number of areas. And they are ready, willing and  
23 able to accommodate us there.

24           CHAIRMAN CROSBY: Great. Number 5

1 finance and budget, Commissioner Zuniga, do you have any  
2 topics?

3 COMMISSIONER ZUNIGA: Yes. Just a  
4 couple of quick updates. We have gotten an inquiry from  
5 one potential host community -- or one host community as  
6 to the process and procedure for reimbursing --  
7 disbursing the monies that are due for the costs of  
8 mitigation of the agreement process.

9 So, I will be coming back to the Commission  
10 with a quick procedure. I have started writing up a  
11 one-pager for consideration next meeting. I will  
12 hopefully bring back a procedure that could then be put  
13 forward for all host and surrounding communities as to  
14 how to submit for reimbursement.

15 CHAIRMAN CROSBY: Just for  
16 clarification, this is -- Plainville actually raised  
17 this saying that they do have somebody interested.  
18 Plainridge is interested. They are an applicant. They  
19 have paid their \$400,000. And Plainville is asking what  
20 is the process to access the \$50,000, the no less than  
21 \$50,000 which is available from that \$400,000 for  
22 community mitigation.

23 COMMISSIONER ZUNIGA: Yes.

24 CHAIRMAN CROSBY: We need to put together

1 some simple process which we will do in the next week or  
2 so.

3 COMMISSIONER ZUNIGA: On that note, our  
4 not final regulations, but what we have issued as our  
5 draft regulations contain language relative to that. I  
6 effectively hoping to put more detail in that language  
7 and have asked Commissioner McHugh to look at that  
8 outline of procedures. The hope is to come back next  
9 week with a procedure that could be then communicated to  
10 everybody, host and surrounding communities and  
11 applicants because they have to agree in a letter of  
12 agreement to the process. That's in the works.

13 It's come to my attention that the  
14 threshold for incidental purchases is about to be  
15 increased. It is not yet increased, but the procurement  
16 regulations of A and F had a threshold of \$5,000 for  
17 incidental purchases. That will be increased to  
18 \$10,000. I will come back with a recommendation for us  
19 to do the same and delegate authority to me under that  
20 threshold, which is something we did when we implemented  
21 that.

22 Finally, I am drafting -- Director Glovsky  
23 has been helping in terms of drafting a scope of work to  
24 extend the contract to our consultants. I will be coming

1 back with a draft of that scope of work as we continue  
2 to hash out the details as to how to extend that contract.

3 CHAIRMAN CROSBY: This is for basically  
4 the preparation of Phase 2?

5 COMMISSIONER ZUNIGA: Yes.

6 CHAIRMAN CROSBY: The operating part  
7 Phase 2, the regs. RFA Phase 2.

8 COMMISSIONER ZUNIGA: Yes.

9 CHAIRMAN CROSBY: Again, for information  
10 purposes our Phase 1 of our contract, the contract we now  
11 have with our consultants, the central product for that  
12 that was Spectrum and Michael & Carroll is to draft a  
13 comprehensive strategic plan. That phase will be over  
14 in the next 30 days or so. It was to produce this  
15 strategic plan which we will be finalizing.

16 Incidentally, the consultants have also  
17 helped us do Phase 1 of the RFA because we changed that  
18 process after we got started. Most of their work in  
19 Phase 2 will be to do Phase 2 of the RFA, if that helped  
20 or confused things.

21 Anything else?

22 COMMISSIONER ZUNIGA: No, that's the  
23 finance update.

24 CHAIRMAN CROSBY: Great. Racing



1 Division?

2                   COMMISSIONER CAMERON: Mr. Chair, two  
3 items to report with regard to operations. One is an  
4 application process. There is a short timeline here  
5 outlining the process for applications, which includes  
6 public hearings to be held on September 18 at 10:00 a.m.  
7 in the morning in Plainville and here in Boston at 2:00  
8 in the afternoon.

9                   It's my understanding that the operators  
10 come forward with an explanation of what they intend to  
11 do for next year. So, I think it is an opportunity for  
12 us as Commissioners if possible to be at these hearings  
13 and listen to those presentations.

14                   CHAIRMAN CROSBY: When are these  
15 hearings?

16                   COMMISSIONER CAMERON: September -- I'm  
17 sorry. That's the wrong date, October.

18                   CHAIRMAN CROSBY: October 18?

19                   COMMISSIONER CAMERON: Yes, October 18.

20                   COMMISSIONER MCHUGH: October 18?

21                   COMMISSIONER CAMERON: Yes. I proofed  
22 that and didn't get that. The other thing I included  
23 here was a copy of the application itself. Since we do  
24 not -- We just have the management piece this year, this

1 has not been a comprehensive review of the application.  
2 We intend to do that next year when we are reviewing all  
3 of the rules and procedures.

4                   CHAIRMAN CROSBY: Excuse me,  
5 Commissioner Cameron. We have so many applications.  
6 Just to make sure that everybody knows what applications  
7 we are talking about here.

8                   COMMISSIONER CAMERON: This is for  
9 license for the racetracks themselves.

10                   CHAIRMAN CROSBY: Having nothing to do  
11 with casinos or slots parlor?

12                   COMMISSIONER CAMERON: Nothing at all.  
13 You are right. That is a good clarification. We are  
14 strictly talking racing here today.

15                   As you can see, we changed some basic names  
16 to -- And this was Mr. Charles Kilb who is the staff  
17 attorney for DPL assisting us during this transition  
18 period. Obviously, it is not the State Racing  
19 Commission any longer. It is the Massachusetts Gaming  
20 Commission.

21                   A little more inclusive language to  
22 include LLCs and other business entities. Some expanded  
23 titles to include officers, members and managers. We  
24 excluded the language pertaining to dogs because that is

1 no longer in effect. Also some gender-neutral language  
2 in this application. Again, this has not been a  
3 comprehensive review, just some basic changes that have  
4 occurred in the last year to make the application more  
5 relevant.

6 CHAIRMAN CROSBY: And the comprehensive  
7 review will be a part of the overall reform process with  
8 the new director and advisory group?

9 COMMISSIONER CAMERON: Correct.  
10 Working group absolutely will be working on every aspect  
11 of racing to bring us in keeping with the best practices  
12 in the racing industry today. That is the first item.

13 The second item is a waiver for one of our  
14 appellants. This is a process we put in place earlier  
15 in the racing season. In this particular case, Mr.  
16 Marcano was -- the tentative decision was to lift his  
17 ejection, which will when that decision becomes final  
18 which will allow him to begin the licensing process to  
19 be relicensed, if in fact that is the decision of the  
20 judges, the stewards and the State Police in this matter.

21 In order to expedite that process, Mr.  
22 Marcano has signed this waiver, which means he will not  
23 be objecting to the tentative decision. It is his  
24 intention to expedite. It becomes a final decision,

1 which allows him to start the licensing process.

2 We have used this in the past. It is the  
3 same process. With approval, I will be signing off on  
4 that document today and allowing Mr. Marcano to move  
5 forward with the licensing process.

6 CHAIRMAN CROSBY: Do we need to vote on  
7 that?

8 COMMISSIONER CAMERON: We will take a  
9 vote on that matter. I move that we utilize the waiver  
10 process which will allow Mr. Marcano to move forward with  
11 his application for license.

12 CHAIRMAN CROSBY: Second?

13 COMMISSIONER STEBBINS: Second.

14 CHAIRMAN CROSBY: Any more discussion?

15 All in favor? Aye.

16 COMMISSIONER ZUNIGA: Aye.

17 COMMISSIONER MCHUGH: Aye.

18 COMMISSIONER CAMERON: Aye.

19 COMMISSIONER STEBBINS: Aye.

20 CHAIRMAN CROSBY: Opposed? The aye's  
21 have it.

22 COMMISSIONER CAMERON: That is the end of  
23 my racing report, Mr. Chair.

24 CHAIRMAN CROSBY: Okay. The only other

1 loose end was we had gotten this letter emailed from  
2 Attorney William Geary about the EPA role. We all  
3 discussed it and decided there was no need for ongoing  
4 monitoring.

5 He did make another suggestion which  
6 doesn't have anything to with him. It's how we manage  
7 this. Commissioner McHugh, you said it might make sense  
8 to talk about that a little bit.

9 COMMISSIONER MCHUGH: Yes. The  
10 suggestion in the letter was along the lines -- And  
11 specifics aren't critical. -- that just so that the  
12 Commission stays informed about progress that we ask the  
13 people at Suffolk Downs to send us certain communications  
14 and responses between themselves and the EPA. So, that  
15 we can watch what is going on at least from a distance  
16 and keep ourselves informed.

17 If everything goes according to the  
18 consent decree, which as we discussed last time is not  
19 only detailed but has a great number of reports and  
20 monitoring that the Feds are going to do. We'll simply  
21 be observers, but at least we will be up to speed on what's  
22 going on.

23 It seems to me that's worthwhile. We are  
24 going to have in the near future some people to help us

1 with these kinds of things, a paralegal, perhaps an  
2 attorney sort of a law clerk type of attorney perhaps,  
3 staff attorney. We will have the capacity to absorb  
4 these reports and flag for the Commission anything that  
5 we need to be aware of.

6 I think we ought to think about and put  
7 together and perhaps have ready for next meeting just a  
8 list of reports we want. We don't need everything. We  
9 would be overwhelmed by everything. Some of the key  
10 reports and communications that go back and forth between  
11 the EPA and Suffolk Downs, put together a list and ask  
12 them to give it to us. Then talk about that in concrete  
13 terms next week.

14 CHAIRMAN CROSBY: The other point, the  
15 big point that this writer makes and I think it is an  
16 important one is that we will be overseeing these  
17 facilities. And there are things to oversee beyond just  
18 the racing or the gambling.

19 All of them will have other relationships  
20 having to do with environmental impacts and so on and so  
21 forth. And that part of our job should be to sort of keep  
22 an eye out, carefully keep an eye out. Because if one  
23 of our facilities ends up doing something horrible in  
24 terms of environmental stuff that still will reflect on

1 us as well, which I think you're saying is a good point  
2 and I agree with that.

3           Just in the interest of time, we are going  
4 to have so much stuff on our agenda for next week, there  
5 is no particular rush. I think maybe with the new Deputy  
6 Director of Racing and/or the paralegal or someone, I  
7 think that's a good suggestion. And we can implement  
8 that soon. Great. That's it on racing?

9           COMMISSIONER CAMERON: Yes.

10           CHAIRMAN CROSBY: Item 7, consultant  
11 status reports? Commissioner O'Toole?

12           MS. O'TOOLE: Good afternoon Chairman,  
13 Commissioners. I am here on behalf of the consultants  
14 to provide an update. While I would say that obviously  
15 you have your homework there in front of you, the  
16 consultants delivered the 491-page draft of the  
17 strategic plan last week.

18           I know it was a very busy week for the  
19 Commissioners, but I have received some preliminary  
20 feedback from some of the Commissioners. And the  
21 consultants look forward to discussing additional  
22 feedback from the Commissioners on the draft plan this  
23 week and then next week during the public meeting.

24           Both consulting groups will be

1 represented here next week. They will be in town for  
2 meetings with Commissioners on Monday and Tuesday. So,  
3 they look forward to answering specific questions.

4           We are still finding a few typos in there,  
5 but we will look forward to talking about the more  
6 substantive issues during the course of telephone calls  
7 this week and meetings on Monday and Tuesday of next week.

8           Also, this past week they worked with  
9 Anderson and Kreiger to deliver a document that provides  
10 the Commission with recommendation for addressing the  
11 comments that came in relating to Phase 1 regulations.

12           They also conducted research and provided  
13 some advice in support of the Commission during some of  
14 the events that occurred relating to Springfield last  
15 week. They have been working with Director Glovsky  
16 about logistical aspects of the Phase 1 process to get  
17 a better sense for the exact chronology and logistics  
18 around that.

19           They also began drafting an MOU template  
20 that can be used for MOUs with other gaming  
21 jurisdictions, with law enforcement agencies and other  
22 agencies that the Commission will need to enter into  
23 agreements with.

24           So, I think that's pretty much it. Again,



1 the primary focus has been on the draft strategic plan.  
2 And they look forward to wrapping that up, incorporating  
3 the Commission's feedback into it over the next week or  
4 two.

5 CHAIRMAN CROSBY: And we remain on  
6 schedule to release the background check forms,  
7 basically the RFA-1 forms on October 12, 13, 14, which  
8 has been the plan all along now. We are on that plan for  
9 people who are interested.

10 MS. O'TOOLE: Correct.

11 CHAIRMAN CROSBY: On next week we will  
12 also not only have your team here but also the project  
13 management people who are converting this into a project  
14 management plan. And we will be trying to integrate this  
15 with that as well. It's going to be a fairly hefty  
16 meeting.

17 We do have a draft of the critical path  
18 chart now from the project management folks. And we are  
19 trying to square the details with this. So, that will  
20 be an interesting one.

21 Have we formally decided and if not when  
22 do we that we expect the RFA-1 forms to be back to us 90  
23 days after they are released?

24 COMMISSIONER MCHUGH: We have not decided

1 on the date. The plan looks at the end of January as the  
2 date for returning those. I think that is generally what  
3 we have talked about three months after -- two-and-a-half  
4 months -- three-and-a-half months.

5 COMMISSIONER CAMERON: Two-and-a-half,  
6 the end of December, isn't it?

7 COMMISSIONER ZUNIGA: It's end of  
8 December. I'm sorry, I was just looking at this earlier.  
9 I believe the response time for the RFA Phase 1 is  
10 currently one month, I believe so.

11 CHAIRMAN CROSBY: That is not in any of  
12 the stuff we've published.

13 COMMISSIONER ZUNIGA: No, no, but there  
14 is language in the strategic plan that --

15 COMMISSIONER MCHUGH: We need to consider  
16 that and we need to consider that next week as part  
17 of --

18 CHAIRMAN CROSBY: That might just be a  
19 question to ask. I think what we have been assuming,  
20 certainly I have when I have done planning and talking  
21 to people is that people would have 90 days presuming  
22 there would be an option for an extension if for some  
23 reason other people couldn't get it done in 90 days.  
24 Maybe we should ask the consultants, is that the right

1 date to target?

2 MS. O'TOOLE: I think we can also  
3 anticipate that some of the applicants will complete it  
4 much sooner than that in attempts to expedite the  
5 process.

6 CHAIRMAN CROSBY: Right.

7 MS. O'TOOLE: Some could be gathering,  
8 compiling their information right now.

9 CHAIRMAN CROSBY: Right. Yes, I'm sure  
10 they are. People have gone through this before. But  
11 even still if you could double-check with them because  
12 we don't want to set an unreasonable outside deadline.  
13 But I'm pretty sure 90 days is what we have been thinking.

14 COMMISSIONER MCHUGH: Could I ask just a  
15 process question? As we look forward to hearing from the  
16 consultants next week and look forward to examining this  
17 plan further and look forward to the project planners  
18 incorporating all this into a flow chart, when are we  
19 going to talk about sort of major themes?

20 Here's what I'm getting at. As I look at  
21 this and I must say this is tentative because I haven't  
22 had chance to really come to grips with this the way I'd  
23 like to. This proceeds in an entirely linear fashion and  
24 I understand why we are doing that. But particularly the

1 discussions we've had over the last three weeks  
2 internally and with external partners and others who are  
3 interested in this makes me wonder if there aren't pieces  
4 of this that don't have to be exactly linear.

5           In other words, if we are going to try to  
6 give communities a heads-up about the kinds of things  
7 that we are going to look for in a host community  
8 agreement, is that a subject we could take out of a linear  
9 progression, attack early at least at a high-level and  
10 say okay and come to a decision? And say okay this is  
11 what we are going to look for in the host community  
12 agreement. We will flesh this out with regulations in  
13 detail. But as you go ahead and plan your relationship,  
14 you can focus on these kinds of things.

15           CHAIRMAN CROSBY: Like we've just been  
16 talking about with the host community referendum and  
17 those mechanics?

18           COMMISSIONER MCHUGH: Not only the  
19 mechanics but for example are we going to be interested  
20 in architectural design? Is that something we are going  
21 to be interested in as part of what we are going to be  
22 looking at in a final agreement?

23           We have the ability not only -- We have the  
24 requirement to consider the criteria that are set out in

1 the statute in looking at the plan that we are presented  
2 with, but we also have the ability to create other things  
3 that we are interested in having in those agreements as  
4 well.

5                   Perhaps, we do a service to the  
6 communities to have those things at least at a high level  
7 identified and solidified before we get to the process  
8 of drafting the regulations to support them. Perhaps we  
9 would do the surrounding communities and the developers  
10 a service if we answered in a committed fashion what we  
11 are prepared to entertain and approve requests for  
12 compensation for. I.E. if a surrounding community wants  
13 money for negotiations and impact studies that is in the  
14 statute. That's pretty clear. If they want money  
15 upfront for a new fire engine that might be something  
16 entirely different.

17                   And if we could identify those kinds of  
18 things, it would allow people to move forward with their  
19 planning even though the precise content of regulations  
20 was yet to be decided. That's what I mean by nonlinear.

21                   We've talked about this before in a  
22 general sense, but the fact is that people are attempting  
23 to get these agreements lined up. They are in many cases  
24 ahead of us and are going to stay ahead of us in a way

1 and should stay ahead of us, should stay ahead of us  
2 within parameters.

3           We can help them by identifying some of  
4 these major themes that we are going to be looking for  
5 maybe. At least I wondered when the right time to  
6 discuss that is.

7           COMMISSIONER ZUNIGA: I think that's an  
8 excellent point. I thought of a version of what you were  
9 alluding to in the context of what is currently in the  
10 strategic plan which is a couple of options for letting  
11 out the licenses in different regions.

12           I think the strategic plan does mention  
13 that we could have the option to and we should entertain  
14 and look at the pros and cons of letting out different  
15 licenses from different regions at different times. But  
16 I think it doesn't flesh out, which I think it should,  
17 letting out the slots parlor license first.

18           The way to take advantage of that would be  
19 to do along the lines of what Commissioner McHugh is  
20 suggesting not wait until all of the regulations for  
21 Phase 2 are final but perhaps think about issuing  
22 regulations for different pieces in some kind of  
23 sequential or staggered way. I think those options need  
24 to be explored.

1 I guess the first real time to do that  
2 would be next week in what is termed an interactive  
3 planning session, because we could start looking at what  
4 the schedule -- what the baseline schedule does when we  
5 change some assumptions or at least start brainstorming  
6 about that. But I think that is very important for us  
7 to consider.

8 COMMISSIONER MCHUGH: Just to pick up on  
9 that, I raise that now because I wonder if -- And I am  
10 simply thinking out loud. -- I wonder if we are not taking  
11 on too much if we try to both do the conceptual  
12 discussion, i.e. should we do a sequential thing or slots  
13 parlor first? Should we take chunks of work and do the  
14 chunks of work before we do the other chunks of work?

15 Are we trying to do too much at the same  
16 time we are trying to fit all of that into a schedule,  
17 maybe not. Maybe the scheduling implications of doing  
18 those things is something we need to consider in deciding  
19 upon their utility. I don't know.

20 CHAIRMAN CROSBY: I think this is  
21 something we have to continue to think about. But I  
22 think there are three very different categories of  
23 things. I think the process ones might be talked about,  
24 trying to give cities and towns and developers a sense

1 to clarify this referendum host community agreement  
2 vetting process. That I think is something we could step  
3 out of line, do kind of an advisory way without any  
4 problem.

5           The substance of what our criteria are  
6 going to be, for example design, that's one that would  
7 be hard for us to do kind of quickly off-line because that  
8 is something we probably want to have hearings on. It's  
9 a big open-ended question about whether and how much you  
10 would consider design.

11           And the issue of sequencing licenses is  
12 even a bigger issue that again we could at some point take  
13 it out of sequence and think about that one. We would  
14 have to put some real serious time and energy into that.  
15 So, I think process, the smaller process stuff, yes. I  
16 think we can do that. And we have done that and we should  
17 do more of that in making people sure -- to have a pretty  
18 good idea of what's coming down the line in terms of  
19 process.

20           I am less clear on trying to take out the  
21 substance of the standards that we will be using until  
22 we really have a chance to really vet those, which is  
23 probably about the time in the critical path chart.

24           COMMISSIONER MCHUGH: That may be. And



1 you may be absolutely right. I would just like to spend  
2 a few minutes talking about that.

3 In the context, let's just take where we  
4 are with Springfield right now. I suspect they are not  
5 alone. I suspect there other negotiations for host  
6 community agreements going on right now. And the  
7 concern is that even if they wait until we have finished  
8 the vetting process to do a vote, unless we have clarified  
9 what our principal points of interest are, what kinds of  
10 things we are going to be looking for in the agreement,  
11 we still risk the possibility of a vote on a document that  
12 doesn't fully comply with the regulations we ultimately  
13 issue in terms of subject matter.

14 And it seems to me that we ought to think  
15 about whether we can create a structure that would  
16 minimize the likelihood that that happens. I'm not sure  
17 it can be done either, but I would just like to spend a  
18 little time talking about it.

19 CHAIRMAN CROSBY: In the schedule as it  
20 presently stands, there is not really -- while we are  
21 doing the background checks, which will substantially be  
22 outsourced that will not be tying up our time very much,  
23 we are scheduled to be doing precisely that, fleshing out  
24 the regs for RFA-2, which is where we will put in, here

1 is where we will consider design and here is how much we  
2 are going to consider it.

3           We might have a freak circumstance where  
4 somebody gets their background check done earlier than  
5 at the very earliest possible, and at that point we might  
6 not be done with our regs, our RFA-2 regs. That is sort  
7 of an idiosyncratic case. The way it's scheduled right  
8 now the to do I think --

9           COMMISSIONER MCHUGH: But we have already  
10 talked about a process and I think a process is being  
11 worked on, a protocol is being worked on, Kathy, now in  
12 which we take subject matters, for example, that the  
13 Phase 2 regs are going to encompass. And then we have  
14 a discussion about the policy issues those subject  
15 matters are going to raise so that the regulation writers  
16 will have some guidance as to what regulations they are  
17 going to write. And that is going to raise some more  
18 policy questions.

19           So, we come back after that first cut and  
20 look at some of the policies and the paces of the first  
21 cut has produced. So, the sequence of this is likely to  
22 be policy considerations, drafting, policy  
23 considerations, drafting until we down get to the fine  
24 line. Somewhere in there and it's in the context of that

1 process that I wonder if we couldn't isolate some  
2 important policy issues that having isolated them and  
3 tell the regulation writers now go write the regs to deal  
4 with them, gives at the same time guidance to cities and  
5 towns in their planning.

6 COMMISSIONER ZUNIGA: I was going to  
7 attempt to clarify what you just did, which is just that  
8 by the time we issue in this process of regulation policy  
9 writing and promulgating, as soon as we have policy  
10 decisions, those policy statements should be made public  
11 as a guidance to communities.

12 That would gain time because it would  
13 allow communities to incorporate that in the process that  
14 they are going. It would allow designers for applicants  
15 to incorporate those in the project that they are  
16 formulating. And they would not have to wait until the  
17 regulations are final and promulgated. They could at  
18 least get the direction that this Commission is going.

19 CHAIRMAN CROSBY: Yes. Thoughts?

20 COMMISSIONER CAMERON: I think it is a  
21 perfect opportunity next week when we meet with our  
22 gaming consultants to actually flesh out these issues and  
23 what they have seen in other jurisdictions, what were  
24 some of the lessons learned in trying to do this

1 efficiently and yet properly.

2                   COMMISSIONER STEBBINS: It's interesting  
3 reading part of the strategic plan that I've gotten  
4 through so far. There is obviously some very detailed  
5 information and suggestions as to organization. And  
6 then I came across a page almost top to bottom of what  
7 I would call general policy questions that I was like am  
8 I suppose to write yes? Am I suppose to write no? At  
9 what point do we step. It was a lengthy set of kind of  
10 these open-ended policy questions.

11                   I follow up on Commissioner McHugh's point  
12 that we have communities that are moving ahead in some  
13 cases surrounding communities starting to talk to  
14 operators about components of the host community  
15 agreement. And I have a general concern that a lot of  
16 the evaluation criteria we are going to look at in the  
17 final license application may not be criteria that is  
18 necessarily going to wind up in the host community  
19 agreement.

20                   But I don't want the host community to be  
21 neglectful of that information. One of the components  
22 we can evaluate and we can talk about this a little later  
23 in the AIA piece is a LEED certified builder. How is that  
24 playing within the conversations between an operator and

1 the local host community?

2 I am not saying follow us to the letter of  
3 the law at this point, but as you are framing your host  
4 community negotiation, keep in mind what you may consider  
5 important criteria in that may not be the criteria by  
6 which we are going to evaluate a license application.  
7 So, I don't know if that kind of falls into that same silo.

8 COMMISSIONER MCHUGH: It's the same  
9 thing.

10 COMMISSIONER STEBBINS: It's a general  
11 discussion maybe putting out more information kind of an  
12 informational basis to say this is what this statute  
13 clearly outlines. This is what this statute clearly  
14 outlines and the regs to follow later.

15 CHAIRMAN CROSBY: I think I agree that  
16 next week will be a start -- First of all, there are a  
17 ton of those questions, as you said, in here. And we've  
18 got our hands full with these. When we do it, we can  
19 start talking about it. I hope that next week -- not next  
20 week but the week after or shortly we will have our  
21 critical path chart and we can look at that chart and say  
22 right here is where we need to stop and take a deep breath  
23 and try to pull out a bunch of critical issues like that  
24 and focus on them. I think it's a really good idea. We

1 haven't commented that need at all yet.

2 Just drawing up the list of what those  
3 issues are will be a considerable job.

4 COMMISSIONER MCHUGH: Yes, it is.

5 COMMISSIONER ZUNIGA: And sorting it by  
6 priority too.

7 COMMISSIONER MCHUGH: Right.

8 CHAIRMAN CROSBY: Anything else on that?  
9 Is there anything else that you've got on your end?

10 MS. O'TOOLE: No. I would just say  
11 Chairman that I totally agree. We all recognized early  
12 on that the Phase 2 regulations will be much more  
13 complicated. The process will be much more complicated  
14 and require a lot more interaction between the  
15 consultants and the Commissioners because there are so  
16 many policy decisions to be made in the Phase 2 process.

17 I think it makes lots of sense to  
18 prioritize those, create that list and prioritize them.  
19 I think it will make it a more efficient process as well.

20 CHAIRMAN CROSBY: That might be something  
21 to also give them a heads-up to be able to think about.  
22 How do they anticipate this iterative process working in  
23 the nonlinear step that Commissioner McHugh was talking  
24 about.

1 MS. O'TOOLE: I will do that today.

2 Thank you.

3 CHAIRMAN CROSBY: Great, thank you.

4 Phase 1 regs we referred to generally. Do you want just  
5 to reiterate where we are in that process?

6 COMMISSIONER MCHUGH: Yes. As Kathy  
7 O'Toole just mentioned, the consultants gaming and law  
8 delivered a document to me yesterday afternoon, which I  
9 am going to circulate although it's not in its final  
10 stages, in which all of the comments are listed. They  
11 are listed with the nexus to the section of the  
12 regulations to which they apply.

13 The comment is there. The recommendation  
14 as to what we do with the comment is there. And in some  
15 places there is disagreement. And I want to spend some  
16 time with them trying to see if I can't figure out what  
17 the basis for the disagreement is. And deliver to you  
18 a second document on Friday with as many of those  
19 disagreements resolved as I can with a recommendation as  
20 to what we do. So, you will have both the raw material  
21 and the recommendations.

22 Then we take it up on Tuesday. My sense  
23 is the document is about -- the document is a lengthy  
24 document. The comments were very thoughtful. There

1 are no game changers in the comments.

2           We had the help of a lot of careful readers  
3 who went through and picked out the variety of places  
4 where they suggest improvements. I think that we will  
5 be able to get through this in fairly short order on  
6 Tuesday having in mind that the main event is that.

7           But if I sense it's going to take us longer  
8 -- I will try to give everybody a heads-up if I think it  
9 is going to take us a while to get through. I guess  
10 that's the best I can do.

11           CHAIRMAN CROSBY: If we didn't do it next  
12 week, does that change --

13           COMMISSIONER MCHUGH: It does.

14           CHAIRMAN CROSBY: So, we should try hard  
15 to do it if we can.

16           COMMISSIONER MCHUGH: We have to do it  
17 next week. The question is how big a deal will it be?  
18 Do we need to start the meeting a little earlier?

19           CHAIRMAN CROSBY: Or serve dinner.

20           COMMISSIONER MCHUGH: Or breakfast. I  
21 think not. We have the benefit, as I say, of very  
22 thoughtful comments, but they were precise. So, I think  
23 we will be able to get through this pretty quickly even  
24 though the document is lengthy.



1                   CHAIRMAN CROSBY:   Okay.  Our "Wall  
2 Street project", Commissioner Zuniga, do you want to give  
3 us an update?

4                   COMMISSIONER ZUNIGA:  Yes.  I have been  
5 doing -- conducting effectively an RFI process just  
6 talking to people who are potentially qualified to help  
7 us do a financial type of assessment or research or  
8 introductions in order to foster more involvement from  
9 the financial community, which is the genesis of this  
10 topic.

11                   I am very close with the help of some staff  
12 people to have a document ready to be put out to request  
13 responses.  I'm thinking this could be done quickly  
14 because this would be a small procurement.  Therefore,  
15 we would be soliciting three quotes.

16                   The basic question is tell us -- would be  
17 tell us what strategy steps we should consider in order  
18 to accomplish the goal that we want to which is this idea  
19 of fostering interest or drumming up additional  
20 interest.  Or maybe there's already the interest that  
21 it's going to be here.

22                   That document will be ready in the next few  
23 days.  The idea again is to put it out quickly and see,  
24 elicit responses and bring those back to the Commission

1 so that they could be analyzed as to what the best  
2 strategy should be.

3 CHAIRMAN CROSBY: We talked about this  
4 last week. Commissioner Zuniga and I have been working  
5 on this. We did push back pretty hard to say is there  
6 really a value-add here or not. Let's not kid ourselves  
7 if there is nothing we can really get out of this.

8 It's going to take time. It's going to  
9 take money. And we got some very articulate expressions  
10 about where value-added would be. But they also were  
11 different. Some people had a different sense. Some  
12 investment bankers had a different sense from others.

13 One focused just generally. Spectrum  
14 originally just talked generally, sort of shot gunning  
15 to all kinds of financial markets. Another was quite  
16 specific, as I mentioned I think last week, on equity  
17 players who might need some more selling. Another was  
18 much more focused on our present players and what their  
19 needs might be in getting financing and on developers who  
20 might be on the sidelines in Massachusetts.

21 So, some very sort of different  
22 strategies. The net of it was we certainly were  
23 convinced that it's probably worth doing. It certainly  
24 can't hurt and it probably can add some value. But we

1 are going to try to really force the posers in a speedy  
2 process, but an interesting process to tell us  
3 articulately what their strategy is and where they think  
4 the real value-added is.

5                   We'll talk about those at a meeting and  
6 make the decision as quickly as we possibly can.

7                   COMMISSIONER ZUNIGA: That's exactly the  
8 idea.

9                   CHAIRMAN CROSBY: Great. Item number 8,  
10 community and/or development outreach and responses.  
11 We talked about the request that came from Plainville  
12 about the community mitigation money. Is there anything  
13 else?

14                   COMMISSIONER MCHUGH: I wanted to raise  
15 one issue that was embodied in copious notes that no  
16 longer are here. Anyway, I was over in Winthrop last  
17 week -- here they are.

18                   I was over in Winthrop last week and the  
19 police chief over there raised, Terence Delehanty,  
20 raised a couple of interesting things that fit in with  
21 our baseline study that we are about to do.

22                   He wondered -- I mentioned to the group  
23 that was assembled at the Chamber of Commerce breakfast  
24 and I mentioned to the group that was assembled that we

1 are going to do a baseline study statewide of conditions  
2 now so that we have a delta of observable changes that  
3 move forward. The local cities and towns should be doing  
4 that as well. They have already started that process.  
5 They have a committee and the like.

6           But he raised two questions that I thought  
7 were worth including in our study. One is are we  
8 planning to reach out to police departments in other  
9 jurisdictions that are adjacent to gaming facilities to  
10 try and get whatever data they have about the changes that  
11 they have observed and how they observed them to help  
12 focus the kind of planning effort that local cities and  
13 towns might use.

14           The other thing was more amorphous but  
15 equally if not more fascinating and that is in as we do  
16 our study are we going to correct for a bad economy? His  
17 point was that in a bad economy, certain kinds of  
18 antisocial behavior rises particularly economic crimes.  
19 Therefore, just doing a baseline now about various kinds  
20 of things may not give a true picture of where the  
21 baseline normally belongs.

22           In other words, if we have 100 robberies  
23 in a period of time in a given community in this economy  
24 and the economy improves and the robbery rate goes down

1 or stays the same let's say when a gaming facility  
2 arrives, can we safely say that the gaming facility has  
3 had no impact on the community?

4 I thought that that was something that we  
5 can't answer but that we ought to try and have the folks  
6 who are doing our study think about as I'm sure they will.

7 CHAIRMAN CROSBY: This reminds me of my  
8 old life talking to academics about how you study things  
9 like this. What you just got through saying is true.  
10 Housing starts and job starts and restaurant use.

11 COMMISSIONER MCHUGH: Right, right. It  
12 opens up that whole window and correction failure.

13 CHAIRMAN CROSBY: The study will have to  
14 try to control for those variables. And social science  
15 research isn't a precise art, but hopefully -- I will get  
16 to the RFI in a few minutes. -- hopefully we'll get people  
17 who are sophisticated enough to try and control for those  
18 variables. It certainly is on our radar for that.

19 The Chelsea questions are still in  
20 process?

21 COMMISSIONER MCHUGH: Yes. There's a  
22 stack of frequently answered -- No, not frequently  
23 answered, frequently asked questions. I'm trying to  
24 make them frequently answered questions. We are trying

1 to get to that.

2 CHAIRMAN CROSBY: Great. 8B, acting  
3 ombudsman that would be I. I guess we talked about  
4 Plainville. That was one inquiry that came in from the  
5 town administrator. We talked about that.

6 We also got a letter that I think all of  
7 the Commissioners got, which was pursuant to our  
8 published protocol about how communities and developers  
9 will now react with the public sector if they become  
10 applicants. We got a letter from Plainridge just  
11 detailing some of their work that had gone on prior to  
12 this protocol being in place, which was good to hear. We  
13 are not going to jump on anybody for talking before we  
14 got started.

15 But a couple, Suffolk Downs also has had  
16 some steps with public agencies. Hopefully now all of  
17 the requests to meet with public agencies will be  
18 channeled through our contact points. This was just a  
19 nice update from Plainridge.

20 The last thing is that I gave you kind of  
21 late in the game is the updated draft of the kind of  
22 protocol that we have on our website. We changed the  
23 dates a little bit because we now know at least a couple  
24 of our deadlines have been met on the good news side. So,

1 the dates have moved up a little bit. There are a few  
2 other changes just to make this memo up-to-date. If  
3 you've had a chance -- There's nothing very  
4 controversial.

5           If you want to look at the chart on page  
6 two, that's really where the biggest change is. We have  
7 the best possible shot that we've been talking about  
8 begin issuing license would be next fall. But the very  
9 likely shot as opposed to the least likely shot, the very  
10 best shot would be spring probably, March, April of 2014.  
11 That is the major change.

12           The rest of it was just kind of bringing  
13 you up to speed that we are now actually in the  
14 application process. We are not just designing the  
15 application process. We hope to have an ombudsman on  
16 board by the end of this month and a few other little  
17 things like that. I don't know if there really is a need  
18 to vote particularly.

19           COMMISSIONER MCHUGH: I think we do need  
20 to update this, Mr. Chairman. I just wondered if it  
21 wouldn't be better to wait for a week until we have next  
22 week's discussion.

23           I would really like to push on some of  
24 these dates. They may not change, but I would really

1 like to see -- I'd really like to explore those dates a  
2 little bit and see if there isn't some way we could tinker  
3 with them and change them. For that reason, I would like  
4 to wait a week until we have that discussion.

5 CHAIRMAN CROSBY: Even though these are  
6 in pretty broad ranges?

7 COMMISSIONER MCHUGH: I understand that,  
8 but maybe we could even include another category that  
9 would be helpful. I don't know.

10 CHAIRMAN CROSBY: Okay.

11 COMMISSIONER STEBBINS: I just had a  
12 quick note that you made the changes down in the box below  
13 but reflecting those in the commentary above.

14 CHAIRMAN CROSBY: Good point.

15 COMMISSIONER STEBBINS: I think to  
16 Commissioner McHugh's point of not finalizing, and  
17 seeing if we can tinker a little bit with them.

18 COMMISSIONER CAMERON: I agree because we  
19 are already talking about some areas where there maybe  
20 room to do that. I would concur that we hold off until  
21 we get through our strategic plan conversations and  
22 specific conversations on a timeline.

23 CHAIRMAN CROSBY: Okay. That was it for  
24 8B. 8C I referred to. We are moving along pretty



1 quickly on our ombudsman. Director Driscoll, do you  
2 have anything hot for us?

3 MS. DRISCOLL: Good afternoon everybody.  
4 I just have one main update today which is that as you  
5 all know we signed the agreement last week with our  
6 website and logo development company. We had our first  
7 meeting already last week.

8 This week they have already been busy  
9 building out the project management chart, which has  
10 already been developed, up online ready to go. They said  
11 we will see it over the next couple of days to start to  
12 really fill up with timeframes of activities.

13 CHAIRMAN CROSBY: The same project  
14 management chart that PMA is working on?

15 MS. DRISCOLL: No. This is just for the  
16 website and logo development, just for Jackrabbit.  
17 That's it. And they said that this week they will  
18 deliver to us --

19 CHAIRMAN CROSBY: Their own work  
20 timeline, I am sorry, I misunderstood.

21 MS. DRISCOLL: Yes. So, they said that  
22 this week they will get to us their overall strategic  
23 brief on what we can expect over the next couple of weeks.  
24 Then also a creative brief on what the logo process will

1 do. Those are two things that they expect to get to us  
2 by the end of the week.

3 I have a conference call with them  
4 scheduled for Thursday. So, it will be a significant  
5 amount of work, but my goal is to keep it moving as quickly  
6 as possible to keep everybody as mobilized as possible  
7 on it so that we can possibly -- so that no timeline get  
8 extended if we can avoid it.

9 CHAIRMAN CROSBY: Will you circulate  
10 those documents?

11 MS. DRISCOLL: Yes.

12 CHAIRMAN CROSBY: Is there a time, maybe  
13 it will be at a public meeting when we will have sort of  
14 a brainstorming session about website design and logo  
15 choices and stuff?

16 MS. DRISCOLL: Yes. What I expect from  
17 these briefs is some sort of layout of what the process  
18 will be exactly. First things first will be whatever the  
19 creative process will be and what they need from us for  
20 logo design.

21 Once they complete that they said they  
22 will really start moving on website design, because  
23 obviously the logo design will be such a huge part of what  
24 the website design is. They told me however that doesn't

1 mean that they won't be developing pages and inputting  
2 thought process, because I didn't want them to hold up  
3 website development because a creative process can start  
4 to get complicated, particularly when there is so many  
5 opinions that need to go into it. But they promised me  
6 that they can do both concurrent. But website will  
7 obviously be afterwards creatively for obvious reasons.

8 CHAIRMAN CROSBY: In the meantime while  
9 we are getting this done, it's going to take however long  
10 it takes, a month or two, whatever it takes quite more  
11 to get it done.

12 In the meantime, the website we have is the  
13 website we have. Is there somebody who has the job of  
14 making sure that everything stays current? For example,  
15 I just redid my welcoming letter, which I realized was  
16 outdated. And this protocol is outdated. Is there  
17 somebody who is keeping an eye on that?

18 MS. DRISCOLL: Yes. Basically, when you  
19 had sent us the welcome letter that got updated. For  
20 example, once the timeline was redone today, we are  
21 waiting for that to be completed. But we have already  
22 had discussions to make sure we update every element of  
23 the website that needs to be updated.

24 I am doing that the best I can. The only

1 time I ask for some assistance is let's say it's time to  
2 take down a job opportunity if there is a closing or  
3 something like that, if you can just sort of -- whoever  
4 is overseeing that particular job just to give an FYI and  
5 we will make sure we take that down. But I am happy to  
6 take all of that feedback.

7 CHAIRMAN CROSBY: Maybe change the  
8 photographs. I think the photographs have been the  
9 same, haven't they?

10 MS. DRISCOLL: Yes. We can do that.

11 COMMISSIONER MCHUGH: Great photographs.

12 COMMISSIONER CAMERON: Which  
13 photographs?

14 CHAIRMAN CROSBY: The ones that cycle  
15 through on the homepage. Now it's got the Governor  
16 signing the bill and that is kind of ex post facto and  
17 our appointments.

18 COMMISSIONER ZUNIGA: Although that is a  
19 good link to the actual bill. That's why the photograph  
20 is there. It's a good look.

21 CHAIRMAN CROSBY: Anyways, just  
22 something to think about.

23 COMMISSIONER CAMERON: I thought maybe,  
24 Mr. Chair, you didn't like your photo.

1                   CHAIRMAN CROSBY: I don't like my photo.  
2 I don't like any of my photos. It's the media's fault.  
3 It's not me. Okay anything else on --

4                   COMMISSIONER STEBBINS: I have something  
5 that falls under the category of our frequently answered  
6 questions or our frequently asked questions. I would  
7 like to work with the two of you to begin to delve into  
8 the statute and look at some of the job requirements in  
9 terms of who's eligible to work in a gaming casino. The  
10 law is pretty explicit.

11                   I think as people get excited about the  
12 prospects of employment by a casino or anywhere else, it  
13 would behoove us to set people's expectations and lay  
14 that out as much as we can decipher out of the statute.  
15 Just to say if you were thinking about pushing a cash  
16 truck around a casino, chances are if you have a serious  
17 arrest record that's not going to happen. Again, just  
18 kind of setting people's expectations up.

19                   COMMISSIONER CAMERON: Disqualifiers.

20                   COMMISSIONER STEBBINS: Yes.

21                   CHAIRMAN CROSBY: You mean just so people  
22 don't sit around for the next couple of years getting all  
23 excited knowing --

24                   COMMISSIONER STEBBINS: -- a job

1 opportunity might not come.

2                   COMMISSIONER MCHUGH: That ties into the  
3 discussion we had about the schools that may offer to  
4 train people for casino jobs but which they are not  
5 eligible.

6                   CHAIRMAN CROSBY: That would be great.

7                   COMMISSIONER STEBBINS: That's part of  
8 that going back to work with the community colleges. I  
9 think it behooves us to kind of lay out the expectations.  
10 To your point, they're not sitting around waiting for an  
11 opportunity to come along.

12                   CHAIRMAN CROSBY: I think if we spin it  
13 positively to talk about the development process, the  
14 pipeline that we are going to be creating and the training  
15 that we are going to be creating and retraining we are  
16 going to be creating then you make the negative sort of  
17 an incidental not -- the barrier is an incidental.

18                   COMMISSIONER STEBBINS: Absolutely.

19                   CHAIRMAN CROSBY: That would be a great  
20 project. Anything else?

21                   Okay, the Diversity and Inclusion forum.  
22 There was one wrinkle. Former City Councilor Bruce  
23 Bowling died recently and his funeral service is the same  
24 time as our forum. We talked with Ron Marlowe who is

1 organizing the forum for us and talked about the  
2 possibility of postponing it because there are a fair  
3 number of people who want to go to Bruce's service. But  
4 Ron felt that the best thing to do in Bruce's memory is  
5 to have this and promote the objectives that this is  
6 about. So, we are going to go ahead.

7 We have about 170 people signed up. And  
8 it's tomorrow morning at 8:30. Hopefully, that will be  
9 a good one.

10 AIA, Commissioner?

11 COMMISSIONER STEBBINS: Sure. We got a  
12 very thoughtful letter from the folks at AIA I think after  
13 you spoke with their group about offering their  
14 assistance and looking at building design,  
15 sustainability, making these facilities as  
16 energy-efficient as possible. I spoke with John, their  
17 Executive Director, scheduled him to come in at one of  
18 our meeting dates in October.

19 At the same time, I am taking out some of  
20 the language in the legislation, which deals with  
21 building design, LEED certification standards, sending  
22 it to them and kind of giving them that is information  
23 for them to strategize and think about. I think he's got  
24 a group of his Board that is trying to look at this issue

1 and look at how they may be helpful.

2 CHAIRMAN CROSBY: Great. We talked  
3 about this might be one of a couple things. We might also  
4 have an education forum. Is it sort of implicit in your  
5 mind that this would be the first step and there would  
6 be another?

7 COMMISSIONER STEBBINS: This would  
8 certainly be the first step in kind of seeing where the  
9 conversation is going to take us.

10 CHAIRMAN CROSBY: See if there is enough  
11 to pump up to a forum. Okay, great.

12 Number 9, the research agenda. I hope we  
13 will post the RFI today if not tomorrow. How long does  
14 that have to stay posted for?

15 COMMISSIONER ZUNIGA: I forget, but there  
16 was a timeline in the document. Maybe three weeks or  
17 thereabouts, three or four weeks.

18 CHAIRMAN CROSBY: That has all been  
19 finalized. That is finished and will be posted today.  
20 Did we get -- The guy who had the idea of doing a research  
21 project in Hampden County was a fellow you knew that spoke  
22 to us out in Springfield. He wanted to do the community  
23 health study, wanted us to be a partner in the community  
24 health study, Hampden County?



1 COMMISSIONER STEBBINS: Yes.

2 CHAIRMAN CROSBY: He was going to send us  
3 the contacts for Pew Charitable Trust and Robert Wood  
4 Johnson?

5 COMMISSIONER STEBBINS: I don't think we  
6 received that yet, but I can follow up.

7 CHAIRMAN CROSBY: I want to talk to them  
8 about our research project and will see whether or not  
9 they would consider being a part of ours.

10 COMMISSIONER STEBBINS: Sure.

11 CHAIRMAN CROSBY: I may have heard from  
12 him, but I missed it if I did. So, if you could follow  
13 up that would be great.

14 COMMISSIONER STEBBINS: Yes.

15 COMMISSIONER MCHUGH: That was the  
16 gentleman who talked to us at the open meeting last week?

17 CHAIRMAN CROSBY: Yes. He was  
18 originally asking us to partner on his study, which was  
19 only Hampden County but got very excited about being a  
20 part of a statewide study. And we thought may Pew and  
21 Robert Wood Johnson would help fund it.

22 I think that's it. Anything else on  
23 research or on item 10, any other business? Made up for  
24 the last time. Do I have a motion to adjourn?

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COMMISSIONER MCHUGH: So moved.

CHAIRMAN CROSBY: All in favor? Aye.

COMMISSIONER ZUNIGA: Aye.

COMMISSIONER MCHUGH: Aye.

COMMISSIONER CAMERON: Aye.

COMMISSIONER STEBBINS: Aye.

CHAIRMAN CROSBY: Thank you.

(Meeting adjourned at 2:26 p.m.)

1 ATTACHMENTS:

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3 Attachment 1, Agenda

4 Attachment 2, September 18, 2012 letter from Springfield

5 Planning & Development Regarding Springfield Casino Host

6 Agreement Process

7 Attachment 3, September 18, 2012 Memorandum Regarding

8 Racetrack Licensing Process

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15 SPEAKERS:

16 Kathy O'Toole, gaming consultant

17 Elaine Driscoll, Director Communications and Outreach

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C E R T I F I C A T E

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

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

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

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//Laurie J. Jordan// Date: September 19, 2012

Court Reporter for Office Solutions Plus, LLC

My commission expires: May 11, 2018

//Elizabeth Tice// Date: September 19, 2012

Elizabeth Tice, President, Office Solutions Plus, LLC

My commission expires: August 26, 2016