



Massachusetts Gaming Commission Meeting Minutes

Date/Time: June 6, 2019 – 10:00 a.m.

Place: Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110

Present: Chair Cathy Judd-Stein
Commissioner Gayle Cameron
Commissioner Eileen O'Brien
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

**Time entries are linked to the
corresponding section in the
Commission meeting video.**



Call to Order

See transcript page 1

[10:00 a.m.](#) Chair Cathy Judd-Stein called to order public meeting #271 of the Massachusetts Gaming Commission.

Approval of Minutes

See transcript page 1

[10:00 a.m.](#) *Commissioner Stebbins moved to approve the minutes from the Commission meeting of May 22, 2019, subject to correction for typographical errors and other nonmaterial matters.*

Commissioner Stebbins stated that after having a conversation with the Chair, he would like to insert some language from the transcript regarding distance to parking and security for Encore employees that were walking to parking, to make that a formal part of the adopted minutes.

Commissioner Zuniga stated that on page seven, he would like to add that in addition to the thanks he gave to Mr. DeSalvio and Ms. Krum for their work in

keeping the Commission informed, he also thanked them for getting the casino open on time.

Commissioner O'Brien stated that on page five, she would like clarification that she requested that the IEB provide information specific to their historical experience with MGM's 2:00 a.m. to 4:00 a.m. alcohol service.

*Commissioner Cameron seconded the motion.
The motion passed unanimously.*

Administrative Update

See transcript pages 1 – 4

10:01 a.m. General Update

Director Bedrosian reported that the Encore opening preparations are occurring expeditiously. He also reported on the progress of several areas of preparation and stated that he is still expecting that much more documentation from Encore will be forthcoming. He then thanked Encore for their cooperation and team effort.

Director Bedrosian informed the Commission that at the next Commission meeting he will be able to provide a status report from all of the directors, from their respective divisions, on what is complete and what is still outstanding in the weeks leading up to the opening.

He made note that when he visited the construction of Rare steakhouse, a new server approached him, and in their conversation, she stated that she was an Everett resident. She was a banquet server at most of the major hotels in Boston and Seaport and was extremely enthusiastic about having a job at Encore, which is essentially in her back yard.

Staffing Update

Director Bedrosian introduced new staff members. Austin Bumpus, Digital Communications Coordinator; Vivian Showell, Receptionist; Noelle Lowe, Senior Revenue Accountant; Matt Jordan, Financial Investigator; Tamaren O'Connor, IT Operations Coordinator; Conor McCourt, Licensing Specialist 1. He then introduced new Gaming Agents Diane Podolak, Matthew Kelly, James Morrell, Joseph Ford, Martin Edwards, Colin McGahan, and Sean Murphy. Lastly, he introduced new Supervising Gaming Agents David DiOrio, Mary Porter, Jolene Bingham, and Darren Fenske.

Director Bedrosian updated the Commission that the Gaming Enforcement Unit with State Police has expanded to now include the Everett Police. There are 12 troopers and six officers. Lieutenant Tim Babbini is the GEU Lieutenant for the Encore property.

Lastly, Director Bedrosian stated that both preparations for the opening as well as for staffing are on schedule. He added that it will still be a lot of work, and hopefully, this will be reflected in the presentation for next week's Commission meeting.

The Chair extended a warm welcome to all of the Commission's new employees.

Workforce, Supplier and Diversity Development

See transcript pages 4 – 26

10:15 a.m. **Encore Boston Harbor Regional Marketing and Tourism Plan**

Bob DeSalvio, President of Encore Boston Harbor, stated that this marketing plan has turned out to be Encore's worldwide international marketing plan. With him to present the plan was Jacqui Krum, Senior Vice President and General Counsel; Danielle Ashurst, Assistant Director of Travel Industry Sales; Joan Esneault, Executive Director of Hotel Sales and Catering; and Martha Sheridan, President and CEO of the Greater Boston Convention and Visitors Bureau.

Jill Griffin, Director of Workforce, Supplier and Diversity Development, provided the Commission with a brief overview of the statutory commitment requirements for the Regional Marketing and Tourism Plan. She stated that that the plan is intended to fulfill the pre-opening requirement to create a regional marketing plan in addition to other licensee requirements in Chapter 23k.

Director Griffin summarized the items in the plan, and explained how Encore came to revise the first version after feedback from Ms. Sheridan, as well as Nam Pham, Assistant Secretary for Business Development and International Trade; and Keiko Orrall, the newly appointed Executive Director of Mass Office of Travel and Tourism.

Mr. DiSalvio explained that they divided the plan into three different sections:

1. Inviting the World to Visit Massachusetts;
2. Sharing the Best of Massachusetts with the World; and
3. Building the Infrastructure

Assistant Director Ashurst presented slides on International Marketing. She described the components to Encore's global network that are currently being utilized. She then summarized new programs being launched to attract clientele and tourism.

Director Esneault presented the next section describing the creation of memorable experiences for guests, entitled, "Sharing the Best of

Massachusetts with the World". She described Encore's multi-million dollar launch Grand Opening Marketing Campaign to drive awareness inside and outside the Commonwealth. She then described Encore's elite concierge service, stating three of the nine members on the team are also members of Les Clefs d'Or (translated as The Golden Keys), which is an international professional association of hotel concierges. All nine concierges are members of the Greater Boston Concierge Association.

Director Esneault described food and beverage programs and partnerships with local restaurant groups, vendors, neighborhood organizations, cultural institutions, and businesses.

She then described community programs, to include Encore's WESave program for local businesses, where Encore is partnering so that they can offer opportunities to provide discounts to Encore employees. She stated that the program benefits local businesses because they will then be in front of 5,000 employees to offer their services and products.

[10:46 a.m.](#) Commissioner Stebbins asked if Encore would set expectations for small businesses regarding the WeSave program. Mr. DiSalvio responded, describing how Encore will initiate the plan. He made a note of how the plan has worked quite well in Las Vegas.

The Chair asked if there will be metrics to measure the success of the program. Assistant Director Ashurst said that there would be a code entered for the discounts used that will be tracked, thus indicating the volume of usage.

Mr. DiSalvio presented the "Building The Infrastructure" section of the plan, describing transportation programs for shuttle services.

[10:54 a.m.](#) The Chair asked Mr. DiSalvio to brief the Commission on the status of employee parking. He explained that there had been confusion around what is going on with parking at Wellington T station garage, stating that the garage is subdivided with space within the surface lot for Encore personnel, there is plenty of availability on the upper floors. He stated that parking is available in these locations through the MBTA at a discounted rate.

He summarized a section on hospitality infrastructure, and a program called Bet On U (Table Games Dealer training), in partnership with Cambridge College. He stated that this program has been very successful so far.

Martha Sheridan, CEO of the Greater Boston Convention and Visitors Bureau, made a statement regarding working with Encore and the tourism industry, calling it an infusion of national and international promotion that will be valuable for the city and the state.

The commissioners made statements regarding the work that Encore is doing regarding economic development and thanked the staff for their diligent efforts, particularly Mr. DiSalvio, Director Griffin, and Program Manager Crystal Howard.

A Commission vote on this plan is slated for the June 12, 2019, Commission Meeting.

[11:18 a.m.](#) **Encore Boston Harbor Design and Construction Diversity Commitments**
Mr. DeSalvio and Attorney Krum presented the Diversity Pre-Opening Compliance commitments for Encore.

Attorney Krum presented Encore Boston Harbor's Access and Opportunity Update presentation for May 2019 to the Commission. The presentation illustrated that numbers have significantly improved with women-owned businesses during the construction process.

[11:33 a.m.](#) The Chair asked Director Griffin if she has been able to identify any barriers that may exist with the smaller businesses etc. whether there is still a place to continue to support Minority Business Enterprises (MBEs), Women-owned Business Enterprises (WBEs), and Veteran-owned Business Enterprises (VBEs) in a way that helps them gain capacity to enter as vendors for the project. Director Griffin responded, stating that the project is subject to similar staffing limitations of other large construction projects.

The Chair asked Mr. DeSalvio if he could speak to the prospect of practices that Encore has employed here potentially being adopted on other projects here in Boston and Massachusetts. He then described the success of the Girls in Trades group that has expanded to be state-wide., noting that one of the long-lasting impacts will be the recognition of the work that women do on the construction job site.

Director Griffin stated that overall, the licensee has been on target with their diversity goals, and that staff believes that Encore Boston Harbor demonstrates compliance with the diversity requirements outlined in the license agreement.

No vote by the Commission is expected today.

Ombudsman

See transcript pages 26 – 36

[11:55 a.m.](#) **Plainridge Park Casino (PPC) Quarterly Report**
Lance George, General Manager; Mike Mueller, Vice President of Operations; Michele Collins, Vice President of Marketing; and Lisa McKinney, Compliance

Manager were all present to provide a more comprehensive review of PPC's compliance with all their commitments, as requested in the February 28th Commission meeting. All matters that were addressed at that meeting will be discussed today.

Mr. George presented PPC's report for the first quarter of 2019 to the Commission. A PowerPoint presentation illustrated gaming revenue and taxes collected, lottery sales, spending and procurement by state, local spending by community, vendor diversity, employment and diversity numbers, and compliance efforts.

Commissioner Cameron mentioned the Women Leading at Penn program, and asked if it helped women apply for promotions, receive promotions, and/or move up onto some of the management positions. Ms. Collins replied that PPC had 15 girls that were active in the program, and of that, six of them have been promoted to advanced positions.

It was reported that overall, numbers fell slightly, as they were impacted by the opening of the new casino in Tiverton, Rhode Island.

The Ombudsman stated that PPC has been making great efforts to resolve the issue regarding the Section 61 finding involving GATRA, and stated that they are making strides to resolve it.

[12:15 p.m.](#)

Plainridge Park Casino Workforce Development Plan

Director Griffin reviewed with the Commission that PPC, at the request of Commission staff, has amended its Workforce Diversity Plan, *Plainridge Park Casino's Strategic Plan to Engage & Recruit the Diverse Under & Underemployed Workforce Population*, originally submitted to the Commission in August 2014 in preparation for its June 2015 opening.

PPC has submitted an updated Workforce Diversity Plan with revised diversity and local hiring goals that take into account the lower unemployment rates, more competitive gaming market, and the neighboring economy of Rhode Island as well as the H.4640 *An Act relative to minimum wage, paid family medical leave and the sales tax holiday*, also known as the "Grand Bargain Agreement" which will increase the minimum wage over the next five years in Massachusetts.

Director Griffin stated that this went out for public comment, and it received no comments. The Commission then reviewed PPC's Strategic Plan to Engage & Recruit the Diverse, Under & Unemployed Workforce Population.

[12:22 p.m.](#)

Commissioner Cameron made note that the original goals were unattainable in the first agreement, and clarified the reason for the amendment. Director

Griffin then outlined efforts that PPC is making to bolster their new goals with activities such as hiring events.

Commission staff recommends that the Commission vote to approve the amended *Plainridge Park Casino's Strategic Plan to Engage & Recruit the Diverse Under & Underemployed Workforce Population* and the new hiring goals and strategies within.

[12:26 p.m.](#) *Commissioner Stebbins moved that the Commission approve the amended Plainridge Park Casino's Strategic Plan to Engage & Recruit the Diverse Under & Underemployed Workforce Population and the new hiring goals and strategies within. Commissioner Zuniga seconded the motion. The motion passed unanimously.*

Racing Division

See transcript pages 36 – 38

[12:27 p.m.](#) **Quarterly Local Aid Payments**
Chad Bourque, Financial Analyst, recommended that the Commission authorize the Local Aid Quarterly payment of \$181,638.36 to the appropriate cities and towns where racing is conducted. The amounts are computed at .35% times amounts wagered during the quarter ended six months prior to the payment. The date of payment would be June 30, 2019.

[12:29 p.m.](#) *Commissioner Cameron moved that the Commission approve the quarterly aid payments for the quarter in the amount of \$181,638.36 as outlined in the memo in the [Commissioner's Packet](#). Commissioner Zuniga seconded the motion. The motion passed unanimously.*

Plainridge Park Casino Approval of Racing Officials

Dr. Alex Lightbown, Racing Division Director, reported that PPC Director of Racing Steve O'Toole has submitted a request for approval of additional Racing Officials Thomas Ryan (Marshall/Outrider) and Kelly Cavaco (Timing and Photo Finish) dated June 3, 2019. Both officials were licensed by the Commission in 2018. The State Police and Judges have completed their background checks and approved their licenses.

The Racing Division recommends that the Commission approve the request of Plainridge Park Casino to approve Thomas Ryan (Marshall/Outrider) and Kelly Cavaco (Timing and Photo Finish) as Racing Officials.

[12:31 p.m.](#) *Commissioner Stebbins moved to approve Thomas Ryan (Marshall/Outrider) and Kelly Cavaco (Timing and Photo Finish) as Racing Officials. Commissioner Cameron seconded the motion. The motion passed unanimously.*

Suffolk Downs Request for Capital Improvement Fund Payment

Mr. Bourque summarized a request from Suffolk Downs for reimbursement of \$108,963.63 from the capital improvement trust fund. He stated that he reviewed and confirmed the items in the request for reimbursement, and recommended that the Commission approve the payment.

[12:34 p.m.](#) *Commissioner Stebbins moved that the Commission approve the request for reimbursement for the Suffolk Downs Capital Improvement Trust Fund as provided in the Commissioner's Packet. Commissioner Cameron seconded the motion.
The motion passed unanimously.*

Suffolk Downs Approval of Racing Official

Dr. Lightbown stated that Suffolk Downs Chief Operating Official Chip Tuttle has submitted a request for approval of additional Racing Official Edward Bubolz (Starter) dated June 3, 2019. He has been licensed by the Massachusetts Gaming Commission previously. The State Police and Stewards have completed their background checks and approved his license.

The Racing Division recommends that the Commission approve the request of Suffolk Downs to approve Edward Bubolz (Starter) as a Racing Official.

[12:35 p.m.](#) *Commissioner Cameron moved to approve Suffolk Downs' request for a key operating personnel as a racing official, Edward Bubolz. Commissioner Stebbins seconded the motion.
The motion passed unanimously.*

Chief Finance and Accounting Officer

See transcript pages 38 – 43

[12:36 p.m.](#) Massachusetts Gaming commission FY20 Budget Review

Derek Lennon, CFO reviewed the Fiscal Year 2020 (FY20) Budget Recommendations with the Commission. The budget would total \$43.5M, comprised of the Total Gaming Fund Costs (\$28.42M), plus Total Racing Costs (\$2.75M), plus Research and Responsible Gaming Costs from Public Health Trust Fund (\$6.54M). This total of \$43.5M would fund 107 full-time equivalents and six contract positions.

Staff is proposing an FY20 Gaming Control and Public Health Trust Fund budget of \$40.75M for Regulatory and Statutorily Required Costs and an FY20 Racing Oversight and Development Fund budget of \$2.75M for Regulatory and Statutorily Required Costs. Staff will post this budget to the Commission's website for public comments and return to the Commission at the next regularly scheduled public meeting for a vote to either approve the budget as it is presented or with any changes the Commission may deem appropriate.

[12:44 p.m.](#) Commissioner Zuniga commented that any one of these costs is appropriate. In the aggregate, we are trending on the expensive side. He added that as the Commission transitions into a regulatory mode, the Commission should continue to look for efficiencies and opportunities in everything it does. Lastly, he noted that there is an additional category in the Commission's budget that the Commission does not control that needs to be addressed. That category is the Attorney General's Office, the ABCC, the State Police assigned to the Attorney General's Office, as well as the indirect costs are all areas that the Commission must assess the licensees for and it is the only recourse.

The Chair asked about the counting of the gaming positions. Specifically, she asked if the licensees agree about how the gaming position count is working. Mr. Lennon responded that the licensees have expressed that they want to give an actual count to the Commission instead of an arbitrary number on to each type of table game.

Mr. Lennon stated that this would go out for public comment for approximately three weeks, and staff will return at the next meeting with any comments/issues, asking for a vote.

Legal Division

See transcript pages 43 – 56

[12:56 p.m.](#) **Initial Draft Version of 205 CMR 6.35: Pick (n) Pools, and Small Business Impact Statement**

The Commission reviewed the initial draft version of an amendment to this regulation that describes the addition of further wagers to Pick (n) Pools. Mr. O'Toole described the rules of Pick (n) Pools to the Commission.

[1:04 p.m.](#) *Commissioner Cameron moved to approve the small business impact statement for the amendments to 205 CMR 6.35: Pick (n) Pools; as included in the Commissioner's Packet. Commissioner Stebbins seconded the motion. The motion passed 4 – 1 with the Chair abstaining.*

Commissioner Cameron moved that the commission approve the version of the amendments to 205 CMR 6.35: Pick (n) Pools as included in the Commissioner's Packet and authorize the staff to take all steps necessary to begin the regulation promulgation process. Commissioner Zuniga seconded the motion. The motion passed unanimously.

[1:07 p.m.](#) **Initial Draft Version of 205 CMR 143.02(f): Progressive Gaming Devices and Small Business Impact Statement**

The Commission reviewed the initial draft version of an amendment to this regulation, to describe an update to progressive controller security

provisions. Scott Helwig, Gaming Technical Compliance Manager, explained progressive gaming devices to the Commission.

Commissioner O'Brien had asked that a clarification be made to the new language, adding to the mandate to provide the Commission with written notification in the occurrence of a breach to internal controllers. She requested adding that it be mandated that the Commission receive written notification in the case of inadvertent access as well.

It was agreed that the regulation would be amended by adding the sentence "whenever progressives have been accessed" as the final sentence, and post that change for public comment.

[1:19 p.m.](#)

Commissioner O'Brien moved to approve the Small Business Impact Statement for the amendments to 205 CMR 143.02(f): Progressive Gaming Devices; as included in the Commissioner's Packet. Commissioner Zuniga seconded the motion.

The motion passed unanimously.

Commissioner O'Brien moved that the Commission approve the version of the amendments to 205 CMR 143.02(f): Progressive Gaming devices as included in the Commissioner's Packet but as amended to have the concluding sentence read "whenever the progressive controller and/or bank controller has been accessed, written notification shall be provided to the Commission", and authorize the staff to take all steps necessary to begin the regulation promulgation process. Commissioner Zuniga seconded the motion. The motion passed unanimously.

Initial Draft Version of 205 CMR 102.02: Definitions and Small Business Impact Statement

The Commission reviewed the initial draft version of an amendment to this regulation, to add the terms and define "Minority Business Enterprise (MBE)," "Veteran Business Enterprise (VBE)," and Women Business Enterprise (WBE). Commissioner Stebbins summarized the circumstances around this amendment to clarify the process for a recognized certification for VBEs as well as MBEs and WBEs. Attorney Grossman added that this would also tie in the terms with the construction oversight regulation.

There was discussion around the language in section two of the Small Business Impact Statement in connection with the regulation amendment. It was resolved that this section would be edited to state that the Commission does not impose any costs in its certification process for small businesses.

Commissioner O'Brien asked to amend the SBIS to add specific language regarding costs incurred by private organizations, as they may charge a fee.

[1:30 p.m.](#) *Commissioner O'Brien moved that the Commission approve the Small Business Impact Statement for the amendments to 205 CMR 102.02: Definitions as included in the Commissioner's Packet with amendments to item number two's response to add the words "or similar private organization" following the phrase "government agency process" and to further conclude that paragraph with the sentence "we note, however, that private organizations may charge a fee for such designation". Commissioner Stebbins seconded the motion. The motion passed unanimously.*

Commissioner Stebbins moved that the Commission approve the version of the amendments to 205 CMR 102.02: Definitions as included in the Commissioner's Packet, and authorize the staff to take all steps necessary to begin the regulation promulgation process. Commissioner Zuniga seconded the motion. The motion passed unanimously.

Initial Draft Version of 205 CMR 152.00: Individuals Excluded From a Gaming Establishment and Small Business Impact Statement

The Commission reviewed the initial draft version of amendments to this regulation, describing general updates and clarifications to Involuntary Exclusion provisions to ensure effective application.

Staff recommends that the Commission approve this amendment to be filed on an emergency basis.

[1:38 p.m.](#) *Commissioner Zuniga moved to approve the Small Business Impact Statement for the amendments to 205 CMR 152.00: Individuals Excluded from a Gaming Establishment as included in the Commissioner's Packet. Commissioner Cameron seconded the motion. The motion passed unanimously.*

Commissioner Zuniga moved that the Commission approve the amendments to 205 CMR 152: Individuals Excluded from a Gaming Establishment as included in the packet and authorize the staff to file the regulation on an emergency basis pursuant to chapter 23K § 5(b) and further to take the steps necessary to file the regulation with the Secretary of the Commonwealth and to proceed with the formal regulation promulgation process. . Commissioner O'Brien seconded the motion. The motion passed unanimously.

Commissioner's Updates

See transcript pages 56 - 58

[1:39 p.m.](#) Commissioner Stebbins stated that he attended the (Cambridge College Bet on U) gaming school graduation over the weekend. He commented that there was a diverse age range of graduates and that it was a rewarding event.

He also commented on the work that the Department of Elder Affairs does to protect the elders who enjoy going to the casino. He stated that the Commission will also have an opportunity perhaps to educate the GameSense employees on what to do if they see an elderly person in distress, which may include calling Elderly Protective Services. If training goes well, he hopes that it might be extended to gaming agents and the GEU unit, as well as security at the licensee properties.

Commissioner Zuniga reported on his attendance at the Gambling and Risk Taking research conference in Nevada. He described the topics covered and stated that Massachusetts continues to be featured prominently there. Sexual harassment in the workplace was addressed, as the topic of Wynn Resorts came up in the keynote speaker's speech. Commissioner Zuniga also stated that there is a discussion of a new process regarding sexual harassment reporting.

1:49 p.m. *With no further business, Commissioner Zuniga moved to adjourn the meeting. Commissioner Cameron seconded the motion. The motion passed unanimously.*

List of Documents and Other Items Used

1. Notice of Meeting and Agenda, dated June 6, 2019
2. Draft Commission Meeting Minutes dated May 22, 2019
3. FY20 Budget Memorandum with attachments dated June 6, 2019
4. Q1 2019 PPC MGC Presentation
5. Memo re Local Aid Quarterly Distribution for QE2 2019 CY dated June 3, 2019
6. Memo re Plainridge Park Casino Racing Officials Additions dated June 3, 2019
7. Plainridge Request for Approval of Racing Officials dated June 3, 2019
8. Memo re Request for Reimbursement from Suffolk Downs Capital Improvement Trust Fund, dated May 31, 2019
9. Memo re Suffolk Downs Racing Officials Addition dated June 6, 2019
10. Suffolk Downs' Request for Approval of Racing Officials dated June 3, 2019
11. Memo re Encore Boston Harbor Regional Tourism Marketing Plan dated May 31, 2019
12. Encore Boston Harbor's Regional Marketing Plan Presentation
13. Memo re Encore Boston Harbor Construction Diversity Pre-Opening Compliance dated May 31, 2019
14. Encore Boston Harbor Access & Opportunity Update Presentation for May 2019
15. Wynn MA, LLC's Diversity Strategy for Design and Construction dated February 19, 2015
16. Encore Boston Harbor's Diversity Outreach Notices for May 2019
17. Memo re Plainridge Park Casino Workforce Development Plan Update dated May 6, 2019
18. Plainridge Park Casino Strategic Plan to Engage and Recruit the Diverse, Under & Unemployed Workforce Population

19. Draft of 205 CMR 143.02: Progressive Gaming Devices
20. Draft of 205 CMR 143.02 - Small Business Impact Statement
21. Draft of 205 CMR 102.02: Definitions (Construction and Application)
22. Draft of 205 CMR 102.02 - Small Business Impact Statement
23. Draft of 205 CMR 152.00: Individuals Excluded from a Gaming Establishment
24. Draft of 205 CMR 152.00 - Small Business Impact Statement
25. Draft of 205 CMR 6.35: Pick (n) Pools
26. Draft of 205 CMR 6.35 - Small Business Impact Statement

/s/ Catherine Blue
Assistant Secretary