



Massachusetts Gaming Commission Meeting Minutes

Date/Time: January 10, 2019 – 10:00 a.m.

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

Present: Interim Chairwoman Gayle Cameron
Commissioner Enrique Zuniga
Commissioner Bruce Stebbins
Commissioner Eileen O'Brien

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



Call to Order

See transcript page 1

[10:00 a.m.](#) Interim Chairwoman Cameron called to order public meeting #258 of the Massachusetts Gaming Commission.

Approval of Minutes

See transcript page 1

[10:01 a.m.](#) *Commissioner Stebbins moved to approve the minutes from the December 20, 2018 Commission Meeting, subject to correction for typographical errors and other nonmaterial matters. Commissioner O'Brien seconded the motion. The motion passed unanimously.*

Administrative Update

See transcript pages 1 – 5

[10:01 a.m.](#) **General Update**

Executive Director Ed Bedrosian summarized the meeting's agenda. He noted that today's agenda has several items related to the Commission's

Region A licensee. He also reported that the Commission is still proceeding to handle the suitability review as well as Encore's construction and opening preparations simultaneously.

Encore Opening Preparations

The Commission was updated on the status of preparations for the opening of Encore. Issues such as Service Employee Exemptions and budget authorization for new gaming agents and public safety personnel at the Encore property will be discussed in today's meeting.

Service Employee Exemptions

Director Bedrosian also refreshed the Commission on the statutory change that was implemented to give the Commission discretion to exempt certain service employees from the registration process for MGM Springfield. He then recommended that the Commission review and approve the list that was compiled for Encore employees in the same regard.

There are, however, three positions at Encore that require further analysis. These positions are manager, supervisor, and technician under the Sound and Video department.

Director Bedrosian also asked the Commission if they would consider delegating discretion to him in situations where there are changes to previously approved service employee exemptions that the Commission might consider ministerial or administrative to approve those changes.

As an example, he provided that the Commission currently has a situation at Plainridge Park Casino where one of the food and beverage vendors is changing from one type of burger establishment to another type of burger establishment. The employees' positions are staying the same, and only the name of the vendor will change. The Commission had already acquired approval for the previous vendor. Ed stated that he would consider that a ministerial change that staff could bring back in front of the Commission, certainly, but for efficiency purposes, he asked that the Commission consider whether delegating to him the authority to reapprove those ministerial changes would be appropriate.

10:12 a.m.

Commissioner Stebbins moved that the Commission approve the Service Employee Registration (SER) positions be exempted for gaming service employees at Encore Boston Harbor as provided in the packet with the exception of three sound and video positions (manager, supervisor, and technician), as well as grant the Executive Director authority to make ministerial changes and exemptions going forward. Commissioner O'Brien seconded the motion.

The Motion passed unanimously.

Legal Division

See transcript pages 5 – 11

10:14 a.m. **Litigation Update**

The Commission heard a summary and update regarding the current litigation taking place in Nevada, referred to as Stephen Wynn vs. Wynn Resorts, the Massachusetts Gaming Commission, and Karen Wells. Speaking was Attorney Melissa Allison and Attorney David Mackey of Anderson and Krieger LLC, who represent the Commission in this case.

Attorneys Allison and Mackie gave an overview of the case, explaining the process that took place in front of Judge Gonzales over the last few weeks, and the results of this litigation so far.

Attorney Mackey further explained that the judge issued a preliminary ruling granting Mr. Wynn's request that certain material cannot be used in the Commission's investigative report. He stated that this order was issued by the court orally at the conclusion of a hearing, and a written order will be issued confirming this within the next several days. In the meantime, the case will continue in trial court in Nevada.

Ombudsman

See transcript pages 11 – 22

10:47 a.m. **Encore Boston Harbor Quarterly Report (3rd Quarter 2018)**

The Commission reviewed the major milestones of construction at the Encore Boston Harbor site for the third quarter of 2018. Presenting were Robert DiSalvio, President of Encore Boston Harbor, Jacqui Krum, General Counsel/Senior Vice President of Wynn Resorts International, and Peter Campot, Encore Boston Harbor Director of Construction. Mr. Campot reported that construction is on schedule and approximately 90% complete. There will be a temporary certificate of occupancy in place for Encore Boston Harbor on June 10, 2019.

Mr. DiSalvio reported that Encore Boston Harbor awarded contracts for the design phase of the casino to 13 minority-owned businesses, 14 women-owned businesses, and four veteran-owned businesses in Massachusetts.

Mr. DiSalvio also reported on the Lower Broadway District Urban Renewal Plan project, and that the Massachusetts Environmental Policy Act (MEPA) Certificate was received on December 21, 2018 regarding construction of a parking lot across the street from the property.

He also provided an update on the design and permitting of the Pedestrian Bridge, and mentioned the possible head house expansion at the MBTA

station. These projects may come together to connect Encore property to an MBTA Orange Line T stop.

Attorney Krum presented a slide presentation to the Commission illustrating recent community outreach efforts and events from 2018. She also shared a video presentation about NECAT Culinary Arts Training.

Racing Division

See transcript pages 22 – 24

11:36 a.m. **Quarterly Local Aid Payments**

The Racing Division requested the Commission’s approval for local aid payment distributions to each city and town where racing activities are conducted, from a total amount of \$252,364.99.

Chad Bourque, Financial Analyst described distribution proposals for each track, and clarified to the Commission that amounts are computed at .35% times amounts wagered during the quarter ended six months prior to the payments.

11:40 a.m. *Commissioner Stebbins moved that the Commission approve the Local Aid Quarterly Payment through December 31st, 2018, as provided in the packet. Commissioner Zuniga seconded the motion. The Motion passed unanimously.*

2017 Suffolk Downs “Outs Book” Payments to Individual Patrons

The Racing Division recommended that the Commission approve the request of Sterling Suffolk Racecourse for unclaimed ticket payments from 2017 for a total of \$217.63. After review by the Racing Division, the requests have been validated by the Racing Division.

11:42 a.m. *Commissioner Zuniga moved that the Commission approve Sterling Suffolk Racecourse’s request for unclaimed ticket payments from 2017 in the total amount of \$217.63. Commissioner Stebbins seconded the motion. The Motion passed unanimously.*

Finance Division

See transcript pages 24 – 32

11:43 a.m. **FY2019 Massachusetts Gaming Commission Mid-Year Budget Review**

The Finance Division is recommending that the Commission approve \$3.25M be added to the FY19 approved budget. This is due to additional costs incurring from operational and public safety costs associated with the opening of the Encore Boston Harbor site. Also, there are costs associated with migrating the Commission’s technology “backbone” outside of the Commonwealth’s IT support group, as well as ongoing litigation.

Commissioner Zuniga proposed that the Commission review gaming agents, GameSense, and litigation numbers in the third quarter. Director Bedrosian stated that he would publish this proposal and ask for public comment for two weeks, in order to give licensees a specific opportunity to speak with himself and CFO Derek Lennon. This proposal will then be revisited with a requested vote at the next public meeting.

Commissioner's Updates

See transcript pages 32 – 33

[12:11a.m.](#) There are no Commissioner Updates for this meeting.

Executive Session

Pursuant to M.G.L. Chapter 30A Section 21(a)(3), an Executive Session is being held for the purpose of discussing litigation strategy in the case of Stephen A. Wynn v. Karen Wells, the Massachusetts Gaming Commission, Wynn Resorts Ltd., et al.

[12:12 p.m.](#) *Commissioner Zuniga moved to go into executive session. Commissioner Stebbins seconded the motion. Roll call vote:*

Commissioner Stebbins: Aye.

Commissioner Zuniga: Aye.

Commissioner O'Brien: Aye.

Chairwoman Cameron: Aye.

Interim Chairwoman Cameron then stated that the Commission is now in executive session pursuant to the Open Meeting Law, and that all members of the public and any staff members not involved in this matter to be discussed must leave the room. Chairwoman Cameron also asked that all live audio and video recording and livestreaming be shut off and the doors to the room be closed.

List of Documents and Other Items Used

1. Notice of Meeting and Agenda, dated January 10, 2019
2. Draft Commission Meeting Minutes, dated December 20, 2018
3. Memo dated January 8, 2019 RE: Gaming Service Employee (SER) Exemptions: Encore Boston Harbor
4. PowerPoint Presentation – Encore Boston Harbor, dated January 10, 2019
5. Encore Boston Harbor Quarterly Report as of September 30, 2018
6. Memo dated January 7, 2019 RE: Local Aid Distribution
7. Memo dated January 7, 2019 RE: Sterling Suffolk Racecourse Unclaimed Ticket (“Outs”) Payments for 2017
8. Memo dated January 7, 2019 RE: Review of Suffolk Downs Payments from 2017 Outs Book

9. Letter from Suffolk Downs dated January 4, 2019 RE: Commission Ruling
10. Memo dated January 10, 2019 RE: Fiscal Year 2019 (FY19) Mid-Year Budget Review
11. FY19 Actuals – Spending and Revenue Chart

/s/ Catherine Blue
Assistant Secretary