



Meeting Minutes

Date/Time: November 7, 2013 – 9:30 a.m.

Place: Boston Convention and Exhibition Center
415 Summer Street, Room 254B
Boston, Massachusetts

Present: Commissioner Stephen P. Crosby, Chairman
Commissioner Gayle Cameron
Commissioner James F. McHugh
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

Absent: None

Clicking on the time posted in the margin will link directly to the appropriate section of the video.

Call to Order

See transcript page 2.

9:33 a.m. Chairman Crosby opened the 88th public meeting.

Approval of Minutes

See transcript page 2-3.

9:33 a.m. Commissioner McHugh stated that the minutes for the October 29 and October 31 public meetings are ready for approval.

Motion made by Commissioner McHugh that the minutes of October 29, 2013 be accepted subject to any mechanical or typographical corrections that may later be found. Motion seconded by Commissioner Stebbins. The motion passed unanimously.

Motion made by Commissioner McHugh that the minutes of October 31, 2013 be accepted subject to any mechanical or typographical corrections that may later be found. Motion seconded by Commissioner Cameron. The motion passed unanimously.

Racing Division

Report by Director Jennifer Durenberger. See transcript pages 3-99.

- 9:35 a.m. Director Durenberger presented updated information on the recent tax withholding law's effect on racing. The Commission discussed its level of involvement in enacting new legislation to mitigate the effects of the tax on racing and gaming in the Commonwealth.
- 10:00 a.m. Director Durenberger presented the 2014 Racing License Applications that the Commission received and provided background information on the review process.
- 10:05 a.m. Director Durenberger presented the application of Sterling Suffolk Racecourse LLC. Charlie Baker and Chip Tuttle from Sterling Suffolk Racecourse LLC presented their racing application and answered questions from the Commission. Director Durenberger recommended awarding a racing license to Sterling Suffolk Racecourse LLC with certain conditions.
- 10:20 a.m. Director Durenberger presented the application of Springfield Gaming and Redevelopment LLC. Tim Wilmott, Eric Schippers, Carl Sottosanti, and Chris McErlean from Springfield Gaming and Redevelopment LLC presented their racing application and answered questions from the Commission. Director Durenberger recommended awarding a racing license to Springfield Gaming and Redevelopment LLC with certain conditions.
- 10:46 a.m. Director Durenberger presented the application of Brockton Racing LLC. Grace Lee, George Carney, Michael Morizio, and Joe Wilson from Brockton Racing LLC presented their racing application and answered questions from the Commission. Director Durenberger provided a recommendation on how to proceed with this application but could not recommend either awarding or denying the license as the Commission does not have sufficient information at this time.
- 11:13 a.m. The Commission took a brief recess.
- 11:27 a.m. Chairman Crosby stated that the Commission will postpone the remaining racing agenda items until later in the meeting.

Workforce Development

Report by Director Jill Griffin. See transcript pages 99-158.

- 11:27 a.m. Director Griffin introduced Brian Lange from Unite Here Local 26. Mr. Lang discussed economic development through job creation and how his organization can assist.
- 12:18 p.m. Director Griffin introduced Massachusetts Gaming Diversity Coalition, consisting of The Center for Women and Enterprise, the Greater New England Minority

Supplier Development Council, the Minority Business Development Agency, Boston Business Center, the Hispanic American Chamber of Commerce, the Mass. Minority Contractors Association, the NAACP New England Area Conference and the Urban League. The coalition discussed how it can help create diversity in the Massachusetts gaming industry.

Ombudsman Report

Report by Ombudsman John Ziemba. See transcript pages 158-252.

- 12:47 p.m. Ombudsman Ziemba introduced the applicant presentations to inform the Commission of the applicants' status in negotiating surrounding community agreements.
- 12:50 p.m. Michael Mathis, Kevin Dandrade, Carol Brennan, Ed Pikula, Tim Brennan, and Chuck Irving, on behalf of Blue Tarp Redevelopment LLC, presented the applicant's status relative to executing surrounding community agreements.
- 1:25 p.m. Robert Allen, Jennifer Gilbert, and Alan Kronberg, on behalf of Crossroads Massachusetts LLC, presented the applicant's status relative to executing surrounding community agreements.
- 1:43 p.m. Chip Tuttle and John Stefanini, on behalf of Sterling Suffolk Racecourse LLC, presented the applicant's status relative to executing surrounding community agreements.
- 1:49 p.m. Steve Tocco and Chris Gordon, on behalf of Wynn MA LLC, presented the applicant's status relative to executing surrounding community agreements.
- 2:09 p.m. Jonathan Silverstein, from Kopelman and Paige and representing surrounding communities in their discussions with gaming applicants, discussed the issue of tight timeframes and requested a 180 day extension to the RFA-2 application deadline for Category 1 applicants. The Commission considered the issue and agreed to deny the request for extension.

Racing Division

Report by Director Jennifer Durenberger. See transcript pages 252-255.

- 2:26 p.m. Director Durenberger presented Sterling Suffolk Racecourse LLC's request to amend its schedule.
- 2:28 p.m. *Motion made by Commissioner McHugh to accept the request of Sterling Suffolk Racecourse to terminate the 2013 racing calendar as of November 2, 2013. Motion seconded by Commissioner Cameron. The motion passed unanimously.*
- 2:28 p.m. The Commission took a recess for lunch.

Research Agenda

Report by Director Mark Vander Linden. See transcript pages 255-276.

3:06 p.m. Director Vander Linden and Rachel Volberg discussed the legislative report on research activities that is due on November 22, 2013. Ms. Volberg introduced the new website for social and economic impacts of gambling in Massachusetts <http://www.umass.edu/seigma/>.

Surrounding Community Agreements

See transcript pages 276-300.

3:33 p.m. Ombudsman Ziembra and General Counsel Blue discussed the timeline for surrounding community agreements and recommended that the Commission grant a variance to the Commission's regulations in order to maintain the current schedule for Category 2 applicants. The Commission will make a formal motion on the matter at the following meeting.

3:53 p.m. Ombudsman Ziembra provided more information on the status of surrounding community agreements and petitions for Category 2 applicants. The Commission will consider the petitions received at the meeting of November 14 and make a determination at the meeting of November 21. The Commission also has one petition for involuntary disbursement, which the Commission will hear at the following meeting.

Legal Division

See transcript pages 301-353.

4:04 p.m. Deputy General Counsel Grossman and Director Acosta presented the updates to the draft licensing regulations.

4:26 p.m. The Commission postponed discussion of the regulations. General Counsel Blue presented a petition from Hopkinton to intervene in the Crossroads Massachusetts LLC suitability hearing and the Commission discussed the petition.

4:36 p.m. *Motion made by Commissioner Stebbins that the Commission deny the Hopkinton petition to intervene. Motion seconded by Commissioner Cameron. The motion passed unanimously.*

4:37 p.m. The Commission returned to discussion of the draft licensing regulations. Deputy General Counsel Grossman recommended that the Commission start the process of promulgating the licensing regulations by posting the regulations for public comment.

5:03 p.m. *Motion made by Commissioner McHugh that the Commission start the regulation promulgation process for the draft licensing regulations and the draft amendment to the hearing regulations by notifying the Local Government Advisory Committee*

and taking such other steps as Counsel may deem appropriate to have a public hearing and have the regulations ultimately adopted. Motion seconded by Commissioner Stebbins. The motion passed unanimously.

5:04 p.m. Commissioner McHugh left the meeting in order to attend a prior commitment.

Administration

See transcript pages 353-381.

5:04 p.m. Executive Director Day provided a brief administrative update.

5:05 p.m. Director Glennon discussed the document management system and licensing system that the Commission will be implementing and provided more information regarding the costs.

5:14 p.m. Director Lennon presented the Commission's projected cash flows and the Commission discussed possible unforeseen costs.

5:30 p.m. Executive Director Day introduced two evaluation questions that the Commission should discuss at the next meeting.

5:32 p.m. Executive Director Day presented a list of changes to the RFA-2 application for Category 1 applicants that Pinck & Co has prepared. The Commission will discuss these changes at the next meeting.

5:35 p.m. Meeting adjourned.

List of Documents and Other Items Used

1. Massachusetts Gaming Commission November 7, 2013 Notice of Meeting and Agenda
2. Massachusetts Gaming Commission October 29, 2013 Meeting Minutes
3. Massachusetts Gaming Commission October 31, 2013 Meeting Minutes
4. Massachusetts Gaming Commission memorandum from Jennifer Durenberger relative to tax reporting and withholding requirements on pari-mutuel wagers and public comments
5. Massachusetts Gaming Commission memorandum from Jennifer Durenberger relative to applications to conduct live horse racing in 2014
6. Request from Suffolk Downs relative to waiving premium rates
7. Massachusetts Gaming Commission documents relative to Racing Division Public Hearings of October 29 and 30, 2013
8. Massachusetts Gaming Commission memorandum from Catherine Blue relative to a summary of the public hearings held October 29-30
9. Massachusetts Gaming Commission memorandum from Jennifer Durenberger relative to recent legislation affecting racing in the Commonwealth
10. Letter from Massachusetts Gaming Diversity Coalition Dated October 18, 2013

11. Massachusetts Gaming Commission memorandum from John Ziembra relative to surrounding community petition determinations
12. Massachusetts Gaming Commission memorandum from Catherine Blue, Todd Grossman, and John Ziembra relative to timeline for surrounding community designation and hearings in the host community for Category 2 gaming license applicants
13. Massachusetts Gaming Commission memorandum from John Glennon relative to software license options for enterprise content management and license management systems
14. Massachusetts Gaming Commission cost summaries for investigations and cash flow projections
15. Massachusetts Gaming Commission Master Schedule
16. Pinck & Co proposed revisions to the RFA-2 application for Category 1 applicants
17. Massachusetts Gaming Commission draft licensing regulations
18. Massachusetts Gaming Commission draft updates to existing regulations
19. SEIGMA report on the research agenda of the Massachusetts Gaming Commission

/s/ Catherine Blue
Catherine Blue
Assistant Secretary