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## Massachusetts Gaming Commission Meeting Minutes

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**Date/Time:** March 29, 2018 – 10:30 a.m.

**Place:** Massachusetts Gaming Commission  
101 Federal Street, 12<sup>th</sup> Floor  
Boston, MA

**Present:** Chairman Stephen P. Crosby  
Commissioner Bruce Stebbins  
Commissioner Enrique Zuniga  
Commissioner Gayle Cameron

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

### Call to Order

See transcript page 2

[10:30 a.m.](#) Chairman Crosby called to order the 239<sup>th</sup> Commission meeting.

### Approval of Minutes

See transcript pages 2 – 4

*Commissioner Stebbins moved to approve the minutes of the meeting of March 15, 2018, subject to correction for typographical errors and other nonmaterial matters. Commissioner Cameron seconded the motion. Commissioner Zuniga asked that the transcript of the March 15 meeting be checked to see if Seth Stratton, MGM Springfield General Counsel mentioned a date certain regarding a decision on the residential units. Commissioner Stebbins asked that the word “commitments” in Project Oversight Manager Delaney’s presentation be qualified with the word “MGM” so that it does not appear the commitments belong to the Project Oversight Manager. Commissioner Stebbins further requested that the reference to the “Corner Property” be changed to reflect the location of the property at Union and Main Streets.  
The motion was approved unanimously, as amended.*

### Administrative Update

See transcript pages 4 - 15

10:33 a.m. **General Update**

Executive Director Ed Bedrosian introduced the following new staff members at the Commission:

Cassandra Chung: License Verification Coordinator

Lisa Brookner: Licensing Intake Officer

Erika Lee Willey: Paralegal, IEB

Katherine Muxie-Hartigan: Enforcement Counsel

Lan Nguyen: Human Resources Generalist

Executive Director Bedrosian stated that he visited the City of Springfield to attend the Springfield Rising meeting. At that meeting, the City of Springfield stated that it has measured investment in the city since day zero, which is the date that the tornado touched down in the City and that to date there has been approximately \$3.7 billion in new investment in the City. When all the new investment is complete, the City anticipates that it will host approximately 10 million visitors annually.

Chairman Crosby stated that at the last GPAC meeting he invited members of the GPAC to visit Springfield.

Executive Director Bedrosian presented the MGM Opening critical plan chart and he explained that the chart describes the 1 year period between Q4 2017 through Q3 2018. Executive Director Bedrosian stated that he feels comfortable that the Commission is prepared and ready for the MGM Opening.

Executive Director Bedrosian commented on today's meeting agenda. He stated that there were a number of items on the agenda related to Region A. He further stated that the Wynn investigation is ongoing, the staff is working hard on it and that he is hopeful that he will come to the Commission with findings sometime this summer. The Region A licensee continues to build the facility and that today's quarterly report by the Region A licensee is required by statute. The Workforce Development Plan and the Gaming School depend on further Commission actions and that this does not suggest an outcome of the investigation but that the investigation and the project must continue on parallel tracks.

Chairman Crosby stated that the Region A project must proceed as planned, that the Region A licensee is proceeding at risk and that this has no bearing on the outcome of the investigation.

Commissioner Zuniga asked about the ongoing Wynn internal investigations. Executive Director Bedrosian stated that Commission staff is aware of the internal investigations and that people are cooperating.

**Ombudsman**

See transcript pages 15 - 37

[10:43 a.m.](#) Ombudsman Ziemba introduced the team from Wynn Boston Harbor who will be presenting the quarterly report today. Those presenting included Robert DiSalvio, President, Wynn Boston Harbor, Jacqui Krum, Senior Vice President and General Counsel Wynn Resorts International, Heather Desanto, VP Human Resources, and Jennie Peterson, Director of Employment, Wynn Boston Harbor.

Mr. DiSalvio opened his presentation by suggesting that the Commission come to tour the project in June; at that time the project will be further along and sample rooms may be available for viewing. He presented on the major project milestones such as site work, garage work, central utility plant, podium, convention area and hotel tower. Mr. DiSalvio also advised the Commission that the site handled the recent bad weather very well.

Mr. DiSalvio continued his presentation by sharing the highlights of the project schedule with the Commission and stating the project is on schedule and has used fewer bad weather days than budgeted. He stated that the concrete infrastructure should be complete in late April, the curtain wall should be finished in July and the tower cranes will come down in August. Mr. DiSalvio reviewed the offsite improvements being made and stated that the work has been divided into four packages. Contracts for the work have been awarded to three different companies. The work is underway and should be completed by the end of the calendar year.

Jacqui Krum presented the project diversity numbers for both the design and construction phases. She further presented on workforce participation by minorities, women and veterans and on the 2017 4<sup>th</sup> quarter outreach efforts by the project. All of the project diversity numbers are included in the presentation which is included in the Commission packet.

Chairman Crosby asked staff to send slides 24 through 27 of the presentation to the GPAC members. Commissioner Zuniga asked whether the Okada settlement would impact funding for the project and Mr. DiSalvio indicated that it would not. Commissioner Stebbins requested that Wynn provide a presentation on the diversity numbers at the next AOC meeting.

### **Workforce, Supplier and Diversity Development**

See transcript pages 37 - 97

[11:05 a.m.](#) Jill Griffin, Director Workforce, Supplier and Diversity Development stated that Wynn is presenting its workforce diversity plan to the Commission today. This plan is required by chapter 23K and is also a condition of the Region A license. She stated that Wynn submitted its plan well before the late April due date.

Director Griffin further stated that the Commission would not be asked to vote on the plan today. Staff will post it for comment and distribute it to stakeholder groups. The plan will come back to the Commission, along with any comments received for the Commission's final review and a vote.

Director Griffin introduced Heather Desanto, Vice President of Human Resources at Wynn Boston Harbor. Ms. Desanto explained that she was recently hired and shared her background with the Commission.

Jennie Peterson, Director of Employment, Wynn Boston Harbor, presented on the four objectives of the plan: awareness; prepare career seekers; recruit and hire qualified local diverse workforce; and develop and retain employees. Ms. Peterson presented the timeline for each objective. She stated that Wynn will launch Skill Smart in May and hiring will pick up at the end of 2018/beginning of 2019. Ms. Peterson described the types of positions that will be available. She explained plans to hold hiring events in host and surrounding communities and in diverse communities within those communities.

Commissioner Cameron stated that diversity is important at all levels and that it is important to see that diversity. Ms. Peterson stated that diversity at all levels is one of the goals as well. The overall goals are 50% women, 35% minority and 3% veteran.

Chairman Crosby asked staff to share the data from the workforce plan with the GPAC as well.

Ms. Peterson continued her presentation by describing outreach, the use of community meetings and using media campaigns to support the outreach efforts. She further described the relationship with Cambridge College and the provision of 50 scholarships for unemployed and underemployed residents in the host and surrounding communities who want to attend the gaming school. Ms. Peterson explained that she expected a large number of applicants for the 4500 available positions and further described the onboarding, training and orientation process that newly hired employees will receive.

Heather Desanto, Vice President of Human Resources for Wynn Boston Harbor, presented to the Commission on the onboarding process for new employees. She stated that Wynn has competitive pay and benefit packages. She also described career pathways for various positions and how those pathways progress.

Chairman Crosby suggested that it was very important to include sexual harassment training as part of the training plan. Ms. Desanto stated that they are working on this. Jacqui Krum added that they are involved in an extensive process of going through all of their processes and procedures.

Director Griffin invited Phillip Page, Vice President, Strategic Partnerships and Mark Rotondo, Vice President, Innovation and Strategic Initiatives, both from

Cambridge College, to present on their gaming school partnership with Wynn Boston Harbor. Mr. Page explained that Cambridge College is a private nonprofit accredited institution with a range of programs both in person and on-line. Cambridge College, in partnership with Wynn Boston Harbor has created the Greater Boston Gaming Career Institute based in Charlestown. Mr. Rotondo stated that Cambridge College has a signed agreement with Wynn to provide the procurement of the curriculum and the games. Cambridge College will provide classes in table games and surveillance. Mr. Rotondo stated that Cambridge College will apply to the Commission for a gaming school license and described process and how it works. Once licensed, Cambridge College will work with communities to recruit a diverse student body. They would like to begin class in the summer of 2018.

Commissioner Stebbins asked about the affordability of the classes and Mr. Page and Mr. Rotondo responded that they were working on the cost but understood that affordability is a very important concern.

Chairman Crosby asked if Cambridge College had any scholarship funds. Mr. Page and Mr. Rotondo indicated that they were looking at this and that the Wynn scholarships will help.

12:08 p.m. The Commission adjourned.

1:00 p.m. The Commission reconvened the meeting.

### **Legal Division**

See transcript pages 97 - 117

[1:00 p.m.](#) Carrie Torrisi, Assistant Counsel, Bruce Band, Assistant Director Gaming Agents Division Chief and Burke Cain, Field Manager of Gaming Operations and Deputy Gaming Agent Division Chief presented on the table games internal controls regulations. The Commissioners asked questions regarding the timing of the regulations and when they would be provided to the licensees.

[1:15 p.m.](#) *Commissioner Stebbins moved that the Commission approve the small business impact statement for 205 CMR 138 Uniform Standards of Accounting Procedures and Internal Controls as included in the packet. Motion seconded by Commissioner Zuniga.  
Motion approved 4-0*

*Commissioner Stebbins moved that the Commission approve the version of 205 CMR 138 Uniform Standards of Accounting Procedures and Internal Controls as included in the packet and authorize the staff to take all steps necessary to begin the regulation promulgation process. Motion seconded by Commissioner Cameron.  
Motion approved 4-0*

*Commissioner Cameron moved that the Commission approve the small business impact statement for the amendments to 205 CMR 147.05 Gaming Tournaments as included in the packet. Motion seconded by Commissioner Zuniga. Motion approved 4-0*

*Commissioner Cameron moved that the Commission approve the version of 205 CMR 147.05 Gaming Tournaments as included in the packet and authorize the staff to take all steps necessary to begin the regulation promulgation process. Motion seconded by Commissioner Stebbins. Motion approved 4-0.*

[1:48 p.m.](#) CFAO Lennon presented amendments to 205 CMR 139.04 and 140.02 and explained the reasons for those amendments. Mr. Lennon discussed how other jurisdictions treat the vigorish and how comping the vigorish is handled. He explained that making change will put us with the majority of jurisdictions in terms of how this is handled.

[2:00 p.m.](#) *Commissioner Zuniga moved that the Commission approve the small business impact statement for the amendments to 205 CMR 139.04 and 140.02 Computation of Gross Gaming Revenue and Treatment of Complimentary Vigorish as included in the packet. Motion seconded by Commissioner Cameron. Motion approved 4-0*

*Commissioner Zuniga moved that the Commission approve the version of 205 CMR 139.04 and 140.02 Computation of Gross Gaming Revenue and Treatment of Complimentary Vigorish as included in the packet and authorize the staff to take all steps necessary to begin the regulation promulgation process. Motion seconded by Commissioner Cameron. Motion approved 4-0.*

[2:05 p.m.](#) General Counsel Blue presented on the amendments to 205 CMR 136 and 138.12 Sale and Distribution of Alcoholic Beverages at Gaming Establishments. She explained that these amendments were the ones for which the public hearing was held prior to the Commission meeting and that the Commission received no comments on these amendments.

[2:06 p.m.](#) *Commissioner Cameron moved that the Commission approve the amended small business impact statement for 205 CMR 136.00 and 138.12 Sale and Distribution of Alcoholic Beverages at Gaming Establishments as included in the packet. Motion seconded by Commissioner Stebbins. Motion approved 4-0*

*Commissioner Cameron moved that the Commission approve the version of 205 CMR 136.00 and 138.12 Sale and Distribution of Alcoholic Beverages at Gaming Establishments as included in the packet and authorize the staff to take all steps necessary to finalize the regulation promulgation process. Motion seconded by Commissioner Stebbins. Motion approved 4-0.*

## **Investigations and Enforcement Bureau**

See transcript pages 117 - 121

[2:08 p.m.](#) Loretta Lillios, Deputy Director IEB and Chief Enforcement Counsel presented a suitability report on Michael Stratton, Senior VP of Marketing for MGM Regional Operations and asked the Commission to find Mr. Stratton suitable for licensure.

[2:09 p.m.](#) *Commissioner Cameron moved that the Commission approve the suitability report for Mr. Stratton and find him suitable for licensure. Motion seconded by Commission Stebbins.  
Motion approved 4-0.*

The Commission next determined that since the meeting was ahead of schedule and it was expected the members of the public would be attending for item number 8, the Commission would take item number 9, Commissioner's Updates, Executive Director's Performance Review ahead of item number 9.

## **Commissioners' Updates**

See transcript pages 122 - 137

[2:10 p.m.](#) Chairman Crosby described the process by which the Executive Director's performance review was completed. The Commissioners discussed the comments included in the evaluation in the Commission packet and provided their individual thoughts on Executive Director Bedrosian's performance.

General Counsel Blue requested that the Commission determine whether to award Mr. Bedrosian an increase in salary based upon his performance review. She stated that the Commission could do what it did last year which was to authorize staff, in particular the HR staff, to increase Mr. Bedrosian's salary consistent with what was done for senior staff.

[2:21 p.m.](#) *Commissioner Zuniga moved that the Commission accept the performance review here as part of the packet. And as a result, direct the Human Resources Department to increase the salary of Director Bedrosian in a manner that is consistent with the increases that we have implemented for the rest of the staff, as part of this performance review process. Motion seconded by Commissioner Cameron.  
Motion approved 4-0.*

## **Racing Division**

See transcript pages 137 - 225

[2:23 p.m.](#) The Commission determined to take the harness racing matters first to allow more time for the thoroughbred stakeholders to arrive at the meeting.

Dr. Alex Lightbown, Director of Racing, presented the list of racing officials and key personnel for the Plainridge Park harness racing meet and asked that the Commission approve the racing officials and key personnel subject to successful completion of the Commission's background check process.

[2:30 p.m.](#)

*Commissioner Cameron moved that the Commission approve the request of Plainridge Park Casino to approve their March 22, 2018 list of key operating personnel and racing officials, pending satisfactory completion of licensure by the Massachusetts Gaming Commission racing division, and satisfactory completion of their background checks by the Massachusetts State Police. Motion seconded by Commissioner Stebbins. Motion approved 4-0.*

Dr. Lightbown presented on the harness horsemen pension plan. This plan was presented to the Commission at a prior meeting. Since that time, the plan has been on the Commission's website as well as the harness horsemen's website. The Commission has received no comments; the harness horsemen received one comment and they responded to that comment. Dr. Lightbown requested that the Commission approve the harness horsemen pension plan.

[2:35 p.m.](#)

*Commissioner Cameron moved that the Commission approve the rule of an eligibility requirement to the Harness Horsemen's Association of New England pension plan as presented to the Commission on March 15, 2018. Motion seconded by Commissioner Zuniga. Motion approved 4-0.*

Dr. Lightbown presented on the Suffolk Downs purse request. Suffolk Downs, on behalf of the thoroughbred horsemen is requesting that the balance of the funds in the Race Horse Development Fund for thoroughbred purses be paid in full to Suffolk Downs for placement in the purse account. This is different from prior years where Suffolk Downs has requested and received only an amount of money to cover the racing days in each meet.

Commissioner Zuniga asked Chip Tuttle, representative of Suffolk Downs if there was a purse agreement for years after 2018. Mr. Tuttle stated that there was not, but that Suffolk Downs had entered into an agreement with the horsemen to work on building a track and seeking legislative change to use the purse money to build a track. He stated that the horsemen were concerned that the legislature would take the money out of the Race Horse Development fund and use it for other purposes. Mr. Barnett, attorney for Suffolk Downs, stated that he disagreed with the Commission's reading of the statute regarding the Race Horse Development Fund; he believes that all of the money should be placed in the purse account and that it would not be irresponsible to do that.

Commissioner Zuniga requested staff to confer with the Comptroller's office on this issue. The Commission allowed Anthony Spadea, President, New England Horsemen's Benevolent Association to speak. He supported placing all of the



money in the purse account so that the horsemen could benefit from interest earned on the account. The Commission allowed Neil Raphael, attorney for the horsemen to speak. He stated that he also disagreed with the Commission's reading of the statute.

After discussion and comment, the Commission determined to table this matter until it receives advice from the Comptroller.

Dr. Lightbown presented on Suffolk Downs' request to amend its schedule of racing days by racing 2 days each in June, July and August instead of 2 days each in July, August and September. Dr. Lightbown recommended approving the change.

[2:57 p.m.](#) *Commission Cameron moved to approve the change in the racing schedule. Motion seconded by Commissioner Stebbins. Motion approved 4-0.*

Dr. Lightbown presented on the request from the Massachusetts Thoroughbred Breeders Association ("MBTA") for the Commission to approve 5 races at the Finger Lakes race track. Dr. Lightbown explained the purpose of the request and advised the Commissioners that there were comments in the Commission packet from members of the MBTA who requested that the Commission not approve the request. The Commissioners discussed the comments from members of the board of the MTBA, reviewed a memo from the MBTA board and took comments from an attorney for one of the members of the MBTA.

[3:05 p.m.](#) *Commissioner Cameron moved to approve the request of the Massachusetts Thoroughbred Breeders' Association to run five restricted Mass-bred races at the Finger Lakes Racecourse in New York. Motion seconded by Commissioner Stebbins. Motion approved 4-0.*

### **Commissioners' Updates**

See transcript pages 225 - 227

[3:10 p.m.](#) Commissioner Stebbins reported on additional scholarship money that was provided for students at the Holyoke Community College culinary program. He also reported on a marketing agreement between MGM and the Basketball Hall of Fame.

[3:13 p.m.](#) *Having no further business, a motion to adjourn was made by Commissioner Zuniga. Commissioner Cameron seconded the motion. The motion passed 4-0.*

### **List of Documents and Other Items Used**

1. Notice of Meeting and Agenda, dated March 29, 2018

2. Commission Meeting Minutes Draft dated March 15, 2018
3. MGC High Level Critical Path to MGM Springfield Opening
4. Wynn 4<sup>th</sup> Quarterly Report PowerPoint presentation dated March 29, 2018
5. Wynn Boston Harbor Workforce Development & Diversity Plan Draft dated March 26, 2018
6. Cambridge College Presentation to the Massachusetts Gaming Commission dated March 29, 2018
7. Small Business Impact Statement for 205 CMR 138.00: Uniform Standards of Accounting Procedures and Internal Controls
8. Request letter to Dr. Alexandra Lightbown from Suffolk Downs COO Chip Tuttle dated February 9, 2018
9. Letter to the Massachusetts Gaming Commission from Raphael, LLC dated March 26, 2018
10. Regulation 205 CMR 149.00: Race Horse Development Fund
11. Suffolk Downs Request to Amend Race Schedule dated March 26, 2018
12. Massachusetts Thoroughbred Breeders Association's request for five restricted Massbred races at Finger Lakes Racecourse in New York
13. Letter to Commissioner Cameron in opposition of request for races at Finger Lakes Racecourse in New York, dated March 27, 2018
14. Letter to Commissioners from Chairman George Brown of the Massachusetts Thoroughbred Breeders Association
15. M.G.L. c.128 § 2(g)
16. Harness Horseman's Association of New England Pension Plan, dated March 26, 2018
17. Memo from Dr. Alexandra Lightbown to Commissioners re: Plainridge Key Operating and Racing Officials, dated March 26, 2018
18. FY 2017 Performance Summary for Exempt Roles re: Director Edward Bedrosian
19. Draft regulation 205 CMR 136.00 – 138.12
20. Draft regulation 205 CMR 138.23
21. Draft regulation 205 CMR 138.24
22. Draft regulation 205 CMR 138.29
23. Draft regulation 205 CMR 138.31
24. Draft regulation 205 CMR 138.32
25. Draft regulation 205 CMR 138.35
26. Draft regulation 205 CMR 138.36
27. Draft regulation 205 CMR 138.57
28. Draft regulation 205 CMR 138.64
29. Draft regulation 205 CMR 138.71
30. Draft regulation 205 CMR 139.04 – 140.02
31. Draft Amended Small Business Impact Statement for 205 CMR 205 CMR 136 – 138.12
32. Draft Small Business Impact Statement 205 CMR 138.00
33. Draft Small Business Impact Statement 205 CMR 147.05
34. Draft Small Business Impact Statement 139.04

/s/ Catherine Blue  
Assistant Secretary