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## Massachusetts Gaming Commission Meeting Minutes

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**Date/Time:** June 27, 2019 – 10:00 a.m.

**Place:** Massachusetts Gaming Commission  
101 Federal Street, 12<sup>th</sup> Floor  
Boston, MA 02110

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

**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 #273 of the Massachusetts Gaming Commission.

### **Approval of Minutes**

See transcript page

[10:01 a.m.](#) *Commissioner Stebbins moved to approve the minutes from the Commission meeting of May 29, 2019, subject to correction for typographical errors and other nonmaterial matters. Commissioner Cameron seconded the motion. The motion passed unanimously.*

*Commissioner Stebbins moved to approve the minutes from the Commission meeting of June 6, 2019, subject to correction for typographical errors and other nonmaterial matters. Commissioner Cameron seconded the motion. The Chair noted that Commissioner Zuniga is referenced by his first name on page one, and requested that be changed. The motion passed unanimously.*

## **Administrative Update**

See transcript pages 1 – 16

### 10:03 a.m.     **General Update**

Director Ed Bedrosian updated the Commission regarding a historic weekend in racing, as it will be the last and final racing event at Suffolk Downs.

### **Encore Boston Harbor Certificate of Operations**

Director Bedrosian reviewed the opening of Encore Boston Harbor and described the test nights. He thanked all of the staff and law enforcement involved in all opening preparations.

Bob DeSalvio, President of Encore Boston Harbor, with Jacqui Krum, Senior Vice President and General Counsel and Peter Campot, Director of Construction, thanked everyone for the excellent job they did, from construction to commitment fulfillment. He also thanked the 5,000 team members at Encore Boston Harbor for ensuring smooth operations on opening day.

10:19 a.m.     Commissioner O'Brien described her experience at Encore Boston Harbor and how the decision was made to grant Encore their temporary certificate of operations. She recommended issuance of the permanent operations certificate.

Bruce Band, IEB Assistant Director/Gaming Agents Division Chief, stated that the casino has been operating smoothly. Teams are working efficiently. Burke Cain, Field Manager of Gaming Operations/Deputy Gaming Agent Division Chief added that any wrinkles would be ironed out and agreed with Mr. Band that everything is running well.

10:24 a.m.     Commissioner O'Brien reviewed with the Commission the specific terms and conditions required for the issuance of an operations certificate. She recommended that the Commission approve the issuance of a permanent operations certificate subject to these conditions.

Attorney Krum confirmed that Encore can meet all of the conditions laid out by the Commission within 90 days, except for the last condition that requires the credit department to be either relocated or sealed off from the cashier's cage, as that that would take a bit more time.

Director Bedrosian stated that the Commission will be monitoring Section 61 commitments as well as the required conditions, as outlined in the memo from the ombudsman.

[10:33 a.m.](#) Joe Delaney, Construction Project Oversight Manager, reviewed and commented on the memo regarding the Section 61 update.

[10:35 a.m.](#) *Commissioner Cameron moved, pursuant to 205 CMR 151.01(3), that Wynn MA LLC d/b/a Encore Boston Harbor is in material compliance with all of the prerequisites for the issuance of a permanent operations certificate, subject to any conditions determined by the Commission to be included in the permanent operations certificate and that the Commission issue a permanent operations certificate, subject to any conditions included by the Commission, to Wynn MA LLC d/b/a Encore Boston Harbor.*

*Commissioner Cameron further moved that the issuance of the permanent operations certificate is subject to Wynn MA LLC d/b/a Encore Boston Harbor's continued compliance with all of its project commitments and conditions that are a part of its application, license, and permits and that such permanent operations certificate is subject to compliance with the conditions and agreements previously imposed by the Commission on Wynn MA LLC d/b/a Encore Boston Harbor. Commissioner O'Brien seconded the motion. The motion passed unanimously.*

[10:38 a.m.](#) **Region C Status Update**

Director Bedrosian stated that the unsuccessful Region C applicant sent the Commission a Motion to Reconsider in 2018, and the Commission authorized staff to post questions and request public comment.

The Chair described the motion to reconsider the Region C license. She requested that the legal team bring the Commission up to speed by first providing a legal analysis regarding the status of the motion for reconsideration. The Chair stated that she is specifically interested in learning whether the Commission has the discretion to move ahead on it or whether all administrative remedies have been exhausted, requiring a timely appeal instead. She invited Mass Gaming and Entertainment's counsel to present on that issue as well.

The Chair then asked to be briefed on public comments and responses to the questions that the Commission issued last year.

Lastly, the Chair asked for an update on the status of the Mashpee Wampanoag litigation and related legislation and legal matters.

Commissioner Zuniga asked about the potential need for an updated market assessment. He stated that the applicants all projected that with the introduction of Category 1 casinos there would be a dip in revenues for PPC. Commissioner Zuniga expressed that the Commission needs to start thinking about the possibility of doing a marketing assessment refresh, to ascertain

how the market has changed from the first time that the Commission looked at the Region C license application in 2016.

[10:47 a.m.](#) State Senator Michael D. Brady addressed the Commission. He is in strong support of a casino in Region C and explained how a casino would help the Brockton area and its local businesses. He asked the Commission to reconsider that application.

### **Ombudsman**

See transcript pages 16 – 20

#### [10:59 a.m.](#) **MGM Solar System Installation Schedule**

Ombudsman John Ziembra reported that MGM Springfield submitted a request to extend the deadline to install on-site solar photovoltaic (PV) systems to December 31, 2019. He explained that the installation process for a PV system on the top level of the MGM Springfield garage is underway, and expect project completion and commissioning of the system by November.

[11:00 a.m.](#) *Commissioner O'Brien moved that the Commission approve the schedule for the installation of the solar power system at MGM Springfield as more fully described in the Commission packet and discussed today, specifically extending the deadline to December 31, 2019. Commissioner Cameron seconded the motion.*  
*The motion passed unanimously.*

#### [11:01 a.m.](#) **Dave's Furniture/Wahlburgers Construction Schedule**

The Ombudsman reviewed a second a request from MGM Springfield to extend the deadline for the development of the Corner Retail (Dave's Furniture site) to July 8, 2020. He explained that the original date was driven by finding a suitable tenant, and the process took longer than anticipated, so the project was delayed. He reported that they now have a lease with the owners of Wahlburgers, and will provide the Commission with a construction schedule when it becomes available.

Mike Mathis, President of MGM Springfield, explained MGM's corporate initiative regarding tenants and diversity. MGM has conversations with the tenants themselves to make sure they share the same core beliefs, as well as incorporate language into the lease that encourages tenants to maintain diversity.

[11:04 a.m.](#) *Commissioner Stebbins moved that the Commission approve the construction schedule for Wahlburgers at MGM Springfield as more fully described in the Commission packet and discussed today, with a specific focus on the new deadline of July 8, 2019. Commissioner Zuniga seconded the motion.*  
*The motion passed unanimously.*

The Ombudsman reported that he continues to have good conversations with principals involved in the potential 31Elm Street development. He added that while there is no announcement today, he does believe that he can have a more substantive update by MGM Springfield at the next quarterly report which will likely be in August.

Mr. Mathis concluded the segment by describing the entertainment program and events at MGM Springfield thus far.

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

See transcript pages 20 – 22

### 11:11 a.m. **Holyoke Community College Mitigation Fund Grant Amendment Request**

Jill Griffin, Director of Director of Workforce, Supplier and Diversity Development, introduced Crystal Howard, Program Manager who stated that Holyoke Community College (“HCC”) for the Springfield Public Schools (“SPS”) is requesting approval for the appropriation of \$10,000 to support the Achieve 3000 platform within the “Ahead of the Game” program. She noted to the Commission that approval of this request will provide adult English language learners with an online platform to achieve literacy gains at an individual pace, engaging students at their individual reading level.

Director Griffin explained that the request seeks to allocate \$10,000 toward covering costs of the Achieve 3000 platform being used in the curriculum, which is an online platform that accelerates literacy gains for English language learners. The request comes as there is a new line item in the application for Springfield Public Schools Scholarships, as discussed in the [June 7, 2018 Commission meeting](#).

Commissioner Stebbins asked what the full budget was, and Ms. Howard responded that she was informed that \$10,000 is under half of it. However, she was not provided the full platform costs. She noted that all of the students in the program for English literacy are using this platform. Director Griffin clarified to the Commission that these students are all adults.

11:18 a.m. *Commissioner Stebbins moved that the Commission approve the amendment to the Holyoke Community College Mitigation Fund Grant as requested by Holyoke Community College and described in the Commission packet. Commissioner Zuniga seconded the motion. The motion passed unanimously.*

## Finance Division

See transcript pages 22 – 26

### 11:19 a.m. **Massachusetts Gaming Commission Fiscal Year 2020 Budget**

Derek Lennon, CFO, thanked his staff for all the time they spent on location for the test nights at Encore Boston Harbor.

Mr. Lennon reviewed the MGC's initial Fiscal Year 2020 budget and assessment projections with the Commission. There was discussion around the \$3/4M loss of simulcasting revenue from Suffolk Downs projected for the year, as the track is closing.

Commissioner Zuniga commented that to simulcast, there needs to be live race days. Therefore, it would not be possible to simulcast after January 1, 2020, without a legislative amendment.

Mr. Lennon noted that this will be the first year that the Commission assesses \$5M per [205 CMR 121.00: Licensing Fee](#) to be contributed to the Public Health Trust Fund (PHTF). The combination of the assessment for the Gaming Control Fund and the PHTF will result in a \$34.8M assessment on licensees.

Mr. Lennon then reported that total Gaming Fund costs of \$28.42M, plus Total Racing costs of \$2.75 M, plus Research and Responsible Gaming costs from the Public Health Trust Fund for \$6.54M yields a total of \$43.5M that will fund 107 full-time employees and six contract job positions.

The statutorily required costs in FY20 are projected to be \$12.32M. This figure includes \$3.67M for the costs of the Attorney General's Office, \$75K for the Alcoholic Beverage Control Commission, \$2.04M for Commonwealth of Massachusetts Assessed Indirect Costs, and \$6.54M for the Research and Responsible Gaming office which will be funded from the Public Health Trust Fund for the first time.

Commissioner Zuniga pointed out that \$5M in statutory costs is missing from the memo but is included in the packet.

11:30 a.m. *Commissioner Zuniga moved that the Commission approve the Commission's fiscal year 2020 budget as presented by staff and more fully described in the Commission packet. Commissioner O'Brien seconded the motion. The motion passed unanimously.*

## Racing Division

See transcript pages 26 – 35

### 11:31 p.m. **Massachusetts Thoroughbred Breeders Association Request to Race at Finger Lakes**

Dr. Alexandra Lightbown, Director of the Racing Division, introduced a request submitted by Donna Pereira, Chairwoman of the Massachusetts Thoroughbred Breeders Association (MTBA), to run races at Finger Lakes August thru November 2019. Dr. Lightbown recapped that in 2015, [MGL.c. 128.00: Agriculture](#) was changed to allow Mass-Bred races to be run outside of Massachusetts. The Massachusetts Gaming Commission has approved these races each year since then.

The Commission reviewed the public comments received regarding the MTBA. Commissioner Cameron reviewed the schedule and stated that the Racing Division conducted an investigation regarding the comments received regarding changes to the races written for the Finger Lakes races.

Commissioner Cameron then asked that no last minute changes be made that may appear to exclude certain horses. Arlene Brown, Secretary for the MTBA, explained that they do not make any changes to Finger Lakes' racing schedule. Specifically, she stated that John Morrissey, Racing Secretary, creates a racing schedule based on the horses' racing performance history, which is then provided to Finger Lakes. After that, any changes to that schedule are not under the control of the MTBA.

Commissioner Cameron responded by stating that the racing secretary has to be able to keep racing fair. She stated that for Finger Lakes races to be approved by the Commission moving forward, the board must not alter the schedule issued by the racing secretary.

11:41 a.m. Commissioner Zuniga expressed a larger concern, which is around the supply of horses for racing, as the breeding program does not seem to be coming to fruition. He stated that there is money going toward purses from the Racehorse Development Fund. This will be difficult due to no ability to race because they will not have a racetrack that is currently running a full race meet.

Commissioner Zuniga noted that the Commission has funded this program for three or four years, and asked if racing elsewhere in Finger Lakes has yielded any increase to the Mass-Breeding or if it is just marginal breeding.

The Chair confirmed with Dr. Lightbown that notwithstanding the concerns that Commissioner Cameron had raised, Dr. Lightbown was still prepared to make the recommendation that had been set forth in the Commission packet.

[11:36 a.m.](#) The Chair requested that the Racing Division provide the Commission with a brief update at the next Commission meeting on what triggers an investigation by the Racing Division. She would like to know the procedures and processes that are in place to ensure that both sides are heard clearly and asked what they will do going forward to apprise the Commission of a pending investigation.

Dr. Lightbown recommended that the Commission approve the request of the Massachusetts Thoroughbred Breeders Association to run their suggested races from August through November 2019.

[11:58 a.m.](#) *Commissioner Cameron moved that the Commission approve the request by the Massachusetts Thoroughbred Breeders Association to race at the Finger Lakes race track as described in the Commission packet with the assurance that the race conditions will not be altered by the board. Commissioner Zuniga seconded the motion.*  
*The motion passed unanimously.*

[11:59 a.m.](#) **Suffolk Downs' Request for Approval of Additional Racing Official**  
Dr. Lightbown stated that Chip Tuttle, Suffolk Downs Chief Operating Official, has submitted a request for approval of additional Racing Official Robert McKinney, DVM (Veterinarian) dated June 20, 2019. She noted that he had been licensed by the Massachusetts Gaming Commission previously.

Dr. Lightbown recommended that the Commission approve the request of Suffolk Downs to approve Robert McKinney, Veterinarian, as a Racing Official, pending approval by the Stewards and satisfactory completion of his background check by the Massachusetts State Police.

[12:00 p.m.](#) *Commissioner Stebbins moved move that the Commission approve the request by Suffolk Downs to add an additional racing official as more fully described in the Commission packet Commissioner Cameron seconded the motion.*  
*The motion passed unanimously.*

### **Commissioner's Updates**

See transcript pages 35 – 36

[12:04 p.m.](#) Commissioner Stebbins stated that he was able to speak with Encore employees during the opening and there was a lot of excitement about the opportunity there.

He also stated that Kevin Kennedy, Chief Development Officer of the City of Springfield, is retiring. He is offering a certificate of appreciation to Mr. Kennedy.

[The Chair signed the certificate]



The Chair stated that she wishes Mr. Kennedy well and thanked him for his service.

Tim Sheehan, long time Springfield city resident who has worked in Springfield city government, will be replacing Mr. Kennedy. Commissioner Stebbins stated that for the past several years, Mr. Sheehan has been leading the revitalization of Naugatuck, Connecticut, so he's essentially moving back home to take over that position.

12:08 p.m. *With no further business, Commissioner Cameron moved to adjourn the meeting. Commissioner Zuniga seconded the motion. The motion passed unanimously.*

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

1. Notice of Meeting and Agenda, dated June 27, 2019
2. Draft Commission Meeting Minutes dated 29, 2019
3. Draft Commission Meeting Minutes dated June 6, 2019
4. Encore Boston Harbor's Permanent Operation Certificate
5. Letter re: Request to Extend Deadlines, dated June 21, 2019
6. Memo re: Holyoke Community College - 2018 Community Mitigation Workforce Development Grant Amendment Request for Springfield Public Schools, dated June 26, 2019
7. Memo re: Fiscal Year 2020 (FY20) Budget Recommendations, dated June 27, 2019
8. Attachment A: FY20 Spending and Revenue, revised for June 27, 2019
9. Attachment B: Next Year Budget All Departments for Commission, dated May 31, 2019
10. Attachment C: Next Year Budget by Object Class for Commission, dated May 31, 2019
11. Memo re: Massachusetts Thoroughbred Breeders Association Request to Race at Finger Lakes August-November, dated June 24, 2019
12. Letter from the Massachusetts Thoroughbred Breeders Association (MTBA) dated June 3, 2019
13. Public Comments re MA Thoroughbred Breeders Finger Lakes Races
14. Memo re: Suffolk Downs Racing Official Addition, dated June 21, 2019
15. Letter from Suffolk Downs, dated June 20, 2019

/s/ Catherine Blue  
Assistant Secretary