

COMMONWEALTH OF MASSACHUSETTS

MASSACHUSETTS GAMING COMMISSION

PLAINVILLE GAMING & REDEVELOPMENT HARNESS HORSE RACING
APPLICATION HEARING

PRESENT

Interim Chairwoman Cameron

Commissioner Zunika

Commissioner O'Brien

MASSACHUSETTS GAMING COMMISSION

9 School Street

Plainville, Massachusetts

Tuesday, October 30, 2018

4:00 p.m.

KARASCH & ASSOCIATES

800-621-5689

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2
3 GAYLE CAMERON: So I think we'll start the hearing.
4 Thank you.

5 All set? Great. Thank you.

6 Is this the sign-in sheet?

7 >>>>: Yes. You can start when you are ready.

8 GAYLE CAMERON: Okay. Will do, thank you very
9 much.

10 Good afternoon, today is Tuesday October 30th,
11 2018, this is a public hearing before the Massachusetts
12 Gaming Commission. I'm the interim chair woman, Gayle
13 Cameron, representing the Commission today. Also present is
14 Commissioner Zunika and Commissioner O'Brien.

15 This hearing is being convened pursuant to
16 Massachusetts General Law Chapter 128 A Section 3.

17 We are here today to accept public comment on the
18 racing license application submitted by Plainville Gaming
19 and Redevelopment for harness horse racing to be held at the
20 Plain Ridge Park Casino.

21 Before we begin, the Commission would like to thank
22 all of you for being here today. This is a public hearing,
23 and it is critically important that you, the public, be part
24 of the process to insure the Commission achieves the best
25 possible outcome.

1 The purpose of this public hearing is to offer any
2 interested person or group an opportunity to comment on the
3 racing license application. This is not a question and
4 answer period or a debate. Once we begin -- once we begin,
5 we will take comment in the order of the sign up list.
6 When your name is called, you may proceed to the table and
7 offer your comment.

8 The Commission requests that all speakers identify
9 themselves prior to commenting and please be sure to keep
10 your voices up, as to this is being recorded, this hearing.

11 With that we will now open the floor for comment
12 and first up is Mr. O'Toole.

13 STEVE O'TOOLE: Good afternoon, Commissioners,
14 thanks for coming to the lovely Town of Plainville. I
15 thought maybe this year we would be in the new
16 administration building downtown, but the chief just told
17 me it is scheduled now for the middle of February.

18 GAYLE CAMERON: Got pushed back a little bit.

19 MR. O'TOOLE: So maybe we'll make it for next
20 year.

21 GAYLE CAMERON: Great.

22 MR. O'TOOLE: It is my pleasure to present the
23 application for 2019. We definitely believe this license
24 application meets the 7 criteria for licensing which is the
25 financial ability of the applicant to operate a racetrack.

1 Maximization of state revenues. Suitability of the racing
2 facility we have for operation at the time of year that we
3 have applied for. And the circumstances that large groups
4 of spectators require safe and convenient facilities.
5 Interest of the members of the public in racing competition
6 is honestly managed in good quality and necessity of
7 according fair treatment to the economic interests in
8 investment of those who in good faith have provided to
9 maintain that facility.

10 Before I go any further on comments on criteria, we
11 would like to take the chiefs out of order, out of respect
12 -- even though they usually hang around -- but if they want
13 to --

14 GAYLE CAMERON: We would love to hear from the
15 chiefs.

16 MR. O'TOOLE: I don't want to pick one, you can
17 pick one.

18 GAYLE CAMERON: I would defer -- (laughter).

19 CHIEF ALFRED: Good evening, Chief James Alfred.

20 CHIEF ALEXANDER: Chief Justin Alexander.

21 CHIEF ALFRED: From my perspective Plainridge is a
22 pleasure to have in town. We have very few incidents there.
23 We have an excellent working condition with the management.
24 A long working relationship with the management, since it
25 really has not changed on the racing side for 20 years. So

1 it is a model facility, no impact to the town, whether
2 traffic, crime, calls for service. Given the size of the
3 facility, calls and service are minimal. We have far more
4 calls at shopping plazas than we do at Plainridge. Many of
5 the calls are service calls, not for crime. Crime rate is
6 very, very low very few incidents.

7 GAYLE CAMERON: Thank you, Chief.

8 CHIEF ALFRED: You are welcome.

9 CHIEF ALEXANDER: Our volume up there is typically
10 medical emergencies. Casino and racing both sides of the
11 building, excellent at facilitating us when we go up there.
12 No issues of safety, any violations of any type over the
13 last year, and great relationship, any time we go up there
14 and have questions, we always get the answers and always
15 good cooperation to solve things, sometimes the public
16 creates for us, jointly good relationship, wouldn't have it
17 any other way.

18 GAYLE CAMERON: Thank you, Chief, we appreciate
19 your comments.

20 MR. O'TOOLE: I have Jay Savastano who is my mutual
21 manager, I won't be available, I'll be out of town on the
22 8th, when you vote on this license. I think it is scheduled
23 to be voted on the 8th, but Jay will be there in case
24 anything comes up in the interim.

25 GAYLE CAMERON: So Jay will have the answers.

1 MR. O'TOOLE: I think so, I will try -- I told him
2 to have his phone on text alert, I will be watching.

3 Lenny Calderon, obviously as racing services
4 manager usually would be there, but as you know he's our
5 announcer and we're racing that day, so Jay will step in as
6 mutual manager.

7 I would like to make a submission, certificate of
8 good standing, which was not up to date in the application
9 due to the fact of the clinical acquisition.

10 GAYLE CAMERON: We'll include this as part of the
11 packet. Thank you.

12 MR. O'TOOLE: Plainville Gaming and Redevelopment,
13 the parent company, Penn National Gaming continues to have
14 one of the strongest balance sheets in the racing and gaming
15 industry, and definitely has the financial ability to
16 operate Plainridge as well as the 12 other racing facilities
17 in 8 other jurisdictions, this year with the addition of The
18 Meadows in Pennsylvania and Witoma Park in Texas, with
19 the Pinnacle acquisition. In the process of the
20 transformation, with the gaming facility, we've created an
21 inviting racing atmosphere, we have invested deeply in both
22 the customer facing side and horse men side of the
23 operation. We're committed to continue to make the
24 appropriate investments in the property. Going forward, we
25 are constantly maintaining our physical facility with the

1 racetrack surface and with things around the barn area and
2 provide convenient and safe atmosphere for customers and
3 fans as well.

4 We also continue to offer racing officials the most
5 up to date equipment for them to do their jobs, to regulate
6 the racing in a fair and honest manner.

7 While the racing at Plainridge has been going in a
8 positive direction, we did have concern last year with
9 participation, and that was addressed with the 110 racing
10 days granted last year. Average number of races per day
11 this season and average field size has increased over last
12 season which is very good. And we are on track to complete
13 just about the exact same number of races that we did last
14 year. So that model worked pretty well.

15 Our purses this year approaching \$10 million mark,
16 which is great, the economic generator that racing has
17 created at Plainridge is maximizing state revenue for sure.

18 With this in mind, the racing schedule submitted
19 for 2019 is 108 days that adds -- actually we're going to
20 add an extra week to the calendar, 34 weeks, days will be
21 Monday, Thursday, Friday. So switching it up a little bit.
22 We saw that Tuesdays, handles weren't as good, we saw some
23 of the Fridays we raced even though not putting out a
24 stellar card all the time, we did notice that we had some
25 opportunity there, that maybe if we put some better class

1 racing out there that Friday might be an opportunity for us.
2 So we're going to try Monday, Thursday, Friday -- Monday
3 always strongest, and I think it will remain to be, I think
4 there is some opportunity on Friday, and it might give
5 customers an opportunity to come on Friday twilight
6 evenings. We're also going to do five Sundays in October.
7 When the Cyrus Stakes come around, there are added races, so
8 we feel we'll be able to fill the Monday, Thursday, Friday
9 and Sundays as well, when the Cyrus Stakes are running their
10 races.

11 The 34 week schedule is consistent with past
12 seasons, we have done them, as long as we don't get started
13 too early, we really can't start before the Red Sox are
14 done, as long as we're done right around Thanksgiving, we
15 have a safe atmosphere for the horses and the track and
16 everything.

17 We believe that racing at that time of year also
18 provides for the fair treatment and economic interests of
19 Plainville Gaming and Redevelopment.

20 That is about it for my comments. If you have any
21 questions, I'll be more than to happy to answer any
22 questions you have.

23 GAYLE CAMERON: The schedule was negotiated
24 successfully this year; correct?

25 MR. O'TOOLE: Yes. The horsemen agree --

1 actually, I have it underlined there, you know me, I tend to
2 go off script, the horsemen have agreed to 108 day schedule.

3 And for a number of reasons. I think, number one,
4 I think that the 110 days that we did this year, and without
5 really any affect to the number of times that the horses can
6 actually race. I think that was -- that resounded pretty
7 well with the horsemen, an extra week meant a lot for them
8 to go 34 weeks instead of 33, the horses race by the week
9 not the day. The number of days is -- if you switch a lot
10 of days into short period of time, it really doesn't do them
11 any good.

12 And the racing has been really good too. So it is
13 good for us. It is good for the horsemen. And it is
14 actually 2 less days, but a bit of a longer schedule.

15 We try to take the -- you know, look at it and try
16 to see where there is opportunity when there is more horse
17 flesh around, and that is the reason for the Sundays as
18 well.

19 And planning on racing some of the Cyrus Stake
20 races on Sundays to showcase that program, that was
21 important as well.

22 GAYLE CAMERON: Horsemen and women have, in the
23 past, inquired about racing on a weekend. So I'm sure that
24 was -- that was something that was worked for the horse
25 folks as well; Right?

1 MR. O'TOOLE: That is correct.

2 GAYLE CAMERON: Great. Okay.

3 ENRIQUE ZUNIKA: You mentioned "handle", how about
4 field sizes?

5 MR. O'TOOLE: Races per day are up over last year,
6 we're averaging more than 10, less than 11 races a day, but
7 very close to guaranteeing 11 races a day, and field size is
8 up from like 7.1 to 7.4 or five. So we have two things we
9 accomplished with 110 day schedule last year, we got to
10 offer a full card of races, as I explained last year, 7
11 races constitute a card. And we satisfy a racing day, if
12 we go 7 races, 7 races, a lot of customers don't even want
13 to buy a program for 7 races. If we can do 10, 11, 12,
14 much better. So we've been close to averaging 11, we're at
15 10.9 something, so almost at 11. And I think we'll
16 probably end up right in that area, about 11, by the time we
17 wrap up.

18 In November, we tend to get a few more horses. All
19 the fairs in Maine are done and Vernon closes this week,
20 we'll get some horses from there. Saratoga takes a short
21 rest right around Thanksgiving. So month of November we do
22 pretty well with horses. So I think we'll be able to do 11,
23 12 race cards for the month of November.

24 ENRIQUE ZUNIKA: What about the track, any
25 concerns, gets too cold, you pushing November a little bit

1 too much?

2 MR. O'TOOLE: The last 2 seasons I sent Alex a
3 picture of the next possible race day, would have been
4 racing, and the track was covered with snow. With a
5 caption, "I'm glad". It seems like the end of November is
6 just right. And the track has been excellent this year, it
7 has a number of track records again this year. The horses
8 are -- that are coming in for the purses we're offering are
9 very good horses, number one. And the track has been in
10 absolutely great shape this year. Twice we've moved cards,
11 once to avoid the remnants of hurricane Michael, I think.
12 And then the other time was the little hiccup we had with
13 the legislation in the middle of the season. So we moved
14 the card forward. This is probably the rainiest season
15 we've ever had and the track has held up remarkably well.
16 We've gone through delays to make repairs and we're back on
17 track, so the track has been fantastic.

18 GAYLE CAMERON: Great. The reason for the supply
19 being much stronger of horses this year, what are your
20 thoughts on that?

21 MR. O'TOOLE: Well, a matter of semantics, we're
22 not trying to fill four days, most of the year filling three
23 days. So the numbers of horses are the same.

24 GAYLE CAMERON: Okay.

25 MR. O'TOOLE: But racing them over three days,

1 averaging 11 races instead of going 10 races, 9, then having
2 very short fields, when we consolidate that into the three
3 days, seems to be the right formula for the amount of race
4 horses that are available. We get to do 11 races, 11 nice
5 races with fuller fields.

6 ENRIQUE ZUNIKA: Have you done 3 day weeks in the
7 past, in our tenure?

8 MR. O'TOOLE: We did a lot of 80 day, we'll go
9 three days, then at the beginning of the year we used to
10 start off two, three weeks with two days, when doing the 80
11 day schedule, because the horses aren't quite, you know, in
12 shape yet. And winter has been tough, a lot of horses
13 don't go to Florida, stay around here, are a little bit
14 behind, stuff like that. So we would only go two days a
15 week for a couple weeks, and then shift into the three days.
16 But I think only because we -- because of the increasing
17 amount of days that was in the original legislation, 105,
18 115, 125, that is when we had to start going the four days.

19 GAYLE CAMERON: Additional questions?

20 Jay, I think you are signed up as well to speak, do
21 you want to add to that?

22 JAY SAVASTANO: He put me on the list, just to make
23 sure in case you had any questions.

24 GAYLE CAMERON: So when you come to the vote -- we
25 know who you are.

1 MR. SAVASTANO: Yes.

2 GAYLE CAMERON: Okay.

3 Does anyone else that did not sign up wish to add
4 anything, make comments?

5 No?

6 Why don't we do this then, why don't we suspend
7 until 5:00 and to just give someone who may want to get here
8 and has not had an opportunity to get here yet, time to be
9 here. So we'll suspend the meeting until 5 and then we'll
10 come back on the record and see if there is anyone else to
11 speak.

12 Thank you.

13 (Recess taken).

14 GAYLE CAMERON: Good, we'll reconvene.

15 It is now 5:00, and we will -- we're back on the
16 record with this hearing. Is there anyone else who would
17 like to speak today before we conclude the hearing?

18 Seeing no one, we will adjourn at 5:00. Thank you
19 everybody.

20 (End of hearing).
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23
24
25

C E R T I F I C A T E .

I, Deborah Acosta, do hereby certify that the foregoing
is a true and accurate transcription to the best of my knowledge
and ability.

Deborah Acosta