

COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS GAMING COMMISSION
PUBLIC MEETING #230

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Lloyd Macdonald

Enrique Zuniga

Bruce Stebbins

Gayle Cameron

MASSACHUSETTS GAMING COMMISSION

101 Federal Street, 12th Floor

Boston, Massachusetts

December 7, 2017

10:00 a.m. - 3:20 p.m.

P R O C E E D I N G S

CHAIRMAN CROSBY: We are calling to order Public Meeting Number 230 at the gaming commission offices, December 7th at 10:00. First item on the agenda is the minutes.

COMMISSIONER MACDONALD: Yes.
Mr. Chairman, I move that we approve the minutes of the meeting of November 21st of this year as they appear in the packet subject to correction for typographical errors and other immaterial matters.

CHAIRMAN CROSBY: Second?

COMMISSIONER ZUNIGA: Second.

CHAIRMAN CROSBY: Any discussion?
All in favor? Aye.

COMMISSIONER MACDONALD: Aye.

COMMISSIONER ZUNIGA: Aye.

COMMISSIONER STEBBINS: Aye.

CHAIRMAN CROSBY: Opposed?

COMMISSIONER CAMERON: Abstained.

CHAIRMAN CROSBY: And Commissioner
Cameron abstains because she was not at the

1 last meeting. We will move on to, I guess,
2 our administrative update.

3 MR. BEDROSIAN: Good morning,
4 Commissioners.

5 COMMISSIONER CAMERON: Good morning.

6 MR. BEDROSIAN: I actually don't
7 have a general administrative update, but I
8 do have a couple of items on the agenda.
9 One is entitled "sports betting." And as
10 you know, on Monday's report, it indicates
11 Christy versus National College Athletics
12 Association. In the gaming world, there
13 was a great amount of interest in this
14 case.

15 As you know, this was a challenge by
16 the State of New Jersey to a federal law,
17 The Professional and Amateur Sports
18 Protection Act which limits which states,
19 namely Nevada, can have legalized sports
20 betting. The outcome of this case could,
21 and if I could show you my paper, could as
22 in capital letters, have implications for
23 potential of legalized sports betting in
24 Massachusetts.

1 Having said that, based on some of
2 the inquiries our communication directors
3 received that I've heard reported, there
4 appears to be some confusion about the
5 potential implications of a court decision.
6 I assume that confusion exists maybe in the
7 public and other areas of the government.

8 Meanwhile our staff, staff counsel,
9 Justin Stempeck and licensing director,
10 Paul Connelly, have done some research on
11 the legal implications of a court decision
12 and potential operational effects on our
13 agency.

14 And while there is a big condition
15 precedent to any change in status quo, that
16 would be a decision by a supreme court
17 allowing states to decide whether to
18 legalize sports betting. I'm suggesting
19 that staff take what I call a cautious
20 proactive approach to educating the
21 Commission, potentially the legislature who
22 along with the governor would make an
23 ultimate decision to legalize sports
24 betting if the supreme court allowed it.

1 If the supreme court decided this
2 case in a way that allowed individual
3 states to legalize sports betting, there
4 are many issues that will need to be
5 decided. First obviously whether to
6 legalize sports betting, what's the
7 appropriate tax rate, who's the regulator,
8 who decides the number of licenses, who
9 gives them, how sports betting could be
10 accessed whether in person or online.
11 These are just a few number of cases.

12 I know Mr. Stempeck has gone to a
13 conference. Commissioner Macdonald himself
14 went to a conference on sports betting.
15 We're not under any time constraint here.
16 I assume the supreme court will make a
17 decision sometime later in the spring,
18 potentially as late as the end of June.

19 I'm suggesting staff work on a White
20 Paper for discussion with the Commission
21 after the holidays, and it may be
22 beneficial to we also consider contacting
23 the legislature to see if our work could
24 help them understand the decisions, again,

1 if any, they may be faced with depending
2 upon the outcome of the supreme court case.

3 CHAIRMAN CROSBY: Any comments?

4 COMMISSIONER CAMERON: Yes, I agree
5 with the assessment. I know the team has
6 been working to keep up with all of the
7 latest developments. You know, I've
8 attended conferences as well in which this
9 is a huge topic. So, I think, it's really
10 a sound idea to put all of this knowledge
11 and information in writing so that others
12 can understand the issue and it educates
13 the public as well, which I think is an
14 important piece. So I certainly agree with
15 your assessment, Executive Director
16 Bedrosian.

17 CHAIRMAN CROSBY: I do, too. I have
18 talked with staff members at the
19 legislature, several about it, and they
20 definitely don't understand that we don't
21 know what this means and that leads us to
22 one we both say, yes, it would be really
23 good if you could give us something because
24 if this is -- if it wins, if it comes out

1 in favor of permitting, then it will be a
2 wild west show out there and people will be
3 gambling all over the place. So he thought
4 that it was going to be legal if that's the
5 decision that is about to be made.

6 So, I think, if we structure
7 something -- I think we should definitely
8 have something to give to the legislature
9 as a sort of the lay of the land today and
10 lay of the land under each of the different
11 outcomes. And, you know, if thinking about
12 it -- we will be talking about it. But
13 since we are going to do something in
14 writing for the legislature, putting
15 yourself in the head of a legislature, what
16 would I need to know and what would I need
17 to do in the event that New Jersey wins.
18 That would be a really helpful thing to get
19 out there.

20 COMMISSIONER ZUNIGA: Yes.
21 Especially because it's not necessarily
22 just win/loss, legal/illegal outcome.
23 There's more than a couple it's been
24 somewhat the supreme court does. I think

1 also along those lines, and I know Justin
2 and Paul may have done a lot of research in
3 this regard already, what other states have
4 already been doing, there has been quite of
5 activity getting ready for the different
6 scenarios actually passing -- passing acts
7 or laws that would be triggered by
8 depending on the outcomes of some of these
9 decisions. So, just an understanding or a
10 chart of states with different approaches,
11 I imagine, would be really helpful to
12 communicate to the legislature and
13 governor.

14 COMMISSIONER MACDONALD: I would
15 agree with our Executive Director's
16 suggestion. I would underscore the word
17 "cautious" as being the characterization of
18 our approach here. I think, it's very --
19 although, it appears that the betting is
20 that New Jersey is going to win that from
21 prior experience that is very difficult to
22 predict with any confidence what a court is
23 going to do notwithstanding the justices
24 may have said in their or implied in their

1 questions.

2 And, furthermore, there's always the
3 possibility of the supreme court finding
4 for New Jersey but casting its opinion in
5 terms that applies only to the State of New
6 Jersey, which would leave the rest of the
7 country in the current sadist. And then
8 just in general, I would be -- before we
9 spend significant resources on this, I
10 think that we should wait and see what
11 happens with the case before the court.

12 CHAIRMAN CROSBY: I don't think
13 we're talking about significant resources.
14 I don't know why -- I assume you're pretty
15 much current on this, Justin, in following
16 it pretty much as it's been developing. So
17 if we had to hire outside counsel or
18 anything like that, I think it might be
19 unnecessary as long as you can fit it into
20 your other work.

21 COMMISSIONER ZUNIGA: Yes, they have
22 always done. I think there is also -- I
23 imagine that we've also been able to
24 leverage a lot of people are doing. And

1 all of the licensees, I know they must be
2 looking at this at a corporate level and we
3 have licensees operating in jurisdictions.
4 So there is a way to do a lot of research
5 and thought, I think, very interesting.

6 CHAIRMAN CROSBY: There is the point
7 which I don't think it will in any way be
8 intimating we think it's going to be
9 successful but who knows. I don't think we
10 should hint that at all. But there are a
11 lot of states that are teeing this up. And
12 if there is a competitive consideration, we
13 ought to at least give the legislature
14 enough heads-up with enough time that if
15 they wanted to prepare sort of or at least
16 have some committee that knew what was
17 going on, they had time to do that. So, I
18 think, it's definitely worth doing.

19 COMMISSIONER CAMERON: Mr. Chair,
20 your point about the misconceptions that
21 are out there about what a ruling would
22 mean, I think is evidence that putting
23 together a document -- and, Mr. Stempeck, I
24 believe, you have a lot of relevant

1 information already and also the contacts
2 through other online endeavors and whatnot
3 to prepare, Mr. Connelly, prepare a
4 document without too, too much of any left.
5 Am I correct about that?

6 MR. STEMPECK: Yes. Paul and I have
7 been keeping abreast of this material as
8 it's been developing. I have been
9 following very closely the developments in
10 the supreme court, and I've read all the
11 briefs that have been submitted following
12 this before the supreme court as it's been
13 pending for quite awhile, even going back
14 for a prior White Paper, I drafted an
15 appendix in that White Paper that addressed
16 the Christie case.

17 So this is something I've had my eye
18 on for quite a while, so I'm happy to
19 address it in any way the Commission
20 decides is a fit way to approach this. I
21 think it will be extremely -- I do have
22 contacts with a number of people in this
23 industry who are actually talking about
24 this and are recognized as experts, and I'm

1 happy to put together anything you think
2 would be the most useful.

3 COMMISSIONER CAMERON: And one of
4 those contacts, I believe, opined this week
5 that Massachusetts would be one of the
6 first to move on this issue, which I was
7 surprised to read, International
8 Publications.

9 CHAIRMAN CROSBY: What world does he
10 live in?

11 COMMISSIONER ZUNIGA: And I make a
12 another point on saying our legislation
13 required or directs us to look at the
14 developments of the industry. At the time
15 it was written of course that it was mostly
16 concern in my opinion was online, which we
17 have done and we continue with that White
18 Paper that was very well-received in that
19 topic.

20 But, I think, you know, the
21 potential for something like this to happen
22 could have big implications, and I would
23 put it under the same protocol just to lead
24 for us in direction from the Gaming Act to

1 monitor all of these activities, because
2 they have a good reputation to the
3 industry.

4 MR. BEDROSIAN: So, I think, I've
5 got a little guidance. Commissioner
6 Macdonald is right. We can speculate about
7 what the potential outcome is. But until
8 it happens, we really don't know. But, I
9 think, I have some guidance and I'm also
10 confident Justin and Paul can produce
11 something and keep their day jobs and why
12 don't I bring this back for an update -- we
13 will start on something and bring it back
14 for an update after the holidays.

15 CHAIRMAN CROSBY: Okay, great.

16 COMMISSIONER CAMERON: Thank you.

17 MR. BEDROSIAN: So for the budget
18 matter, I'm going to turn it over to our
19 budget staff.

20 MR. LENNON: Thank you. Good
21 morning, Mr. Chairman and Commissioners.

22 COMMISSIONER MACDONALD: Good
23 morning.

24 COMMISSIONER CAMERON: Good morning.

1 CHAIRMAN CROSBY: Good morning.

2 COMMISSIONER ZUNIGA: Good morning.

3 COMMISSIONER STEBBINS: Good
4 morning.

5 MR. LENNON: I am joined by Agnes
6 Beaulieu, and we are here for a second
7 discussion on the anticipated FY '18 budget
8 increase to support the operational costs
9 of opening the MGM facility in Springfield.

10 As a reminder, one of myself and
11 you, we were here on November 21st with the
12 same information you have in your packet,
13 and we put that information out for public
14 comment. There were no public comments
15 received.

16 To summarize the acts, I'm on page
17 two of the memorandum is a chart that
18 breaks out the 570,000 we're asking for by
19 object class and object code. The majority
20 the costs of the 14 FTEs, two are human
21 resources and finance and administration,
22 11 in the IEB, all gaming agent or
23 supervising gaming agents, and one
24 additional licensing coordinator.

1 The next biggest area is contracting
2 employees in which we are asking for four,
3 three civilian contract investigators to
4 supplement the MSP efforts, the one
5 licensing representative in Springfield.
6 There are 64,000 of costs for the GameSense
7 responsible gaming outreach efforts and
8 then some operational costs, circuits and
9 for direct associated costs.

10 Page three of the memo lays out the
11 regulatory authority the Commission has
12 increased the budget during the fiscal
13 year. It also includes a breakdown by
14 licensee in how the assessment would be
15 distributed if we increase from 570,000
16 from 23.58 million to 24.15 million.

17 We're asking the Commission to
18 approve the additional costs and increase
19 the assessment from 23.58 to 24.14. 24.15
20 million will allow us to move forward with
21 posting, hiring and procure any additional
22 costs outlined in this memorandum. If you
23 have any questions, we're more than pleased
24 to answer them at this time.

1 CHAIRMAN CROSBY: Questions?

2 COMMISSIONER STEBBINS: Just I
3 appreciate the work you and the team have
4 done to kind of update these numbers. Kind
5 of going in a little bit granular on it,
6 the hiring of the GameSense supervisor and
7 the issue has come up of what resources are
8 being made out in western Massachusetts for
9 people who want to sign up for the
10 self-exclusion program prior to MGM's
11 opening.

12 I just, you know, whatever advantage
13 we can use for the office space that we're
14 currently leasing since access to our space
15 of the GameSense space and MGM might still
16 be limited, I think it would be helpful to
17 kind think that through to Mass. Council in
18 terms of using space that we are already
19 being at the fore set. People will have
20 that immediate opportunity to get on the
21 self-exclusion list as soon as possible.
22 More of a granular in detail, too.

23 CHAIRMAN CROSBY: That's good.

24 Others?

1 COMMISSIONER ZUNIGA: I made this
2 point before, but I'll just make it again
3 for the record, if you don't mind. I think
4 this is a very good approach, very good
5 document from a budgetary standpoint
6 conservative. I felt that some of the
7 projections in hiring are on the
8 conservative side; in other words, on the
9 earlier part. Maybe they turn out to be a
10 little less up front. We'll just have to
11 wait and see, but I'm comfortable with the
12 way it's presented, and I will be
13 supporting the vote.

14 CHAIRMAN CROSBY: Comments? Do I
15 have a motion?

16 COMMISSIONER STEBBINS: Mr. Chair, I
17 move the Commission approve the additional
18 cost of the FY '18 budget increase the
19 assessment from 23.58 million to
20 24.15 million as the details provided in
21 the packet.

22 CHAIRMAN CROSBY: Second?

23 COMMISSIONER ZUNIGA: Second.

24 CHAIRMAN CROSBY: Further

1 discussion? All in favor? Aye.

2 COMMISSIONER MACDONALD: Aye.

3 COMMISSIONER CAMERON: Aye.

4 COMMISSIONER ZUNIGA: Aye.

5 COMMISSIONER STEBBINS: Aye.

6 CHAIRMAN CROSBY: Opposed? The ayes
7 have it unanimously.

8 COMMISSIONER CAMERON: Thanks.

9 MR. LENNON: Thank you.

10 MR. BEDROSIAN: Thank you,
11 Mr. Chairman. I should have pointed out
12 the obvious. General Counsel Blue is
13 absent today, and Deputy Counsel Grossman
14 is filling in for her.

15 CHAIRMAN CROSBY: Welcome, Deputy
16 General Counsel.

17 MR. GROSSMAN: Thanks for having me.

18 MR. BEDROSIAN: With that I am done.
19 Thank you very much.

20 CHAIRMAN CROSBY: All right. I
21 think we next have the ombudsman,
22 Mr. Ziemba.

23 MR. ZIEMBA: Good morning, Mr.
24 Chairman and Commissioners. I have several

1 items up for consideration today. Up first
2 we have the quarterly report for Plainridge
3 Park for the third quarter of this year
4 ending September 30th, if they can join me.

5 So joining us today as part of the
6 Plainridge Park team are Ruben Warren, CFO,
7 Michele Collins, VP of marketing, Mike
8 Mueller, VP of operations. We're also
9 joined by Lance George, General Manager. I
10 will turn it to the Plainridge team.

11 MR. WARREN: Good morning.

12 COMMISSIONER MACDONALD: Good
13 morning.

14 COMMISSIONER CAMERON: Good morning.

15 COMMISSIONER ZUNIGA: Good morning.

16 COMMISSIONER STEBBINS: Good
17 morning.

18 CHAIRMAN CROSBY: God morning.

19 MR. WARREN: So for the business, I
20 think we are pretty happy with how things
21 have progressed. From a staffing
22 standpoint, turnover is slowing down. We
23 have a more stable workforce. We're
24 excited about the things that we are doing

1 on the property. We will hear more about
2 that as we get into the presentation.

3 So for the first slide, our first
4 slide is total spend by the state. And so
5 for the third quarter, we spent 1.7
6 million, 1.2 million or 73 percent stayed
7 inside of the State of Mass. That number
8 has grown about 8 percent from 2016 through
9 2017. So we're finding ways to make sure
10 we seek out those venders in the state and
11 to spend money inside of our state.

12 COMMISSIONER ZUNIGA: Ruben, I have
13 a question. How has that spending being
14 tracked in the last year, let's say, is it
15 really stable, is it really seasonal; can
16 you just comment on that?

17 MR. WARREN: It is a little
18 seasonal. But just to give you some
19 numbers, 1.4 million in the first quarter,
20 1.6 second quarter, 1.7 in the third
21 quarter. So as you see the business ramp
22 up, you'll see the spend ramp up. Then,
23 again, efforts goes to conventions and meet
24 with local venders and make sure we're

1 trying to move the spend that's outside of
2 state inside of state.

3 On a local spend standpoint, we
4 spent 110,000 inside of our host
5 communities and surrounding communities.
6 Mansfield continues to be the leader here
7 at 53 percent.

8 CHAIRMAN CROSBY: Is that some --
9 what is that; is that some big contract?

10 MR. WARREN: It's going to be your
11 print. It's going to be supplies. Those
12 sort of things that take care of the
13 facility. Again, we're looking to go out
14 to look at projects or just business in
15 general. We continue to seek, first,
16 diversity community inside our state, and
17 then of course we broaden the scope.

18 As far as diversity spend, we are
19 hitting our goal from a total spent
20 standpoint at 26 percent. WBE we are at
21 20 percent. The goal is 12. For MBE the
22 goal is 6 percent, and we have grown it to
23 4 percent. For veteran it's 3 percent, and
24 we're hitting that goal.

1 So just to talk about that just
2 briefly. Again, we attended an annual
3 women's business leader's conference
4 Tri-town Chamber. We're getting out into
5 the community to make sure venders
6 understand that we want to do business with
7 them. We are seeking out those diverse
8 venders. We do have some minority venders
9 that are coming on because of the effort to
10 go out to those events, and so we expect
11 for those numbers to continue to grow.
12 Overall, we're meeting the goal of
13 diversity. The goal is 21 percent, and
14 we're at 26 percent.

15 And the next slide is simply just
16 another detail of the venders. We have 21
17 women business enterprise, and 349,000 is
18 what we spend in that category. From a
19 minority vender standpoint, we have
20 563,000. Veteran venders we have three and
21 \$43,000. And, again, here we lost a
22 veteran business in the last quarter. We
23 have picked up a minority vender because of
24 our efforts to go out, and we have also

1 picked up another veteran-owned business as
2 well, so these numbers should improve.

3 From an overall gaming revenue
4 standpoint, we've had our best quarter
5 since we opened the property.

6 44.5 million-dollars is in that slot
7 revenue number. The total taxes for that
8 quarter 21.8 million, 17.8 being state
9 taxes and 4 million racehorse taxes.

10 And, again, from a quarterly
11 standpoint year over year, the business is
12 up 12 percent. From a standpoint just to
13 restate the numbers, 368 million in net
14 slot revenues and a little over
15 180 million-dollars in taxes since
16 inception of the property.

17 COMMISSIONER CAMERON: Can you -- I
18 think we talked about this before. But is
19 that just you're marketing a little
20 differently, you're understanding what the
21 customer would like and you're tailoring
22 your efforts, is that the reason for the
23 12 percent increase?

24 MR. WARREN: It's that. It's along

1 with us trying new and different things.
2 We're doing boxing events. We're having
3 entertainment at the property. We also
4 create relationships with our customers.
5 We're getting out with vendors as well.
6 We're more into the community making sure
7 that people understand we are business, not
8 just from a business standpoint but from a
9 relationship standpoint as well. So, I
10 think, the team has done a great job of
11 just getting out and making sure that
12 people are comfortable at the property. We
13 better understand our customers as well.

14 MR. BEDROSIAN: Commissioners, I
15 think I told you individually. I was at
16 the property Saturday evening and the
17 comedy acts, and they were doing two shows.
18 It couldn't have been more crowded. I
19 walked around the property about five
20 minutes. I would say 95 percent of the
21 seats were full.

22 CHAIRMAN CROSBY: On the floor
23 you're talking about?

24 MR. BEDROSIAN: On the floor. No,

1 the comedy act was upstairs. There were
2 two shows upstairs. The floor itself was
3 90 to 95 percent the seats were full, and
4 there were plenty of people milling around.
5 So in terms of a Saturday evening, it
6 seemed extremely, extremely busy.

7 MR. WARREN: That comedy act, two
8 shows, the first show sold out, second show
9 was pretty filled as well. So, again,
10 we're trying different things, and it seems
11 to be working. Michele will get into more
12 of the details about that.

13 From a lottery standpoint,
14 incredible numbers, 891,000 for the third
15 quarter. It's almost a 21 percent increase
16 over the year. And, so, we are finding
17 ourselves still happy with our business.
18 But, hopefully, the community is seeing the
19 same increase in business, and we can see
20 that here with the lottery.

21 COMMISSIONER CAMERON: Have you
22 changed anything with regard to location of
23 lottery products or is just people are
24 aware and are buying those products?

1 MR. WARREN: I think that they're
2 aware. We've been there for a few years
3 now. We really have not moved where the
4 machines are positioned. But people -- I
5 think, it's a combination of the lottery is
6 doing a better job of putting out things
7 that the public wants, trying new different
8 types of games. But also, I think, our
9 customers understand that it's here. It's
10 a convenience factor, and we have business.

11 COMMISSIONER STEBBINS: Is this your
12 best quarter since opening?

13 MR. WARREN: Our best quarter, yes,
14 absolutely.

15 CHAIRMAN CROSBY: Are these sales
16 largely bulk sales? I know sometimes
17 you'll buy tickets and give them away and
18 stuff. Are these largely bulk or is this
19 mostly actual retail?

20 MR. WARREN: Retail.

21 CHAIRMAN CROSBY: It is. So the
22 numbers aren't this big because of you guys
23 buying a whole bunch of tickets.

24 MR. WARREN: No, it's not inflated

1 by us buying or programming. It's really
2 them either we sell in the gift shop. We
3 have a few machines sitting around the
4 property, and they are just taking
5 advantage of it. It's a convenience
6 factor, I mean, right.

7 CHAIRMAN CROSBY: There is one point
8 here that I made before but I think,
9 Elaine, this is something that's worth
10 noting at least. There was a big article
11 in some of the media recently about the
12 concern that the lottery sales maybe
13 leveling off. They basically contributed
14 about a billion-dollars a year to local
15 aid. Most of the profit from the lottery
16 goes to the cities and towns and more local
17 aid.

18 And there has been concern that
19 cities and towns that maybe there is going
20 to be less money coming because of the
21 lottery flattening. But there is a lot of
22 money coming from the casino business.
23 Looking at -- you know, assuming you do
24 about 20 million in your last quarter, it's

1 going to be 80 million-dollars in calendar
2 2017 that goes to local aid from just this
3 facility, which is like 8 percent of the
4 total billion, total billion.

5 So even as the lottery flattens,
6 cities and towns don't need to be worried
7 about lack of growth because there is, in
8 fact, a lot of growth in local aid by way
9 of the share that goes out of the casino
10 gaming. So it's a note -- it's worth
11 everybody remembering that people don't
12 think of the casinos as contributing to
13 local aid but everybody thinks about the
14 lottery contributing to the local aid. And
15 the legislation got it right and took a big
16 chunk of our tax revenue and gave it to
17 local aid, so cities and towns ought to
18 love this.

19 COMMISSIONER MACDONALD: Ruben, is
20 there any sense anecdotal or otherwise as
21 to who plays the lottery, you know,
22 products at the casino?

23 MR. WARREN: Everyone. I mean, I
24 think that our customers, I think, see it

1 as a convenience as they win jackpots, as
2 they leave with a little money in their
3 hands or they maybe even budget for it.
4 Sometimes we see them come in right off the
5 elevator, and they go right to the
6 machines. And, so, it's a combination of
7 them coming in. While they are there, we
8 have them at the bars as well, in the gift
9 shop and then on their way out, so we see a
10 combination of everyone.

11 COMMISSIONER MACDONALD: There's no
12 kind of subgroup of your customers that are
13 doing it.

14 MR. WARREN: No.

15 COMMISSIONER ZUNIGA: If you're
16 trying your luck, you might as well try
17 every possible avenue.

18 COMMISSIONER MACDONALD: That is the
19 way I am thinking about it. You have a
20 select group of people who --

21 CHAIRMAN CROSBY: We've got clear
22 gamblers.

23 COMMISSIONER ZUNIGA: That's a
24 really deceiving circumstance.

1 CHAIRMAN CROSBY: Does Penn have
2 experience with lottery sales in other
3 jurisdictions; is there a similar
4 phenomenon in other jurisdictions or is
5 this unusual?

6 MR. WARREN: I am not sure. We do
7 have lottery in other jurisdictions. Don't
8 have information if they are seeing the
9 same phenomenon. I believe that it goes in
10 hand-in-hand. And other states that I have
11 worked in, the casino does not hurt lottery
12 sales. Here it's been impressive to see
13 that we definitely have helped it seems in
14 our surrounding communities as well.

15 CHAIRMAN CROSBY: Our research team
16 has either -- it's either been flat in some
17 communities as the whole state has been or
18 increasing, which the whole state has not
19 been. But our statute made such a big
20 point about having our licensees protect
21 the lottery. I was just interested to know
22 whether this is unusual.

23 Because you had to negotiate -- you
24 know it, the public may not -- that you had

1 to negotiate with the lottery and work out
2 an arrangement to try to promote lottery
3 sales as part of your license application.
4 I'm just curious whether that -- Lance, do
5 you have any idea whether this is unusual
6 or not?

7 MR. GEORGE: I'm not sure if this is
8 unusual. Certainly the relationship we had
9 with the lottery going in worked out well.
10 Initially we did relocate some of the
11 machines to put them in more desirable
12 locations. I'm not sure I can speak to the
13 dramatic increase we're seeing year over
14 year however.

15 CHAIRMAN CROSBY: Interesting.

16 COMMISSIONER ZUNIGA: I think -- let
17 me make two points. There is a second
18 study of the lottery coming next spring, so
19 I'd very curious as to why, if anything,
20 has changed. I know our researchers is
21 going to be at least in that position to be
22 able to answer that question or at least
23 speculate in an informed way.

24 And I think that maybe what is at

1 play here is the tremendous brand that the
2 Massachusetts lottery has on itself.
3 There's tremendous presence, and it'd be
4 very hard to compare in my opinion to other
5 states, because it gets such brand and
6 power.

7 COMMISSIONER CAMERON: Doubles one
8 and two or two and three. It's greater
9 than the combination of two and three,
10 states two and three in the lottery. So
11 you're right about that, it is a unique and
12 successful brand.

13 COMMISSIONER STEBBINS: Thank you
14 for bringing up the point about the
15 research. I was going to ask, you know,
16 when do we go back and look at that,
17 because obviously it's also a concern of
18 the impact of retail establishments. It
19 would be fun to kind of grab out the
20 success you've had in gaming revenue and
21 see if there is some alignment with the
22 success of the growth obvious of the
23 lottery sales and see if it's
24 proportionate.

1 MR. WARREN: I feel the lottery is
2 outgrowing.

3 CHAIRMAN CROSBY: It's growing
4 faster. You can see it on the charts.

5 MR. WARREN: Third quarter
6 12 percent. We would love to see
7 20 percent growth.

8 CHAIRMAN CROSBY: That would be a
9 bonus Christmas day.

10 MR. WARREN: Yes, it would. I'll
11 turn it over to Mike.

12 MR. MUELLER: Good morning,
13 Chairman, Commissioners. Looking at some
14 compliance numbers in our chart here.
15 Looking for Q3, we had over 680,000
16 visitors at our property. And of those
17 that resulted in almost 22,000 ID checks by
18 our security officers at the various
19 entrances.

20 With those almost 22,000, we had 390
21 patrons that we turned away. 19 of those
22 were minors, 104 were underage and 267 of
23 those patrons either had an expired or
24 invalid or no ID. Also under those

1 682,000, we had two minors that did get on
2 board or two underage, I'm sorry. One was
3 for under admitting, one was under 16.

4 Looking at employment, currently we
5 have a total of 476 employees with 317
6 being full time and 159 being part time.
7 We remain at a 67 percent, 33 percent split
8 for full time to part time. That was the
9 same we had last quarter.

10 Looking at diversity, 23 percent of
11 our employees our hitting our diversity
12 goal -- are allowing us to exceed our
13 diversity goal of 10 percent, 4 percent
14 veterans and Massachusetts residents make
15 up 67 percent of our total workforce.
16 Looking at the local community employment,
17 which encompasses Plainville, Mansfield,
18 Wrentham, Foxborough, and Attleboro, North
19 Attleboro, that is currently 35 percent.

20 In Q3 our female to male split was
21 48 percent female and 52 percent male.
22 With that being said, we do have some
23 exciting initiatives with Penn regarding
24 women in the workforce, and I'd like to

1 turn that over to Michele to speak on.

2 MS. COLLINS: So in October, Penn
3 launched what's called "Women Leading at
4 Penn," and it's an initiative that we
5 partner with the Global Gaming Women. Our
6 CMO, Jennifer Wiseman, is cochair of the
7 board, and really what it is it's educating
8 and helping women in management goals
9 become leaders of the gaming industry.

10 So some of the initiatives include
11 allowing us to network, inspire and
12 encourage women to apply for leadership
13 roles. Female executives across the Penn
14 company are champions at each of the
15 properties, and I'm excited to be the
16 champion for Plainridge Park Casino. So
17 it's a great opportunity for me to work
18 with other women in the industry who maybe
19 currently aren't in management roles but
20 would like to pursue a management role, and
21 it's giving them the tools to do that.

22 So some of the tools would include
23 leadership skills, confidence, presence in
24 how they present, navigating workplace,

1 come in comfortable talking to all levels
2 of employees and staff, negotiation skills,
3 particularly with salary. It's known that
4 many women don't come back with any numbers
5 higher than what they are offered, so it's
6 an important skill for them to learn.
7 Emotional intelligence, and then of course
8 just the life or balance.

9 So as we move forward over the
10 course of the next year, we'll be working
11 on various initiatives. So I'm excited to
12 be able to report back to you in the next
13 quarter to give you more feedback of what
14 we learned and the progress that we're
15 making.

16 CHAIRMAN CROSBY: When you say
17 "initiatives" -- go ahead.

18 COMMISSIONER CAMERON: You started
19 before I did.

20 CHAIRMAN CROSBY: I didn't mean to.
21 I don't mean to.

22 COMMISSIONER CAMERON: It's okay.

23 CHAIRMAN CROSBY: Are there classes
24 or sessions or what actually -- what will

1 happen?

2 MS. COLLINS: So there's training
3 and there's sessions with the Global Gaming
4 Women throughout the year, so they'll hold
5 seminars. They'll do what's called speak
6 up and lean in and it's core groups, focus
7 groups that meet and really teach women to
8 become comfortable speaking in an
9 environment like that, challenging them,
10 talking about topics that they find
11 challenging in the workplace.

12 And then at the end of the year in
13 October in Las Vegas, there's a really big
14 seminar where everyone comes together and
15 just kind of shares what they learned and
16 shares their feedback.

17 COMMISSIONER CAMERON: Will you
18 bring this down to the initial levels of
19 supervisor? In other words, it's hard to
20 get to that point without thinking you can,
21 you know, start off in an entry level
22 position and then have the ability to move
23 up to the next level.

24 MS. COLLINS: That's the primary

1 focus.

2 COMMISSIONER CAMERON: It is.

3 MS. COLLINS: Is the level below
4 supervisor. To your point, they don't have
5 or some women don't feel they have the
6 skills to get there. So it's really to
7 provide them with all the tools that they
8 need to get to be, you know, the VP of
9 marketing or the CMO or GM someday at a
10 property.

11 So at a property level, we will be
12 working directly with our women staff to
13 educate them and provide these tools across
14 the entire Penn universe, and then it rolls
15 up into Global Gaming Women, which is kind
16 of the overarching across all of the gaming
17 industry.

18 COMMISSIONER CAMERON: And, I think,
19 from experience it really helps to look at
20 maybe where if you look at all your levels
21 of supervision and all your categories of
22 employees and then see where you maybe a
23 little weak at your property and say, okay,
24 how do we change -- what do we do to

1 encourage someone we think maybe very
2 talented over here and maybe move them over
3 so they have experience there, and that can
4 help with your overall leadership team.
5 But I think that's -- I have found that is
6 really helpful, not just general let's talk
7 to everyone.

8 But where are you really, you know,
9 looking at every level. Because there are
10 some places that women think, you know, I
11 just -- I can't imagine myself working
12 there when in actuality they have the
13 skills to do that job. So great, this
14 looks like a good initiative, and I'm glad
15 you're undertaking it.

16 MS. COLLINS: Yes, me too. We're
17 excited.

18 COMMISSIONER ZUNIGA: Michele, what
19 does CMO stand for?

20 MS. COLLINS: Chief marketing
21 officer.

22 CHAIRMAN CROSBY: And the Global
23 Gaming Women, is that an industry-wide
24 association that you're coordinating with?

1 MS. COLLINS: Me not directly, so
2 I'm a member of it. But our CMO at Penn
3 National, Jennifer Wiseman, is cochair of
4 the board, and there are several board
5 members on Global Gaming Women that are
6 across the global gaming.

7 CHAIRMAN CROSBY: Different.

8 MS. COLLINS: Yes, all over the
9 country, Las Vegas, big -- yes, and they
10 are high up where they have a lot of
11 experience with consulting. So they are
12 able to share what they learned, trickle it
13 down to those of us who are part of the
14 committee, and then we can share it and
15 learn how to train and skill our folks.

16 CHAIRMAN CROSBY: Great. Okay.

17 MS. COLLINS: Local communities, we
18 continue to be partners with our local
19 community and charity and contributions.
20 There is the highlights here are New Hope,
21 which is creating communities free from
22 violence. Also, the Town of Foxborough and
23 Foxborough Discretionary Fund, we were able
24 to provide charity to them and they can

1 distribute it amongst the areas that need
2 it and then Habitat for Humanity.

3 CHAIRMAN CROSBY: How is the
4 firetruck coming for the garage? A little
5 low firetruck.

6 COMMISSIONER CAMERON: She may not
7 be aware of that, Mr. Chair.

8 MR. ZIEMBA: It's on its way, and it
9 hasn't been purchased as of yet.

10 MS. COLLINS: It's coming.

11 CHAIRMAN CROSBY: Better get it
12 there quick. You never know what's going
13 to happen.

14 MS. COLLINS: And then our
15 partnerships, again, as we present to you
16 quarter to quarter, we really gain traction
17 with working with partnerships, including
18 the hotels. We've created stay and play
19 packages for our quests. TPC Boston was a
20 new one that we did this past summer, which
21 was incredible because it allowed us to
22 bring some of our best players to TPC and
23 experience the championship. And for the
24 championship that they had for partners,

1 Plainridge actually won, so that was
2 exciting. Mike Mueller was on that team.

3 COMMISSIONER CAMERON: Is that
4 right.

5 MR. MUELLER: We had a lot of help.

6 COMMISSIONER CAMERON: You had help?

7 MR. MUELLER: Yes. But it was a
8 great opportunity to get out there and meet
9 --

10 COMMISSIONER CAMERON: You played
11 that course.

12 MR. MUELLER: Played the course.

13 COMMISSIONER CAMERON: That's a
14 beautiful course.

15 MR. MUELLER: Not necessarily played
16 it well, but I played the course.

17 COMMISSIONER CAMERON: Little ball
18 in the fescue once or twice.

19 MS. COLLINS: It was a handicap
20 advantage, I believe.

21 COMMISSIONER ZUNIGA: It sounds like
22 you're familiar with it, Commissioner.

23 COMMISSIONER CAMERON: I have not
24 had the opportunity to play it yet, but I'm

1 been down there watching tournaments and
2 it's just a beautiful course, yes.

3 CHAIRMAN CROSBY: You can see the
4 way to that Commissioner's heart. Stick
5 that in your back pocket.

6 MS. COLLINS: What's nice about that
7 is it's created relationships, and now
8 we're working direct with TPC to offer it
9 to our guests, again, the golf packages.
10 So it's an amenity that we will be able to
11 offer them that currently we weren't doing.

12 CHAIRMAN CROSBY: What happens on
13 home Patriots day games; what happens to
14 the business on a Sunday when the Patriots
15 are home?

16 THE WITNESS: So the first year we
17 saw significant impact and --

18 CHAIRMAN CROSBY: Significant
19 drop-off originally.

20 MS. COLLINS: Correct. But as Ruben
21 mentioned, as we started to understand our
22 database and know our customers, we have
23 been able to create promotions and offers
24 to these guests that they are coming in.

1 So we are seeing much less of an impact
2 than we're actually seeing growth year over
3 year on those days. A lot of it has to do
4 with the time of day. So a one p.m. game
5 may impact us more than an eight p.m. game.
6 But we've made a lot of progress with
7 seeing increases and kind of building our
8 promotions around the games versus just not
9 doing anything at all.

10 CHAIRMAN CROSBY: Great.

11 COMMISSIONER MACDONALD: Do you find
12 there is any pattern of people who have
13 been at the game coming to the casino?

14 MS. COLLINS: No. I think a big
15 piece of that is if you've been to a game,
16 after the game ends, they really direct all
17 traffic north. So they are kind of pushing
18 the flow of traffic to 95 North versus
19 allowing them to go on Route 1 South, which
20 makes it very difficult for people to get
21 there. So most people who are on the
22 property are there prior to the game or
23 during the game but not so much afterwards.
24 Plus there is a lot of tailgating going on,

1 so...

2 CHAIRMAN CROSBY: A lot of what?

3 COMMISSIONER MACDONALD: Tailgating.

4 MS. COLLINS: And then again, we
5 continued our relationship with the Bruins.
6 We added in a 98.5 radio. We did a
7 Patriots package with them, which has
8 worked out very well where we had them at
9 the Revolution Lounge broadcasting live
10 during Monday night football, and we've
11 been tailgating at Rodman Ford prior to the
12 games.

13 So it's just an opportunity for us
14 to really get out there with awareness
15 targeting this customer base that in the
16 past really we weren't. And then again,
17 NBC Sports with the Celtics, which they are
18 doing very well, so it worked out for us.
19 And then Wrentham Village Premium Outlets,
20 we continued our valet partnership with
21 them over the course of the holiday season,
22 and we will renew it for next year.

23 CHAIRMAN CROSBY: A valet
24 partnership?

1 MS. COLLINS: Yes. So what happens
2 is we're sponsoring the valet at Wrentham.
3 So what they do is they are wearing logo
4 Plainridge, and you can park your car
5 there. We'll put a call to action and a
6 little Plainridge water bottle. And,
7 again, it's just to get that awareness out
8 that we're trying to drive traffic back to
9 the property. I'm working with them as
10 well as giving that in Q1 fair sales. So
11 we're looking at doing a call to action
12 where you purchase a certain amount and
13 bring your receipt to us, we would give
14 them some sort of offer.

15 CHAIRMAN CROSBY: Great.

16 MS. COLLINS: Marketing highlights,
17 as mentioned earlier, they stole my thunder
18 with the Bob Marley show this past weekend.
19 It was incredible. It was two shows. The
20 first one was sold out, and then the second
21 one, I think, we had about 50 seats open.
22 And I'm not sure if you're familiar with
23 Bob Marley but New England loves him, so it
24 was a great turnout.

1 We had a big promotion on the floor,
2 so we had about 600 people in the doors
3 that normally wouldn't be there in addition
4 to our database customers that were there
5 for the promotion. So that's why it was so
6 busy and very exciting on the floor.

7 We're looking at other opportunities
8 to do more in that loft area, that upstairs
9 area. So the next big one is
10 December 16th. You recall we had partnered
11 with Northeast Boxing in May, so we'll be
12 doing that again. But in addition to that,
13 the Dropkick Murphys will be doing a
14 charity event and a holiday concert in the
15 upstairs space. So, again, that's an
16 opportunity to reach out to the demographic
17 that typically wouldn't be in our database.

18 COMMISSIONER CAMERON: How many
19 people can you hold in that upstairs above
20 the racing area, that room?

21 MS. COLLINS: So seated in an event
22 like Bob Marley is about 350 to 400, and
23 then a standing room only is 550.

24 COMMISSIONER CAMERON: Wow.

1 CHAIRMAN CROSBY: Great.

2 MS. COLLINS: That's it.

3 COMMISSIONER CAMERON: Thank you.
4 Good report.

5 CHAIRMAN CROSBY: Thank you very
6 much.

7 MR. ZIEMBA: Mr. Chairman and
8 Commissioners, now we turn to a brief
9 summary of the status of the Wynn Boston
10 Harbor pedestrian bridge study. As you're
11 aware, part of the Wynn Boston
12 environmental -- Wynn Boston Massachusetts
13 Environmental Policy Act, MEPA
14 requirements, that the Commission had
15 applied in its Section 61 findings, Wynn
16 Boston Harbor was required to provide
17 \$250,000 to study a pedestrian and bicycle
18 crossing that would span the Mystic River
19 to Somerville from a landing spot near the
20 Wynn facility.

21 Earlier this year, the Commission
22 voted to modify the Section 61 findings to
23 authorize Wynn to use the funding to begin
24 the design of the bridge instead of just

1 paying for another study of the bridge.
2 The bridge connection had already been
3 studied as recently as 2009.

4 This request and approval by the
5 Commission to use the funding for design
6 was meant to expedite the planning for this
7 bridge that you provide significant
8 regional benefits.

9 First and foremost, the bridge could
10 provide Wynn Boston Harbor in the Lower
11 Broadway and Gateway center sections of
12 Everett enhance access to the Orange Line.
13 As you're aware in 2014, the state
14 completed construction of an MBTA Orange
15 Line station at Assembly Row. A bridge
16 could provide a direct connection between
17 Somerville and Everett providing Everett
18 access to rapid transit that it currently
19 does not have.

20 Further, the bridge would help
21 provide new connections to the regional
22 bike and pedestrian path network. On the
23 Everett side, Wynn Boston Harbor, as you
24 know, is constructing a 20-foot wide scenic

1 public harbor walk that will extend the
2 entire shoreline of the property and
3 connect to the adjacent state-owned gateway
4 park.

5 On the Somerville/Boston side of the
6 Mystic River, as summarized by the Mystic
7 River Watershed Association, a new
8 waterfront path connecting Draw 7 Park in
9 Somerville near the Assembly Row's
10 T-station with Route 99 Sullivan Square is
11 currently under design and permitting. The
12 key missing link that's moving forward at
13 the same time that the nine acre park will
14 be going through a DCR led redesign
15 revitalization effort.

16 In addition, as you know, the
17 Commission through the Community Mitigation
18 Fund has provided funding for the study and
19 design of two other new bike and pedestrian
20 connections in the area. In 2016, we
21 provided funding for a study of the
22 extension of the Northern Strand bike path
23 from Wellington Street in Everett to the
24 Mystic River. And as I mentioned, this

1 proposed extension in tandem with the
2 bridge would connect to plan DCR pathways,
3 and then potentially to Assembly Row.

4 And then earlier this year, the
5 Commission also provided funding for the
6 so-called Medford connector in which the
7 city requests \$60,000 to study to conduct
8 an engineering and feasibility study for a
9 new multiuse path on the southern side of
10 the Mystic.

11 As for the status of the planning,
12 earlier this year international design and
13 engineering firms AD Com Beam (phonetic)
14 were selected to complete the 25 percent
15 design of the bridge. They and Wynn have
16 been convening a working group of
17 interested parties to get this design
18 going. The group includes such agencies as
19 DCR, the MBTA, MassDOT, the Gaming
20 Commission, representatives from Everett,
21 Somerville, the Mystic River Watershed
22 Association and Assembly Row's developer
23 Federal Realty.

24 The group plans to wrap up its

1 planning by the end of this year with a
2 public presentation as early as January.
3 It's really working hard to develop a true
4 cost estimate for the bridge. We don't
5 have that cost estimate as of this date,
6 but it will be significantly more than the
7 5 to 7 million-dollars that they came up
8 with in a previous study that predated the
9 Assembly Row station.

10 In order to move forward with
11 further design and construction of the
12 bridge, the agencies and interested parties
13 will need to come up with a way to fund
14 this bridge, and that's underway right now.

15 So with that, let me turn to Joe
16 Delaney who will tell you a little more
17 about the connections on the bridge and the
18 regional network.

19 MR. DELANEY: Thank you. This first
20 slide that we've got here was put together
21 by the Mystic River Watershed Association
22 as part as their greenway planning, and
23 it's really a greet graphic here because it
24 shows the whole region around the Wynn

1 Boston Harbor and, you know, the
2 surrounding communities. And it shows
3 T-stations. It shows bike paths,
4 pedestrian connections, existing proposed
5 and so on.

6 So if you look at this graphic, the
7 solid blue lines are existing paths that
8 have been already been constructed. The
9 dash blue are those that are on planning
10 and the sort of dash light blue, which the
11 Mystic River Watershed Association calls
12 "envision," which I think means they
13 probably don't have any real hard plan for
14 those, but it will be logical to connect
15 these up.

16 I think if you can see from this
17 that if all of these connections are made,
18 it really -- it's a game-changer here for
19 that area where you have access to public
20 transportation, you know. Then you look at
21 across the river at Assembly Row, they'll
22 building housing there and other things.
23 So it really will help pedestrian bikes,
24 public transportation. It all just makes

1 sense when you look at it from this big
2 picture.

3 And on the right-hand side of this
4 slide, you'll see there are two projects
5 that are listed there, the Mystic Crossing,
6 which is what we're talking about. And
7 then the Draw 7 Park path, that is a park
8 that is owned by DCR, which is basically
9 the landing spot for the proposed bridge.

10 CHAIRMAN CROSBY: On the Somerville
11 side.

12 MR. DELANEY: On the Somerville
13 side, yes. So on the next slide, this is
14 where the work is leading here. And just
15 for reference, on the right-hand side of
16 the slide here is the Wynn Boston Harbor
17 project. You can see some of the walkway
18 around that harbor walk that they are doing
19 and the event's lawn and so on.

20 On the left-hand side, the white
21 structure you see there, that's the
22 Assembly station. What you see in red is
23 proposed bridge structure. What you see in
24 green are the connections to those bridge

1 structures on land. And then the gray line
2 that you see above the main red line of the
3 bridge, that is the existing MBTA bridge
4 that carries the Newburyport commuter rail
5 line across.

6 So just to discuss how we kind of
7 got to this point, you know, the big
8 challenges that we have here, the first big
9 challenge is permitting. Anytime you come
10 across a waterway, there's a lot of
11 permitting. There's 20 some odd permits
12 that this project needs. The good news is
13 that everybody really likes this project,
14 and everybody seems to be pulling on the
15 same end of the rope. So, I think, that
16 even though it will take time to get the
17 permitting done, it certainly seems to be
18 doable.

19 But just from a physical
20 construction standpoint, there are a bunch
21 of challenges here, and the main one is
22 really just the grades that you have to
23 deal with.

24 The first thing is right down the

1 middle of the river we have navigational
2 channel, so there has to be a certain
3 amount of clearance over that so the boats
4 can get through. And because that MBTA
5 bridge is a fixed bridge, that height is
6 what essentially controls. We have to be
7 at the same height as that bridge. So
8 that's one gray that we have to meet.

9 We have to maintain a maximum of 20
10 to 1 slope on the bridge for handicap
11 accessibility and just for reasonable
12 grades for bike riders and so on to get
13 over there. You can go to a steeper grade,
14 but then you need to put steps in and rest
15 areas and other things, which we're trying
16 to avoid.

17 On what we're calling the southern
18 landing, which is the Somerville side, you
19 can see that that bridge has to cross under
20 the railroad bridge. And in addition to
21 that, there's an existing path that goes
22 under the railroad bridge. So we're going
23 to have to path that grade, a pedestrian
24 bridge and then a railroad bridge over it.

1 And that spot right there is the only place
2 that it all works. So that spot is kind
3 locked in to where it has to be to get all
4 of these things to do.

5 And then another piece of this is
6 that we needed to leave enough room in
7 there in case at some point in the future
8 the MBTA wanted to build a Silver Line
9 extension on its own bridge in that area.
10 So there is we left enough room to make
11 sure that that could happen. There are no
12 plans for that particular thing, but we
13 just wanted to make sure that there was
14 ample space for that.

15 COMMISSIONER ZUNIGA: You mean
16 widening that existing bridge?

17 MR. DELANEY: Either widening the
18 existing bridge or building a separate
19 bridge or whatever. We just made sure that
20 we left a big chunk of space that would
21 allow that to happen. Like I said, it's in
22 no one's plans right now. But the MBTA
23 didn't want to preclude that from happening
24 in the future while building, so we did

1 that as well.

2 So then the other big piece of this
3 is where you see on the Assembly Row
4 station we have what we're calling the Head
5 House connection. So the existing Assembly
6 Row station is on the railroad tracks. We
7 have to come over the railroad tracks from
8 the Assembly Row station and down to the
9 gray level. So there will need to be a
10 bridge across the tracks with an elevator
11 to get you back down down to grade.

12 There are two options that are being
13 shown here. One we're calling the Northern
14 Head House connection and the other is the
15 Southern Head House connection. Now, from
16 just a pure distance standpoint, the
17 Southern Head House connection makes a
18 whole lot more sense. It's a shorter
19 route. The problem is the way the station
20 is designed, it will require a whole lot
21 more work internal to the station to make
22 it work and would be a bit more expensive
23 from early cost estimates.

24 The second option is on that

1 northern connection easier to do, a little
2 bit less expensive but less desirable
3 because it's a longer distance. But, I
4 think, whichever the case is, the key to
5 this whole thing is making sure that people
6 who are using this have an ability to get
7 from Assembly Row, over the bridge, over
8 the -- excuse me, over the tracks and to
9 the bridge over the river without actually
10 having to pay a fair, you know. So that's
11 going to be essentially a pedestrian
12 connection in addition to an access to the
13 station. So, again, another challenge
14 there.

15 And on this southern land, you can
16 see these green lines that lead to the Head
17 House are kind of a circuitous route, and
18 the reason that is is that is Draw 7 Park
19 right there. And DCR right now is
20 designing -- the park as it exists today is
21 not really much of a park. There is a
22 parking lot. There is a little fishing
23 ramp there, and then there is a couple of
24 soccer nets, and it's really not in very

1 good shape.

2 So DCR is going to be rebuilding
3 that whole park. ACOM has been working
4 with DCR to make sure that whatever we do
5 works with whatever they do, so they have
6 been sharing plans back and forth. They
7 have a couple of options. ACOM has assured
8 us that they can make it work with either
9 option. So whatever they come up with will
10 work with this plan here. And, presumably,
11 DCR will include some of these at grade
12 walkways in their plan and will bid that
13 out as part of their project when that goes
14 ahead.

15 I think with that, that's sort of
16 the highlights of it. They're looking at a
17 couple of different options for styles of
18 bridge. We're aren't ready to show
19 anything yet. But an arch bridge seems to
20 be the more favored design. They are also
21 looking at what's known as a spine beam
22 bridge. Essentially, once the layout is
23 done, you can do any kind of bridge you
24 want here. It just all comes down to

1 esthetics, costs and so on. So right now
2 they are working on those couple of
3 alternatives and, you know, this is just
4 really an exciting project.

5 MR. ZIEMBA: One thing I want to
6 mention and emphasize on what Joe said is
7 that all of the parties seem to be working
8 very, very well together. Some of the big
9 details about how much this is going to
10 cost and who is going to pay for it remain
11 to be determined, but it seems that all of
12 these parties are trying to figure how they
13 are going to contribute either financially
14 or otherwise to the project.

15 And I'm very pleased to report to
16 the Commission that Wynn Boston Harbor has
17 agreed to provide funding for this project.
18 The actual amount of the funding remains to
19 be determined, but they have stated that
20 they will help provide funding for this
21 project, because it's a very important
22 regional contributor.

23 COMMISSIONER ZUNIGA: For the
24 construction.

1 MR. ZIEMBA: For the construction.

2 COMMISSIONER STEBBINS: Joe, I had a
3 quick question. The bridge design, how do
4 you get on the bridge if there was say a
5 medical emergency with a pedestrian? I
6 mean, at grade the vehicle can kind of
7 drive on the grass or whatever. But why
8 does it have to get serviced by some type
9 of emergency?

10 MR. DELANEY: Yes. Right now all of
11 the bridges, the pedestrian bridges that
12 the state builds are all at least 12 feet
13 wide. They have been looking at a 12-foot
14 width, 14-foot width, something on that
15 nature. It all depends on what style of
16 bridge it is. If it's an arch bridge, it
17 will be just a complete open width. It
18 won't be separated -- right now they are
19 not talking about separating the lanes.

20 It will probably have a yellow line
21 down the middle of it to keep people on
22 their own side. But if someone wanted to
23 cross over, they could. So that would be
24 wide enough to get a vehicle out there, and

1 they would have to create obviously some
2 access points to do that.

3 You know, there's other things like
4 maintenance, snow maintenance. Right now
5 they use small vehicles to clean the
6 bridges and the plows actually use kind of
7 a rubber tipped blade so that they don't
8 tear up the surfaces and things like that.
9 So all of those things you have to think
10 about when you're designing one of these
11 things.

12 COMMISSIONER ZUNIGA: Roughly how
13 long would it be from the northern part of
14 the station to let's say, you know, right
15 around the entrance of the casino, how long
16 of a walk or bike?

17 MR. ZIEMBA: About 10 minutes.

18 MR. DELANEY: Yes. I think about
19 2,300 feet is roughly what they were
20 talking about.

21 COMMISSIONER ZUNIGA: That's great.

22 COMMISSIONER MACDONALD: You know, I
23 have to say from my working in the
24 mitigation review team that this regional

1 picture here that's represented in the
2 first slide that Joe showed is incredibly
3 impressive and exciting. And I say that
4 not because Macdonald Park in Medford is
5 going to be substantially improved, but it
6 really is extremely impressive that what
7 had been largely a dead river, polluted
8 river is becoming a waterfront and a bike
9 and pedestrian path for the whole region to
10 improve, and what's going on at the Wynn
11 site along the shoreline is the most
12 dramatic expression of that.

13 One specific question, though, Joe,
14 is that when we were out at the Wynn site
15 several weeks ago that, amongst the things
16 that we did, is you took us to the new
17 Silver Line facility in Chelsea, and there
18 was also talk at that time about the
19 extension of the Silver Line Mystic bus
20 service Silver Line, not train, an
21 extension of that right down to the Wynn
22 site. And if my recall of the geography is
23 right, it would end up right at the foot of
24 the pedestrian bridge. Could you perhaps

1 share with others, because that's not
2 represented in the graph, in the regional
3 graphic here.

4 MR. ZIEMBA: Correct. So as you
5 know, we participated in the Lower Mystic
6 Regional Working Group, which is another
7 collection of agencies that take a look at
8 some of transportation projects in the
9 immediate vicinity, and a lot of the
10 economic development and growth that is
11 expected over the next 20 to 30 years for
12 the entire region, including the Wynn
13 facility, but there are a number of
14 different projects in Somerville and Boston
15 and Everett right around that region that
16 they can be served through enhanced
17 transportation access.

18 And one of the projects that's being
19 discussed is the extension of the Silver
20 Line, as you mentioned, Commissioner, from
21 its current terminus in Chelsea down along
22 the path down near the Wynn facility, the
23 exact plan for that extension obviously is
24 sort of many moons away. It's in its

1 infancy.

2 But some of the thoughts would be
3 that it could actually as you're coming
4 down the path towards the casino, you can
5 take a left across the property and get
6 onto Lower Broadway, and then go across the
7 Allford Street bridge onto Rutherford Ave.
8 and further destinations.

9 And, so, it wouldn't exactly have a
10 terminus right at the bridge itself. It
11 would be a little bit north of there,
12 either north more towards the McDonald's
13 access or a little bit south right above
14 the Wynn utility section.

15 COMMISSIONER MACDONALD: Thank you.

16 COMMISSIONER ZUNIGA: I think this
17 is a very exciting prospects, and the level
18 of design and thought that have gone into
19 it, I think, is a testament to just what
20 you mentioned that there is a lot of
21 interest by multiple parties in this coming
22 to fruition. I'd very be interested in
23 those cost estimates as more detail gets
24 into this project.

1 I know I'm not the first one to
2 offer up front but if it's offer money up
3 front, that's sometimes the Chairman, but
4 this is the sort of thing that would likely
5 come to fruition if everybody contributes.
6 And, I mean, cities, the state, the
7 Community Mitigation Fund to report what we
8 will review is right up in my view of some
9 of the purposes that really mitigates
10 traffic in that area that has been in -- if
11 there's one thing that everybody told us in
12 those hearings was: Can we do anything
13 about traffic in that Sullivan Square?
14 And, I think, this begins to do significant
15 at least in theory, and those are probably
16 numbers we need to also understand as more
17 work comes in this area.

18 MR. ZIEMBA: So we'll continue to
19 have discussions with all of the partners
20 and as you mentioned -- so a tremendous
21 amount of credit goes to a lot of our
22 sister agencies, namely DCR and the MBTA
23 and MassDOT and the cities, obviously
24 Everett and Somerville and Boston that are

1 already working on all of these projects
2 that will just convene in this one area to
3 make it a success. But we'll continue to
4 explore what contributions we could have.

5 And, obviously, we can't make any
6 commitments unless we come to the
7 Commission. So as things get closer, we'll
8 come back to the Commission with further
9 reports. And in between meetings, we can
10 brief individual Commissioners about the
11 status of any conversations.

12 COMMISSIONER ZUNIGA: That's great.

13 CHAIRMAN CROSBY: I wonder the
14 terminal point at the top, the north, looks
15 like it's assuming a lot of flow of --
16 pedestrian flow. Isn't that behind the
17 casino or is there actually -- is that the
18 connection?

19 MR. DELANEY: No. That landing spot
20 is right next to the event lawn right now.
21 You can see there's a little turnaround for
22 the access drive there and then that's sort
23 of oval shape, that's the lawn side.

24 CHAIRMAN CROSBY: Right. Where it

1 says 10 feet plus 10 feet, that's where you
2 can get off the ramp and get onto the
3 property to the harbor walk. Where does
4 that other --

5 MR. DELANEY: The other piece
6 goes -- they are required to extend that up
7 underneath -- back underneath the railroad
8 bridge again and over to the gateway
9 center.

10 CHAIRMAN CROSBY: Oh I see.

11 MR. DELANEY: So that would connect
12 over to the gateway center, which has a
13 series of paths along the river over there.
14 But the other big piece is that the City of
15 Everett is looking to extend that Northern
16 Strand bike trail down through the gateway
17 center, so it would be a direct bike
18 connection on the Northern Strand sort of
19 behind the gateway center over this bridge,
20 which would give you access all the way
21 from Lynn down to Assembly Row.

22 COMMISSIONER ZUNIGA: Didn't we fund
23 a study to do just that?

24 MR. ZIEMBA: We did, we did, and

1 that's currently underway.

2 MR. DELANEY: So, yeah, they are
3 doing that study now to define the
4 alignment and where it can go. And then
5 there are some requirements under Chapter
6 91 licenses for the owners of the gateway
7 center participate in all this and all that
8 kind of stuff. So, again, it's lots of
9 moving pieces, a lot of participants in
10 this thing. But, you know, if it all comes
11 together, I think this is going to be
12 fabulous.

13 CHAIRMAN CROSBY: Great. Anybody
14 else?

15 COMMISSIONER CAMERON: Thank you.
16 Great update.

17 MR. ZIEMBA: Mr. Chairman, would you
18 like me to move forward on the mitigation
19 fund?

20 CHAIRMAN CROSBY: We'll take a quick
21 break.

22
23 (A recess was taken)
24

1 CHAIRMAN CROSBY: We are ready to
2 reconvene, and we are back to Ombudsman
3 Ziemba.

4 MR. ZIEMBA: Thank you. Next on the
5 agenda is the 2018 mitigation fund
6 application guidelines. Chairman and
7 Commissioners, in your package you will
8 find traffic guidelines and red line of the
9 guidelines to indicate changes from the
10 truck prior draft that you reviewed in
11 October. I've also included a memorandum
12 which highlights changes that were made
13 based on your suggested input from the
14 October 26th meeting and meetings with the
15 Local Community Mitigation Advisory
16 Committees.

17 Since we last met, the commission
18 staff has had robust meetings with the
19 Local Community Mitigation Advisory
20 Committees and both Region A and B. The
21 subcommittee on community mitigation and
22 the Gaming Policy Advisory Committee are
23 scheduled to meet later this month.

24 Additionally, the Commission

1 received four comments as a result of the
2 public comment request posted on
3 November 1st. Input from the Local
4 Community Mitigation Advisory Committees
5 and a review of the comments have been
6 considered in the guidelines.

7 My goal for today is to understand
8 if there are additional questions that the
9 Commission would like to explore as we
10 finalize the guidelines for the 2018
11 program or if the Commission would like
12 further clarification or discussion on any
13 of the proposed new elements of the
14 guidelines.

15 We anticipate coming before the
16 Commission once more on December 21st to
17 finalize these guidelines. In our LCMAC
18 meetings, we had indicated to all the
19 communities that we are hopeful to approve
20 the guidelines by December 7th, but we
21 always had anticipated that we were going
22 to have meetings of the subcommittee and
23 community mitigation and the Gaming Policy
24 Advisory Committee and, unfortunately, due

1 to a couple of canceled meetings due to
2 lack of quorum, those needed to be
3 continued to be scheduled. So although we
4 could consider the guidelines for
5 finalization today, it's my recommendation
6 that we get further from both the
7 subcommittee, as that has always been our
8 plan.

9 So we have yet to set a plan
10 spending goal for next year's program. As
11 you see in the attached, we recommended
12 some increases in allocations such as
13 transportation and workforce spending.
14 This may have an impact on the total dollar
15 value of applications we received in
16 February. Last year we set \$3.4 million as
17 a spending target. After reviewing the
18 applications this year, we authorized
19 approximately \$2.2 million in spending.

20 However, we did not receive an
21 expected application from the Hampden
22 County Sheriff's Office. This would have
23 likely increased the spending this year.
24 If we set the plain spending at

1 approximately the same level of last year
2 as last year, \$3.5 million, for example,
3 there can still be available funding for
4 police training costs, which I will explain
5 in more detail shortly.

6 We have approximately \$10 million in
7 unallocated dollars remaining in the CMF
8 until MGM Springfield is operational.
9 Those funds will be necessary for the 2018
10 fund and the 2019 fund. If we spend,
11 allocate \$6 million for this upcoming year
12 for all purposes, specific impacts,
13 transportation, workforce police training,
14 we would have approximately \$4 million for
15 the 2019 fund out of the initial CMF
16 funding.

17 However, because MGM Springfield is
18 due to open during the third quarter of
19 next year, we may get additional funding --

20 CHAIRMAN CROSBY: Which is the first
21 quarter of FY '20, right?

22 MR. ZIEMBA: Third quarter of the
23 calendar year.

24 CHAIRMAN CROSBY: Third quarter of

1 the calendar year but first quarter of FY
2 '19, correct?

3 MR. ZIEMBA: Correct. We may get
4 additional funding into the CMF. We've
5 been using approximately \$6.5 million for a
6 full year's worth of contributions into the
7 CMF for MGM Springfield once it is
8 stabilized. We had some projections and
9 some revenue reports from Plainridge Park
10 that show that it does take a couple of
11 years before the facilities get their
12 marketing stabilized.

13 So given that, it's possible that we
14 would not hit that number in the first
15 year, that \$6.5 million figure. However,
16 without being too aggressive with an
17 estimate, perhaps we could allocate
18 approximately one and a half million into
19 the fund during the final four months of
20 2018 from MGM Springfield.

21 So, Mr. Chairman, the way that we've
22 been approaching the estimates for the
23 amount of funds going into the fund when we
24 make our decisions is that we based it on

1 the end of December before the February of
2 funding round. So we're not counting
3 revenues that will be coming in during the
4 remainder of the fiscal year. We just cut
5 it off. It's a conservative approach.

6 By the application date in 2020,
7 it's anticipated that MGM Springfield to be
8 operational for the whole of 2019 and Wynn
9 Boston Harbor for approximately half of the
10 year. It's not inconceivable that the
11 program would be well in excess of
12 \$10 million by 2020. Once both facilities
13 are fully operational and marketing is
14 adjusted, it is our hope that \$18 million
15 can be put into the fund each year from
16 both of those facilities.

17 Given these estimates, it doesn't
18 seem that the Commission could set a -- it
19 does seem that the Commission could set a
20 plan spending target of \$6 million for the
21 2018 program. Again, this is just a
22 target. It's meant to convey an
23 understanding to those applying about what
24 spending the commission may authorize.

1 The guidelines state very clearly
2 that the Commission may actually allocate
3 more than this target spending or less than
4 this target spending amount. Why don't I
5 stop there to see if the Commissioners have
6 any discussion regarding what is planned
7 over the next couple of years.

8 CHAIRMAN CROSBY: Anybody?

9 COMMISSIONER ZUNIGA: So maybe to
10 summarize just what you said, we set a
11 target of 6 million for 2018. Then given
12 some conservative estimates, we could have
13 six and a half, is that correct, or five
14 and a half for the following year, and then
15 a ramp up of ten and -- yes.

16 MR. ZIEMBA: Ten and maybe more.

17 COMMISSIONER ZUNIGA: So do you have
18 any sense as to whether there is from the
19 Community Mitigation Advisory Committees
20 this will be increasing that that figure to
21 6 million from what figure, remind me.

22 MR. ZIEMBA: So we had 3.5 last
23 year. And with the local committees, we
24 actually didn't get any recommendations.

1 We didn't ask for any recommendations on
2 the overall amount. And, specifically,
3 because there are some new categories here
4 with the police training costs, we could
5 add to that amount. So let me get into
6 some of the details of what that spending
7 would encompass.

8 CHAIRMAN CROSBY: About the 6.5
9 million?

10 MR. ZIEMBA: With the 6 million for
11 the year.

12 CHAIRMAN CROSBY: Okay, 6 million.

13 MR. ZIEMBA: So at the October 26th
14 meeting of the Commission, the Commission
15 asked for additional input on police
16 training costs. The Commission asked for
17 input on whether eligibility for specific
18 impact grants should be expanded to include
19 costs that may incur prior to operations
20 for police training. The 2017 guidelines
21 did not specifically authorize funding for
22 the police training costs, and instead
23 limited specific impact funding for
24 construction-based impacts.

1 In previous years, the Commission
2 had already authorized funding for some
3 preoperational costs such as workforce
4 development and training and transportation
5 planning activities but did not specify
6 police training.

7 The attached draft, the draft that
8 you have in your packets specifically
9 authorize as the police training costs if
10 the Commission chooses to expand
11 eligibility for police training. Instead
12 of simply listing police training costs as
13 another eligible activity, the Commission
14 could alternatively create a new grant
15 category for such costs.

16 And what I mean by that is, if the
17 Commission deems police training costs
18 should be included in the 2018 guideline,
19 it has a couple of options on how to do
20 that, as we do in the draft of just making
21 it another eligible activity under specific
22 impact grants or could create a new
23 category similar to the transportation
24 planning grants or the non-transportation

1 planning grants or the workforce pilots.
2 But the option for your consideration
3 included in the guidelines is just adding
4 it to the specific impact grants, but
5 specifying that it's an expense that is not
6 specifically a construction-based expense.

7 The new proposed draft also includes
8 an option to support regional approaches to
9 mitigation needs and recognition that some
10 mitigation requires the commitment of more
11 than one community. For example, the 2018
12 discussion draft allows communities to
13 submit a joint application.

14 In order to further reach a
15 cooperation, the Commission reasonably
16 discussed the potential establishment of
17 incentive funding beyond the amount stated
18 in the guidelines for applications
19 involving more than one community.

20 In addition to the promotion of
21 regional approaches, the Commission
22 discussed that an incentive might allow for
23 larger projects that with potentially
24 greater benefits and allow under last

1 year's limits and this year's proposed
2 limits.

3 One alternative to promote regional
4 cooperation is regional incentive award is
5 outlined in the attached draft.

6 Commissioner Zuniga had mentioned that we
7 should go and seek some input on a bonus,
8 which is a regional incentive award, and
9 that proposal was very favorably received
10 in our Local Community Adviser Committee
11 meetings.

12 One other highlight I will mention
13 to you is of the attached of the draft in
14 your packet is the Commission's intent to
15 develop a system in future guidelines of
16 awarding funding that is based on the
17 contributions of each of the gaming
18 facilities in the region.

19 And, so, what that would do would be
20 if Wynn is providing X amount of dollars
21 into the Community Mitigation Fund, the
22 decisions that we would make regarding the
23 level of awards would have some basis in
24 the allocation of our region so that the

1 eastern Mass. region would receive some
2 funding that correlates to the amount of
3 contributions by Wynn. And, similarly, the
4 western Mass. region would be related to
5 the MGM Springfield contributions.

6 We would obviously have to take into
7 account any other needs if there were a
8 tribal facility and slots-related needs as
9 well, but that would all be part of this
10 system we would talk about in the future.

11 Included in your packet are some
12 comment letters that we received regarding
13 the mitigation fund. We received a letter
14 from Everett Mayor DeMaria who welcomed a
15 proposed increase in transportation
16 planning grants, the Commission's plan to
17 allocate funding by region in future years,
18 the new non-transportation planning grants
19 and expressed support for increase of
20 workforce pilot workforce grants.

21 His support for workforce program
22 grants, transportation and splitting
23 funding by region was echoed by many other
24 Local Community Mitigation Advisory

1 Committees. We had a few Commissioners
2 that did attend those meetings. Their
3 participation was very warmly received by
4 those committees, and I don't know if
5 anyone wanted to add a few comments
6 regarding workforce pilots, and there was a
7 great deal of enthusiasm in those Local
8 Committee Advisory Committee meetings
9 regarding the workforce pilots.

10 CHAIRMAN CROSBY: Commissioners?

11 COMMISSIONER MACDONALD: I will say
12 that that's accurate.

13 MR. ZIEMBA: I'll just keep on
14 going. So those meetings have been very
15 valuable in receiving comments. As I
16 noted, we still have a couple of other
17 meetings to go and we'll get even further
18 input as we finalize the guidelines. The
19 LCMAC has also provided input on the
20 regional incentive award. As I mentioned,
21 that was very favorably received. And they
22 also provided comments on the police
23 training costs.

24 Comments on this side were more

1 mixed with recognition of the important
2 role of the state police that they will
3 play and the securities facilities. But
4 there were also a number of concerns about
5 the expense, the potential of recurring
6 costs and whether the CMF is the best
7 source of funds for this expense.

8 Mayor DeMaria also asked us to
9 consider funding actual transportation
10 construction costs this year, and generally
11 asked for more flexibility in the
12 guidelines. We also received a letter from
13 the Casino Action Network, which expressed
14 support for the workforce pilot programs
15 and gave us some suggestions on how it
16 could be administered.

17 Further, we received support from
18 the Hampden County Sheriff's Office
19 relative to the opportunity for the office
20 to seek lease assistance. Overall, we very
21 much appreciate the input that we received,
22 and we are really trying to build these
23 committees into a very, very robust method
24 to explore how we will address mitigation

1 needs in the future and how the Commission
2 can prioritize to spend to meet those
3 needs.

4 And so with that, I welcome any
5 questions you may have.

6 COMMISSIONER ZUNIGA: I do have --
7 and thank you, John -- I have a question on
8 the joint applications just for my
9 understanding and for everybody's
10 understanding. It appears that there is a
11 grading for a step up on that regional
12 incentive award depending on the number of
13 communities; is that a fair statement?

14 MR. ZIEMBA: That's correct. And,
15 so, as they become more regional with
16 cooperation, we thought that we could add
17 some additional funding possibilities as
18 more communities participate.

19 COMMISSIONER ZUNIGA: But they're
20 also bifurcated by non-transportation and
21 transportation grants.

22 MR. ZIEMBA: That's exactly right.
23 We wanted to make sure that the increase
24 wasn't going to bust the budget. And,

1 specifically, where we have \$50,000
2 allocated for non-transportation planning
3 grants, we thought that at least for our
4 first year incentive, we could offer \$5,000
5 on potential additional funds for regional
6 projects of two communities and up to
7 \$10,000 for regional effort involving three
8 communities. And, similarly, with the
9 transportation planning grants, it's just
10 two communities. There would be an
11 additional \$25,000 of eligibility. And
12 with three or more communities, it would be
13 up to 15,000.

14 And, again, this is not an automatic
15 additive. The review team would continue
16 to have to review the benefits of those
17 additional funds, and we'd come back to the
18 Commission with recommendations, and
19 everything depends on what level of
20 applications we get on whether or not we
21 can afford the additional incentive or not
22 based on the applications we received. But
23 we thought it would be a good idea to put
24 that out there as a first, as a test in

1 this year or maybe some additional funds in
2 the future.

3 COMMISSIONER ZUNIGA: But, for
4 example, in the case of a transportation
5 planning project with three or more
6 communities, the incentive planning award
7 would be 50,000.

8 MR. ZIEMBA: Yes.

9 COMMISSIONER ZUNIGA: Is that the
10 maximum or is that --

11 MR. ZIEMBA: It's planned as a max.
12 So if you have five, it would still be
13 50,000 more.

14 COMMISSIONER ZUNIGA: But if we get
15 two transportation planning requests with
16 regional approaches, we could then keep
17 that maximum twice, that 50,000 twice.

18 MR. ZIEMBA: Yes. We did include
19 some language to make sure that one could
20 only participate in one joint application
21 for the incentive, so the communities
22 wouldn't be able to join in an odd number
23 of collaborations to continue to exceed the
24 amount.

1 COMMISSIONER ZUNIGA: Right. But
2 it's not a fixed amount, the 50,000. It's
3 once it's gone, someone else is supposed to
4 take it in other words.

5 MR. ZIEMBA: Yes. So this is not a
6 reserve. This is just something that once
7 you apply for it, we're not recommending
8 that the Commission establish another
9 reserve fund to send out to the
10 communities. That they would have to apply
11 for it.

12 COMMISSIONER ZUNIGA: No. I guess,
13 that's not what I meant, but thank you for
14 that clarification. I meant considerably
15 let's say poor communities could split the
16 maximum by having two different projects
17 joined.

18 MR. ZIEMBA: Yes. So that's
19 something else we thought about in the
20 guidelines. So each community, the maximum
21 amount of transportation planning grant is
22 200,000. And, so, say you have two
23 communities each applying for the maximum
24 of community X, community Y each applying

1 for the maximum of 200,000, they join
2 efforts for a similar purpose. They could
3 get access to the additional 25,000. But
4 they could also use funds for just singular
5 municipality projects.

6 So if they commit \$100,000 for
7 something that just impacts community X but
8 at least 100,000 for a joint project, they
9 could have 100,000 for their own project,
10 \$100,000 for the joint project, and then
11 the additor of 25,000 for the joint
12 project. But what we're specifying is that
13 at least 50 percent of your allocation, the
14 200,000, needs to be for the joint project.

15 COMMISSIONER ZUNIGA: Right. And
16 all of this could happen more than once if
17 you have two other communities joining and
18 so on so forth.

19 MR. ZIEMBA: Correct. But community
20 X can't partner with community Y and then
21 with community Z and then community A, B, C
22 and D. It's just a one-time.

23 MR. LENNON: So to answer the
24 question, the bonus pool is not capped at

1 50,000 an aggregate. It's capped at 50,000
2 per application.

3 COMMISSIONER ZUNIGA: Got it. There
4 is another piece in the guidelines in this
5 joint scenario, the application would
6 specify which community will be the fiscal
7 agent. Is that -- could they both be the
8 fiscal agent of their split funds?

9 MR. ZIEMBA: What we want to do is
10 we would like to just interact with one
11 community in providing the grant. They
12 could then perhaps send the funding and
13 they would to the other community, but we
14 would be interacting with just the one
15 community as the recipient of the grant,
16 but the guidelines specify that both of
17 them are responsible for anything that may
18 go along with the grant.

19 COMMISSIONER STEBBINS: John, I was
20 reminded by listening to Plainridge Park's
21 presentation, during -- this is related to
22 the non-transportation program. When we
23 were hearing of some of the gaming economic
24 development fund proposals, the Town of

1 Foxborough suggested partnering with
2 Plainville and Wrentham connecting a lot of
3 the tourist destinations, and we heard from
4 Plainridge Park this morning how they are
5 making some of those similar connections
6 with Patriot Place, and TPC and Wrentham.

7 Is that kind of what you envision
8 that if the community kind of wanted to
9 take a strategy into the next step and do
10 more planning about it, this would fit kind
11 within the non-transportation program?

12 MR. ZIEMBA: Yeah. Last year when
13 we were reviewing the applications, we saw
14 a need for economic development planning.
15 We received one application that was
16 fashioned as a transportation planning
17 application, but it really was an economic
18 development planning exercise and a number
19 of communities have fully utilized their
20 reserves, and so they don't have anymore
21 general planning dollars available. And,
22 so, that's why we wanted to make this
23 non-transportation planning funds available
24 for those communities.

1 COMMISSIONER STEBBINS: Okay.

2 COMMISSIONER ZUNIGA: Can I go back
3 to the joint applications? Can conceivably
4 could the RPA under this scenario apply for
5 a regional or joint application?

6 MR. ZIEMBA: No. Because we
7 specified that transportation planning,
8 it's only communities that can apply for
9 those, not just general governmental
10 entities.

11 COMMISSIONER ZUNIGA: Okay.

12 MR. ZIEMBA: But, undoubtedly,
13 regional planning agencies will be working
14 very collaboratively with those
15 communities, and we require them in our
16 grants.

17 CHAIRMAN CROSBY: Right. You
18 require them to have the application come
19 through a community. An RPA can't apply
20 directly, right?

21 MR. ZIEMBA: Governmental entities
22 can apply for grants.

23 CHAIRMAN CROSBY: I thought you
24 suggested that that had changed.

1 MR. ZIEMBA: No. Governmental
2 entities -- what you referred to,
3 Mr. Chairman, is that if there is an entity
4 within a community, like redevelopment
5 authority for a public school, they have to
6 come through the community. They can't
7 just apply themselves.

8 CHAIRMAN CROSBY: Okay. So an RPA
9 can apply itself.

10 MR. ZIEMBA: Yes. I believe, they
11 are a governmental entity, yes.

12 CHAIRMAN CROSBY: So let me just
13 make sure I got this straight. So you're
14 recommending that next year to set aside
15 6.5 million.

16 MR. ZIEMBA: 6 million.

17 CHAIRMAN CROSBY: Okay, 6 million.
18 The police training is, what's the number
19 for the training more or less?

20 MR. ZIEMBA: So what we understand
21 is that the police training costs could
22 potentially be around two and a half
23 million-dollars based on conversations that
24 we've had with the state police.

1 CHAIRMAN CROSBY: So let's take that
2 as a fact. So that leaves three and a half
3 million, which is the same we had as last
4 year.

5 MR. ZIEMBA: Yes.

6 CHAIRMAN CROSBY: You're
7 recommending that one million of that be
8 earmarked for or be the limit for
9 transportation planning grants.

10 MR. ZIEMBA: Yes.

11 CHAIRMAN CROSBY: And the other two
12 million is not and could go wherever.

13 MR. ZIEMBA: Yes. The difference
14 that we have from last year to this year is
15 that we are expecting the Hampden County
16 Sheriff's Office to apply. And, so, they
17 had been capped. We had said that they
18 could get no more than \$400,000 per year.
19 So we may get an application of about
20 800,000 from that, so that does bite into
21 the remaining amount that you're talking
22 about.

23 CHAIRMAN CROSBY: Yes, but the
24 remaining amount is not earmarked. It can

1 go from whatever -- any category that you
2 want.

3 MR. ZIEMBA: Yes. And, again, the
4 Commission retains the authority when we
5 look at the applications to go above six
6 million to change the transportation
7 allocation, to change the workforce
8 allocation. These are guidelines.

9 CHAIRMAN CROSBY: Right. And you're
10 recommending this on page two of your memo
11 per grant amount. Does that mean per grant
12 limited amount. That's the limited amount.

13 MR. ZIEMBA: That's right.

14 CHAIRMAN CROSBY: So you're not
15 saying that each workforce pilot program
16 should be 300,000 per grant. You said
17 there should be no more than 300,000 per
18 workforce pilot.

19 MR. ZIEMBA: 300,000 for Region A,
20 300,000 for Region B. So what our pilots
21 are with regional collaborations, that's
22 what we called for in our guidelines. So
23 that will be one for 300,000 in A, and one
24 for 300,000 in B.

1 CHAIRMAN CROSBY: Capped.

2 MR. ZIEMBA: These are all soft
3 caps, yes, but we're sending a message to
4 our applicants that we don't want something
5 in excess of 300,000.

6 CHAIRMAN CROSBY: Okay. So it's
7 capped, not --

8 MR. ZIEMBA: Yes. But the important
9 point is, for example, specific impact
10 grants, we have a cap of 500,000 but
11 communities and other applicants can apply
12 for a waiver to go over that, over that
13 amount based on their impacts, based on
14 what they're doing.

15 COMMISSIONER ZUNIGA: In fact, we
16 did, we had a 400 cap last year but we
17 ended up at 600, because we had three
18 applications that we all deemed were good.
19 But each one of them had come in at 200 or
20 so.

21 MR. ZIEMBA: Yes. So the 400,000
22 last year applied to the specific impact
23 grants, and we had \$200,000 limit for the
24 workforce pilot grants per region. And

1 what you stated, Commissioner, is that we
2 went up to 600,000 on the workforce pilots
3 because we authorized two in western Mass.
4 instead of one. We only anticipated one.

5 CHAIRMAN CROSBY: So 300,000 per
6 region, that's the total amount for
7 workforce pilots or workforce development,
8 workforce planning, no more than a total of
9 300,000 can be granted. So you can grant
10 two 150s or one 300 or six 50s or whatever.

11 MR. ZIEMBA: Correct. We're hoping
12 for one award.

13 COMMISSIONER ZUNIGA: Which is an
14 increase from last year.

15 MR. ZIEMBA: It is an increase in
16 our guidelines. So we only did 200,000.
17 We're going up to 300,000, but we did fund
18 400,000. But what's notable here is that
19 we make mention, especially with workforce
20 pilots, that, for example, in western Mass.
21 MGM Springfield will be operational and
22 generating taxes and generating taxes for
23 the purposes of the host community
24 agreement, workforce is an eligible

1 activity under that host community
2 agreement. So it is hope that all of these
3 projects can leverage additional assistance
4 either from their host communities or from
5 other agencies so that we can expand the
6 reach of those pilots.

7 COMMISSIONER ZUNIGA: Can I mention
8 one thing? On the 500,000 for this
9 Plainridge Park facility, I think it's a
10 nice round number. It's the same as last
11 year. But based on some of the history, it
12 occurs to me that --

13 CHAIRMAN CROSBY: Which one are you
14 talking about? I'm sorry.

15 COMMISSIONER ZUNIGA: 500,000,
16 number five, same page.

17 CHAIRMAN CROSBY: I see it.

18 COMMISSIONER ZUNIGA: It's specific
19 impact, correct, but it's not in the chart.
20 It's another -- I wonder if we need to
21 rethink that number down based on the level
22 of activity that we're seeing. Maybe we
23 just wait and see what comes back from
24 there, and we just keep it the way it is as

1 a guideline.

2 But just in relative terms, I think
3 there's a lot more merit coming from
4 specific impacts, people saying we need to
5 now rethink about the construction
6 projects, workforce and things because of
7 the Category 1s and in its third year of
8 operations thus far in my view is not
9 really bringing this, you know, huge leads
10 around on what traditionally this
11 anticipated elsewhere.

12 But I'd just be curious as to, you
13 know, if it's just a guideline, it's fine.
14 Again, it's baseline. We don't know what
15 could come up, but the business case in my
16 view going forward especially is
17 diminishing on one and increasing on the
18 other two.

19 MR. ZIEMBA: One thing I'll mention,
20 Commissioner, is that this year, as we
21 noted when we came up with this prior
22 draft, we're including a very specific
23 section that requires you to demonstrate
24 the nexus between your project and the

1 casino. That has always been part of the
2 guidelines, but we're highlighting that to
3 communities that we understand that people
4 have general municipal needs, and that
5 there is a lack of funding for general
6 municipal projects across the board. But
7 we're highlighting to communities that in
8 order to get funding, we really have to
9 demonstrate the nexus between the facility
10 and the particular project that you're
11 pushing forward.

12 And as we go forward year after year
13 after year, people are gaining a real
14 understanding of the fund, what it can
15 fund, what it cannot fund, but we are going
16 to have some very serious applications in
17 this upcoming year and in the future years
18 based on a lot of the conversation that we
19 have heard. So it's a very good reminder
20 to all of our applicants that they really
21 need to demonstrate the need and the
22 connection to the casino.

23 COMMISSIONER ZUNIGA: Good. Maybe
24 we can just leave it at that, and that

1 should be the emphasis of this figure and
2 just continue to do that.

3 CHAIRMAN CROSBY: Anybody else?
4 This all sounds very rational and is
5 rational, and I can see how it does sort of
6 guide people to categories and so forth.
7 The only thing that concerns me, and you
8 probably have a sense as to if this is an
9 issue or not, is whether by setting up
10 these kind parameters we're precluding big
11 thinking that otherwise we might see, you
12 know. Are there unity sense that what's
13 whether in effect limits is causing people
14 not to come forward with things that they
15 would like to come forward and maybe we'd
16 like to know about it.

17 MR. ZIEMBA: Yes. The biggest
18 category, Mr. Chairman, is something that
19 we had put out for comment by the Local
20 Community Mitigation Advisory Committees,
21 the big category is transportation
22 construction projects.

23 CHAIRMAN CROSBY: Capital costs.

24 MR. ZIEMBA: Capital costs but we

1 only pay for design right now, permitting
2 and design. We don't pay for the actual
3 construction costs. We went out to the
4 LCMACs, and we asked them that question of
5 should we move forward with including that.
6 And, sure, everyone is trying to find funds
7 for transportation and construction via the
8 comment from Mayor DeMaria that he'd love
9 us to use funds for transportation and
10 construction.

11 But based on sort of my judgment and
12 other judgment that was articulated in the
13 meetings, even though we will experience
14 that in the very, very near future, perhaps
15 the projects are not actually at the
16 construction level yet. They would require
17 at least one or two more years of planning
18 and design.

19 And, specifically, the big question
20 that we don't have in our data is: How can
21 we not be the tail that tries to wag the
22 dog? Because we are never going to have
23 enough funding to pay for these gigantic
24 projects. Some of the projects that folks

1 have been looking at are 600, 700, 800
2 million. These projects are very, very big
3 projects.

4 We can only play a very small role,
5 but people continue to take a look at the
6 mitigation fund as an opportunity for
7 transportation projects and they should.
8 But there has to be other places that they
9 can get funding, and that's the subject of
10 this Lower Mystic Regional Working Group
11 and other places on how we can figure that
12 all out, but it's not figured out just yet.

13 CHAIRMAN CROSBY: And that's the
14 only place where you've heard from the
15 people.

16 MR. ZIEMBA: Well, workforce pilot
17 spending, I think, that there is such a
18 need out there for workforce spending that
19 we could use almost every dollar of the
20 fund and still have a need out there to
21 meet all the plan -- excuse me, all the
22 training needs that are hoped to use in
23 western Mass.

24 CHAIRMAN CROSBY: Particularly like

1 the casino action that talks about the
2 long-term like the English language skills
3 and things like that.

4 MR. ZIEMBA: Part of this is when is
5 the handoff or what is the handoff from the
6 mitigation fund to the economic development
7 fund where it specifically mentions
8 training costs in some of these activities.
9 MGM will start generating taxes that can go
10 into the gaming and economic development
11 fund, which is obviously involved in
12 spearhead in that effort.

13 But that will be part of what we
14 need to do over the next couple of years of
15 when can there be that handoff. Because
16 it's a little bit more difficult to get the
17 consensus of 200 legislatures than five
18 commissioners. I would imagine that folks
19 would continue to pursue the mitigation
20 fund for some of these projects.

21 COMMISSIONER ZUNIGA: To that point,
22 Mr. Chairman, you know, the regional
23 incentive at least, you know, a little bit
24 more incentives in my hopes figure of

1 thinking is really some more regional
2 planning to be done. There's the double or
3 tripling of planning grants plus another
4 bonus that could get people planning
5 things.

6 CHAIRMAN CROSBY: Part of what I'm
7 wrestling with also is by your own
8 description, these are conservative
9 numbers; in other words, this is making
10 major effort to conserve the money, make
11 sure we don't run out, make sure we reach
12 the gap to the time the new revenue is
13 coming in. It's conservative because
14 you're not talking about the fiscal year.
15 You're only limited to a calendar year and
16 so forth.

17 If there are needs out there that
18 are really compelling needs, for example,
19 you said the workforce development, we
20 would spend every penny on workforce
21 development. That's one of the most
22 critical roles that we play is trying to
23 support workforce development is
24 appropriate for us to be estimating on the

1 low end when there are really critical
2 needs, you know. I can no -- I understand
3 both arguments.

4 MR. ZIEMBA: And, you know, as I
5 mentioned, a couple of the Commissioners
6 had attended some of those meetings that we
7 went to and workforce is something that
8 folks have advocated for the funding. But
9 we're trying to fit balance what we can do
10 with the funding, what impact we can have
11 even with the amount of funding that we're
12 dedicating and what the overall need is and
13 how much of the need is tied into the
14 facility versus how much of the need is
15 tied into just the general need for
16 workforce training in the given
17 communities.

18 CHAIRMAN CROSBY: Right. I realize
19 that's a very gray line. I think, I guess,
20 it's hard to do this. I would like people
21 to understand that these are guidelines but
22 let them appreciate if they really feel
23 strongly about something really important
24 that they ought to go ahead and pitch it.

1 It's a hard line for me to walk, I
2 understand. I would hate to have really
3 good, big ideas not come to us because of
4 what are kind of artificial arbitrary
5 standards. Jill, that's something you
6 might --

7 COMMISSIONER ZUNIGA: I remember a
8 couple of communities that thought really
9 big and some of those were not related to
10 the casino, so they never made it to the
11 recommendation of the staff. But so, I
12 think, but the point is well-taken that we
13 would not want this to be a damper on
14 creative thinking if there is really any
15 out there.

16 COMMISSIONER STEBBINS: I agree with
17 those points. I agree with the point John
18 made in thinking about the gaming and
19 economic development work fund, which
20 begins to get capitalized at the same time
21 they're recapitalizing the community
22 mitigation fund and not trying to supplant
23 spending someplace else but seeming how the
24 two might be fail or might be aligned is we

1 can think of strategies and proposals
2 coming forward, but truly squarely fits the
3 mitigation or truly squarely fits the
4 suggestions for the gaming and economic
5 development fund and find out where they
6 align, find out where there is overlap and
7 try to be thoughtful about what happens.

8 COMMISSIONER CAMERON: John, do you
9 have information that there may be many,
10 many more applications this year than past
11 years that would require us to really
12 strategically --

13 MR. ZIEMBA: I do believe that we're
14 going to get some big applications for
15 transportation. There's been a number of
16 big projects that have been considered by
17 the Lower Mystic Regional Working Group and
18 others. And, so, I'm anticipating some big
19 projects that will be coming our way or at
20 least fully utilize it, the dollars that
21 we've allocated for transportation, for
22 instance. And workforce, I can't imagine
23 we would have a lack of applications for
24 those dollars, so I anticipate we will get

1 some.

2 COMMISSIONER MACDONALD:

3 Mr. Chairman, to your concern that the
4 guidelines maybe disconsenting communities
5 from thinking big, from having attending
6 each of the local communities of -- local
7 advisory committees both the east and the
8 west is that I don't recall any comment
9 from any representative of a local
10 community criticizing in a significant way
11 the proposed guidelines on account of their
12 guidelines excluding something that would
13 be important to the local communities.

14 And the only commentary at those
15 meetings that I've attended that would
16 approach an affirmative concern about the
17 guidelines is the police training cost item
18 and John's description of the local
19 advisory committees bring action to this is
20 accurate from my having been present at and
21 observed and heard those comments.

22 That said, I think it's significant
23 that in spite of the fact that at least one
24 of these local community meetings, I think

1 it was one in the west in which I took the
2 initiative to encourage the members of the
3 advisory committee, if they had real
4 concerns about this to, in fact, take the
5 initiative to put those in writing, submit
6 them for our consideration. And, I think,
7 it's significant that none of the comments
8 that we've received, if I am right, John,
9 correct me if I'm wrong, that have really
10 taken issue substantively with the police
11 training process.

12 CHAIRMAN CROSBY: Those are very
13 helpful points.

14 COMMISSIONER CAMERON: I think it's
15 important to know that those costs are on
16 the front end and will not continue year
17 after year, those police training costs and
18 they're really critical.

19 CHAIRMAN CROSBY: The only question
20 on the police training cost it's not
21 that -- I mean, we have other ways of doing
22 it. We could put it into our budget as a
23 new item and just assess our licensees for
24 those training costs. That's another way

1 to do it. That would be two million, two
2 and a half million more to use for other
3 things in the community mitigation. That
4 seems to be the trade-off. It's not the
5 question of who would do the training.
6 It's which bucket or which strategy do we
7 use.

8 COMMISSIONER CAMERON: I think
9 considering the costs to support those, I
10 think, our licensees are certainly and are
11 well aware of supporting those costs as an
12 ongoing year after year for public safety.
13 I think utilizing it this way because the
14 training was not something that was
15 budgeted for and is, you know, certainly is
16 a training that's needed, and there is no
17 other way to get the public safety without
18 the training, frankly.

19 CHAIRMAN CROSBY: No, I'm totally
20 with you on that. I think I'm committed to
21 the idea of providing it. Just saying
22 which way do we go. That's all it is.

23 MR. BEDROSIAN: And, of course, we
24 need to have a live application for this to

1 be a live issue. So, I think, you
2 identified the issue. No question about
3 it.

4 CHAIRMAN CROSBY: Okay. We are now
5 voting on --

6 MR. ZIEMBA: No, it's not
7 recommended that you not vote. I believe,
8 we wanted to get some further information
9 from the GPAC and from the subcommittee.

10 CHAIRMAN CROSBY: Okay, that's fine.

11 COMMISSIONER STEBBINS: Does this
12 conversation help in terms of giving you an
13 opinion of the Commissions' position on the
14 guidelines as you have them laid out?

15 MR. ZIEMBA: Yes. Because we had
16 the big X, the highlighted X in our
17 guidelines of how much we were going to
18 spend. And now that we have a draft target
19 and spending amount, we can get some
20 comments on that as we go forward.

21 COMMISSIONER STEBBINS: I mean,
22 again, my thought was just based on our
23 last meeting you set a target. I think our
24 communities that are participating are

1 mindful that this is not a kind of catchall
2 go after fund. That they're being
3 thoughtful, and that's why we ended with
4 less expenditures than we had for the
5 budgeting amount last year.

6 MR. ZIEMBA: Yes. One thing I will
7 reference, Commissioner Stebbins, because
8 we were talking about the gaming and
9 economic development fund and the
10 mitigation fund, is that even though we can
11 fund similar activities under both, there
12 are distinction differences between the
13 funds.

14 Community mitigation fund is the
15 offset cost related to the casino. The
16 gaming and economic development fund does
17 not -- you don't have the statutory nexus
18 to the casino. And what we have stated is
19 that we would like to see some spending out
20 of the economic development fund to make
21 sure that it benefits the facilities, which
22 will then benefit the economic development
23 fund and community mitigation fund and
24 achieve the purposes of the Gaming Act.

1 But the purposes of the Gaming Act and
2 development fund are much broader.

3 COMMISSIONER STEBBINS: Absolutely.

4 MR. ZIEMBA: So I would just ask the
5 communities to be mindful if they are
6 applying for mitigation fund dollars, we
7 can have an ancillary benefit to
8 communities and we hope that we do, but we
9 cannot fund something that is really just a
10 general municipal purpose. So as we talked
11 about earlier, we're going to have to
12 really carefully evaluate that. And it's
13 not going to be easy. It never is in these
14 evaluations.

15 CHAIRMAN CROSBY: Anything else?

16 COMMISSIONER ZUNIGA: I think this
17 is very good.

18 CHAIRMAN CROSBY: Yes, yes, it's
19 good stuff. Thorough as always. Thank
20 you, John.

21 MR. ZIEMBA: All right. That
22 concludes our report. Can I say thank you
23 to Mr. Lennon and Mary Thurlow, program
24 director of the mitigation fund and done a

1 tremendous amount of work all this year in
2 putting everything together in keeping this
3 transit.

4 COMMISSIONER CAMERON: Thanks to the
5 whole team. Lots of thoughtful work here.

6 CHAIRMAN CROSBY: Okay. Next up is
7 number five, Workforce, Supplier and
8 Diversity Development, Director Griffin.

9 MS. GRIFFIN: Good afternoon.

10 CHAIRMAN CROSBY: Good afternoon.

11 COMMISSIONER ZUNIGA: Good
12 afternoon.

13 COMMISSIONER STEBBINS: Good
14 afternoon.

15 COMMISSIONER CAMERON: Good
16 afternoon.

17 COMMISSIONER MACDONALD: Good
18 afternoon.

19 MS. GRIFFIN: Yes, I checked my
20 watch.

21 CHAIRMAN CROSBY: Time flies when
22 you're having fun.

23 MS. GRIFFIN: Officially. So I'm
24 going to give you a little bit of

1 background about this exciting new
2 initiative, and then I'm going to turn it
3 over to representatives of our grantee to
4 give you an update on the actual results --
5 the early results of the initiative.

6 So you all are aware that we have a
7 monthly access and opportunity committee
8 meeting that focuses on monitoring and
9 compliance of the diversity goals. Last
10 year I pulled together a subset of this
11 group. I said, "With the goal of
12 increasing diversity during the
13 construction phase of the workforce, what
14 are some items that we can work on
15 together?" And the group suggested a focus
16 specifically on women of color. They said
17 that many women are considering
18 construction careers, and that they need
19 guidance and information on the trades and
20 how to apply. There are 21 different
21 trades.

22 And in November of 2016, we actually
23 issued an RFP seeking an organization to
24 help optimize the outcomes for the

1 diversity goals outlined in the gaming law
2 by facilitating a single point of contact
3 to provide career information and help
4 women to navigate to the admission process
5 of the various union building trades.

6 So the RFP inspired a statewide
7 response of this powerful coalition are the
8 numbers you see before you on this slide,
9 and these stakeholders all had considerable
10 experience working to increase women in the
11 building trades.

12 CHAIRMAN CROSBY: Did NCTE already
13 exist or was it created for this?

14 MS. GRIFFIN: This was created as a
15 result of the RFP. You'll hear more about
16 the numbers later. Why is this important
17 even generally? Union construction jobs
18 pay equally were closing the wage gap
19 between men and women and we're increasing
20 opportunities, especially for women who are
21 often in low-wage jobs.

22 So this group has an ambitious goal.
23 Right now on statewide there are five
24 percent women in construction, and by 2020

1 this group plans to increase it by
2 20 percent with the help of this grant.

3 CHAIRMAN CROSBY: To 20 percent.

4 MS. GRIFFIN: To 20 percent, yes.
5 So who is the target, the focus? Women are
6 already working some really tough jobs and
7 often with little benefits yet they're not
8 considering construction careers. These
9 are some of the women that we think will be
10 interested.

11 COMMISSIONER ZUNIGA: Can I make a
12 comment on that slide? There is a picture
13 that says a lot of words. It's that one on
14 the right, if you look at the faces.

15 COMMISSIONER STEBBINS: It's also
16 interesting the saying in that slide what
17 we heard from PPC today and what they're
18 trying to do in terms of getting women to
19 think about what they do and how that can
20 translate into other career opportunities
21 for them.

22 MS. GRIFFIN: Exactly.

23 COMMISSIONER STEBBINS: The message
24 is out there.

1 MS. GRIFFIN: So another thing is
2 this group had always wanted to put
3 together an advertising campaign to make
4 these careers more visible, to make these
5 opportunities real, and to help people
6 consider construction careers as an option.

7 At this point when the advertising
8 campaign came together, I consulted my
9 colleague, Director of Communications,
10 Elaine Driscoll, who had done something
11 similar for the Boston Police Civil Service
12 Exam, an advertising campaign that was very
13 successful, so we worked together on this.

14 The goal was to make it visible,
15 make it real and make it very easy. And,
16 so, the rift KHJ brand activation put
17 together a branding campaign called "Build
18 A Life That Works" focused on real women
19 and real stories, women who are currently
20 in construction, many of them on the
21 development of the gaming.

22 For example, this is Contina. She
23 is an operating engineer, and she is
24 currently on the MGM project. She bought

1 her family home from foreclosure as a
2 result of getting this great job with great
3 benefits, "I built this life by building
4 roads."

5 This is Joan, "I built this life by
6 building homes." Joan is a carpenter, and
7 she loves to travel to the Caribbean. Savi
8 is a pipefitter. She loves to barbecue for
9 her family, and she is currently on the
10 Wynn Boston Harbor project. Lindsey is a
11 plumber. She is a single mom, and she
12 works on the MGM project.

13 So in addition to the ads that you
14 saw, this is a real communication plan that
15 involves social media, outdoor advertising,
16 public relations, really intended to
17 capture peoples' attention. Once we
18 capture their attention, they're directed
19 to a mobile-friendly website where the user
20 can take immediate action and on the back
21 end of that website is some lead capture.
22 We get information about who is contacting,
23 where they're from, et cetera.

24 And this awareness campaign

1 reinforces the state's new gaming industry
2 that we continue to set the standard. This
3 is a page of the website. So in order to
4 convert some of these leads as they contact
5 the website or they call the 1-800 number
6 through our grant, NCTE, the Northeast
7 Center for Tradeswomen's Equity was able to
8 hire a pipeline navigator, Kate Harrison
9 who is here, and you will hear more from
10 her directly on the great work she has been
11 doing.

12 Recently, Chairman Crosby and
13 Commissioner Cameron joined us at the
14 "Build A Life That Works" campaign where we
15 publically announced this at the sheet
16 metal workers training center in the press
17 conference. It was on National Women and
18 Apprentice Day. It was a very aspiring,
19 very -- and I'm wondering if we can connect
20 to the video real quick.

21 I'll just add that while we are
22 doing this that this has been a real
23 collaborative effort. We've had some great
24 partnerships and other agencies stepping on

1 board, for example, to offer in-kind
2 advertising, the Mass. Convention Center
3 Authority in addition to funding has
4 offered their digital billboard, the City
5 of Boston has worked with us. And in the
6 winter, we see a lot of the bus shelters
7 will have beautiful new ads. The
8 Carpenters Union billboard is also -- we
9 are excited to work with MassDOT in the
10 future. And we also have a great sign, a
11 digital billboard in Plainville, Local 103,
12 Electrical Workers Union. So you can see
13 some of the great, beautiful visuals.
14 There's the Carpenters Union sign.

15 COMMISSIONER CAMERON: I drive by
16 that one all the time. It's great to see.

17 MS. GRIFFIN: So right now they're
18 very visual. You'll start to see in the
19 new year some other locations and sites.
20 We plan to keep this really consistent. So
21 I'm going to turn this over to
22 representatives from NCTE to introduce
23 themselves.

24 MS. SKIDMORE: Hello, Commissioners.

1 I am Liz Skidmore. Pardon my cough and
2 stuff. Liz Skidmore. I'm a business rep.
3 organizer for the New England Regional
4 Council Carpenters, and I am the president
5 of the Northeast Center for Tradeswomen's
6 Equity.

7 MS. HARRISON: Hi, I'm Kate Harrison
8 and I'm the pipeline navigator for
9 Northeast Center for Tradeswomen's Equity.

10 MS. CLAUSON: Lisa Clauson. I work
11 for the labor management program in central
12 and western Mass.

13 MS. SKIDMORE: First, thank you all
14 for your commitment for making this
15 possible. We're really, really excited
16 about this. Thank you Commissioners who
17 attended the launch. It was great to have
18 you there. I also wanted to thank Building
19 Pathways, Inc. We finished the program.
20 UMass Boston, Boston Building Trades and
21 New England Regional Council partnered
22 because all of them had freed up staff to
23 do a lot of survey contribution time-wise
24 to work on this.

1 So what have we done so far? Do you
2 have our power point? So we have hired
3 Kate, who you'll hear from in a minute.
4 We've established an office in Dudley
5 Square and Roxbury potentially to be part
6 of that community. We have done a lot work
7 with Jill and Elaine and Kate. Today I
8 want to thank both Jill and Elaine for all
9 the work they we put into this and all we
10 learned from them about designing the
11 website, the marketing materials, and all
12 that stuff.

13 And we have purchased software to do
14 that contact management. We are using
15 sales source, and we have got a contract
16 taking the general sales source, which has
17 a massive capability of really customizing
18 it for what we need.

19 The outreach front we decided we
20 wanted to get going doing outreach before
21 the launch of the campaign partly to do
22 outreach, and partly to figure out our own
23 internal systems from handling what we had
24 50 people trying to think about it instead

1 of 500 people.

2 So we've been doing -- we will get
3 to some of those details. We've been doing
4 an open house once a month. We call it
5 Trades Women Tuesday, first Tuesday of the
6 month. You're all invited. In Dudley,
7 we've gotten almost a 50 women a night.
8 We've done four of them. Our most recent
9 one was last night, and we've had one in
10 Springfield and have a regular schedule to
11 continue to those going forward. And we've
12 been figuring out there from what
13 information do we need from them to help
14 facilitate their connection with an
15 appropriate trade and how do we identify
16 their next steps, so communicate those next
17 steps back to them.

18 So in this slide, what we have sort
19 of figured out so far is there is contact
20 sort of driven by the social media or the
21 advertising. So you have a web contactor
22 call, then they were encouraging them to
23 attend an open house where they get a
24 presentation by a number of working

1 tradeswomen either in Springfield or Boston
2 that sort of lays out both great things
3 about construction and the challenges of it
4 so people will walk away with a clear
5 picture of, yes, this is a good fit for me
6 or no, it's not.

7 We then take a look at what --
8 evaluate them for next steps, and then send
9 each woman with a customized prescription
10 to her. And then our system is set up to
11 check back in with her at 3, 6 and 12
12 months. So the criteria we're looking at
13 is the bucket's list.

14 So these sort of the requirements to
15 be able to apply for an apprenticeship. So
16 you have to be at least 18, legally
17 permitted to work in the U.S., high school
18 diploma, GED, HiSet, have a driver's
19 license those. Those four you can't apply
20 without. So if somebody doesn't have one
21 of those, we say you need this to apply.
22 Here is some local resources about getting
23 that thing, a driver's license or a HiSet
24 and come back to us. We will still check

1 in with them.

2 And then so many women if they have
3 young children and they don't have a child
4 care plan, the trades are very talented
5 because of the early hours we work and so
6 we're evaluating for that. Do they have
7 any children? Do they a child care plan?
8 If they don't, the resources just kind of
9 don't exist there.

10 There's another group of us working
11 on developing more resources. They are not
12 there yet and they have a history of
13 employment, you know. Construction is very
14 challenging. It's not a good first job.
15 Unless you're just coming out of high
16 school, fine. So those are kind of what
17 we're looking at.

18 Then I want to shift over to Lisa
19 Clauson to talk a little bit more directly
20 about outreach work that we've been doing
21 in western Mass. And then, unfortunately,
22 she's going to have to leave.

23 MS. CLAUSON: Yes, my apologies. I
24 have to rush off to another meeting right

1 after this. So we had our first open house
2 in western Mass. on November 14th. The
3 second one is scheduled for January 9th.
4 We're doing the second Tuesdays of every
5 month. Again, it's in the evening. We've
6 had a number of women who are on the MGM
7 job site from a variety of the trades who
8 come and participate in it and connected
9 with the women who are interested in this
10 work. And we've already as well through
11 work with MGM and their community partner
12 networks have done a variety of multi-trade
13 outreach to different community
14 organizations as well as vocational schools
15 in the area.

16 Last year we had our first western
17 Mass. girls in trades session with about
18 230 girls from vocational schools
19 throughout mostly western Mass., all of the
20 schools in western Mass. and a couple came
21 from central and eastern Mass. as well.
22 We've got a second one we're doing at the
23 end of January in Springfield. STCC is
24 hosting us for that event. And, so, great

1 connections are being made with those
2 teachers and administrators.

3 We also plan kind of to look at the
4 model of what's being done in Boston around
5 media outreach and kind of broader starting
6 there and start developing a plan for how
7 to move that out to the western part of the
8 state.

9 And then the last point I'd end with
10 is that MGM, certainly the construction
11 side of it, is going to finish very soon.
12 We're hitting the peak in January, and then
13 the jobs are going to be going down from
14 there. So we've been really looking at
15 where there are opportunities to get more
16 honors to follow the great example that the
17 gaming commission has set with having
18 diversity goals and requirements on the
19 work.

20 And, so, that's been happening at
21 UMass Amherst and DOT. We've been having
22 really good conversations with the City of
23 Springfield, and we're putting changes to
24 their responsible employer ordinance that

1 is really essentially about residency,
2 opportunities and diversity opportunities
3 on construction jobs.

4 So we're working with the city on
5 doing that, and then also have had
6 conversations with Baystate, with some area
7 colleges on having them also look at the
8 examples of the gaming commission and the
9 examples of UMass and put requirements on
10 their jobs as well. So positive
11 conversations about Holyoke college for the
12 first time this past year, and we're
13 looking to expand that out.

14 CHAIRMAN CROSBY: Great. If we can
15 be of any help in talking to other owners,
16 let us know about sharing the experience of
17 how do we get it or whatever.

18 MS. CLAUSON: Yes. We would be very
19 interested in that, and perhaps having some
20 creating some video clips too and talking
21 about it that we can then use as we are
22 having conversations with others.

23 CHAIRMAN CROSBY: Great.

24 MS. CLAUSON: My apologies.

1 CHAIRMAN CROSBY: Thank you, Lisa.

2 MS. SKIDMORE: And now Kate.

3 MS. HARRISON: Sure. So as Lisa
4 mentioned and as Liz mentioned, prior to
5 the widespread launch of the Build A Life
6 campaign, we piloted our job seeker flow at
7 the open house Tradeswomen Tuesday events.
8 And these events are really exciting to get
9 to meet the job seekers and is inspiring to
10 be in a room full of women who are
11 interested in construction careers.

12 Earlier this week we had a
13 Tradeswomen Tuesday event with 30 potential
14 tradeswomen attended, and so our full total
15 count of attendees to date is 164. And we
16 also had seven industry opportunity
17 partners attend last Tuesday, including
18 Madison Park High School staff who brought
19 a group of high school senior students.

20 We like to say that 90 percent of
21 the women who attend our open house are
22 women of color, and that's from our own
23 observation. So if you were to come to one
24 of these events and look around the room,

1 that's what you would see.

2 And for our work so far, we've
3 already had one woman who attended a
4 September open house join a union. She is
5 in the Sheet Metal Workers Union, so that's
6 exciting to report. We also take partial
7 credit for a general optic in the number of
8 female apprentices throughout
9 Massachusetts, and that's thanks to our
10 work on the demand side along with the work
11 of MGC, our Mass. Gaming Commission, our
12 access and opportunity committees and
13 bringing women onto the casino projects in
14 general.

15 Overall, we're happy with the number
16 of women who are attending open houses and
17 how many women are following through. One
18 of our goals at the open house is to give
19 the women enough information so that they
20 can decide if construction careers are
21 really a good fit for them.

22 So we're getting about 49 percent
23 of -- exactly 49 percent of the women who
24 attend open house returning the follow-up

1 survey indicating their interest. That's
2 good to see. And of the 49 percent that
3 are sending the survey back, 75 percent of
4 them actually meet the requirements for
5 apprenticeship. So we're hitting the
6 target audience, and that's nice to see.

7 COMMISSIONER ZUNIGA: Can I ask a
8 question about that? What would you say or
9 speculate might be the bigger barriers, for
10 example, of people who either don't meet
11 the requirements or might that be or people
12 who self-select out to say no, this is
13 really not for me; is there any diligence
14 that you are able to get either from a
15 prior workplace and everybody or are you
16 able to get that as far as --

17 MS. HARRISON: Yes. So for people
18 that don't meet the requirements, we
19 noticed that not having a driver's license
20 is a common one. A lot of women will be
21 eligible in every other way, and so that's
22 something to think about. Child care, as
23 mentioned earlier, is a big challenge
24 because the work starts early and so...

1 And in regards to self-selecting,
2 it's basically on the person. They are
3 deciding whether or not they wish to work
4 in a physical environment, whether they
5 feel comfortable being in a male-dominated
6 field.

7 COMMISSIONER ZUNIGA: Right. But
8 there is not necessarily a misconception
9 about, you know, this is not for women or
10 this is not for me.

11 MS. HARRISON: I think the open
12 house the purpose is to break that down,
13 because the women who attend get to speak
14 with women -- with tradeswomen who are
15 doing that sort of work, and they get the
16 inside scoop of the challenges, the
17 benefits, so that's kind of...

18 MS. SKIDMORE: And I would just add
19 that we -- these open houses have served a
20 purpose we didn't really expect, which is
21 we're getting like 15 working tradeswomen
22 to come to each one, and they are loving it
23 and to tell their story and answer
24 questions and things.

1 So they are getting very like real
2 talk about the weather, the physicalness,
3 the ladders and the stairs, the carrying
4 and stuff both that that's there and here's
5 50 women who are currently doing that and
6 love their jobs. So it's both sort of the
7 negative and the positive of it.

8 And, I think, you know, the drug
9 testing, I think there are definitely some
10 people who are, you know, folks get drug
11 tested a lot in construction. And so, I
12 think, some percentage of the folks opt out
13 because of that.

14 COMMISSIONER CAMERON: Yes. Along
15 that note, I was equally inspired attending
16 a launch press conference and just
17 tremendously engaged folks and a group of
18 proud newly employed tradeswomen, a number
19 of them, and I really enjoyed chatting with
20 them after the event. One of the things we
21 talked about was how they could be the best
22 recruiters. How people -- if they don't
23 see it, they can't imagine it. And they
24 were shaking their heads thinking they

1 could do that.

2 And, I think, you made the point
3 that, you know, they're coming to the event
4 to help making sure they have the right
5 information of women who are already in the
6 trades. We had to do this with women in
7 policing.

8 We found the women on the job were
9 really our best recruiters, but we almost
10 had to educate them about what was
11 happening, what was new, how we were -- how
12 to get ahold of a recruiter, how to start a
13 program. I love the prescription for them,
14 individual prescription, that's terrific.
15 That lets them know what they have to do to
16 get there.

17 And it also lets them know that this
18 is viable. This is just for me, this
19 prescription. I really think that's a
20 terrific trade and making sure your women
21 that are there now know how to get other
22 women and really recruit for you, talk to
23 their friends, their family members and let
24 them know it's a valuable way to make a

1 terrific living.

2 MS. SKIDMORE: And most tradeswomen
3 are already doing that. If they say I'm an
4 ironworker, peoples' eyes bug out and we
5 have a whole conversation. But having
6 these open houses to direct those folks to
7 has made a tremendous difference. And I
8 would also add that the benefit that we
9 didn't really expect is for those 50
10 tradeswomen, this is a retention strategy
11 for them because they are getting to get
12 together with other tradeswomen, get to be
13 proud, have the new potential tradeswomen
14 get excited.

15 And we set it up so that there is a
16 presentation, and then that group moves
17 into a back room or a second space and then
18 they get to talk one-on-one. So folks who
19 may be uncomfortable asking questions in a
20 room full of 30 or 50 people get to go talk
21 individually to however many tradeswomen as
22 they want and little snacks.

23 So it's really been a good
24 combination of formal and informal but, you

1 know, recruiting new women into this
2 industry is a critical piece of this but
3 the retention of existing women is also
4 really important, and this is absolutely
5 serving a purpose in addition to this.

6 COMMISSIONER CAMERON: The young
7 woman who worked at Wynn, the Wynn project.

8 MS. GRIFFIN: Savi.

9 COMMISSIONER CAMERON: She was just
10 beaming talking about all the other women,
11 and she had never experienced that before,
12 so you're absolutely right about that.

13 MS. SKIDMORE: My first ten years in
14 the field as a carpenter's apprentice and a
15 journeyman carpenter, I think I worked on
16 one job in ten years with another woman.
17 And what the casinos have created here is
18 you stop being unusual when there is enough
19 women there, and that makes all the
20 difference in the world to jobs that
21 bullying, harassment, any of that stuff
22 gets pushed out further when there is a
23 critical mass.

24 COMMISSIONER CAMERON: Critical

1 mass.

2 COMMISSIONER STEBBINS: I was on the
3 MGM site yesterday and continue to be
4 impressed by the number of women in
5 hardhats walking around the construction
6 site. I had two quick points, and I forgot
7 to do it while Lisa was here. But, I
8 think, we also need to have the Commission
9 vote you guys some things because as you've
10 been actively out there talking about these
11 issues, we have also been actively out
12 there supporting the legislative career
13 we're trying to make folks being eligible
14 for some of the gaming service employee
15 jobs as well. We're kind of carrying that
16 out.

17 Do you find people are taunted from
18 the challenge of when you hear about the
19 amount of training that they had to go
20 through, does that become a roadblock and,
21 obviously, different trades and different
22 time frames of training, does that become
23 daunting I can't go through a year or two
24 year or three year program, does that throw

1 up a roadblock?

2 MS. SKIDMORE: Not that I have seen.

3 MS. HARRISON: I would say for some
4 people but not per most. It's maybe some
5 people it would be like that mixed with
6 another reason.

7 MS. VOGEL: And I would just add --
8 my name is Mary Vogel. I'm treasurer of
9 NCTE and also executive director of
10 Building Pathways. In our experience, I
11 would add that as an apprentice you're
12 getting paid. You're doing on-the-job
13 training.

14 So in that regard, you're getting
15 paid while you're acquiring your skills,
16 and you're taking a class either evenings
17 and Saturdays or in the cases of some
18 trades during the daytime. So at least
19 financially, you're pretty well-sustained
20 during that training period.

21 MS. HARRISON: So to add to what I
22 said at some people do get committed, I
23 think it's actually they get committed by
24 the process of a blinding apprenticeship

1 rather than the length of the
2 apprenticeship. So having someone like me
3 working to demystify that kind of addresses
4 that challenge.

5 MS. SKIDMORE: And I want to
6 emphasize what Mary said that the fact that
7 the starting salary for most in the
8 building trades is somewhere around 20
9 bucks an hour and then you get a raise
10 every six months of around five percent
11 depending on the trade, so you're making
12 money the whole time you're learning.

13 So it's not like going to college
14 where you're building debt. You're making
15 money. The training is free to
16 apprentices. They don't have to pay
17 anything for it and it's, you know, it's a
18 good system that they are coming into.

19 This is sort of what we had done
20 pre-launch. The only other number I want
21 to draw your attention to is the bottom
22 one. So from we started January 1st for
23 this year, which is what kind of started
24 really pushing things, so there is 57 more

1 additional female apprentices registered in
2 the building trades apprenticeships in the
3 state. We don't take full credit for that,
4 but just to show that there is progress.
5 And in context for decades, the female
6 number had been two to three percent.

7 So we're not at 20 percent yet,
8 which is our goal, but each of these
9 increases is significant, especially since
10 every year apprentices are graduating out
11 every year, so the percentage increased
12 7.23 percent to 7.48 percent is a big deal
13 to us.

14 COMMISSIONER ZUNIGA: Liz, I have
15 another question. Are there ongoing
16 apprenticeship opportunities these days?
17 That used to be at least spotty in some in
18 the past.

19 MS. SKIDMORE: Yes. So, again, this
20 is sort of why we use a navigator. There's
21 17 different unions, apprentice programs.
22 They all have a slightly different
23 schedule. A couple of us take applications
24 every month. Some folks -- like the

1 plumbers in Boston are taking applications
2 in January and their apprenticeship
3 coordinator came to our open house Tuesday
4 night and was really pushing the plumbers.
5 So if we get a whole pack of plumbers on
6 Tuesday night, that would be fabulous
7 because the application period is coming
8 up.

9 So that's one of the things that I
10 think has been a real barrier is, you know,
11 this trade is this month and that trade is
12 that month, and I have to go here and just,
13 you know, navigating it. So having someone
14 know it and can help walk the people
15 through.

16 The folks that, you know, 50 percent
17 of the folks who return the survey to us,
18 the prescription letter they get has a
19 list, a very detailed list of all the
20 apprenticeships that are open in the next
21 three months, and then a one-page list for
22 the whole year.

23 So this is exactly where you apply
24 in the next three months. And if you

1 really want to be in some other trade that
2 is not in the next three months, this is
3 when our application period will be open
4 and we will be staying in touch with them.

5 MS. VOGEL: The other thing that we
6 provide is information about the various
7 programs in the state. So in Boston it
8 would be Building Pathways, which runs
9 three training cycles per year. Community
10 Works in Springfield recently got refunded
11 through MassDOT, so we'll be having a class
12 beginning next year early in 2018.

13 And the beauty of the pre-apprentice
14 programs is really twofold; one, for those
15 folks who don't really have a -- they have
16 an idea that they want to work in the
17 construction industry but may not know
18 enough about the trades to make an informed
19 decision about which of those trades is an
20 appropriate fit, that's what the
21 pre-apprenticeship program is. That's the
22 kind of information they provide.

23 So, for example, our participants in
24 each of the union training centers, they

1 get to handle the tools and the equipment
2 of the trades, talk to the apprenticeship
3 coordinators, talk to the instructors, talk
4 to other apprentices who may be there
5 training that day. So that's a great
6 benefit of participating in a
7 pre-apprenticeship program.

8 The other thing is we help them
9 navigate that apprenticeship application
10 process and actually advocate for their
11 entrance into those programs. And we have
12 that connection with the building trades to
13 make those opportunities more available.
14 So people who do go through apprenticeship
15 program go because they get a leg up, not
16 only in identifying what trade is an
17 appropriate fit but also getting into an
18 apprenticeship program.

19 And in Boston, to your question
20 earlier, Commissioner, all of the
21 apprenticeship programs are accepting
22 applications, far more than in western
23 Mass. because of the nature of the market,
24 but those opportunities are available and

1 booming in Boston.

2 COMMISSIONER ZUNIGA: Great.

3 MS. SKIDMORE: So since the launch,
4 we're pleased with the social media
5 increase. The Facebook page got a lot more
6 likes, followers, et cetera. Facebook
7 reached the last two weeks is over 1,000
8 people, which we're pretty psyched about
9 for a brand-new program. And then I just
10 checked our Twitter followers today, and
11 they are actually at 63 today. So I'm not
12 sure if we're going to double every day,
13 because I made this yesterday. But that
14 has gone up. So, you know, it's still --

15 CHAIRMAN CROSBY: So how many of
16 those -- there were 41 inquiries of people
17 who actually gotten into Kate's process,
18 right?

19 MS. HARRISON: It's up to 43.

20 CHAIRMAN CROSBY: So that's a
21 function of the points below. There is not
22 other people coming in from Facebook or
23 whatever.

24 MS. SKIDMORE: I'm not sure I

1 understand the question.

2 CHAIRMAN CROSBY: I wasn't sure
3 whether these were all different access
4 points to the pipeline. So are some of
5 those Facebook followers also contacted or
6 they are all in the 41?

7 MS. SKIDMORE: Sorry. Most of them
8 have come in through the open houses,
9 because we have been getting out to the
10 community. How many would you say have
11 been coming through the website?

12 MS. HARRISON: How many from social
13 media?

14 CHAIRMAN CROSBY: So how many --

15 MS. SKIDMORE: Contacts have come to
16 the website versus how many --

17 MS. VOGEL: 43, isn't that --

18 MS. HARRISON: 43 would be the
19 number of people who filled out --

20 MS. SKIDMORE: For the first contact
21 sheet on the website. I think it's only
22 three or four. I'm not asking it clearly,
23 but some didn't come to an open house but
24 contacted us through the initial contact

1 sheet on the website. It's a pretty small
2 number, three.

3 MS. HARRISON: So before the launch
4 of the marketing campaign, three people had
5 contacted us through the website. Then
6 after the launch of the marketing campaign,
7 43 have, 43 people.

8 CHAIRMAN CROSBY: Do people also
9 call; is that a different --

10 MS. HARRISON: People call all the
11 time. I got a call during this meeting.

12 CHAIRMAN CROSBY: And what did that
13 person -- did you tell them to go to the
14 website? So the website -- is the website
15 the only way to get into the system, in
16 fact, is what I am trying to get at or are
17 there other ways to get into the system?

18 MS. HARRISON: So if somebody calls,
19 we either direct them to the website and we
20 also encourage them to attend an open
21 house, because that's where they're going
22 to get the most comprehensive information.

23 CHAIRMAN CROSBY: But eventually
24 everybody who gets into one of the programs

1 or gets into the pipeline will be on that
2 website count. So 43 -- from all sources
3 43 people have begun the process, at least
4 accessed the website since the launch
5 total.

6 COMMISSIONER CAMERON: Two weeks
7 ago?

8 MS. HARRISON: Right. And that's
9 independent of the folks who attend open
10 houses, so it's kind of like two different
11 pools, the open house pool and the website
12 pool.

13 COMMISSIONER CAMERON: That's
14 amazing. Did you say you were getting 50
15 people a week at the open house?

16 MS. HARRISON: A month.

17 MS. SKIDMORE: 50 people per open
18 house come once a month.

19 COMMISSIONER CAMERON: Once a month,
20 okay. And that's still --

21 MS. SKIDMORE: And those open houses
22 have just been social media. So that's
23 sort of our existing -- collectively our
24 social media networks have been producing

1 that many folks. So the idea that women
2 don't want to do this work is just not
3 true, you know. Clearly there's interest
4 here. All right, let me keep going here,
5 because I know you have lots of other stuff
6 you need to do.

7 So post-launch, again, pre-launch we
8 had one press thing about the launch and
9 then afterwards so far we've had 11 also in
10 18 days, which is pretty remarkable. And
11 just yesterday a couple of us, including me
12 and Jill Bennett, who is the carpenter
13 working in the field got interviewed for
14 City Line on Channel 5. We're being
15 interviewed on BNN shortly and we were on
16 Sue O'Connell for NECN for, you know, for
17 several interviews.

18 CHAIRMAN CROSBY: You and Savi.

19 MS. SKIDMORE: Correct, that was
20 Savi and I. So we're getting the different
21 tradeswomen out there to get to tell their
22 stories. You saw the graphics. And then
23 the print press pieces, just a huge thank
24 you to Elaine. It's been really remarkable

1 the amount of work she has done. We got a
2 print in Boston and Springfield, two pieces
3 in the Industry Journal and then the three
4 TV pieces so far, and she has other stuff
5 that she's cooking, so that is pretty darn
6 exciting.

7 So next steps, what are our next
8 steps? So we need to complete the sales
9 contact management because we have been
10 doing that sort of by hand with our 50
11 people a month. And if we are successful
12 at getting two to three hundred a month,
13 then this all gets automated and we will be
14 able to bring that back to you from sales
15 force. Continue the open houses, regular
16 open houses in Roxbury and Springfield.
17 Also very excited next week we're doing our
18 first info session at One Stop. So we're
19 Harrison Ave. also in Dudley has --

20 MS. GRIFFIN: One Stop Career
21 Center.

22 MS. SKIDMORE: Yes, One Stop Career
23 Center what I still call the unemployment
24 office, but I'm not supposed to. So they

1 are recruiting folks from there. This was
2 a very important strategy in New Hampshire
3 reaching out to women, especially sort of
4 newly unemployed women who haven't gotten
5 too discouraged but the job search want to
6 be more motivating.

7 So we're continuing to take the
8 beautiful graphics that were designed by
9 KHJ and get them into all our fliers and
10 everything else, and all the other pieces
11 in addition to the website to handle what
12 we hope will be a very high volume of
13 interest when we really get these marketing
14 materials out. We just actually told Jill
15 just got our first request for putting this
16 marketing imaging on the job site script.
17 Actually, I think before the Boston Wynn
18 Harbor across the street, sort of on
19 Broadway still are highly visible.

20 And then sort of, as Lisa mentioned,
21 expand our design work is done. Put more
22 attention in western Mass. and continue to
23 work with support all the great work Jill
24 is doing and actually get these ads up and

1 out, so people can see them. So any other
2 questions?

3 MS. VOGEL: You know, I would just
4 like to emphasize what Commissioner Cameron
5 said and Elaine actually presented it in
6 the employer advisory committee meeting we
7 had yesterday with Building Pathways, we
8 had several GCs there, by the way, who are
9 interested in getting the Benson screen,
10 but using the stories of actual
11 tradeswomen, I think, distinguishes this
12 campaign from others that have been
13 launched around the country and makes it
14 real invisible, and I think that's going to
15 make all the difference here in our state.

16 CHAIRMAN CROSBY: Great. I think, I
17 mentioned to both Liz and Mary that I'd
18 really like to get everybody together as
19 soon as we can and just talk about the
20 budget and partners and so forth and so on.
21 It's getting to be a tough time. The
22 sooner the better we can pull that together
23 would be great.

24 COMMISSIONER CAMERON: Very

1 exciting, great work.

2 COMMISSIONER MACDONALD: Very
3 impressive.

4 CHAIRMAN CROSBY: It is 12:30ish,
5 12:45. We could do research and
6 responsible gambling, PlayMyWay, but it
7 looks like we're going to take a lunch
8 break.

9 COMMISSIONER CAMERON: 45 minutes?

10 MR. BEDROSIAN: Mr. Chairman, I also
11 note we have a lot of guests here that are
12 obviously interested in the horse racing
13 issue.

14 CHAIRMAN CROSBY: We could move it
15 around. We could do the horse racing issue
16 now and let these folks go and do a lunch
17 break and then come back for Mark, et
18 cetera.

19 MR. BEDROSIAN: So I need to find
20 out --

21 CHAIRMAN CROSBY: You folks who are
22 here for the racing, is there anybody that
23 you're waiting for still to come or is it
24 okay with you if we can go ahead? Go

1 ahead.

2 THE FLOOR: We are still waiting for
3 some people. They figured it was going to
4 come up later.

5 CHAIRMAN CROSBY: We can take a
6 lunch break right now or do Mark.

7 COMMISSIONER MACDONALD: Let's do
8 Mark.

9 CHAIRMAN CROSBY: Where's Mark?

10 COMMISSIONER CAMERON: Then you
11 push -- the horse people wait to do lunch
12 after that.

13 CHAIRMAN CROSBY: Do you know when
14 your folks are coming; what time they're
15 coming?

16 THE FLOOR: 1, 1:30. They are in
17 town.

18 CHAIRMAN CROSBY: Let's take a break
19 now. We will take a half hour lunch break.
20 We are temporarily adjourned until 1:15.

21

22 (A recess was taken)

23

24 CHAIRMAN CROSBY: We are reconvening

1 Public Meeting Number 230 at about 1:20. I
2 think the first item on our agenda is
3 Director Vander Linden.

4 MR. VANDER LINDEN: Good afternoon.

5 COMMISSIONER MACDONALD: Good
6 afternoon.

7 MR. VANDER LINDEN: I am here with
8 Floyd Barroga to talk about play management
9 recommendation, but first just a little bit
10 of background. Key educational objectives
11 of the MGC responsible gaming framework is
12 to provide, quote, accurate and balanced
13 information including giving people
14 informed chances to be made about gambling.

15 To support this objective, strategy
16 two specifically in the framework
17 identifies measures to support players'
18 efforts to responsible management gambling
19 by including the development and
20 implementation of play management tools.
21 Such tools are incorporated into electronic
22 gaming machines to enable players more
23 easily attractor play, manage their
24 gambling decisions and they are paying

1 realtime individualized player feedback.

2 In December of 2014, so three years
3 ago, I was reflecting on that, the
4 Commission voted to adopt a play management
5 system what we now we call PlayMyWay in
6 cooperation with Plainridge Park Casino.
7 However, because the existing body of
8 research supporting the effectiveness of
9 these tools was limited and inconclusive,
10 the Commission specified the implementation
11 would be on a test basis, and that the
12 determination of whether the program
13 continued and extended to Category 1
14 casinos would be informed in part by the
15 findings of the evaluation.

16 To advise in the development or to
17 evaluate the program, the Commission
18 contracted Cambridge Health Alliance
19 Division on addiction. Following 18 months
20 of development, in June of 2016 PlayMyWay
21 was launched at Plainridge Park Casino as a
22 benefit to their marquee reward or player
23 card members.

24 Patrons had the opportunity to

1 enroll in the program, and any slot
2 machine, GameSense kiosk or at the
3 GameSense information center with one of
4 our GameSense advisers. PlayMyWay prompts
5 cardholders to voluntarily set daily,
6 weekly or monthly to track their spending
7 while gambling at Plainridge Park Casino.
8 Once enrolled, players receive automatic
9 notifications as they approach 50 and 75
10 percent of their budget.

11 Players will also receive
12 notification at 100 percent. And if they
13 exceed their budget, they will continue to
14 receive notifications at every 25 percent
15 of what their actual spend is while they
16 are gambling. The players can choose to
17 stop using the tool at any point. They can
18 unenroll or keep playing.

19 So just briefly about player
20 enrollment to date. So through October
21 31st, we've had 15,123 patrons ever
22 enrolled in the program, so from launch to
23 October 31st. Un-enrollment is at
24 17 percent leaving 12,877 currently

1 enrolled in the program. This represents
2 15,123 represents 9.7 percent marquee
3 reward cardholders who have gambled at
4 Plainridge Park Casino have ever enrolled
5 in the program.

6 So on November 21st, our last
7 meeting, the Cambridge Health Alliance
8 presented preliminary findings from the
9 PlayMyWay play management system at
10 Plainridge Park Casino. There were several
11 important findings in this rather thick
12 report. A few at the top that have come up
13 to me are PlayMyWay users had significant
14 more cash activity than nonusers on slot
15 machines and electronic table games.

16 For example, during the entire study
17 period, PlayMyWay users inserted more cash
18 into slot machine users than nonusers by
19 means of \$620 difference. However, with
20 respect to their gambling activity,
21 PlayMyWay users tended to wager less money
22 as well as lose less money per day compared
23 to nonusers where PlayMyWay users wager an
24 average of \$347.80 and lost \$47.50 per day.

1 Their nonuser counterparts wagered \$485.30
2 and lost \$62.90.

3 So, as stated earlier, the
4 Commission adopted play management tools on
5 a test basis because the evidence of their
6 effectiveness was inconclusive. Since that
7 time, there has been a handful of new
8 studies that add to the body of research to
9 support the topic of providing informed
10 player choice and tools to do so.

11 A few of the problem studies I just
12 wanted to quickly outline. One by Dr. Wood
13 and Walt from the University of -- I'm
14 sorry.

15 MR. BARROGA: Ontario.

16 MR. VANDER LINDEN: No, he is from
17 Ontario. I'm drawing a blank on his
18 university affiliation. But it
19 specifically was a study to discuss the
20 effectiveness of responsible gaming
21 behavioral feedback tools for reducing
22 gambling expenditures of at-risk players.

23 So the purpose of that study was to
24 assess whether presenting behavioral

1 feedback the players has responsible gaming
2 utilities and, specifically, they spot to
3 examine whether responsible gaming tools
4 that are for players about their play could
5 result in a reduction and the amount of
6 player deposits as well as amount the
7 player wagers in subsequent weeks.

8 In terms of deposits, so what is
9 deposited into the machine wager. Over the
10 course of the study, problem-free --
11 players are considered problem-free and
12 at-risk players all showed significant
13 reduction in the amount of positive from
14 enrollment. However, there was no
15 significant difference in the amount of
16 deposits between enrollment and follow-up
17 for problems -- players showing problematic
18 signs.

19 In terms of the amount wagered,
20 actually what is actually spent, players
21 showing problematic play but could be a
22 behavioral feedback group as well as a
23 group that was not enrolled in the program
24 reduced their wager to a similar extent

1 between enrollment and the end of the
2 study. The researchers ponder that this
3 may reflect just an overall conscious way
4 of raising about that would lead to a
5 behavior change.

6 But, most importantly, at-risk
7 players of the behavioral feedback group
8 significantly decreased their wagering.
9 This was observable both at the week
10 following enrollment and again at the end
11 of the study period, 24 weeks later. This
12 suggests that behavior feedback tools could
13 potentially have the most impact with
14 at-risk players, again, which is a group
15 that we are also shared in providing
16 recourses for them.

17 Overall, the use of behavior
18 feedback tools appear to reflect the
19 desired outcome. That is the main focus
20 should be upon assisting at-risk players to
21 regain control over their playing behavior
22 whereas problematic players may already be
23 at a point where responsible gaming will
24 less helpful than other -- and more other

1 serious interventions such as referral to
2 treatment and self-exclusion may be an
3 option.

4 I also wanted to just quickly point
5 out another study also by Dr. Wall but also
6 and fellow colleagues about looking at how
7 much you have won and lost in providing
8 behavioral feedback to see how that would
9 regulate play. And the purpose of this
10 study was to assess whether presenting
11 personalized behavioral feedback players on
12 how much money they won or lost gambling
13 compared to how much they thought they had
14 won or lost gambling would moderate
15 subsequent expenditures.

16 To the same, players were asked for
17 how much money they thought they had won or
18 lost on electronic gaming machines in the
19 previous three months using their player
20 card. They were then provided with the
21 actual amount that they had won or lost
22 according to their player history.

23 Not surprisingly, the study found
24 that players have a poor grasp of their

1 wager. Player account data registered that
2 players found faced at 13 times more money
3 at time one, which is at enrollment, and
4 then nine times more money at time two
5 after they received their behavioral
6 feedback than when one player's estimate.
7 Additionally, a large portion of
8 participants who reported winning money at
9 the previous three months actually had lost
10 money according to their player account
11 data.

12 Importantly, following the receipt
13 of the personalized behavioral feedback at
14 the actual amount of money won or lost in
15 the previous three months, almost all
16 participants reported an intention to
17 maintain or reduce their gambling
18 expenditures. And as such, the tool
19 positively impacts players' gambling
20 intentions, and that they wanted to ensure
21 that expenditures did not increase.

22 And, indeed, these players visited
23 the casino last year wagering their losses
24 from time one to time two at the end of the

1 study. There's a growing body of
2 literature that was suggested that
3 personalized behavioral feedback such as
4 PlayMyWay can motivate players to change,
5 and one reason why such feedback is
6 effective maybe that players do not
7 actually estimate the amount of money they
8 have one or lost gambling.

9 So onto options to advance
10 PlayMyWay. So the Commission -- as the
11 Commission considers and accepts advanced
12 play management, there are several options
13 that the Commission can choose from and
14 understanding that there are advantages and
15 disadvantages to each of these options.
16 And, also, I might be missing a few
17 options. So what I thought I would do is
18 just quickly run through each of the four
19 options that I see and then open it up for
20 discussion, provide my recommendation and
21 then open it for discussion.

22 So option one would be to advance
23 play management tools by promulgating the
24 play management regulation and/or rules.

1 The second option that I see is to advance
2 play management cooperatively with
3 licensees through a non-regulatory path, so
4 that would include continuing to work
5 cooperatively with Plainridge Park Casino
6 and working cooperatively with MGM and Wynn
7 as they move forward.

8 The third option would be to support
9 play management at Plainridge Park Casino
10 but delay the decision about advancing play
11 management tool to Category 1 casinos at
12 this time while we wait for additional
13 evaluation.

14 The fourth option is to abandon the
15 support of PlayMyWay at Plainridge Park
16 Casino and further as well as abandon
17 further discussions about implementation of
18 play management tools at Category 1
19 casinos.

20 So my recommendation. So there are
21 several factors that should be weighed as
22 the Commission consider advancing the play
23 management tool. I've highlighted much of
24 this. Enrollment in the program far

1 exceeds the expectations and appears to be
2 greater than any jurisdiction that has done
3 this previously. Our consistent levels of
4 unenrollment suggests that the program is
5 relatively stable.

6 Preliminary evaluation findings
7 appear very promising. We continue to work
8 with our evaluation team and Cambridge
9 Health Alliance to answer critical
10 questions about reach and impact on
11 specific types of gamblers. There has been
12 a study full of new research that supports
13 the use and benefit of behavioral feedback
14 tools.

15 PlayMyWay hasn't created any type of
16 major interruption to the gaming floor.
17 But like any new technology, there has been
18 a few challenges and bumps in the road
19 along the way. But, again, they have been
20 minimal.

21 And, finally anecdotally, the
22 feedback that we've received from patrons
23 and most of them who are GameSense advisers
24 has been positive. They believe the tool

1 is useful and appreciative of the ability
2 of the resource.

3 So based on the information that
4 I've just outlined, I recommend that the
5 Commission create draft regulations that
6 would require licensees to develop a play
7 management tool for their patrons. The
8 regulation should remain flexible, to
9 respond to findings from ongoing
10 evaluation. Additionally, I recommend that
11 the Commission work closely with Category 1
12 licensees to develop a realistic time line
13 and plan for the implementation.

14 With that, I'll turn it over to
15 discussion.

16 COMMISSIONER STEBBINS: I had a
17 quick question. On option number two, you
18 talk about disadvantages. The first one
19 you outline is, provides the MGC less
20 control over specific elements of program.
21 What do you feel we would lose control of
22 going to that scenario?

23 MR. BARROGA: So, Commissioner
24 Stebbins, without regulation there is

1 multiple parties that are involved, whether
2 it's the casino licensees, Penn National,
3 MGM, Wynn as well as the slot venders. In
4 this case it's IGT, Scientific Games. At
5 that point there are no regulations, MGC
6 and those parties would have to properly
7 project manage those requirements.

8 And with the very requirements in
9 your systems, you may identify specific
10 data point differently as opposed from
11 Scientific Games to IGT. And with
12 regulation, you would have uniformly across
13 the board, which could then result to
14 research, that research would minimize any
15 questions back to those entities and allow
16 for testing in advance.

17 COMMISSIONER ZUNIGA: But that
18 assumes that the regulation is detailed
19 enough for everybody to follow and the
20 recommendation we have, also the life cycle
21 where we are, we need to be flexible enough
22 because there is a lot of evaluation that
23 is ongoing. There is a few things that in
24 my view that we also need to figure out

1 what the problem is. Is that not the case?

2 MR. VANDER LINDEN: That is
3 absolutely the case. I expect, fully
4 expect that we will find through ongoing
5 evaluation that there will be elements of
6 the program that we would want to adjust
7 and evaluate to see what impact that has.
8 But that will continue whether it's
9 through -- we receive that information
10 through the next piece of evaluation but
11 ongoing as well. This is still a type of
12 tool that we will want to continue to
13 evaluate and to continue to improve
14 regardless of what direction we take.

15 I do believe that there are elements
16 of how the tool is received or how it looks
17 to the patron and the patron experience
18 that will evolve more than perhaps the
19 reporting requirements that would be
20 probably more static and essential that we
21 have that data collection in the system
22 whether it be through Scientific Games,
23 Plainridge Park Casino, IGT and Wynn and
24 MGM.

1 COMMISSIONER CAMERON: So I am
2 thinking we're a little understating in how
3 successful this is and I know that the
4 researchers, the evaluators, rather, have
5 to be cautious and they want more time and
6 I understand that, and I understand where
7 they are coming from. But we are talking
8 about eight percent. That's -- I don't
9 know that there is another jurisdiction
10 over two percent anywhere in the world.

11 So, I think, those numbers are --
12 and folks wouldn't be using them if they
13 didn't find it a useful tool. So, I think,
14 the fact that we have eight percent using
15 it on a steady basis is that those results
16 are excellent. And then on top of that, we
17 do have information that their gambling
18 habits have changed because of the tool.

19 So I certainly see great value in
20 this. And after attending a conference
21 with the Australian regulators who had a
22 one percent, I was concerned when we first
23 did this that this, wow, would this be
24 successful. So, I think, we far out -- you

1 know, as you said, they are higher -- the
2 numbers are higher than we even expected.

3 And, I think, if we are talking
4 about moving it on to the next two, which
5 we are in the bigger casinos, then we're
6 moving from test phase to a phase where
7 this is a required element, and I don't
8 know that there is anything that we do that
9 we require that we don't have regulations
10 for.

11 So I actually don't see the
12 advantage of moving forward without
13 regulations, and I agree they should be
14 flexible. And it's like any tool we have,
15 our licensing management system, anything
16 else we continue to improve it. As you
17 pointed out, you would do that with this
18 tool as well.

19 COMMISSIONER MACDONALD: I think, I
20 come down a little bit differently than
21 Commissioner Cameron does because at our
22 meeting in which the research was
23 presented, what I thought was one of the
24 most significant conclusions was that the

1 data still has a lot of open questions
2 relating to it. And, specifically, as to
3 the question of whether the data to date
4 demonstrates in any kind of statistically
5 significant way a positive affect of
6 enrollment in PlayMyWay on an at-risk or
7 problem gamblers. That the data that we
8 have to date does not permit any
9 conclusions in that regard, and that raises
10 the possibility that these eight percent of
11 people who have enrolled are nonproblem
12 gamblers and who are approaching their
13 gambling experience in a responsible and
14 non-harmful way.

15 And, so, if the research is
16 incomplete on that critical dimension of
17 the population, then I think to go forward
18 and go to a formal, you know, regulation
19 promulgation process, require all of our
20 licensees at this point in time to make the
21 investment to cooperate and development of
22 PlayMyWay program according to we would
23 impose the regulations. It seems at odds
24 with the very core principal of our

1 research program, and that is that what we
2 are dedicated to do in that research
3 program is to answer the question as to
4 what the real impact of the introduction of
5 expanded gaming has been in the
6 Commonwealth. Here we are just a small
7 subset of that, but we have got the
8 research program in place.

9 I was very encouraged by the report
10 that was prepared and also very impressed
11 by the quality of the researchers who are
12 part of the team. They advised us that
13 over the next year or so they are going to
14 be able to further analyze the data that
15 has been collected and will be collected
16 and will be in a position, hopefully, to be
17 able to get a reliable answer as to whether
18 or not PlayMyWay has actually had an impact
19 on at-risk gamblers and problem gamblers.

20 So, I think, it's -- I come at this
21 very admiring of PlayMyWay but still with
22 an open mind as to whether we ought to
23 ourselves invest significant further
24 through the formal promulgation process and

1 also premature to require our Category 1
2 licensees to develop at this point in time.

3 So, I think, of the program I've got
4 a very open mind on this. I think of your
5 three alternatives I'm somewhere between
6 two and three. But if that posture is
7 based on a misunderstanding of the
8 research, then I have an open mind.

9 MR. VANDER LINDEN: I think you
10 raise a very good point. I do believe that
11 there is a much more that we can learn
12 through the evaluation process. The
13 evaluation that was presented two weeks ago
14 begins to scratch at the surface of what
15 this program really is and where it -- I
16 actually take that back. I think it goes
17 beyond scratching the surface of what it
18 can do.

19 I think that it gave way to some
20 very, very encouraging findings that I
21 think, to me, the findings were enough that
22 I obviously then felt comfortable to say
23 let's break this open to Category 1s, and
24 that in conjunction with other research and

1 other advancements both in terms of gaming
2 but also other research and other
3 industries of how behavioral feedback tools
4 are assisting people to make real feedback.

5 COMMISSIONER ZUNIGA: I'm on the
6 similar plan as you are, Commissioner. I
7 think -- but I recognize that the success
8 by any comparisons, and the comparisons are
9 few but they are important outside of the
10 United States. The uptake in this tool has
11 been, you know, four times or more in some
12 cases. But there is only so much in terms
13 of track record, and we achieved these
14 successes, and I call them successes,
15 working cooperatively with Penn, which is
16 what I'm leaning towards working
17 cooperatively now with MGM.

18 Now, it's presented some challenges,
19 which you touched on, going forward
20 relative how is the requirements understood
21 by all the parties, test it and employ and
22 that in and of itself is an important
23 challenge, but I don't think it's one that
24 we can simply manage by regulation. I

1 think we need to manage better. The course
2 of regulation would force us to attempt to
3 do that.

4 But on the other hand, there's
5 important evaluation that's ongoing. My
6 take from that evaluation was that I'd
7 really like to understand and have a
8 evaluation team try to piece out what
9 features of the tool are most liked by
10 those that like it, and what features are
11 there of those that don't take it and they
12 also develop further or fine-tune the tool
13 itself to hopefully get, you know, even
14 more use or better results or better
15 outcomes that will be confirmed by the
16 evaluation.

17 So, I was initially on the fence a
18 little bit sort of migrating between
19 options after having conversations leading
20 up to this. I could go with the notion of
21 regulations as long as it's flexible enough
22 that allows for all those features
23 definitions that I talk about later on.

24 But I think, ultimately, I come down

1 on let's continue to work cooperatively
2 with now MGM and figure out a time frame
3 for implementation, by the way. And we can
4 always change our mind if we're ready or
5 when we're ready and issue each regulation
6 accordingly.

7 I just think that part of the
8 success was that cooperation. Penn was
9 really helpful in, you know, testing these
10 tools, giving us feedback, giving us data,
11 giving the researchers a lot of data. And
12 given that now these tools need to be
13 implemented in a different platform because
14 the house system I understand is different,
15 we could attempt to promulgate that
16 approach, go over the approach going
17 forward.

18 MR. BEDROSIAN: Mr. Chairman, when
19 it's appropriate, can I just make a few
20 comments?

21 CHAIRMAN CROSBY: Sure.

22 MR. BEDROSIAN: So two things. One,
23 Director Vander Linden and I have had some
24 spirited conversations on this issue. But

1 I think he's done a very good job, he and
2 Floyd have done a very good job at laying
3 out the options. It strikes me that the
4 Commission is sort of between the
5 regulatory environment and the cooperative
6 environment. I initially lean towards the
7 cooperative environment, which we have done
8 with Penn.

9 Having said that, Floyd raises some
10 very interesting technical issues, the
11 advantage on the technical side of having
12 regulations, which I don't pretend to be an
13 expert on and I do know how much we -- I
14 don't want to use the term "struggled" but
15 the challenges with implementing PlayMyWay
16 at PPC.

17 Having said that, I also know that
18 they were incredibly cooperative and I'm
19 not sure without that cooperativeness we
20 ever would have got that far. I think
21 there in some of this, I think, there is
22 some assumptions which are realistic, A,
23 our Category 1 licensees are going to be
24 cooperative. I think they are. I mean,

1 based on my discussions, I think they are.

2 But part of that is at some point
3 the Commission has to set the standard.
4 What is cooperative? What do we care about
5 in a play management system? One of the
6 characteristics of that they can be
7 developed in a play management system. I
8 think, we've had preliminary conversations
9 with the licensees.

10 From my point of view, I'd be very
11 interested to hear the licensees' responses
12 between items one and two. Maybe, and I
13 don't think that's case, maybe they say
14 yes, we welcome a regulatory environment
15 because of the testing once it's in the
16 regulation, there are certain things that
17 the testing labs have to do or no, we'd
18 rather because this is still on the front
19 edge of a research project, we'd rather be
20 in with you voluntarily. I think it would
21 be helpful for the Commission to hear from
22 your Category 1 licensees.

23 As a sort of separate issue, which
24 you can decide to take up or not take up at

1 some point, I do think it will be helpful,
2 you know, we were -- I was out at
3 Springfield yesterday talking with MGM
4 folks. At some point, you know, we sort of
5 started a discussion about whether we were
6 going to require MGM to have some facet of
7 this at opening. I think to the point of
8 it may not be today but to the point the
9 Commission can sort of address that hurdle,
10 you know, there is some preparation things
11 they need to either think about or not
12 think about.

13 So to summarize my comments, I'd be
14 very interested to see what our Category 1
15 licensees say about this very well thought
16 out plan. And the second is at the
17 appropriate point on the issue of if we are
18 here, what, if anything, are we going to
19 require of MGM at opening is going to be a
20 subset of that conversation. Thank you.

21 COMMISSIONER ZUNIGA: My
22 understanding was that realistically
23 speaking given the platform that MGM is
24 going in that any kind of play management

1 tool will not be available for opening.

2 MR. BEDROSIAN: I certainly think
3 the type of play management tool I've heard
4 Commissioners talk about that would be
5 robust and consistent with what we all
6 might view as a play management tool is
7 probably not realistic, and I think Mark
8 might say that.

9 MR. BARROGA: And to add, the
10 implementing regulations will allow for
11 much more qualified product to the field.
12 Because if we were to manage this product
13 individually by casinos, that player
14 experience -- the players that are signed
15 up at Plainridge Park Casino and as they
16 let themselves out to MGM or Wynn, they'll
17 expect the same experience.

18 If the player visits the casino and
19 sees GameSense or PlayMyWay, they would
20 expect that same experience and through
21 regulation thought would be evaluated
22 through our third-party test labs. The
23 vendors would design based on our set, and
24 also the MGC would see that probably before

1 it sees the light of day.

2 COMMISSIONER ZUNIGA: I agree. I
3 think the user experience should be
4 considered to be the same. When I
5 mentioned my understanding of the different
6 platform is that it may bring different
7 technical challenges. But that decides the
8 point that I was trying to make, which is
9 that working cooperatively has brought us
10 to this place with its kinks, because there
11 was versions and screens that were
12 understood to be come before and others, et
13 cetera, and that was all hashed out. And I
14 think we should continue with that process,
15 especially given that there's a lot of
16 evaluation that a lot that we hope to learn
17 from the ongoing evaluation.

18 CHAIRMAN CROSBY: I'm not sure I
19 understand. Is the so-called cooperative
20 option, does that still going forward on
21 the conviction that there will be
22 PlayMyWay.

23 COMMISSIONER ZUNIGA: Yes.

24 CHAIRMAN CROSBY: This is not a go,

1 no go on PlayMyWay. This is different ways
2 of going forward with PlayMyWay.

3 MR. VANDER LINDEN: That is correct.

4 CHAIRMAN CROSBY: It's been decided,
5 I think, that we will require this -- we
6 have made a decision that, unless data
7 comes along that changes our mind, we will
8 be requiring this of the licensees.

9 MR. VANDER LINDEN: The first two
10 options that I outlined would certainly
11 move it in the direction of having it
12 implemented at our Category 1 casinos.
13 Three and four really back away from holier
14 and part from further implementation.

15 CHAIRMAN CROSBY: So it seems to
16 me -- so we've made the decision that we
17 have imperfect data but MGM, in particular,
18 also Wynn had to have a heads-up, do we
19 need to be ready to do this in case you're
20 going to do it and we said, yes, you do
21 because we're pretty sure we will, although
22 we're not absolutely certain. And now the
23 report has come out to the extent that we
24 can take anything away from it, I think

1 that has reinforced our likelihood that we
2 are going to go with it but keeping an open
3 mind to continue to see what happens in the
4 rest of the research.

5 And, incidentally, MGM has made
6 virtually a tentative decision to try to do
7 this in all their facilities, so they are
8 doing the work now. They are talking.
9 They are preparing to do the work to see
10 whether they can come up with a PlayMyWay
11 type system that they would launch
12 everywhere.

13 So, I think, the choices between
14 regulations, rules and cooperative is a
15 little bit of a false choice. Even if we
16 go the regulatory route, which would be the
17 most rigid, least flexible, although it's
18 still totally flexible. We can change
19 whatever we want at a moment. That would
20 be the most. We can -- we will be
21 cooperative if so facto.

22 I mean, we've already said to -- we
23 sent a whole team out to Las Vegas to meet
24 with the MGM folks to get their feedback on

1 whether they could launch something at
2 launch of their system, on their half bait
3 system or whatever they call it, the
4 semi-system that they have in place. And
5 we were persuaded that it was in their
6 interest and our interest to agree with
7 them not to try to push a launch. And we
8 will continue to work cooperatively. I
9 think we work cooperatively with pretty
10 much everything we do.

11 So, I think, the issue really is,
12 okay, we're going to go forward. We're
13 going to go forward cooperatively. We're
14 probably not going to launch for a year or
15 so after it opens, because it's going to
16 take a long time. But someplace this does
17 have to be reduced to paper, because you
18 need that specificity. You need the
19 discipline of thinking through every single
20 step and have it be on a piece of paper so
21 other people can see it, so the licensees
22 can see it so they have something to be
23 held accountable to.

24 So we could either put it on paper

1 in regs. We could put it on paper in a set
2 of rules that are referenced in the regs.
3 or we can do it in a whole bunch of memos
4 going back and forth and just call it
5 whatever you want to call it, but it has to
6 be reduced to writing.

7 So, I think, that since it has to be
8 reduced to writing that probably the best
9 way to do it since there is -- we expect
10 much iterating going on that we issue regs.
11 which say what we believe them to be, that
12 there will be a requirement for PlayMyWay,
13 put some kind of modest stuff in the regs.
14 and reference a workbook or a white paper
15 or whatever which will be the working
16 document where we will put in all the
17 detail.

18 And since it won't be a reg., we can
19 change it easily but it will be effectively
20 a reg. It will have the force of
21 regulation, because it will be adopted in
22 the regs. but it will be a document outside
23 the regs. that we can adapt pretty easily.
24 And we will be, I think, very collaborative

1 with them in going -- in working out what
2 goes on that paper.

3 COMMISSIONER CAMERON: I think
4 Floyd's point about -- I agree with that.
5 And, I think, Floyd's point about when
6 someone is developing something, it really
7 is helpful to have some specs, some idea of
8 what the regulator will be expected so they
9 don't go off in a direction and we say no,
10 no, no. And I also think what is critical
11 here for, even from an evaluation
12 standpoint, is a very similar operation
13 from one casino to the other. Because how
14 else would you evaluate the effectiveness
15 if you're doing something very different
16 from one to the other?

17 It makes it very tough on the
18 regulator too, I think. So I think
19 structure, even though we're not committed
20 to a structure, structure itself is
21 important, and then the flexibility to
22 improve is really important as well.

23 CHAIRMAN CROSBY: And when we met
24 with MGM out in Las Vegas, we talked about

1 there might -- the kinds of changes there
2 might be, a number of notifications, when
3 the notifications occur, whether you can do
4 time or we talked about the kinds of
5 changes that we might come up with, and
6 they understood they would have to be
7 designing a system that could accommodate
8 that degree of change.

9 So, I think, we do know the broad
10 parameters. We know basically what we are
11 talking about, and we have enough to say
12 we're ready to go. It's going to mirror
13 PlayMyWay in Plainridge but make sure you
14 build it flexibly enough to make a variety
15 of changes, and then we will see what
16 happens.

17 And probably the research will come
18 out and suggest to us that even if it's
19 only affecting a small number of people,
20 that affecting a small number of people is
21 a big deal, and we'll probably go forward.
22 But if for some if we decide not do it,
23 then we can also say stop.

24 COMMISSIONER MACDONALD: In the

1 interest of putting something down on
2 paper, I think that's absolutely valid.
3 And before I forget, I completely agree
4 with the point that Ed mentioned that we
5 ought to, you know, immediately if haven't
6 already reach out to the Category 1
7 licensees in particular on this.

8 But would not what you're looking to
9 accomplish here, Floyd and Mark, be
10 achieved by creating a set of we'll call it
11 presumptive specifications for a play
12 management system, and that we would adopt
13 those. We'd promulgate those as a policy
14 of the gaming commission, not formalizing a
15 regulation at this point in time.

16 And against the backdrop of there
17 being apparently a uniformed support at the
18 prospect of our eventually incorporating or
19 acquiring a play management system for our
20 Category 1s, that that would serve to put
21 them on notice, on notice as to what we
22 would expect, but it wouldn't be a formal
23 regulation yet because the case hasn't been
24 proved yet. I take a little exception with

1 the Chairman's point that we decided to
2 require this. I haven't decided --

3 CHAIRMAN CROSBY: No, no. We
4 decided to tell them that if you need to
5 make a decision now, like how to wire your
6 floor, assume yes. I don't mean we haven't
7 definitively said we're going to do this no
8 matter what. What we said they're moving.
9 They had to put wires down. They had to
10 know whether we consider this as an option.
11 As I said, MGM has gone off on its own now,
12 is considering doing it themselves.

13 So, I think, that we have plenty to
14 go on. We've already given them a spec
15 that they could look at and decide whether
16 they can do it with their existing little
17 mini PlayMyWay system, and they decided
18 they couldn't remotely do what we want
19 done. We know what the broadbrush is.

20 And if I'm not mistaken, the MGM
21 people simply or IGT slash MGM people are
22 simply waiting for the go ahead from us to
23 start developing the real PlayMyWay system
24 and are basically expecting -- this is a

1 letter from Mike Mathis in which he wants
2 to clarify that they can't launch at
3 launch. They could do this minisystem, but
4 they understand that we don't want to do
5 that and that they're expecting to keep
6 working with us as we figure out how to put
7 together the proper system. And also
8 refers to the fact that we're looking to --
9 we're discussing it ourselves about doing
10 PlayMyWay in all of the west.

11 So I wouldn't write regs. yet. But,
12 I think, you guys have to figure out when
13 we're ready to start to convert stuff to
14 regs. But, I think, having working
15 relationships between you two, particularly
16 you, Floyd, and whoever is doing the work
17 that they need to go ahead, and then we do
18 want to do it about a year after the
19 launch, which is what they said on a time
20 line they thought they could do, and then
21 we start working with them and feeding them
22 whatever level of detail is appropriate.
23 And that level of detail will eventually
24 morph it's way into either regs. or some

1 kind of a guideline.

2 COMMISSIONER MACDONALD: Option one
3 is to, which Mark and Floyd are
4 recommending to us, is that we begin the
5 formal regulation process right now.

6 CHAIRMAN CROSBY: Option one says
7 rules or regs.

8 COMMISSIONER MACDONALD: I don't
9 know the difference.

10 CHAIRMAN CROSBY: Because if it's
11 not regs., you don't have to go through the
12 process of changing the regs. It's just in
13 a standards book. And, I think, you are
14 talking about beginning to develop a
15 standards book, in effect, because that is
16 what you have to do in order to get IGT to
17 get going. So, I think, you're effectively
18 right.

19 COMMISSIONER ZUNIGA: But just --
20 and I know this is already nuance. But on
21 option two, the notion of putting pen to
22 paper is embedded in there as well.
23 Something that we really need to do. The
24 notion of, okay, what are the list of

1 requirements, what are we going to call the
2 companion that's going to house them, we
3 need to do that except that we have not
4 taken that final step, because we don't
5 know everything that we want. And we are
6 not I would argue in a position to provide
7 flexibility to either one we will be fine,
8 but we have not yet figured out all of
9 those requirements.

10 CHAIRMAN CROSBY: I agree, option
11 two is another way of going forward. I was
12 thinking we need to put it in regs., put it
13 in a rulebook or you can just put it in a
14 whole bunch of e-mails and go back and
15 forth, but somewhere it has to be written
16 down.

17 MR. BEDROSIAN: So, I guess, one of
18 the questions I had, Mr. Chair, maybe there
19 is some assumptions here is that when we
20 have talked to the licensees about the
21 components of a fulsome PlayMyWay tool, the
22 play management tool that consists of
23 PlayMyWay, I don't know and I may not have
24 been part of this conversations, if we said

1 the minimum requirements are this, X, Y and
2 Z so they know exactly what the minimum
3 requirements are.

4 If we haven't said that or we
5 haven't brought that to the Commission to
6 say, quite frankly, it's not what we say,
7 it's what you say, the minimum requirements
8 are. If we haven't brought the minimum
9 requirements to the Commission, it does
10 strike me that's one way to work
11 cooperatively and say, look it, we think
12 the minimum requirements of a play
13 management tool should be things that
14 mirror PlayMyWay that are very important
15 that might have been, you know, come out in
16 the preliminary report is important.
17 Obviously you don't set budgets. Maybe
18 being able to do it with all the slot
19 machines, time durations, flexibility and
20 time durations.

21 But I don't know if I would say to
22 staff we're empowered at this point to go
23 back to the licensees and say, this is what
24 the play management system might have,

1 should have. I wonder if we don't need to
2 get more significant guidance from the
3 Commission on what you think the minimum
4 requirements are.

5 COMMISSIONER CAMERON: So are you
6 suggesting you come back to us with a
7 document, a draft document in which we
8 could approve and that would empower you to
9 move forward with the licensees.

10 MR. BEDROSIAN: Well, let me say
11 this. I'm talking realtime with not having
12 had this conversation with Mark. I do want
13 to refer to him. He has been the expert in
14 this, the person up front on this. But I
15 don't know, Mark, if you feel comfortable
16 that we -- you know, I think we've had
17 these general discussions about what a play
18 management tool is. We've never said it
19 must have these components.

20 MR. VANDER LINDEN: I would say that
21 there are certain components that I feel
22 like we have enough information to move
23 forward and say it must have this. For
24 example, the ability to enroll at a

1 machine, the ability to unenroll at the
2 machine, the ability to change your
3 budgets, these are the things where, as
4 Commissioner Cameron points out, we've had
5 a very, very good update in Massachusetts
6 compared to other jurisdictions. And the
7 flexibility of this system, I think, is key
8 to utilization.

9 So, I think, to that end, I think,
10 that there are pieces that, I think, are
11 very important. Another would be the idea
12 that it provides some notification as you
13 approach the set budget. If you look at
14 what are the key hallmarks of informed
15 player choice, of course you want to give
16 people information in advance so they can
17 make a decision about how they're
18 perceived, and I believe that dedication in
19 the budget are hallmark to that.

20 So, I think, that there are a number
21 of things where we have enough light that
22 has been shed on it that we can move
23 forward. There are pieces that must remain
24 flexible. And as I said earlier, I think

1 that they need to remain flexible for years
2 to come as we continue to learn more about
3 this type of tool. As technology continues
4 to advance, we're going to want to have the
5 flexibility for this type of tool that we
6 can make those changes through whatever
7 format we move forward with, rules,
8 regulations, however it may be.

9 I still go back to the idea that, I
10 think, regulation is the most -- is the
11 best way to move forward, a large part is
12 what has Floyd has talked about. And the
13 bottom line is I don't see going back to
14 the utilization of technology and the
15 formats that we provided provide informed
16 player choice. I don't see us going back
17 on anything in that direction based on what
18 we know today.

19 MR. BARROGA: And by managing the
20 project without regulations, without other
21 lab testing, we are releasing electronic
22 gaming devices that have not gone through
23 the process where the requirements on the
24 slot venders and the casino licensees

1 follow that process for all of the
2 products.

3 COMMISSIONER MACDONALD: Floyd, are
4 you saying that unless we promulgate,
5 formally promulgate in regulation form
6 these kinds of requirements that the
7 licensees would not be able to develop with
8 their vendors a system, a play management
9 system that would meet our presumptive
10 standards?

11 MR. BARROGA: They would be able to
12 develop, yes, but it would not go through
13 the three and four step process of an
14 electronic gaming device as it would go
15 through evaluation by the vender,
16 evaluation by the third party, evaluation
17 by the MGC test lab here in Boston and the
18 casino evaluation.

19 COMMISSIONER MACDONALD: Would my
20 assumption be safe that just the steps you
21 described would be expensive.

22 MR. BARROGA: Yes, it would be. It
23 really depends on the implementation. The
24 systems have been submitted to GLI, to BMM,

1 so there will be cost savings for the
2 venders as they see the majority of the
3 product. Those venders would essentially
4 only evaluate PlayMyWay or the system that
5 is included into the submission.

6 CHAIRMAN CROSBY: Floyd and I talked
7 about this at great length yesterday, and I
8 clearly haven't changed his mind on this
9 but I do disagree that Floyd believes
10 strongly that the right way to go is regs.
11 Why? Because that's the point of the
12 realm. That's what everybody knows.
13 That's what everybody thinks about.
14 Everybody thinks we ought to go back and
15 check the regs., make sure we're doing the
16 regs., we're doing everything fine. And
17 that's really a legitimate point.

18 However, we could say to people
19 we're going to write a handbook and
20 consider it a reg. You have to go through
21 all the same testing, but we are not going
22 to put it into regs. yet because we just
23 want to leave ourselves a little more
24 flexibility. I don't care either way. It

1 doesn't matter to me. It's a false choice
2 to think that you have to -- you cannot
3 move forward without putting it into regs.
4 You can, and you can get them to do the
5 same degree of testing. It's just out of
6 the ordinary, which is maybe not a good
7 thing to do, but it's not that you can't do
8 it.

9 COMMISSIONER ZUNIGA: I agree with
10 you on that point. Although, there is one
11 element that I just learned as well from
12 yesterday is if it is in reg., who bears
13 that cost for testing is different. If
14 it's a reg., it's the manufacturer. If
15 it's not, it's the licensee. But that
16 makes no difference to us obviously.

17 CHAIRMAN CROSBY: Oh, is that right?

18 COMMISSIONER MACDONALD: One more
19 reason to get the licensees in.

20 MR. BEDROSIAN: Yes, there are maybe
21 two options. One, yes, let's get the
22 licensees' feedback; two, I think I would
23 ask Floyd and Mark maybe we should put
24 together, you know, our basic minimum spec

1 sheet so that you all agree, not us, but
2 you all agree what should be in a play --
3 at a minium in a play management system,
4 get our licensee feedback. And maybe some
5 of these technical points, you know, I hear
6 what Floyd is saying and I don't disagree,
7 but I'd like to hear what the licensees
8 say.

9 But what I'll take away from this
10 discussion is, licensees, it's coming.
11 Whether it's coming corroboratively or
12 whether it's coming in a regulation
13 eventually, it's coming. So how are you
14 going to cooperate in the first instance
15 and what are the implications of the
16 advantages and disadvantages as Director
17 Vander Linden's outlined in choices one and
18 two.

19 COMMISSIONER CAMERON: And, I think,
20 we demonstrated a history of listening to
21 the licensees. There's not one reg. that
22 we've promulgated that we haven't sent out
23 for comment. We haven't really seriously
24 considered and in many cases incorporate

1 the suggested changes. So I don't think --
2 I think this is regulation is without --
3 without cooperation.

4 CHAIRMAN CROSBY: I agree.

5 MR. BEDROSIAN: And, I think, one of
6 the issues they have to address, I guess,
7 is why not regulation, right? And then to
8 Commissioner Macdonald's point, they're
9 going to say, well, we're going to
10 cooperate. So what's the harm in that.

11 CHAIRMAN CROSBY: On the issue of
12 regs. or not, I'd be more than happy to
13 hear what they have to say. That would be
14 fine. As I said, I could go either way. I
15 do think it probably is a good idea. I
16 think we all are basically saying we trust
17 that the system whatever you guys say are
18 the features are the ones that we want.

19 I think Ed is right, that we should
20 be more and you have a baseline document
21 because that's what you gave to MGM saying
22 here's what you have to do to go forward.
23 So expand that baseline document if there
24 is anymore to add and get it to us so we

1 can put a nail in this right away.

2 We are already talking about -- IGTE
3 and MGM told us they could launch about a
4 year after launch, and they walked us
5 through a schedule and we were a little
6 skeptical when we walked in, and we were
7 persuaded they were playing straight. It
8 was a little conservative but not
9 excessively conservative.

10 However, that is a year from when it
11 launches and every week that goes by is
12 another week before we get going. So, I
13 think, there is some urgency to get this
14 settled once and for all.

15 MR. BEDROSIAN: Thank you.
16 Mr. Chairman, I understand there might be
17 some time restraints on your time. So, I
18 guess, the question is we have -- I think
19 I'm waiting for Director Lightbown to come
20 in.

21 CHAIRMAN CROSBY: So we're going to
22 skip to -- we're going to take a two minute
23 break.

24

1 (A recess was taken)

2
3 CHAIRMAN CROSBY: We are reconvening
4 Public Meeting Number 230 and we are going
5 to the horse racing item, Director
6 Lightbown.

7 MS. LIGHTBOWN: Good afternoon,
8 Commissioners. So the first item on the
9 racing division is the split on the horse
10 racing committee. As you know, there is a
11 committee that decides the split of the
12 racehorse development fund each year.
13 Commissioner Cameron is the commission's
14 representative on that committee, and so
15 I'll let her speak to what the committee
16 decided to do.

17 COMMISSIONER CAMERON: Thank you,
18 Dr. Lightbown. So this year after
19 listening to both industries, there's a
20 representative from each industry on the
21 committee. Just for those who may not
22 know, the governor appoints the chair, the
23 gaming commission has a representative,
24 that's me, and the treasurer also has a

1 representative and each industry's
2 standardbred and thoroughbred have a
3 representative on the committee.

4 The committee has been -- it has
5 been difficult at times to have a quorum
6 which may timely work an issue. The last
7 two years, in particular, that was an issue
8 for numerous reasons we don't have to go
9 into, but that is an issue here.

10 So the decision was made in November
11 that the standardbred because of all the
12 factors that we consider that are laid out
13 in the legislature for the committee to
14 consider that five percent more should be
15 afforded the standardbred.

16 Now that work was all for racing
17 last year. So we are working a year later
18 than the racing season. And the
19 committee -- there was a four to one vote
20 that five percent more should be afforded
21 to the standardbred, and there was also a
22 four to one vote that that money should be
23 retroactive because of the industry
24 shouldn't, in fact, have to suffer the

1 consequences of the committee being unable
2 to do their work earlier in the season,
3 earlier in the racing season.

4 So I'm representing right now the
5 view of the entire committee, and you can
6 imagine the one vote would be for, in this
7 case, the thoroughbred folks who were not
8 in favor of the change in the split and not
9 in favor of the retroactive.

10 Frankly, if this commission does not
11 approve the retroactive, and I understand
12 clearly why the thoroughbred folks don't
13 like that, but if that does not occur, then
14 it makes the work for this entire year moot
15 frankly, because it's last year we looked
16 at. So it would, in fact, be no change if
17 the moneys are not afforded retroactively.

18 Now, moving forward because this is
19 an issue and I would agree that retroactive
20 payments are not the best way to move
21 forward. Again, I get back to the equity
22 of the issue. There are two new committee
23 members assigned next year. The treasurer
24 has a new representative as well as the

1 thoroughbred folks, and I am very hopeful
2 that that will really make timely work
3 happen. We do have a meeting scheduled for
4 January, so I'm very hopeful that the work
5 can be done sooner.

6 To speak to the issue of the
7 thoroughbred folks, and it's mostly the
8 breeders, last year there was a significant
9 issue because the split was changed
10 considerably. This year it's five percent.
11 Doctor, I believe you have those numbers
12 and you can talk about that in a minute.
13 And I read the consistency is important.

14 Frankly, the reason the thoroughbred
15 folks are in this position is they don't
16 have anyplace to race. That's the most
17 important reason why the breeding program
18 is affected so dramatically. It really
19 isn't the exact number of moneys. I have
20 talked about this at length with Dr.
21 Lightbown. This is not the committee's
22 opinion. That's my own opinion as to why
23 that's difficult.

24 Moneys were dramatically improved

1 with the thoroughbred breeding program, but
2 the numbers of bolds were not dramatic. I
3 think people are hesitant. They don't have
4 a place to read or they're going to make
5 the investment. So I just twofold. One is
6 the work of the committee; and, secondly,
7 just speaking to the issue of the
8 retroactive payments. Director Lightbown,
9 you had some exact numbers there?

10 MS. LIGHTBOWN: Right. We went
11 ahead and I want to thank Ann Marie Vontari
12 for running these up for us from the
13 financial division. She's the one who also
14 handled the retroactive change that was
15 made last year. And if you look at it,
16 you'll see that under the different
17 categories that we have, the health and
18 welfare for the throwback horsemen would be
19 there's \$25,000 difference. For the
20 breeders, it's about a \$65,000 difference.
21 These are numbers up to October of this
22 year.

23 And the reason why this is a little
24 bit decreased is because last year in

1 January, they were still in that category
2 where they weren't getting paid because
3 they were getting the retro -- paying the
4 retro back in a sense. So instead of
5 making them actually give us a check,
6 giving us the money back, we just didn't
7 pay them for a few months while they got
8 caught up on the payments.

9 So in a way, that's a benefit in
10 this case because they didn't get the money
11 in that month, so they don't have to pay
12 that back. That's why that one doesn't
13 flip right back over to the same amount
14 that you see on the standardbred side.

15 Obviously, on the purse money on the
16 thoroughbred side, that money is not all
17 being used up anyway. And it shows you
18 that there will be a switch of about
19 800,000. We still haven't made the last
20 payment to Suffolk that's coming in at a
21 little under the 288,000 they had asked
22 for, but we're still working on nailing
23 those figures down. So that number will be
24 a little different.

1 So then if you go down to the next
2 level of the spreadsheet there, you'll see
3 that the Standardbred Horsemen Association
4 get around \$25,000. That pretty much works
5 backwards. And then on the standardbred
6 breeders, it's about 99,000. And then for
7 the purse money, it would be around
8 499,000. And, again, that's through
9 October.

10 To put it in perspective, last year
11 when we made the switch on the thoroughbred
12 breeders it was a big amount. It was a
13 flip of about 360,000. So that was a
14 significant, you know, change and hardship
15 to not -- to make up that money. Where the
16 percentage is much smaller, the amount is
17 much smaller.

18 I just want to point out General
19 Counsel Blue isn't here today but she has
20 briefed Todd Grossman, so if there is any
21 legal questions if you have refer to him.

22 COMMISSIONER CAMERON: I think just
23 one more point that I failed to make was I
24 think what's really important here, and

1 certainly the Commission has the authority
2 to talk about the retroactive piece or not,
3 but I think we have demonstrated that we
4 are really interested and hopeful that
5 someone can come in and build a track and
6 the thoroughbred folks will be able to race
7 and sustain their industry that they love
8 some much. Passionate, passionate people.

9 And I know Commissioner Stebbins has
10 as come in and really assisted with some
11 things that being helpful on the economic
12 development side are ways to have moneys or
13 taxes deferred, so he's spoken to groups
14 with me.

15 And so, I think, you know, the
16 Chairman has said publically on a number of
17 occasions we're hopeful and we're
18 supportive. That's part of our charge is
19 to reserve the industries. So we listened,
20 we briefed a number of perspective folks
21 who may be interested in a new track. And
22 however way that goes, we're just hoping
23 that can happen.

24 So I know it looks like, you know,

1 there is a some hardship here but our
2 overall charge is to look at what's best --
3 you know, looking at all the factors and
4 making a good decision about the split and
5 I know that one side is always going to
6 think that's unfair. I do understand that
7 clearly. And I'm very, very sympathetic to
8 those folks on the side that may be losing
9 on it.

10 But, overall, I think the committee
11 has done a good job other than the
12 timeliness, which I really do hope to
13 improve this year with -- we hope to
14 improve with a chairman who is in place for
15 a whole year and with two new members who
16 have already committed, I believe. We just
17 met with the treasurer's representative
18 yesterday and briefed him thoroughly, and
19 he's committed to do the work in a timely
20 manner and he understood that issue.

21 CHAIRMAN CROSBY: So the idea would
22 be to get it done before the season opens
23 next year.

24 COMMISSIONER CAMERON: Correct.

1 COMMISSIONER ZUNIGA: Can I mention
2 for the record one of the comments we
3 received is from a law firm that says that
4 we have essentially no authority to change
5 rules retroactively but it's -- I want to
6 highlight on and then get your input,
7 Counsel and Commissioner.

8 We are not changing rules -- we are
9 not promulgating rules in this case. The
10 committee suggests the split. The funding
11 is the retroactive nature of this, and the
12 cases that they cite have to do with
13 legislation being promulgated retroactive.
14 Can you expand on that, please?

15 MR. GROSSMAN: Absolutely. First of
16 all, I thank the commenters for submitting
17 those. It was helpful to calibrate what
18 the actual issue is here relative to the
19 retroactivity. So we did take a look at
20 that of course, and it is definitely true
21 that a legislative body or regulatory body
22 such as this cannot adopt laws or
23 regulations or policies that are
24 retroactive in nature.

1 As Commissioner Zuniga points out,
2 it is our general position that what is
3 being done here does not do any of that.
4 In fact, what the fund -- what the
5 committee has done is not to change any of
6 those, but instead to change the mechanism
7 by which payments would be made from a fund
8 of which it is the administrator or
9 trustee.

10 Ordinarily, a fund or a trust of
11 this sort is governed by the language of
12 the interim itself or in this case the
13 statute or regulations that govern it.
14 Here we do have a statute and regulations
15 that generally govern the activities of the
16 fund.

17 In this case, though, there is all
18 silent as to how or when the actual
19 payments will be made. They certainly talk
20 about things as determining the
21 distribution or what we refer to as the
22 split, what types of factors should be
23 considered in determining how the split
24 should be made. But there is no discussion

1 anywhere as to the timing and when it could
2 be made.

3 And, accordingly, it's our position
4 that it is not a policy or a law or a
5 regulation that is being changed. Instead
6 it's you exercising your powers as the
7 administrator of the fund to make a
8 determination as to how best to administer
9 the fund. And we would argue that in
10 absence of specific direction as to how to
11 do that by way of regulation or otherwise,
12 that you must exercise a duty of care to
13 ensure that the aims of the fund are being
14 seen out. And in this case, the
15 commission, the committee is of the opinion
16 that the retroactive application would do
17 just that.

18 So it's our general opinion that the
19 commission may implement the committee's
20 recommendation in that regard. There is
21 certainly case law that talks about
22 retroactivity and the like. Those cases
23 generally talk about laws and regulations
24 that have been changed.

1 There is one case in particular that
2 I thought was most interesting. It
3 involves the Commissioner of Revenue. It's
4 the Commissioner of Revenue versus Bay
5 Bank. In that particular case, the
6 Commissioner of Revenue changed the
7 mechanics of the calculation of the
8 taxation of a certain type of bond without
9 essentially telling anyone, and then issued
10 an assessment on those banks that
11 calculated it in accordance with the
12 instructions on the filing form.

13 And the court came in and said, you
14 can't do that because that's a retroactive
15 change in a policy where you didn't provide
16 anyone notice or anything of the sort. And
17 it's certainly a different issue it seems
18 to me than what we are facing here where
19 the Commission has general authority to
20 administer this fund.

21 So that's where we come down on the
22 recommendation and the Commission's
23 authority.

24 CHAIRMAN CROSBY: I'm sorry. That

1 case suggests that we can't do it
2 retroactively. How did you end up --

3 MR. GROSSMAN: That's a policy
4 change that the Commissioner adopted
5 without any input or anything of that
6 nature. There is certainly some gray area
7 to what we are talking about here. It's
8 not necessarily a black and white situation
9 for sure. But there is, in our minds, a
10 distinction to be drawn between a policy
11 change that is well-established and what is
12 being done here.

13 In this case, there are reviews of
14 the split and the mechanism by which it
15 will be paid that the committee is
16 authorized to discuss, and the commission
17 is authorized to approve. So, I think,
18 there is a distinction to be made between
19 the two.

20 COMMISSIONER ZUNIGA: You know, let
21 me mention something that also operates to
22 this very point. We're not -- and Dr.
23 Lightbown already sort of touched on it --
24 we're not asking for any money back, and I

1 think that's an important piece. Because
2 you if you take together the two
3 recommendations and we suggest them, we
4 could also view them as the split is
5 something in the vicinity of not 60/40 but
6 whatever it comes down to 58 -- 62/38
7 because of the way we are going to
8 implement that catchall we're calling the
9 retroactive.

10 So, effectively, and I don't want to
11 be confusing people, but because we are
12 adjusting going forward, there is a real
13 rate of the split until a new one comes out
14 that is not exactly 60/40, but it's what
15 came down from the horse racing committee
16 when you take the two recommendations.

17 COMMISSIONER CAMERON: I think I'm
18 missing that point, Commissioner.

19 CHAIRMAN CROSBY: Me too, me too.

20 COMMISSIONER STEBBINS: I actually
21 think I got it.

22 CHAIRMAN CROSBY: Well, just to try
23 to crystalize here, so we do not have the
24 authority to change the split. And the

1 people who have written this, there's an
2 e-mail right in front of me from a Tom
3 Wayland and there were a bunch of others
4 saying, please don't approve the split and
5 don't approve retroactive. Just so it's
6 clear everybody, we don't have the
7 authority to not to -- to not approve this
8 split. The way the law is written, we
9 essentially have to do what the race horse
10 committee says.

11 So I'm trying to think what
12 standards do you use to try to figure
13 out -- we did do this last year, right?

14 COMMISSIONER CAMERON: It was --

15 CHAIRMAN CROSBY: Retroactively, and
16 it was real money last year. And people
17 had reason to know that it could happen
18 again, because everybody knew that the race
19 horse committee couldn't get together and,
20 you know, it was a perfectly reasonable
21 possibility that this could happen. So a
22 prudent person on the standardbred side
23 might have said, you know, I have to be a
24 little bit careful with my money here.

1 The law does give -- wants to
2 empower the race horse committee. The law
3 does empower the race horse committee. It
4 doesn't say anything about retroactivity
5 particularly, but it did protect the race
6 horse committee under the law, and it means
7 that they want the race horse committee to
8 have some real muscle.

9 On the other hand, you know, so the
10 governor couldn't get its act together.
11 For whatever reason, it couldn't get its
12 act together and have the meetings and
13 should somebody be harmed, in effect, by
14 that logistically is a problem. It seems
15 to me like the purse money isn't really the
16 issue. The purse money isn't being used
17 now by the thoroughbred horsemen anyway.

18 There is some wish I think that we
19 all discussed about building up the purse
20 money so that some day if somebody comes in
21 with a plan, that maybe there is some money
22 in the race horse development plan that's
23 accumulated over the months -- over the
24 years and this would be another 500,

1 \$600,000 to go to that accumulation, but
2 that's relatively painless. It's the
3 80,000, this 25 and 60 that are at issue.

4 I don't think that -- I mean, any
5 amount of money is real money. \$80,000 no
6 matter how you split it up is that's money,
7 and I don't want to trivialize that. But
8 on a practical matter, what it would mean
9 is you are going to get a little bit less
10 next year in order to make up for the fact
11 having been overpaid, in effect, this year
12 I think that the financial consequences of
13 that are not going to be very severe, so
14 that puts me squarely in the middle.

15 COMMISSIONER CAMERON: And I think,
16 Mr. Chair, the purse money is very
17 important to the standardbred district.
18 And the committee after evaluating all the
19 factors felt that like five percent more of
20 that money should be distributed to the
21 standardbred folks because of their duty
22 involved in the racing goes through all of
23 the factors that were considered. So on
24 that end, the purse money is very

1 important. Not so much on the
2 thoroughbred, because they don't have a
3 track to race and they are not able to
4 utilize all their moneys at this time.

5 COMMISSIONER ZUNIGA: Yes, there's a
6 real dilemma. There's an opportunity
7 because working itself here with the
8 thoroughbred. To your point, Mr. Chairman,
9 there's calculated to be about eight
10 percent swing for the breeders and twelve
11 percent for the because of the split and
12 the percentages, so --

13 CHAIRMAN CROSBY: And that's divided
14 up by all the breeders or the association.

15 COMMISSIONER CAMERON: They win
16 money back with races.

17 MS. LIGHTBOWN: Most of it goes
18 towards their purses, so it would go
19 towards their Mass. bred races.

20 COMMISSIONER CAMERON: Which is why
21 we approved them racing in Finger Lakes.
22 We just didn't have enough races here in
23 state to earn their money back.

24 CHAIRMAN CROSBY: Would anybody have

1 an interest in splitting the baby, if you
2 will, go ahead and do the purse retroactive
3 but don't do the other two retroactive?

4 COMMISSIONER ZUNIGA: I think that
5 would put us a little bit on shakier
6 grounds, I thin.

7 COMMISSIONER CAMERON: I was looking
8 to our legal counsel there.

9 MR. GROSSMAN: I have to think about
10 that for a minute.

11 COMMISSIONER ZUNIGA: If we have to
12 take -- let me make sure I understand your
13 split. That we change the split between
14 breeders and not purses?

15 CHAIRMAN CROSBY: Yes, the purse
16 money we do do retroactively. So the
17 standardbred horse we have a big chunk of
18 money, but we don't do the money that go --
19 the smaller, the four and the sixteen
20 percent.

21 COMMISSIONER CAMERON: Wouldn't that
22 be affecting the standardbred breeders?

23 COMMISSIONER ZUNIGA: Yes.

24 CHAIRMAN CROSBY: Yes. They would

1 be getting --

2 COMMISSIONER CAMERON: Less money.

3 CHAIRMAN CROSBY: -- a little less
4 money.

5 COMMISSIONER CAMERON: I don't know
6 that we have the authority to change the
7 split. I think we do have the authority to
8 look at just the retroactive piece of this.

9 MS. LIGHTBOWN: We talked about this
10 a little before, and that was one of the
11 ideas about if the legislation moves thing
12 over to the gaming commission is then these
13 different items can kind of be pulled out
14 individually and the Commission -- you
15 know, obviously the Commission would have
16 open hearings and go through the whole
17 process, so I can't say what exactly would
18 happen.

19 But there would be the possibility
20 that the breeders for both breeds would get
21 their own special -- you know, a car wrap
22 that's not related to these other items,
23 and maybe that's even guaranteed for three
24 years as long as the money is coming into

1 the fund or something. But from talks that
2 we had last year, I don't believe -- I hate
3 to talk for Catherine Blue, but I don't
4 believe she thought we could split them
5 out. That's an important issue.

6 COMMISSIONER ZUNIGA: I think we
7 would be on shakier grounds, because we
8 would be changing effectively either the
9 split or the statutory figures of 80/16/4,
10 and those are things that I don't think we
11 should be tinkering with that. Some could
12 argue that the retroactive nature is a
13 little bit that but, A, we have done it and
14 we're taking wholesale if we do from the
15 accommodation from the statutory horse
16 racing committee. And as I argue because
17 we're making the arguments of the
18 adjustments going forward, we just -- it's
19 just a way to catch up.

20 COMMISSIONER CAMERON: It is. And,
21 again, I want to emphasize how important it
22 is to me and I think the other committee
23 members that we really do our -- try to
24 have a quorum much earlier and get that

1 work done quicker. I'm hopeful with two
2 new members that we will -- and a chair
3 that's been here, and we are not waiting
4 for new appointments to be made, we can do
5 our work in a more timely manner.

6 COMMISSIONER MACDONALD: Well, I
7 approach this in maybe perhaps in an
8 oversimplified manner.

9 CHAIRMAN CROSBY: Good, I like that.

10 COMMISSIONER MACDONALD: Number one,
11 our legal department has advised us that
12 there is no -- advised us of two things.
13 Number one, that is the horse racing
14 committee that determines the split and not
15 us; and, number two, has advised us there
16 is no obstacle, legal obstacle to our
17 requiring retroactivity of the split once
18 it's been determined as it has been met.

19 And, secondly, I remember vividly
20 last year how difficult it was at least for
21 me to make a decision here because there
22 were large amounts of money that were being
23 retroactively assessed against the horsemen
24 breeders under circumstances that they did

1 not have fault in placing themselves in
2 that circumstance, but we decided last year
3 on advice of counsel that this was lawful
4 to do, but we decided to make it
5 retroactive.

6 So this year the race horse
7 committee, maybe belatedly, but it's done
8 its work and they have recommended the
9 split, and we have to live with the split.
10 We established a policy last year of
11 retroactivity. I see nothing that's
12 occurred between last year and this year
13 that would give me reason to think that the
14 decision we made last year wasn't the
15 appropriate one, so we're just basically
16 following our own precedent. We have to
17 follow our own precedent.

18 CHAIRMAN CROSBY: And, in fact, this
19 is an easier case than last year because
20 the money is so much smaller.

21 COMMISSIONER MACDONALD: Right, and
22 parties were unnoticed. There's no reason
23 to think it wasn't going to be retroactive.

24 COMMISSIONER ZUNIGA: That's a good

1 way to put it.

2 CHAIRMAN CROSBY: I think that's
3 right. This is a 51/49 type issue, I
4 think. But, I think, I come down where
5 Commissioner Macdonald does, that we have
6 done it before and this was clear. We have
7 set our own precedent. There's nothing
8 that's come along that's changed, and the
9 reason why we shouldn't change it now.

10 COMMISSIONER STEBBINS: I don't
11 necessarily agree with that. I think what
12 we adopted last year was trying to catch up
13 on two years of -- being behind about two
14 years of work of the racing committee. I
15 agree with the split. Again, we can't
16 change the split but, you know, applying
17 the retroactively and I had a problem last
18 year and I didn't agree with it last year,
19 and I don't agree with it this year.

20 COMMISSIONER CAMERON: But you
21 realize that you agree with the split. But
22 if there is no retroactivity, the racing
23 season is over. There is no difference in
24 the split. The work of the committee is

1 moot.

2 COMMISSIONER STEBBINS: Well, then
3 make it moot and have them meet in January
4 and set it right going forward.

5 COMMISSIONER CAMERON: It's not fair
6 to the industry that they are suffering
7 because the committee was unable -- and let
8 me tell you, there were reasons that the
9 committee was unable -- some very
10 legitimate reasons and others that are
11 hoping that this would be the guess.

12 CHAIRMAN CROSBY: It's not
13 unreasonable to say, as Commissioner
14 Stebbins is saying, okay, too bad you
15 weren't able to do your job when you were
16 supposed to do your job, nobody's fault but
17 you didn't get it done, so skip that year
18 and go on.

19 COMMISSIONER CAMERON: I come down
20 and the committee is just the committee.
21 It's the industry that I'm concerned about,
22 and the committee thinks that five percent
23 more it would be taking that five percent
24 away by not making the retro. So I'm much

1 more concerned about the industries than I
2 am about the committee.

3 COMMISSIONER MACDONALD: The
4 retroactivity, I guess, independent of what
5 I said before is that I also would give
6 some deference to or respect maybe is a
7 better word to the deliberations of the
8 racing.

9 CHAIRMAN CROSBY: That's what I was
10 trying to say, too.

11 COMMISSIONER MACDONALD: This is, as
12 Commissioner Cameron just said, this is the
13 industry and committee with a visible
14 representation by Commission Cameron on
15 that committee. But having observed that
16 meeting which you had here wherever it was
17 six weeks ago, it was a lot of thought went
18 into it and a lot of debate. They resolved
19 it. I see -- speaking personally, I see no
20 basis for my second-guessing, if you will,
21 or contradicting their considered
22 conclusion.

23 CHAIRMAN CROSBY: Somebody want to
24 make a motion?

1 COMMISSIONER CAMERON: Mr. Chair, I
2 move that this Commission approve the
3 retroactivity of the moneys with regard to
4 the split that was made by the racing
5 committee, five percent more moneys back to
6 January 1st of 2017.

7 CHAIRMAN CROSBY: To implement this
8 in as painlessly a way as possible.

9 MR. BEDROSIAN: Commissioner, I
10 think the first motion might just be to
11 confirm the split as decided by the race
12 horse committee.

13 COMMISSIONER CAMERON: We don't have
14 the authority --

15 CHAIRMAN CROSBY: No, we do have to
16 approve it.

17 MR. BEDROSIAN: Just to approve it,
18 and then you can take up the issue of
19 retroactivity.

20 CHAIRMAN CROSBY: We're required to
21 approve it. We can't disapprove it.

22 MR. BEDROSIAN: It's sort of a hobby
23 of choice.

24 COMMISSIONER CAMERON: Mr. Chair,

1 the first motion is that we approve the
2 work of the racing committee and the split
3 that was decided upon, five percent more
4 moneys to the standardbred industry.

5 COMMISSIONER MACDONALD: Second.

6 CHAIRMAN CROSBY: Discussion? All
7 in favor? Aye.

8 COMMISSIONER MACDONALD: Aye.

9 COMMISSIONER CAMERON: Aye.

10 COMMISSIONER ZUNIGA: Aye.

11 COMMISSIONER STEBBINS: Aye.

12 CHAIRMAN CROSBY: Opposed? The ayes
13 have it unanimously.

14 COMMISSIONER CAMERON: The second
15 motion that we approve the moneys being
16 distributed retroactively back to
17 January 1st of 2017.

18 CHAIRMAN CROSBY: Second?

19 COMMISSIONER MACDONALD: Second.

20 CHAIRMAN CROSBY: Further
21 discussion?

22 COMMISSIONER ZUNIGA: And adjust it
23 going forward, correct?

24 COMMISSIONER CAMERON: And adjust it

1 going forward.

2 CHAIRMAN CROSBY: And as I said,
3 implemented as painlessly as possible over
4 time. Did I hear a second?

5 COMMISSIONER MACDONALD: Second.

6 CHAIRMAN CROSBY: Any further
7 discussion, further, further discussion?
8 All in favor of Commissioner Cameron's
9 motion, signify by saying aye. Aye.

10 COMMISSIONER MACDONALD: Aye.

11 COMMISSIONER CAMERON: Aye.

12 COMMISSIONER ZUNIGA: Aye.

13 CHAIRMAN CROSBY: Opposed?

14 COMMISSIONER STEBBINS: Nope.

15 CHAIRMAN CROSBY: Motion passes four
16 to one with Commissioner Stebbins against
17 it. Okay. This is done. Thank you folks
18 for coming in for this. So we've got IEB,
19 legal. We're not going to do -- there was
20 no vote.

21 MR. BEDROSIAN: I think if we just
22 complete the racing stuff, we will push the
23 IEB to the 21st. We can begin and have a
24 wholesome discussion on the 21st.

1 CHAIRMAN CROSBY: If it had a vote,
2 I would have moved it up.

3 MR. BEDROSIAN: No problem, no
4 problem.

5 CHAIRMAN CROSBY: I am going to
6 leave.

7 COMMISSIONER ZUNIGA: Mike, are we
8 online?

9 MR. SANGALANG: We're still on.

10 COMMISSIONER ZUNIGA: We're still
11 on, okay. Chairman Crosby asked me to
12 continue chairing the meeting. We will
13 continue with Director Lightbown.

14 MS. LIGHTBOWN: So the next item on
15 the agenda is the 2016 annual report for
16 the racing division. I want to thank Mike
17 Sangalang, because he did a wonderful job
18 fixing it up for us and making it look
19 nice, gathered a lot of the information
20 together. I put some in, too. Mike worked
21 his wonders on making it look presentable.

22 I'd also like to thank the different
23 divisions that work for the gaming
24 commission and the commissioners.

1 Everybody that works here usually ends up
2 sometime during the year having something
3 to do with racing, so whether it's the
4 financial team that helps us so much, the
5 legal division, licensing, IEB, everybody
6 we interact with and we get great support
7 from them.

8 And, obviously, I'd really like to
9 thank our racing staff. We have a great
10 group of people in Boston. We have a great
11 field staff. Everybody is more than
12 willing to go in wherever they are needed
13 and make everything go well, so I want to
14 thank all of those people.

15 I'm not going to go through the
16 whole report. I'm just going to briefly
17 talk about a few items, and then Doug will
18 talk about some of the financial issues.
19 And if you have any questions, you can ask
20 us.

21 One of the things is the number of
22 drug tests that we do, and then the -- what
23 they call adverse findings, and they did go
24 up in 2016. Obviously, we had more racing

1 dates in 2016 than we did in '15. So when
2 you average those out, in 2015 we had .19
3 percent and in '16 we had .2 percent. So
4 there really wasn't a very big change there
5 even though if you just look at the number
6 of them it looks larger. T.

7 He Association of Racing Commission
8 International gathered this data from all
9 the different jurisdictions, and they came
10 out with an adverse analytical finding of
11 .49 percent, so we're well below that in
12 Massachusetts.

13 Another interesting thing is our
14 number of licenses, occupational licenses
15 that we give out. In 2016 it was around
16 2,000, which was up significantly from
17 2015, which was 1,600. And that's also an
18 important figure, because we do offer a
19 three-year license now.

20 And, unfortunately, the way this
21 system is set up right now, we don't
22 account for licenses that may have been
23 purchased in the year before or two years
24 before. It's solely based on when the

1 money comes in. So we actually had quite a
2 few more than that licensed with us. So I
3 think that's great that we're seeing more
4 and more people getting licensed on both
5 grades.

6 COMMISSIONER ZUNIGA: I was going to
7 ask you just about that. Is there any
8 difference; are we seeing more standardbred
9 licenses?

10 MS. LIGHTBOWN: It really is
11 interesting. A lot of the -- we are having
12 new people that come to Suffolk, so a lot
13 of them haven't been licensed with us
14 before, so those numbers are very strong,
15 and they are very similar even though it's
16 on fewer days. It still generates quite a
17 bit of licensing.

18 The number of rulings has went down
19 a little bit in '16, which is interesting
20 because obviously there were ten more days
21 of racing at the harness track, three more
22 days of racing at the thoroughbred track in
23 2015. But that can be simple things like
24 at Plainridge, we had a lot of education

1 and all with drivers on whipping issues and
2 all, and that was a fairly big issue in
3 '15. And I think by '16 people kind of
4 knew what was expected, and so I think a
5 lot of that -- the reason why things went
6 down is because people kind of had that
7 experience in '15 and going into '16, you
8 know, we didn't have as many.

9 So now I'll turn it over to Doug,
10 and he'll talk about some of the financial
11 highlights.

12 COMMISSIONER CAMERON: Before we do
13 that, I'd just like to comment on makes me
14 think when I read this annual report about
15 how we changed the racing division, how we
16 regulate differently. I was at a
17 conference last spring in which there was a
18 significant racing portion of, it was at
19 Gulf Stream, so there was a racing
20 component of the conference, gaming and
21 racing.

22 And to be there and just unsolicited
23 receive comments from some of the folks in
24 racing about how professionally we regulate

1 racing, how we, you know, we're following
2 all the modeled procedures, accredited lab,
3 accredited judges and stewards. It was
4 just nice to hear those comments about the
5 work that you do. That's a credit to you
6 and the team.

7 I know that we have a judge out
8 there in Plainridge who has worked
9 extensively all over the country, and I
10 just heard this recently that he commented
11 after his first season here working with us
12 how professionally -- he thought this was
13 the most professional jurisdiction in which
14 he has worked.

15 So between attending a conference
16 out of state and listening to someone who
17 has worked around the country, I just think
18 it's a credit to the team. And, again,
19 even the fact that you care so much about
20 what you do that you solicited Mike to help
21 out with the annual report, and it's a very
22 professional document, very well done and I
23 just want to compliment the leadership
24 team, and I know you're complimenting

1 everybody else for the help you receive,
2 but I want to compliment the two of you for
3 your leadership. And it's just really nice
4 to attend a conference and hear those
5 things about our racing division.

6 MS. LIGHTBOWN: Thank you.

7 COMMISSIONER MACDONALD: Here, here.

8 MR. O'DONNELL: Good afternoon,
9 Commissioners. I also want to thank Mike
10 and Amy for helping us on this report.
11 There were a lot of last minute things we
12 had to get done and they were very calm,
13 cool and collective in getting this done
14 for us, so thank you on that.

15 So the Division of Racing financials
16 on page 29, racing is done on a calendar
17 year basis. And you will see on this page
18 it shows all of the receipts for the year,
19 which are line items commission fines and
20 penalties, association license fees,
21 license registration badges, assessments
22 and unpaid tickets, unclaimed tickets.

23 That gives us a total of
24 \$2,915,668.87. The expenditures for the

1 year in line items as well was
2 \$1,682,738.09. Which by looking at that,
3 it shows that we are, you know, running in
4 a plus by a healthy margin. However, there
5 are additional program expenses that go
6 along with this, which you will see on page
7 30.

8 COMMISSIONER MACDONALD: Before we
9 go to that, Doug, I ought to know the
10 answer to this. But in the receipt's
11 category under the commission, what is that
12 figure comprised of?

13 MR. O'DONNELL: That, Commission, is
14 what the takeout structure that the tracks
15 pay to the Commonwealth, and it's broken
16 down differently. Live is .75 percent,
17 simulcasting is .375 percent. And that did
18 change halfway through the year, which I
19 will touch on later, which reduced our
20 commissions on an annual basis. What they
21 did is they --

22 COMMISSIONER MACDONALD: So these
23 are payments by the track.

24 MR. O'DONNELL: By the track.

1 COMMISSIONER MACDONALD: By the
2 tracks to us.

3 MR. O'DONNELL: Yes, to us,
4 operations for the racing division.

5 COMMISSIONER ZUNIGA: Regulatory
6 costs. They come out of the handle, in
7 other words. They are taken.

8 MR. O'DONNELL: It's based on the
9 handle. But on page 30, you'll also see
10 that we have additional program expenses.
11 We did list the unclaimed tickets, and
12 those distributed back to the tracks to the
13 purse accounts for the tracks, the horse
14 tracks, and then the unclaimed tickets for
15 Raynham and Wonderland go to the
16 stabilization fund.

17 We also owe local aid to the cities
18 and towns on an annual basis, which is
19 \$786,643, which gives us a subtotal of
20 1,368,870 in additional programming
21 expenses. That coupled with the racing
22 commission operations gives us a deficit of
23 \$135,940 for the year.

24 COMMISSIONER ZUNIGA: Doug, the

1 3.75 percent, did that change halfway
2 through the year?

3 MR. O'DONNELL: July, that changed
4 in July, half the year. And that's a
5 significant amount of -- it went from --
6 it's on the dog handles, so it went from
7 2.5 percent to 2.375 percent, which is what
8 the horses are paid on simulcasting. So on
9 an annual basis, it's upwards of -- it's
10 probably around \$450,000 a year.

11 COMMISSIONER ZUNIGA: Right. Those
12 are moneys we are going to have for the
13 full year next year.

14 MR. O'DONNELL: Correct.

15 COMMISSIONER ZUNIGA: Now, is there
16 an offset on any kind of local aid?

17 MR. O'DONNELL: Yes. Going forward
18 we have to, you know, we have to see what
19 the legislature does. We may not have to
20 but, again, it's a year by year basis
21 whether we have to reimburse the general
22 fund or not. So hopefully this will
23 compensate, and it will come out in our
24 favor, but we have to wait and see. Again,

1 it's on an annual basis.

2 So if we move along to -- if we go
3 to page 31, that just gives a summary of
4 the handle and revenue by track, and we can
5 touch on that further as well. If we go on
6 to page 34, it breaks down the handle
7 comparison. So for live racing, you can
8 see an increase from 2015 to 2016 with
9 Plainridge up 19.67 percent for live
10 racing. Suffolk with the additional days
11 that they ran, we were up 57 percent,
12 57.42 percent.

13 COMMISSIONER ZUNIGA: There was only
14 two more days?

15 MR. O'DONNELL: Three days.

16 COMMISSIONER ZUNIGA: Three days,
17 that's right.

18 MR. O'DONNELL: We ran an additional
19 three days.

20 COMMISSIONER ZUNIGA: It's almost
21 proportionate, right?

22 MR. O'DONNELL: Yes, it was double
23 from the year before. And then with the
24 import simulcast, you can see Raynham was

1 down a little bit. Their handle was a
2 little bit lower, a little over than eight
3 percent. But in the other categories, we
4 were up with the import. And the exports
5 were up significantly as well. Plainridge,
6 30 percent and Suffolk close to 90 percent,
7 because they did run another additional
8 three days.

9 If we go on page 35, again, we have
10 a summary of the total handles, and that
11 has a breakdown of the total revenues to
12 the state. The commission we are down
13 15.39 percent. And that is attributable to
14 the reduction in the commission payment of
15 2.5 percent from the dogs to .375 percent.

16 So even though the handles are up 10
17 percent, we're still down with the
18 commission because of that reason. So that
19 will give us, you know, with all the other
20 line items here, the total revenues we were
21 down 6.2 percent.

22 If we move along to page 36, it just
23 shows an analysis of the purses paid in
24 2016. We do a comparison of 2015. So in

1 the first line Plainridge Park, you can see
2 the purses paid for 2015 were \$4,210,636
3 and in '16 it was \$7,954,092. And with
4 Suffolk for '15, it was \$1,620,200 and, you
5 know, it just about doubled to, not quite,
6 in 2016 \$2,735,902.

7 Going to the next page 37, it will
8 show each track individually what their
9 financials are and what the handles were.
10 For Suffolk Downs they were up
11 10.87 percent over the course of the year
12 from '15 to '16. And within that, you will
13 see it listed as Suffolks twin spires,
14 expressed bets, TBG and NYRA bets. Those
15 four ADWs that are licensed with Suffolk
16 Downs. And that total amount for the ADWs
17 alone was 92 million, which is over half of
18 what Suffolk's handle was. Again, they are
19 up 10.875 percent and total revenues we
20 were up 4.42 percent for the year.

21 And on the next page, it just has a
22 breakdown of what the capital improvement
23 trust fund, promotional trust fund. We
24 will have one of those for you shortly, and

1 I know Commissioner Stebbins is all excited
2 about that.

3 On page 39, it was Plainridge Park
4 financials. Total handle was up
5 significantly, 21.56 percent. Within the
6 handles, they had Hollywood races. They
7 had Hollywood races this year, which is an
8 ADW, a subsidiary of Penn, which basically
9 took over their Wynn line, which is a
10 telephone line at Plainridge. And with the
11 total revenues, we were down. Again, a lot
12 of it had to do with the dog handles that
13 was taken in. That alone was down
14 7.8 percent. So we had a total revenue
15 which was down 4.03 percent for the year.

16 Next page is just, again, is the
17 breakdown of the capital improvement trust
18 fund and promotional trust fund. Page 41
19 touches on the status of greyhound racing
20 in 2016. We're still simulcasting the
21 greyhound racing. And on 42 is Raynham
22 Park, which the largest percentage of their
23 handle is with the dogs. It's the dog
24 handle. Their handle was down 8.92 percent

1 for the year. As you can see, their
2 commissions on our total revenues was down
3 significantly to \$191,480, which is
4 39.86 percent. And, again, the majority of
5 that is with the dog signal. So total
6 revenues were down 21.64 percent for the
7 year.

8 And then the last page, which is
9 Wonderland. This is Wonderland licenses
10 all dog signals. Their total handle was up
11 2.39 percent and their revenues were down
12 26 percent, again, attributed to the dog
13 handle, which would affect the commission.

14 COMMISSIONER MACDONALD: Doug, you
15 say the Wonderland on the simulcast are
16 exclusively dog handle like Raynham has --

17 MR. O'DONNELL: Raynham has
18 thoroughbreds and harness as well.

19 MS. LIGHTBOWN: The Wonderland
20 license is run by Suffolk Downs, so the
21 horse signals are on the Suffolk Downs.

22 COMMISSIONER CAMERON: They have
23 every signal. It's just two different
24 licenses.

1 MR. O'DONNELL: Correct, yes.

2 COMMISSIONER MACDONALD: In two
3 different locations?

4 MR. O'DONNELL: No, it operates
5 under Suffolk's.

6 COMMISSIONER MACDONALD: It operates
7 under Suffolk's.

8 MR. O'DONNELL: In fact, they're in
9 the process of tearing down Wonderland
10 casino.

11 COMMISSIONER ZUNIGA: Aren't they
12 tearing it down?

13 MR. O'DONNELL: Yes, they are. So
14 that concludes our fourth annual report of
15 the Massachusetts Gaming Commission
16 Division of Racing.

17 COMMISSIONER MACDONALD: Here, here.

18 COMMISSIONER CAMERON: Excellent,
19 very well done. Love the new format.

20 MR. O'DONNELL: We do, too.

21 COMMISSIONER ZUNIGA: It's a great
22 look and design. Other comments or
23 questions?

24 COMMISSIONER MACDONALD: Doug, do

1 you have any sense as to how this year is
2 going to compare with last year? This is
3 2016.

4 MR. O'DONNELL: Yes. And seeing
5 that this year is almost over, handles are
6 up this year from last year. So we will
7 probably see about a, you know, 10 to
8 12 percent increase in handles overall.

9 COMMISSIONER MACDONALD: On both,
10 thoroughbred as well as standardbreds?

11 MR. O'DONNELL: I'm not sure. It's
12 kind of on an overall -- we had additional
13 races this year with the thoroughbreds. We
14 had 125 days compared to 115, so we will
15 see an increase on that end with the
16 thoroughbred.

17 COMMISSIONER MACDONALD:
18 Standardbreds.

19 MR. O'DONNELL: Yes, with the
20 standardbreds. With the thoroughbreds, we
21 had the same amount of days.

22 MS. LIGHTBOWN: Actually, we went up
23 to eight.

24 MR. O'DONNELL: Yes, eight days.

1 MS. LIGHTBOWN: The live just
2 because there was more days of live racing.
3 We will have to do the figures to see if
4 proportionally it ends up being more than
5 what you think particular with the better
6 horses in both locations the better -- you
7 know.

8 MR. O'DONNELL: But overall we do
9 have an increase year to date that we
10 looked at through November.

11 COMMISSIONER ZUNIGA: Well, that's
12 even true on the simulcast license even
13 with the reduced dates of racing, they
14 would be increasing but at simulcast
15 Suffolk was increased. So there's a real
16 market. Okay, anything else for Alex or
17 Doug?

18 COMMISSIONER CAMERON: One last
19 issue.

20 MS. LIGHTBOWN: We have a couple of
21 more just routine items.

22 COMMISSIONER ZUNIGA: And that will
23 be it.

24 MS. LIGHTBOWN: So a request for

1 reimbursement.

2 MR. O'DONNELL: Yes. And we'll need
3 your vote on this as well. This is our
4 request for reimbursement Suffolk Downs
5 capital improvement trust fund. There is
6 only one particular project on here,
7 project number 2013 dash 17, sewer
8 inspection, meter installation for a total
9 of \$49,831.20. We have all the
10 documentation. It's been inspected by the
11 architect. Moneys have been paid, so we
12 need your approval to distribute these
13 funds to Suffolk Downs.

14 COMMISSIONER STEBBINS: Mr. Chairman,
15 I move the Commission approve the request
16 for reimbursement from the Suffolk Downs
17 capital improvement trust fund for
18 \$49,831.20 for the sewer inspection, meter
19 inspection.

20 COMMISSIONER CAMERON: Second.

21 COMMISSIONER ZUNIGA: Motion has
22 been made and seconded. Any other
23 comments? All those in favor? Aye.

24 COMMISSIONER MACDONALD: Aye.

1 COMMISSIONER CAMERON: Aye.

2 COMMISSIONER STEBBINS: Aye.

3 COMMISSIONER ZUNIGA: Opposed? The
4 ayes have it unanimously.

5 MR. O'DONNELL: And next on the
6 agenda is the quarterly local aid
7 distribution. This is paid on every
8 quarter in local cities and towns. It's
9 done six months in arrears based on the
10 handle. So this particular payment, which
11 is for the third quarter of September 30th,
12 would be for handles January, February and
13 March of 2017. Total amount is
14 \$166,954.13. And on page two, you will see
15 the breakdown of distributions to the
16 different cities and towns. We will need
17 your approval on this.

18 COMMISSIONER CAMERON: Mr. Chair, I
19 move that the Commission approve the local
20 aid distribution as outlined in the memo
21 dated December 7th for 166,954.13.

22 COMMISSIONER STEBBINS: Second.

23 COMMISSIONER ZUNIGA: Motion is made
24 and seconded. Are there any other

1 questions or comments? All those in favor?
2 Aye.

3 COMMISSIONER MACDONALD: Aye.

4 COMMISSIONER CAMERON: Aye.

5 COMMISSIONER STEBBINS: Aye.

6 COMMISSIONER ZUNIGA: Opposed? The
7 ayes have it unanimously. Does that
8 conclude the racing?

9 MS. LIGHTBOWN: It does. Thank you.

10 COMMISSIONER ZUNIGA: Thank you very
11 much.

12 COMMISSIONER CAMERON: Thank you
13 both.

14 COMMISSIONER STEBBINS: Thanks,
15 Alex.

16 COMMISSIONER ZUNIGA: Okay. Given
17 timing we decided to postpone number seven
18 on the agenda. It's a topic that might
19 take us quite a bit of time to discuss.
20 But, more importantly, this idea that
21 everybody is here and Chairman Crosby had
22 to go to a prior commitment, so we will
23 continue to number nine, to the legal
24 division, Mr. Grossman.

1 MR. GROSSMAN: Thank you,
2 Commissioner. You have before you Section
3 138.13, paragraph four of the regulations.
4 This is a new regulation. It's gone
5 through the entire promulgation process of
6 public hearing. It was recently presided
7 over on October 19th by Commissioners
8 Zuniga and Stebbins. We did have one
9 public comment received. In fact, that
10 individual, Dr. Gregory Catapotus
11 (phonetic), submitted some documents for
12 the Commission to have a look at which are
13 also included here in the packet. It's a
14 promotional flier he received from
15 Plainridge Park Casino.

16 These draft regulations, as you'll
17 recall, pertain to the monthly statements
18 which are required by statute to be issued
19 to rewards cardholders. These regulations
20 essentially codify the implementation of
21 that requirement and, as I said, have gone
22 through the entire promulgation process.
23 They are ready for final adoption at the
24 Commission's discretion at this point.

1 COMMISSIONER MACDONALD: Todd, have
2 there been any opposition filed to this by
3 the comment period?

4 MR. GROSSMAN: No, they have been
5 well-received. We have received informal
6 comments from some of the licensees, and
7 we've actually incorporated those in here.
8 For example, paragraph F which pertains to
9 the period only lasting two years if
10 there's no activity, things like that.
11 Otherwise, I think all the licensees were
12 satisfied. Dr. Catapotus, I believe, is
13 fair to say was satisfied with that this
14 was a fair process that we have set out.
15 And, otherwise, there have been no
16 opposition.

17 COMMISSIONER ZUNIGA: Now, Director
18 Bedrosian or you might know, Counsel, how
19 is Penn going to face in this new
20 regulation? Because they obviously already
21 have quite a bit of activity and people who
22 signed up for the rewards program, but
23 maybe of course we are not able to either
24 opt in or opt out into this. Is there

1 anything else you can tell us at this point
2 or be an be update on it?

3 MR. BEDROSIAN: I think it's ironic
4 General Manager George has asked me about
5 this today, and I think what we have to do
6 is talk to him about a phase of the period.
7 Obviously, we have the discretion in terms
8 of enforcement and we also have understand
9 of history of the original interpretation
10 of this, guidance to them, awareness of
11 this issue what I call this fix.

12 So now, I think, it's up to staff,
13 probably Todd and myself and Bruce Band and
14 his folks to sit down and try and figure
15 out a fair way to implement this. I can't
16 tell you exactly what it is. We will come
17 back and update the Commission on that.

18 COMMISSIONER ZUNIGA: That will be
19 great.

20 MR. GROSSMAN: If and when you're
21 prepared I'd ask -- there's actually two
22 votes that are required. One is for the
23 amended small business impact statement.
24 And, actually, we've never really talk

1 about this but that should really be
2 reviewed and approved before you approve
3 the actual regulation. The theory being
4 you're supposed to consider the impacts on
5 small businesses as part of the adoption of
6 a regulation, and then of course the final
7 approval of the regulation itself, and then
8 we will file it as appropriately.

9 COMMISSIONER ZUNIGA: But in this
10 case, we believe there is no significant or
11 any impact to small businesses.

12 MR. GROSSMAN: That's right. This
13 does not affect small businesses in any way
14 according to our review, though, we are
15 still required to file this statement by
16 law.

17 COMMISSIONER ZUNIGA: Does anyone
18 want to make a motion on the amended small
19 business impact?

20 COMMISSIONER MACDONALD: Yes. I'll
21 make a motion that we approve the amended
22 small business impact statement as it
23 appears in the packet relating to the
24 amendment to 205 CMR 138.13, paragraph

1 four.

2 COMMISSIONER STEBBINS: Second.

3 COMMISSIONER ZUNIGA: Motion is made
4 and second. Anymore discussion? All those
5 in favor? Aye.

6 COMMISSIONER CAMERON: Aye.

7 COMMISSIONER MACDONALD: Aye.

8 COMMISSIONER STEBBINS: Aye.

9 COMMISSIONER ZUNIGA: Opposed? The
10 ayes have it unanimously.

11 COMMISSIONER STEBBINS: Mr. Chair, I
12 move that the Commission approve the final
13 form of the regulation 205 CMR 138,
14 specifically 138.13, paragraph four related
15 to complementary services for items for
16 promotional gaming credits as provided by.

17 COMMISSIONER CAMERON: Second.

18 COMMISSIONER ZUNIGA: Motion has
19 been made and seconded. Anymore comments?
20 Any discussion? All those in favor? Aye.

21 COMMISSIONER MACDONALD: Aye.

22 COMMISSIONER CAMERON: Aye.

23 COMMISSIONER STEBBINS: Aye.

24 COMMISSIONER ZUNIGA: Opposed? The

1 ayes have it unanimously. Does that
2 include your update or section?

3 MR. GROSSMAN: Yes, it does. Thank
4 you.

5 COMMISSIONER CAMERON: Thank you.

6 COMMISSIONER ZUNIGA: Okay. After
7 this long day, we still have the
8 Commissioner update. That's usually the
9 easiest one. Anyone want to provide any
10 updates, Commissioners?

11 COMMISSIONER MACDONALD: No updates.

12 COMMISSIONER CAMERON: I think I
13 provided my comments during the meeting.

14 COMMISSIONER STEBBINS: Just one
15 update. Yesterday I had the privilege with
16 Director Bedrosian, Ombudsman Ziemba,
17 Director Griffin, Director Connelly
18 attending the kickoff to the MCCTI gaming
19 school being hosted by STCC and Holyoke
20 Community College obviously in partnership
21 with MGM. Great event, great turnout.

22 They were actually registering
23 potential candidates for the school right
24 there, which was exciting to see. But I

1 forgot to acknowledge yesterday the great
2 work that both Paul and Jill put in to
3 reviewing the license application, making
4 sure it was meeting all of our regulations
5 and, therefore, being able get it signed
6 off in a very timely manner. So I owe them
7 a belated acknowledgment for their work.

8 It was also nice to see Bristol
9 Community College, which is our first
10 gaming school license, was in attendance as
11 well. So the cooperation and partnership
12 is exiting to witness. But I owe Jill and
13 Paul a belated acknowledgment, thanks.

14 COMMISSIONER MACDONALD: Did you say
15 it's at Holyoke or at STCC?

16 COMMISSIONER STEBBINS: Holyoke and
17 STCC are partnering to run this school.
18 The school itself will actually be at 95
19 State Street and property obviously on the
20 MGM footprint, but they are probably still
21 completing build-out. Because it's an
22 active construction zone, we had to have
23 the event across the street.

24 COMMISSIONER ZUNIGA: When do they

1 start construction?

2 COMMISSIONER STEBBINS: End of
3 February, February 26th, I think.

4 COMMISSIONER ZUNIGA: And from what
5 I hear as well, there is significant
6 progress that has been made in this few
7 weeks since some of us were still were out
8 there.

9 COMMISSIONER STEBBINS: Yes, a lot
10 of -- we have had a quick tour primarily
11 with Chief of Staff Riley to look at the
12 gaming commission's space. But, you know,
13 we were there three weeks ago and the
14 work -- there's noticeable work that has
15 been done since in terms of gaming floor,
16 back of house, banquet room space, the
17 entertainment. I'm just saying it looks a
18 lot bigger, even the walls are going up.
19 So it's still an impressive piece of
20 property.

21 COMMISSIONER ZUNIGA: I was going to
22 make this point when our guests from the
23 NCTE were here thanking those of you who
24 attended the event. And it was you,

1 Commissioner Cameron, and Chairman Crosby
2 that I would like to go but we usually are
3 cautious to make sure that there's no more
4 than two commissioners just to be extra
5 careful to the perception and notion of
6 being in an opening meeting situation. But
7 I think our ongoing presence in these
8 events and our divide and conquer approach
9 has been very successful and very able to
10 continue. Any other updates?

11 COMMISSIONER STEBBINS: Motion to
12 adjourn.

13 COMMISSIONER ZUNIGA: Motion to
14 adjourn. Is there a second?

15 COMMISSIONER MACDONALD: Second.

16 COMMISSIONER ZUNIGA: All those in
17 favor? Aye.

18 COMMISSIONER MACDONALD: Aye.

19 COMMISSIONER CAMERON: Aye.

20 COMMISSIONER STEBBINS: Aye.

21 COMMISSIONER ZUNIGA: The ayes have
22 it. We're adjourned.

23
24 (Meeting adjourned at 3:20 p.m.)

1 APPEARANCES:

2
3 MASSACHUSETTS GAMING COMMISSION STAFF:

4 Todd Grossman, Deputy General Counsel

5 Edward Bedrosian, Executive Director

6 John Ziemba, Ombudsman

7 Joseph Delaney, Project Oversight Manager

8 Michael Sangalang, Digital Communications

9 Coordinator

10 Mark Vander Linden, Director of Research and

11 Responsible Gaming

12 Derek Lennon, CFAO

13 Justin Stempeck, Staff Attorney

14 Agnes Beaulieu, Finance and Budget Office Manager

15 Floyd Barroga, Gaming Technology Manager

16 Jill Griffin, Director of Workforce, Supplier and

17 Diversity Development

18 Alex Lightbown, Director/Racing Division

19 Doug O'Donnell, Senior Financial Analyst

20 Paul Connelly, Director of Licensing

21 Mary Thurlow, Program director

PLAINRIDGE PARK CASINO GUEST SPEAKERS:

Lance George, General Manager

Mike Mueller, Vice President of Operations,

Ruben Warren, Chief Financial Officer

Michele Collins, Vice President of Marketing

GUEST SPEAKERS:

Lisa Clauson, Carpenters Labor Management Program

Kate Harrison, Northeast Center for Tradeswomen's

Equity

Liz Skidmore, New England Regional Council of

Carpenters

Mary Vogel, Building Pathways

COMMONWEALTH OF MASSACHUSETTS

I, KRISTEN M. EDWARDS, COURT REPORTER,
do hereby certify that the foregoing is a true and
accurate transcription of my stenographic notes,
to the best of my knowledge and ability.

WITNESS MY HAND, this 13th day of
December, 2017.

Kristen M. Edwards