

MASSACHUSETTS GAMING COMMISSION
MEETING
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CONFIDENTIAL
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P R O C E E D I N G S

>> CHAIR JUDD-STEIN: Thank you. Good morning, all. We are calling to order meeting number 265 of the Massachusetts Gaming Commission on March 28, 2019, at 10:00 a.m. at our offices at 101 Federal Street here in Boston. We will begin today's meeting with agenda item number 2, the approval of minutes. Commissioner Stebbins.

>> COMMISSIONER STEBBINS: Good morning, Madam Chair. I think we have two sets of minutes from the 14th.

>> MS. BLUE: We do. We have both the regular and executive session minutes.

>> COMMISSIONER STEBBINS: I'll first move approval of the regular session meeting minutes as included in the packet, again, subject to any immaterial changes or grammatical corrections.

>> CHAIR JUDD-STEIN: Has everyone had a chance to review them? Do we have a motion? Or do you have discussion?

>> COMMISSIONER ZUNIGA: Yeah. Well, I'd like to just make a comment, proposed correction, on page 7. Where it says on the item of research and responsible gaming on the third paragraph where it says that the Commission has sent out a request for proposal. It really should say that the Commission is preparing a request for proposal. And we'll send that before the end of the fiscal year. It was just a correction.

>> CHAIR JUDD-STEIN: And I have just a similar small edit in a similar vein on page 2. I would say at the bottom paragraph, general update on the administrative update, rather than the verb have on the third line, will have the investigative report, that the investigative -- Investigations And Enforcement Bureau will have their investigation report to the Commission to distribute.

>> COMMISSIONER ZUNIGA: Yep.

>> CHAIR JUDD-STEIN: Okay.

>> COMMISSIONER CAMERON: With those technical corrections, I second.

>> CHAIR JUDD-STEIN: We had a motion, correct?

>> COMMISSIONER ZUNIGA: Yes.

>> CHAIR JUDD-STEIN: All those in favor? Opposed? 5-0, thank you. With respect to the executive session minutes, please.

>> COMMISSIONER STEBBINS: Sure. Again, included in the packet of the March 14th executive session meeting minutes, I'd move for their approval, again, subject to any grammatical corrections or immaterial matters.

>> CHAIR JUDD-STEIN: Have we had a chance to review?

>> COMMISSIONER ZUNIGA: Yes.

>> CHAIR JUDD-STEIN: Any discussion? Edits? Do we have a motion?

>> COMMISSIONER CAMERON: Motion made. I second.

>> CHAIR JUDD-STEIN: All those in favor. Opposed? 5-0. Thank you.

Good morning, Executive Director Bedrosian, do you have your administrative update?

>> MR. BEDROSIAN: I do. Good morning, Commissioners. I want to update you on a few items. First, as it is spring, horse racing season is upon us. In fact, under the direction of Dr. Lightbown, our Human Resources Department, we have been busy staffing up for the racing season. Easy for me to say, which actually starts on Monday with qualifying races at Plainridge Park, and then the official standardbred season will start on the following Monday, April 8th. If you have not had the opportunity to sit in a starting cart at the beginning of the race, I recommend it. In fairness, I have not done it yet, but I've heard from many people that it is quite an experience. So maybe I'll get it done, but I'd recommend that you get it done this year if you can.

>> CHAIR JUDD-STEIN: I think it's in my future.

>> COMMISSIONER CAMERON: I like it.

>> MR. BEDROSIAN: And we will document that with photographs. Thoroughbred racing season is scheduled to start in May. In fact, there are a number of agenda items for the Commission to consider relative to thoroughbred racing season today. I know that both staff and the Commission have been preparing for our adjudicatory hearing next week in the Wynn suitability review. Just to remind folks we have scheduled that hearing starting on Tuesday, April 2nd, and going through Thursday, April 4th, and I put in parentheses, if needed. So there could be three days of hearings. We plan to start at 10:00 a.m. each day and to ensure there's plenty of room and we can meet the technical needs of attendees, the hearing will be at the Boston convention and exhibit center in rooms 156A and B. I think the signage will clearly tell people where 156A and B are. I anticipate the Commission would have a morning session, break for lunch, and then do an afternoon session. The exact timing of lunch and stuff like that I suspect will be with the flow of the hearing.

I do want to remind people that when the Commission functions in this adjudicatory capacity as you will next week, it operates under a different set of rules as you do in an open meeting such as today. For example, today in an open meeting if you make a formal decision, you will have a public vote after any necessary public discussion. In your adjudicatory role, you have a public hearing which the evidence, whether it's documents or testimony, is public. But the Commission will deliberate privately to come to a decision. Also, the decision will be issued in the form of a written document.

So I cannot estimate -- I don't think that the Commission could even estimate

how long it will take to deliberate and write its decision, but I think it's fair to say there are complicated issues that will require deliberation by the Commission. So that is my update with the one final thing, and I don't want to say it's the most important thing, but welcome to opening day.

>> CHAIR JUDD-STEIN: Go Sox. Okay. Good. Thank you, Director Bedrosian. General Counsel Blue, please.

>> MS. BLUE: Good morning, Commissioners.

>> COMMISSIONER ZUNIGA: Good morning.

>> CHAIR JUDD-STEIN: Good morning.

>> MS. BLUE: We are now doing our yearly election of secretary and treasurer. As you have done in the past, you should discuss between yourselves who you would like to nominate. One Commissioner can nominate another Commissioner for a particular post, and then you vote on it. So you may begin to make nominations.

>> CHAIR JUDD-STEIN: And currently, our treasurer is Commissioner Zuniga, and our secretary is Commissioner Stebbins.

>> MS. BLUE: That's right.

>> CHAIR JUDD-STEIN: With respect to the position of treasurer, do we have -- first off, would you welcome, if you were nominated, the opportunity to serve again, Commissioner Zuniga?

>> COMMISSIONER ZUNIGA: Very much. Thank you, Chair. I think it's been a great opportunity to have this position in terms of oversight of finance and other matters, the disbursements that we make. I could make the case that it's good to have just a different eyes from time to time, but I think we've started a really good process in this compliance group and that I would like to continue. So I would welcome that opportunity to continue being in the role of treasurer.

>> COMMISSIONER CAMERON: Madam Chair, after that robust campaign speech, I would be -- it would be my pleasure to nominate Commissioner Zuniga. I actually think he served, in all seriousness, I think he served us very well. He has a tremendous background, and he has made so many important suggestions, and we have adopted many of his suggestions, and I know he's taught me personally an awful lot about finance. So I'd be pleased to nominate him.

>> CHAIR JUDD-STEIN: Do we have a second?

>> COMMISSIONER O'BRIEN: Second.

>> CHAIR JUDD-STEIN: Any further discussion? All those in favor? 5-0.

>> COMMISSIONER ZUNIGA: Well, I'll abstain, Madam Chair, but thank you.

>> CHAIR JUDD-STEIN: Thank you. Now we also have the position of secretary to elect. Is there any reason why you would like to step away from your position, Commissioner Stebbins?

>> COMMISSIONER STEBBINS: No. I actually have the benefit of having a talented team from the legal department that helps me out. So I'd be happy to serve another year. That would be fine.

>> CHAIR JUDD-STEIN: Okay. Is there any discussion? Would anyone else like to campaign against Commissioner Stebbins?

>> COMMISSIONER STEBBINS: Wait a minute. You didn't say that to Commissioner Zuniga. That's a little unfair.

>> CHAIR JUDD-STEIN: Do we have a motion?

>> COMMISSIONER O'BRIEN: Yes, I would move that Commissioner Stebbins be appointed to retain the secretary position for the Commission.

>> COMMISSIONER CAMERON: Second.

>> CHAIR JUDD-STEIN: In terms of further discussion, I, too, wish to thank you for your service and, in fact, there have been moments since I've been serving where you haven't had the benefit of Catherine Blue's assistance, so thank you. Do we have further discussion? All right. A vote? All those in favor? Opposed? 5-0.

>> COMMISSIONER CAMERON: Thank you both. Really important work. Good work. Thanks.

>> CHAIR JUDD-STEIN: Thank you, Catherine. Our next item on the agenda, very critical item, and timely, our research and responsible gaming update from Director Vander Linden, and program manager, Theresa Fiore. And I believe we have, I see -- I see Marlene Warner here now. Nice to see you. We have Theresa in the leadership spot.

>> MS. FIORE: Yes.

>> CHAIR JUDD-STEIN: Perfect.

>> MR. BEDROSIAN: Theresa, if you could have everyone introduce themselves for our closed captioning.

>> MS. FIORE: (Away from mic).

>> COMMISSIONER ZUNIGA: Microphone, Theresa.

>> MS. FIORE: There we go. I'll start with her again, Marlene Warner, Executive Director of the Mass Council on Compulsive Gambling. Also to my right is Julie Hynes who is the newest addition to the council. She is serving as the Director of Responsible Gambling at the Massachusetts Counseling and Compulsive Gambling. Amy Gabrila, senior GameSense adviser at MGM Springfield and he is not up at the table yet. Right behind me is Lynn Howell who is a GameSense adviser at MGM Springfield.

So this presentation comes as we come to an end of problem gambling awareness month which is a national campaign now in its 15th year. The purpose of this campaign is to provide education of problem gambling as well as available treatment resources. Support of this campaign is especially important to us because we know from our own SEIGMA research that 2% of the Massachusetts adult population struggles with a gambling problem with an additional 8.4% considered to be at risk of developing a gambling problem. That's my brief introduction. Really the council and GameSense is going to be providing all of the activities that they've done this month. So with that, I pass the microphone over to Marlene.

>> MS. WARNER: Good morning, Madam Chair, and Commissioners.

>> COMMISSIONER ZUNIGA: Morning.

>> COMMISSIONER STEBBINS: Morning.

>> MS. WARNER: Thank you for wearing your green and I appreciate -- and the socks, and I appreciate the support of problem gambling awareness month. I think that we've come to you every year with a little different flavor with how problem gambling awareness month has been addressed by the Mass Council and this year is no different. We're doing new activities, trying to reach new audiences and really generally make people more aware that gambling can be a problem. It can be a fun and entertaining pastime, but it also can be a problem for some individuals, and so we

really want to raise that awareness. So the Mass Council has worked through our contract with the Mass. Gaming Commission, through the Department of Public Health's bureau of substance abuse resources and through private funding to do a wide array of activities including doing a lot of outreach activities, you know, tabling and doing screening day. Screening day is something that is supported by the -- or was initiated by the Harvard Medical School's division on addictions at Cambridge Health Alliance. That's something we participated in. So over 75 different activities have either taken place or planned through the end of March to really make the, you know, 6.8 million people Massachusetts aware that gambling can be a problem.

So I'm going to let these folks tell you a little more about what those are and tell you some stories related to that. One of the things I just want to do, though, is Theresa mentioned that Julie Hynes has joined our team. We are so fortunate to have her. She is a scholar and an expert in the field, and everywhere I go people keep asking me, how did you get Julie Hynes to move to Massachusetts? I said, it's the same way we got Mark Vander Linden to move to Massachusetts, which is we have a lot of special, cool things going on in Massachusetts that relates to responsible gambling and I feel really proud to sit at the Mass council. Without further ado I'm going to turn things over to Julie.

>> MS. HYNES: Thank you. Good morning, Madam Chair. Good morning, Madam Chair. And good morning, Commissioners.

>> COMMISSIONER STEBBINS: Good morning.

>> MS. HYNES: It was also the socks. It's a delight to be here in Massachusetts. We've had a chance to meet a couple of you this morning and we're really excited to talk about problem gambling awareness month. This is something that in Massachusetts we've been able to do with GameSense is really highlight back of house activities for problem gambling awareness month, knowing that casino employees have higher rates of gambling problems than the general population. And so we really wanted to highlight getting folks involved in back of house. And so we've had over 1,000 different engagements with the GameSense information centers with Plainridge Park and MGM. And I'm here to talk a little bit, but really I think the more interesting piece of this all is the stories that are told. And so we have our GameSense advisers here to kind of share and highlight a few of those stories with you this morning. So I'm going to pass it over to Amy Gabrila.

>> MS. GABRILA: I've already been warned I don't have a lot of time. So just -- thank you for having me this morning. As these guys said, problem gambling awareness month is definitely a huge part of what we do. We get a lot of activities done focusing on back of the house. This month also, this happened to coincide with a bunch of trainings we were doing for MGM staff on GameSense. These were advanced trainings, 90-minute sessions. It was very grueling but so many great things have happened because of it. And I guess that's what I want to focus on is, you know, how we are really starting to intermingle and make really great collaborations with staff in the industry. So one story I have -- and I had just gotten done with one of the advanced trainings, which is supervisors and up, just so you know, all different departments. And in this one training I had a lot of executive hosts. I had a lot of marketing folks. And I've been in the business. I know these folks probably don't want to hear what I have to say. We've -- I've been down that road. You know, I knew this

was going to be a tough one. But honestly, by the end of it, they all seemed to kind of enjoy it. I thought it went over well. A couple days later, one of the executive hosts that happened to be in this training, 33 years in the business, came up to me and he stuck his hand out. He said I just want to thank you. And I said, you're welcome. You know, I hope you got something out of this. I hope this wasn't too horrible for you. You know, we joke. And he said, I'll be honest with you. When I was told I had to come, and I had to do this, I was not happy. I felt this was a waste of my time. There was no reason for me to be here. But I'll be honest. After hearing you talk about your experience, what you guys do, how you do it, how this can gel with us and what we do, you made me think about some stuff. I almost fell over. I mean, I'm not going to lie. To think that an executive host of 33 years would even be saying, wow, I got something out of that. So he proceeded to tell me, did you get a phone call yesterday from a young man who's struggling with his gambling? And I said yeah, actually, I did. And he said, that's one of my accounts. It's actually one of my biggest accounts. You know, the kid's going on a trip to Vegas. He gets all kinds of free stuff, definitely a top-tier player. And he said he came into my office yesterday, and he told me, he's, like, I'm struggling. And he said, oh, my God. This is perfect. I just had a training with this lady. I'm going to give you her number. You're going to call her. She's been in the business. She understands. She's going to go over all your options with you, and I promise you she's going to help you pick the best option for you.

Honestly, I cried because never in my 22 years in this business would I have ever believed that an executive host, a guy that lives off getting people to play. That's his business. Was willing to drop off his -- one of his best accounts to me because he felt it was the right thing to do. The fact that we are now in this space where we're changing the narrative of responsible gambling in the industry from the inside out, MGM has been incredible. The collaborations with us. And it's not just an acceptance of us. It's an embrace. And that trickles down to their employees who now feel permission to be like, we're going to get GameSense. We're going to talk to GameSense. And it's happening. Ten of our last 15 voluntary self-exclusions have been referrals from MGM staff. It blows my mind. From all different departments. Table game slots, poker supervisors, executive hosts. Guys, it's something I never thought would happen. And it makes me smile every night. And I'm going to put my foot on the gas and we're going to continue to do this and we're going to continue to have these collaborations. And I hope it makes you smile because it makes me smile.

>> COMMISSIONER CAMERON: Great story.

>> MS. GABRILA: And I really, really appreciate you giving me a few minutes to talk today.

>> COMMISSIONER CAMERON: Yeah. Great story. You know, commend MGM as well for embracing and being willing to give permission. That's a really good word. So thank you for that story.

>> Good morning, Madam Chair, Commissioners. Nice to see you again.

>> COMMISSIONER ZUNIGA: Good morning.

>> This month we have a big game going on at MGM and credit to the MGM staff. They're very involved in the activities that we do. We give out quizzes. Every single week we give out three different quizzes, and a lot of them have taken these quizzes. And I'm surprised, a lot of them do very well on these quizzes. And I ask them how do

you know all these answers? They say that these are the stuff that you guys trained us in the beginning through new hire training that we do every single time with the MGM staff. And I say, you know, good things are happening at MGM that, you know, the employees really know how to handle a situation when patrons have questions on particular gaming problems or talk to somebody. They know how to direct them to the center and also how to get ahold of us to answer these questions for them.

A couple days ago, an employee came up to the center, you know, talked to me about, hey, are you guys going to have any more quizzes this week? This is the last week. And I said, have you done all the quizzes the previous week? He said yeah, I did more. And I can't wait for the next quizzes. Because these are good educational things that you guys are giving to us. And in the past few weeks, we had a lot of MGM employees that reach out to us about VSE program for patrons and I see a lot of improvement compared to day one when we started it. A lot of employees, they didn't really know how to handle situations when they had questions from patrons and how to direct them to our center and how to reach out to us. And a couple weeks ago I had a chance to do some outreach in the Boston area and Dorchester area. I did a presentation at the V.A. community center. I don't know if you guys know the V.A. community center is the largest Vietnamese center in the Boston area. About responsible gambling and also about this month. So after my presentation, I had this lady come up to me and say, hey, thank you for what you're doing because this kind of organization did not exist years ago. If it was, it would have saved her husband. She said they're both very successful businesspeople in the Boston area. And her husband fell into gambling problems, and she does not know how to get help and where to get help. Plus the language barrier, it's hard for her to get help. And she saw me in the center talking about responsible gambling. And she was surprised, wow, there's a Vietnamese guy out there talking about responsible gambling. The Asian culture isn't approved to talk about problem gambling or admitting you have problem gambling. And she saw me going out there and talking about this subject. It just opened up the door for other people to share this kind of story with us. And as Amy knows, in outreach, these are the kind of stories we hear all the time. And the more we continue to educate people and get the message out there, the more people will open up to us and share their stories and, you know, tell us, you know, how to get help, and we can support that kind of information to them.

Myself, I've been with the GameSense since July of 2018. And I'm very proud of this program, where we're going as a team. And this is what I come to work for. You know, I'm very proud of the organization that we put in place. Not just inside casino but outside in the different communities in the outreach program, and I'm very proud of the team that we have going on here. And the message is just getting out there before they're getting into the casino.

>> CHAIR JUDD-STEIN: Thank you very much. Do you -- can you elaborate on the outreach program? Because -- so you're in Dorchester.

>> Yes.

>> CHAIR JUDD-STEIN: Yeah.

>> Yes. I have many opportunities to go out in different communities before I was at MGM. I go out in the Worcester area. They have a good amount of population of Vietnamese. And now that I'm doing outreach in the Boston community, Dorchester,

Boston, Quincy area. And I, you know, connect with these groups, Vietnamese groups, and also Asian groups. Any groups that I can connect with and to share this information about us because they don't know anything about responsible gambling. And they don't know thinking about us. And this is the great way for us to get out there to get the word out there so they know who we are when they go inside the casino, and they're well prepared. You know, they get the knowledge that we go into the community and talk about it. They get the knowledge before they head to the casino, and they know how to get help if they need help. And especially when they see me as an Asian-American talking about responsible gambling, that's never happened before. You know, it's very closed door in that community about this kind of subject. So it makes them open up more, talk to you more, and reach out to us more if they know somebody that, you know, their loved ones need help or want to talk to somebody. So this is a great outreach program that Marlene and Julie has put into place for us to go out there and get the message out there before they get into the casinos.

>> CHAIR JUDD-STEIN: Very exciting. Questions?

>> COMMISSIONER ZUNIGA: You know, I -- just a couple of comments, and maybe, you know, for your benefit, Madam Chair. We went through an evaluation of the GameSense program a few months ago. Out of that evaluation, one of the things that I took away is we need to continuously be thinking about the metrics and what are, of course, the outcomes. There's great anecdotes and so on. But in order to continue to improve the program. So if you can talk a little bit, Marlene or Julie, relative to some of the activities you continue to do, measuring those interactions, quantifying, you know, the number of interactions. You know, I have my own beliefs and assumptions about the program. But when I hear from you for the benefit of the rest of us, that that process that I think you have bookended really well here with -- from inside the casino with Amy's story and the outreach that you're now doing that Lynn highlights, how is that -- how are those decisions being made? There's, you know, tradeoffs if you will. Tell us a little bit about managing this program if you will.

>> Absolutely. Yeah, no, I think metrics -- the nice thing about Massachusetts is that data is kind of paramount, right. From day one in the legislation, data, research has been really important, and I think the gaming Commission has held that to be true throughout. And so we take that very seriously with the GameSense information center operations. So you think about it in terms of -- or I think about it in terms of, you know, kind of awareness, looking at attitudinal, you know, beliefs, beliefs that are held. And whether those attitudes change, and then behavior. And so those kind of three segments.

So what we were able to assess through the survey data, which is done -- just so you know, when these folks have any of these interactions -- and I think Julie referred to, you know, over 1,000 interactions -- any time they talk to anyone, they're filling out a checklist. And the checklist kind of denotes what's taken place between whom. You know, it's primarily between the GameSense advisers and the -- and whoever they're talking with. So whether that be a patron, a family member, an employee, someone out in the community. They're noting that interaction, and they're talking about the level of information that's been exchanged in that. Sometimes it's very one-sided. We're kind of explaining something to someone. Sometimes it's a very simple interaction where somebody is asking -- these guys are really amazing at letting that person

sometimes always know as they're walking them, you know, where's the shop or the restaurant or the bathroom or whatever. You know, I like to say they don't walk into the bathroom or the restaurant with them, but they are really skilled at kind of engaging them in a conversation as they're walking over to that location and relaying information about who GameSense is and what you could come back to GameSense for if they were interested after they spend some time at the casino.

So their limit -- not limiting -- they are identifying those interactions in a checklist. So every single interaction. And, again, whether that's back of the house as Julie was explaining at the tables, all that's happening. That's kind of an attendance piece, right? And to a certain extent awareness. There's also the intercept surveys that are happening through the patron surveys that Dr. Rachel Volberg and her team are doing through UMass Amherst to have a better sense as to how people are. Is the signage in appropriate places? Do people know about what not only the GameSense exists but what GameSense does? Have they had an interaction? And what was the result of that interaction? So we have some sense as to kind of what people think about it, and has that changed anything about responsible gambling or problem gambling in their mind?

And then we had the intensive survey or study done where an outside third party comes in and really studies, is GameSense changing people's behaviors? And that's really the hardest thing to study. But there's an attempt at it. We just also consulted a lot with our cohort which are other GameSense licensed partners across North America and Canada and the United States who are all kind of trying to figure out the same thing. GameSense -- you know, what's the awareness? What's the attendance, but also kind of what are those behavioral changes look like, and how do we best measure that? I don't think we've pinpointed it perfectly, but I think we're closing in on it. And so we have that first study done at PPC. We hope at this time next year we'll have the gun survey and study of kind of what's happening at the GameSense center at MGM. I think we've learned from the work at PPC that we really need a year plus under our belt of operations before we start to study it. And I think we will get to that point. I think there's a number of things that the Gaming Commission has also really adopted through the responsible gambling framework such as the positive play scale and other measures that give us a better sense as to, you know, when folks think about this, are they thinking about -- how do they think about their responsibility? How are they thinking about their reaction and their connection to gambling and how do we measure that? So this is not a perfect science, but I think there's a number of different plots of data that we can pull together to give a sense and, you know, the 250-page compendium that came out, I think overall -- you know, there was certain areas for improvement, but I think overall it's showing some effectiveness with GameSense in Massachusetts and something I'm really excited to explore further as we look at our future -- you know, our current center at MGM and our future centers down the road. I hope that answered your question.

>> COMMISSIONER ZUNIGA: Good. Yeah. And the next one that I had -- so --
>> See how good we are?

>> COMMISSIONER ZUNIGA: I just want to finally just mention a little bit relative to the quality of those interactions.

>> Yes.

>> COMMISSIONER ZUNIGA: That I think is central. Amy mentioned, you know, that a number about seven or the last ten out of the 15 voluntary self-exclusions that you've had, this was over this month? Is that --

>> At the very end of last month and then this month, yeah.

>> COMMISSIONER ZUNIGA: Right. Is a huge indicator in my mind that however we're getting through those conversations and interactions, some of them are making the ultimate breakthrough of, you know, deciding to sign up for the voluntary self-exclusion. And whether it was -- I suspect it's a cumulative of everything that has happened around that person when they reach that time. Interactions, notoriety, ads or their own contemplation of their may have, that's really key. There's a lot in the middle that you mentioned that I think it's really important for us to continue learning, and I think there's a big component in there somewhere relative to the quality of this interaction. Something that is hard to measure. But I see, you know, through these conversations and when we visit, also a very powerful factor.

>> Yeah. I think what's really important to remember -- and we are constantly trying to fully help people to understand is that GameSense is for every single person who chooses to gamble in the Commonwealth of Massachusetts. And that how we -- how these folks kind of direct that GameSense message is going to have -- it's going to -- they're going to tweak it, right? So whether Lynn's talking to those attendees at that V.A. day training or Amy's talking to that host of 33 years or we're talking to someone who's a regular or someone who's, you know, at the casino for the first time for a bachelor party. GameSense is relevant to all of those different individuals, and we just tweak the messages and the myths and address the different odds in different ways. But it really is useful to all parties involved. And so, yes, I agree that 10 of the 15, you know, VSEs coming from staff is a huge, fantastic indicator, but so is the fact that, you know, again, folks who don't have a problem know what GameSense is. So there are a number of ways for us to really show the success of GameSense and the GameSense program here in Massachusetts.

>> COMMISSIONER CAMERON: That's an important piece. And what I see is the passion and the caring from your GameSense advisers. And that comes across. That comes across in a training. And that comes across to people who are talking about something that's not comfortable to talk about, right? So I just want to commend and let you know that that really comes across, and we're proud of that. That's exactly what this program was designed to do. So thank you very much for all of you for the work you do. And I would be remiss if I didn't notice that our Director of Responsible Gaming is sporting his GameSense socks. I mean, it would be very hard for me to miss, first of all. But I just think, again, it demonstrates, you know, the commitment, right? Cares about this. He wants to promote the program.

>> Certainly.

>> COMMISSIONER CAMERON: Thank you.

>> MR. VANDER LINDEN: Thank you. They're not my lucky socks.

>> COMMISSIONER CAMERON: Oh. That was a good point. They're not his lucky socks.

>> Yeah, we were joking that we maybe -- we're stylish but not lucky. Right?

>> MR. VANDER LINDEN: Yeah.

>> Yeah. That's Mark.

>> CHAIR JUDD-STEIN: I also think that your efforts really exemplify the value of collaboration. And as you say, we're very lucky to draw the talent here in Massachusetts, much because of the leadership that you individually have brought and certainly here at the Gaming Commission with Director Vander Linden. But it does really take a village. And what I liked seeing is that you're out in the community and that you are reaching the hearts and minds so successfully of the folks involved in this business, so thank you. Do we have other points?

>> COMMISSIONER STEBBINS: Great job.

>> COMMISSIONER ZUNIGA: Thank you.

>> Thank you.

>> Thank you.

>> CHAIR JUDD-STEIN: Moving on to item number 5, Ombudsman Ziemba, please, and I believe we have Vice President and General Counsel of MGM, Seth Stratton here. Good morning. Welcome back.

>> COMMISSIONER ZUNIGA: Good morning.

>> MR. ZIEMBA: Thank you, chair and Commissioner. Springfield's commitment to provide 54 units of market-rate housing within one half mile of the casino. As you're aware the February 28th meeting of the Commission, the Commission voted to extend MGM Springfield's deadline to make a determination regarding the development of such units. That deadline was extended until today after an extension was requested by the city of Springfield and MGM Springfield. The original deadline was established by the Commission last April and its approval of MGM Springfield's detailed construction schedule. An excerpt of the minutes from that meeting is included in the Commission's packet. In essence, the requirement stated that by the deadline, MGM Springfield is required to provide a commitment to the 31 Elm Street project, documentation, and a construction schedule. In the event that MGM Springfield is not able to do so, it shall proceed with the development of another residential development to be completed by the deadline specified in Springfield's host community agreement, March 2020. Today we are joined by Seth Stratton, Vice President and legal counsel for MGM Springfield. He'll provide further information regarding MGM Springfield's commitment. We have also received a communication from the City of Springfield that is included in your packet. Seth will address that as well. So I'm going to turn it over to Seth. But after Seth gives his remarks, I'm prepared to provide a recommendation to the Commission. So with that, Seth.

>> MR. STRATTON: Thanks, John. Happy to be here today. Good morning, everyone.

>> COMMISSIONER STEBBINS: Good morning.

>> MR. STRATTON: So at the last meeting we were excited about the progress on what has proven to be a very complex but critical development project to the ongoing revitalization of downtown Springfield. But we are not yet in a position to commit to it given how many moving pieces were still in play. While we were optimistic that we could be here today with final details and signed documentation in hand, even though that's not the case, because so much progress has been made in the intervening period, to move forward to that end, we at MGM are comfortable indicating that 31 -- the 31 Elm residential development project is our final commitment for residential development in downtown Springfield. And why is that? I can't give -- because we

don't have the final details and signed documentation in hand, I'm somewhat limited in the details that I can provide. But I will give you an overview of why we are comfortable making that commitment. We were -- we've been throughout briefed by the developer and the City. Again, this is not an MGM project. It's a project in which we would participate financially to help happen. And so the City and the collaborators have been briefing us. Throughout there were significant concerns on our end that the -- it's roughly a \$55 million project and that the sources of funding were perhaps not close enough to really get to the point where we felt that it was -- that the project was more likely than not to move forward. It's our understanding, based on our commitment and the commitments of the private and public partners involved, that that gap has closed to where it's based on the projections and the identified sources and uses that any discrepancy is really immaterial and that there's enough funding with commitments that it is more likely than not to move forward.

We also participated in an outlook, economic development outlook presentation put on by the City of Springfield by Kevin Kennedy where he publicly announced the 31 Elm project as a priority that the city was moving forward with. And we have a letter today in the packet from City Solicitor Pacoula. And so I think all of those pieces together suggest to us that this is not -- this is not just hopeful and optimistic thinking, but this is very likely to happen. And while there are some contingencies that remain in place, we still need to get an amendment to our host community agreement and brief the city council. The final details on funding and MOUs have to be put in place, that that is all moving forward, and we are comfortable committing to the project at this stage. I'm happy to answer any questions that I can.

>> COMMISSIONER ZUNIGA: Thank you for that update, Seth. You said that maybe the gap is immaterial, which is good to hear. I don't need you to expound on that. I remember making an analogy maybe a year ago about you being not in the driver's seat, not driving that bus. But it's probably fair to say that that bus seems to be moving in a meaningful way, and thus it's incumbent upon us to really try to see it to fruition, given that the City has -- given that this is a project that the City really is behind. It's in a marquee location of downtown Springfield. And as Commissioner Stebbins has said in the past, it's something that the City has been trying to redevelop for now a number of years. And so while you might not be there or the parties might not be all quite there, is it fair to say that there's some timeframe, however small or little or however specific you can get into, that could give us some kind of sense as to what we're contemplating here?

>> MR. STRATTON: Yes. I think we are -- based on my discussions with the folks involved, including the City and the developer, that we are weeks, not months, from final documentation. So I think it would be fair to say that -- I mean, I say an optimistic target is the end of April to have everything papered, but certainly the month of May. We'd be hopeful that everything would be papered and parties are moving forward. Again, that's my best guess, and we're not in the driver's seat, but that's my -- there have been multiple, multiple meetings, phone calls, exchanges of documentation over the past weeks that I feel comfortable with that prediction.

>> MR. ZIEMBA: Can I just provide one caveat to that? When we say final documentation with a project of this complexity, documentation is an ongoing matter. And so when we say final documentation, that is not something that is very easily

defined.

>> COMMISSIONER ZUNIGA: But at least you may be at least alluding to an agreement in principle where all the parties concede that their commitment is such and such, whatever that may be, and there's an agreement, then putting together all the documentation can take some time. But about that milestone of being close to that agreement, is that what we really --

>> MR. STRATTON: Yes. So fair question and clarification. When I'm speaking of final documentation, I think the documentation of the roles of the parties and the agreement in principle that would give the City and the developer comfort in doing a public announcement press release, an announcement about the project, which is I believe the goal is to have this public announcement about the details, funding sources, participants, and time line within the next 30 to 60 days.

>> COMMISSIONER STEBBINS: I just have to say -- and I kind of echo what Commissioner Zuniga said -- and maybe I'm guilty of giving MGM a little bit of grief, too, in terms of what your role in this has been. And sometimes it was being driven by some other parties, but I'm happy to sit here today, hear that all the parties seem to align and move in the right direction. It's still a little early to kind of blow the trumpets and the horns, but, you know, just a reminder that this is such -- this has always been identified as a critical redevelopment project in the City of Springfield, the urban land institute report talked about it. It's going to fill this big, gaping hole in the downtown corridor and certainly be hopefully have a tremendous ancillary benefit to your facility across the street. But understanding that we didn't get here just within the last month. This has taken years. The City has focused on this redevelopment for years, so I'm encouraged by the report. You've been a little low key about this, but, you know, I was looking for a little more enthusiasm.

>> COMMISSIONER CAMERON: A little lawyerly.

>> COMMISSIONER STEBBINS: A little lawyerly.

>> MR. STRATTON: That's my role, and I've been at it for a while.

>> COMMISSIONER STEBBINS: But we understand. You know, there's other entities and parties involved that need to go through their legitimate processes and steps to finalize their commitments. We understand that. You know, again, keeping to what we asked you to do last April, you know, let's hope that, you know, there is no big material event that changes, you know, where we're hopefully going to be able to find ourselves in about a month.

>> MR. STRATTON: And I think we're also -- and we've had these discussions with staff -- but we're also committed to in the hopefully unlikely event that some material change -- changes or perspective on whether or not this is more likely than not to move forward, we would certainly commit to communicating early and often with the Gaming Commission on any such changes in circumstances that we felt made it more likely than not that it wouldn't be happening so that we could pivot. But we're hopeful that that's not the case.

>> CHAIR JUDD-STEIN: And that's the critical point is that we really appreciate your responsiveness, your communication and the willingness to keep us up to date on that. And today you are signaling to us a shift from last month, that is a strong commitment to this program. I think we can point out that, again, this is -- and correct me if I'm wrong -- Ombudsman Ziembra, but it is -- in order to satisfy the host community

agreement. And in our letter, the City Solicitor writes the Mayor has asked, I write to indicate that the City MGM are fully committed to participate in the 31 Elm project in satisfaction of the HCA obligations and that they're in the process of drafting an amendment to the HCA to incorporate the project proposed by the developer and that the amendment will move forward in short order in accord with agreed-upon construction schedule. So we have the assurances from Springfield that they're satisfied. And that, if I understand correctly, is key to what we have to look at. If the host community is happy with the progress, then, you know, we're fulfilling our job and fulfilling the deadlines that had been set in the past. So we thank you for today. And as a sort of retired lawyer, I appreciate exactly how you're communicating this. Thank you.

>> COMMISSIONER O'BRIEN: I agree. I understand the cautious optimism and I look forward to the next couple months.

>> COMMISSIONER ZUNIGA: Yeah, can I just build on a point that the Chair makes about the deadline. I think it's, at least partially, I'm going to suggest, you know, the deadline that we set a year ago may have contributed to the parties, you know, coming closer and really narrowing the gap to the point that you described of being negligible. But I would not want to set another deadline. If this is uncomfortable with the way you describe, Seth, that if you see at any given point in the near future, hopefully, any indication that there's less likelihood of this coming to fruition, that we clearly have an honest conversation about whether it's time to move away from this or not. I would not want to be -- want to say you've missed a deadline. It's time to walk away if you're so close.

>> MR. STRATTON: Sure.

>> COMMISSIONER ZUNIGA: But as the Chair also suggested, we'd appreciate your candid update as things continue to develop.

>> MR. STRATTON: Thank you. And yes, we are committed to do that.

>> CHAIR JUDD-STEIN: Do we have a recommendation?

>> MR. ZIEMBA: It's the recommendation, because MGM Springfield has today provided a commitment to the 31 Elm Street project and because documentation regarding the progress of the project has been submitted by the City of Springfield, I ask that the Commission consider approving a motion that states that MGM Springfield is not required to comply with item number 3 of the Commission's motion regarding MGM Springfield's construction schedule dated April 12th, 2018, until further advised by the Commission. As required under the approved construction schedule, MGM Springfield would continue to need to inform the Commission of any material event that would significant alter the potential that MGM Springfield will proceed with the City's plan to rehabilitate 31 Elm Street in Springfield with the assistance provided by MGM Springfield. The Commission could instruct staff to remain in regular contact with MGM Springfield and the City of Springfield to monitor the progress of the 31 Elm Street project, its documentation, and its schedule and report back to the Commission at an appropriate time. Since MGM Springfield is still required to provide quarterly reports to the Commission on the residential requirements, MGM will provide an update at its quarterly report for the first quarter, likely in April or early May.

>> COMMISSIONER ZUNIGA: A good update.

>> CHAIR JUDD-STEIN: Any further discussion? Do we have a motion?

>> COMMISSIONER STEBBINS: I would certainly -- you know, we've all been provided a copy of the language that Ombudsman Ziemba just gave us. I'm happy to repeat it. But if we can just adopt it as the motion as he read it, I'd be happy to do that.

>> CHAIR JUDD-STEIN: Do we have a second?

>> COMMISSIONER CAMERON: Second.

>> CHAIR JUDD-STEIN: All those in -- any further discussion? Questions? All those in favor? Opposed? 5-0. Thank you very much.

>> MR. ZIEMBA: Thank you.

>> MR. STRATTON: Thank you.

>> COMMISSIONER ZUNIGA: Thank you.

>> CHAIR JUDD-STEIN: We're going to have a five-minute break, please, as everybody shifts to the front of the room. Thank you so much.
(A break was taken at 10:54 a.m.)

>> CHAIR JUDD-STEIN: Thank you. We are reconvened. And we will continue now with item number 6, our presentation from Suffolk Downs. Dr. Lightbown, do you want to begin?

>> DR. LIGHTBOWN: Good morning, Commissioners.

>> CHAIR JUDD-STEIN: Good morning.

>> DR. LIGHTBOWN: Our first item on the agenda is the request by Suffolk Downs down amend and add to their racing dates. In the file are two letters of support from the New England HBPA and the Mass Thoroughbred Breeders Association. There's members of those organizations here today if you have questions, Paul and Arlene Brown. There is a typo on my recommendation. The first date in June should read June 8th and 9th.

There's no problem with this issue. Our staffing is able to accommodate this request. It doesn't interfere or overlap any of the dates at Plainridge this year. So my recommendation is to approve these dates, requests and additions. Chip Tuttle, COO, and Bruce Barnett, Legal Counsel, is here from Suffolk if you have any questions. And Chip can elaborate on this.

>> COMMISSIONER CAMERON: So I think as we've said in the past, obviously this is not ideal for thoroughbred racing to have such a limited opportunity, but it is an opportunity. So I certainly am willing to support this. I know it's important to the horsemen and all of those -- all of those jobs, you know, livelihoods around racing. So two more days is certainly a good thing as far as I'm concerned with racing.

>> COMMISSIONER STEBBINS: I just had a quick question. Maybe, Chip, your thoughts on this because you've kind of moved some dates closer together. What does that do to the availability of horses that, again, need a certain amount of time between races? Are we going to lose people? Are we going to be able to accommodate more breeders' races? What --

>> MR. TUTTLE: Yeah, so we -- thank you, Commissioner Stebbins.

>> COMMISSIONER ZUNIGA: A little too close.

>> MR. TUTTLE: Thank you, Commissioners. Pardon me. We made the request in consultation with the Mass Thoroughbred Breeders Association and with the HBPA and specifically wanted to try to get the three weekends of racing in in a timeframe that allowed the horses to come back. And the leadership of our staff feel that three weeks between races is more than enough time for the horses to recover and, you know, to

come back. If they're going to race, you know, on the multiple weekends based on the conditions. And we are, as we may talk about further in the request for racehorse development funds, we are planning to card additional races for the MTBA than we have in the past. So we're trying to see if we can help support their program a little bit more. But they're fine with the three weeks between dates.

>> COMMISSIONER STEBBINS: Okay. Remind me, how many Mass-bred races did you do last year?

>> MR. TUTTLE: I would have to look, and the doctor or Arlene may know. We did -- I think we did all of their stakes program, and then we did some additional races restricted to Mass bred that we just read as overnights. But I'd have to get you the exact number.

>> COMMISSIONER STEBBINS: Okay. But we're hoping to obviously add to that number?

>> MR. TUTTLE: Well, last year we had eight days and four weekends of racing, so we're trying to get as much as we can into the six days.

>> COMMISSIONER STEBBINS: Okay.

>> COMMISSIONER ZUNIGA: How many races do you anticipate in each of the days?

>> MR. TUTTLE: We don't want to do more than 10 or 11 a day, Commissioner, based on prior discussion about the strain of the timing on the staff. Yeah.

>> COMMISSIONER ZUNIGA: And remind us what's taking place around you and the track, the demolition of some of these barns?

>> MR. TUTTLE: Yes. So we still are required to be done with live racing by July 1st, per the terms of our lease with the landlord, HYM Development. We got some very good news that I was happy to share with Dr. Lightbown earlier this month that the demolition schedule for the barn area, for the Revere side of the property, their demolition schedule was postponed from April 1st to after July 1st. So when we came to see you in the fall to originally have our dates approved, we were concerned that we were going to have to do some work to keep some delineation between demolition and the barn area and where we were going to continue to house horses, that we were going to lose the availability of restrooms and sanitary facilities, that we were going to lose the availability of the dormitories that we were going to have to move the fire alarm system and all sorts of things. We're also facing some hardships around maintaining our CAFO status for EPA issues as we changed the production area in the barn area. And luckily that's all moot, and we are going to be able to operate in the barn area the same way we have for the last several years. So it was very good news.

>> COMMISSIONER CAMERON: That is good news.

>> DR. LIGHTBOWN: It was great news.

>> CHAIR JUDD-STEIN: Any further discussion? Questions?

>> COMMISSIONER CAMERON: Madam Chair, I would move that the Commission approve the request of Suffolk Downs to add dates and amend their live racing schedule, racing on May 18, 19, June 8, 9 and June 29, 30 of 2019.

>> COMMISSIONER STEBBINS: Second.

>> CHAIR JUDD-STEIN: Any further discussion?

>> COMMISSIONER ZUNIGA: You know, I was initially in the negative when it came to the original vote of this racing schedule, mostly because I thought it was just not

worth it at the time with everything else going on. Given that this is an incremental couple of days and what you just described relative to the barn area, I'll support this motion, really just making the note that there's a lot of uncertainty relative to the future of the racing piece for thoroughbreds unless the legislature acts in some way. So I'll go along, but note that something needs to change in the form of what we have been operating under up until now.

>> CHAIR JUDD-STEIN: Any other questions? Discussion? Comments? Those in favor of this motion? Opposed? 5-0. Thank you. The next matter, Dr. Lightbown?

>> DR. LIGHTBOWN: So the next item is the Suffolk Downs purse request from the racehorse development fund. They've asked for \$3.8 million from the racehorse development fund and that it be disbursed to them before the meet opens. Just to give some background on it, last year the Commission approved \$3.5 million for the first six days. After that they did come back and ask to race an extra two days, which they asked for \$1.1 million. So this is basically \$300,000 over the request for last year compared to it. Earlier years, the total amounts were lower. It was about \$400,000 a day on those requests. But last year they did ask for a 15% increase, and the Commission approved it.

There's letters -- the previous two letters from the horsemen's groups also support this increase, and there's another letter in the packet from the New England Breeding Syndicate supporting this. So one of the issues with the racehorse committee, and this is the group that decides the split of the racehorse development fund between the standardbreds and the thoroughbreds. Over the years, that amount has flipped due to the less days of racing on the thoroughbred side primarily. And one of the issues with that committee has always been that when they make that change, it changes the percentages for all the different groups that receive the money under each of those breeds. And it proportionately or disproportionately affects the Mass thoroughbred breeders. In a way this is money that will kind of balance that out if you look at it that way. That's one way to look at it.

>> COMMISSIONER ZUNIGA: Dr. Lightbown, can you help me understand that last piece? Is that the source of the increase, either from last year or from prior years of the request?

>> DR. LIGHTBOWN: The request last year wasn't necessary -- there were some overnight races added to it, and that was something that Suffolk had requested and that the Commission approved. This year it's a little bit more, you know, it's not --

>> COMMISSIONER ZUNIGA: It's getting more expensive to race?

>> MR. TUTTLE: We intend on having overnight purse levels be pretty much the same as last year, Commissioner, with the exception of -- and Dr. Lightbown might be planning to mention this -- with the exception of the lowest level claiming races. We are reducing the purse levels for those a little bit. About 15% to 20%, I believe, in part due to safety concerns that the -- the best practices around the country have established ratios between the lowest-level claiming price and the purse level so that we're discouraging anybody from putting horses at risk because the purse level is too high, right? And so based on Dr. Lightbown's request and some prior discussion, we are moving back to the best practices nationwide on that ratio. But we are planning some additional stakes races ourselves, especially given that this may be the

last -- very well be the last season at Suffolk Downs. And the breeders -- the Mass Thoroughbred Breeders Association which has been negatively affected by the change in the splits between thoroughbred and harness and hasn't had the opportunity to accrue as much purse money in the MTBA funding because we're racing sooner in the year than we have in years past, have asked us out of the race to make the request to help fund some of their stakes program out of the racehorse development fund. So traditionally the funding for the MTBA Stakes would have come from their established separate fund, and we would have run overnights and other races out of the racehorse development fund funding. This year, in part, you know, try to be good partners with the MTBA and due to their request, we have upped the request from 3.5 for six days last year to 3.8 this year in part to try to get some of that money to Massachusetts racing interests and breeding interests, so that's the main difference in the request.

>> COMMISSIONER ZUNIGA: So from our perspective, then, we still did get a request from the breeders to race the same number of days? Remind me, Dr. Lightbown, from last meeting --

>> DR. LIGHTBOWN: Right. They had -- their stakes races were basically in line with what they do every year. And again, some of it depends on the time of the year. Some of the 2-year-old races -- you know, they won't be ready this early in the season.

>> COMMISSIONER ZUNIGA: So then is there -- is there a -- I don't want to characterize it as a savings, but is there a cash flow thing here going on that --

>> DR. LIGHTBOWN: Well, that's part of it. In the letter from Suffolk Downs, they mentioned that the Mass Breeders will get less money. It's not necessarily -- they're not going to be getting less money this year. They're going to have less money available in May just because it's May and it's not further into the year. This year the races will be done at the end of June, whereas in past years they started in either June or July and didn't end until October, basically. So you had a longer period, and in all that time, the money was accumulating in that fund to pay those purses.

>> COMMISSIONER ZUNIGA: Therefore, this increase will be offset by more accumulation happening after June 30th. Is that -- am I understanding it, generally?

>> MR. TUTTLE: I think so. I think it's fair. I don't know the exact balances in the MTBA funding, but yeah.

>> CHAIR JUDD-STEIN: So last year -- sorry -- last year for six races, there was a request for \$3.5 million that was approved?

>> DR. LIGHTBOWN: Correct. Yes.

>> CHAIR JUDD-STEIN: And then you added two more races --

>> DR. LIGHTBOWN: 1.1 was requested.

>> CHAIR JUDD-STEIN: So there's a 300,000 increase this year. And some of that and what portion of that is going to help the MTBA?

>> MR. TUTTLE: Very likely all of it.

>> COMMISSIONER ZUNIGA: Or perhaps more because the other point that you made was that those ratios, right? The ratios that you now -- that's decreasing on those stake races?

>> MR. TUTTLE: Yes, although the decrease in the purse levels for the lowest claiming races, I think we're going to make up by running our own \$100,000 stakes race, right, toward the end of the program. But --

>> COMMISSIONER ZUNIGA: Is that new this year?

>> MR. TUTTLE: Yeah, we've run small stakes in the past, \$75,000 and things like that. I mean, we're just trying to put on a good show here for the last roundup, so to speak. So, yeah. I mean, all of the additional funding, and maybe -- all of the additional requests and maybe more will go to the Mass Breeders races. And Madam Chair, I hope you don't think I'm being evasive here, but sometimes we schedule and plan, but the races don't fill, right? So we do our best to schedule and plan and write the conditions for the races so that we hit the purse levels that we've requested and received. But then we always provide to the Commission a full accounting of the races that actually made the program and where the purse monies were paid. And we've gotten pretty good at getting to within, you know, \$100,000 here or there for the 3.5, 3.6, 3.8, you know, whatever the commitment is and have traditionally squared up with the Commission based on what -- you know, what the delta is.

>> CHAIR JUDD-STEIN: I appreciate that clarification. It helps me. Thank you.

>> DR. LIGHTBOWN: Another point I just wanted to make is that this amount of purse money won't eat into what is in the fund that's been, you know, accumulating over the years. It will just use -- it will use less than what would accumulate and what would be the thoroughbred purse fund for the year. So I know there's some concern that this money would be used up, and in the future if somebody's looking to use that for different things, that it would be gone. But this shouldn't touch that.

>> COMMISSIONER ZUNIGA: Is that because there is more money coming in because of MGM?

>> DR. LIGHTBOWN: Right. Over the year with it accumulating, should make more than that.

>> CHAIR JUDD-STEIN: And when does your -- the Commission meet again, or the committee?

>> COMMISSIONER CAMERON: Well, Madam Chair, I just was advised that we -- the Governor appointed a new chair to the horse racing committee, which means -- we were hesitant to meet without a chair. So we will be scheduling a meeting. I will be reaching out to the new chair.

>> CHAIR JUDD-STEIN: Yes.

>> COMMISSIONER CAMERON: And we will be putting that group together in the near future. Again, that's why we were waiting.

>> CHAIR JUDD-STEIN: Okay, good. Thank you so much. I appreciate that.

>> COMMISSIONER ZUNIGA: I suggest that we at least, you know, make the point that that committee needs to take into account whatever may be happening with the legislature relative to any changes to the --

>> COMMISSIONER CAMERON: Right.

>> COMMISSIONER ZUNIGA: -- to the racing.

>> COMMISSIONER CAMERON: Correct. We know that there are groups, which I think is good news. There are groups that are possibly working toward building racetracks here in the Commonwealth. So that would certainly be ideal, and, yes, something to take into consideration with the work of the committee. I think that the work of the committee is not -- it's not critical that we haven't met because there really is no change, meaning race days at Plainridge, race days for thoroughbreds, do you know what I'm saying?

>> CHAIR JUDD-STEIN: No, I understood. I just wondered if it was -- if it were

scheduled because I do know that we had a new chair appointed. So I just wondered for the record. But that's fine. It will be set in the future, and that's excellent. Thank you.

>> COMMISSIONER CAMERON: I had one clarification question, which is when we talk about best practices and a lowering a little bit of those lower races, are we talking about the temptation to run that horse too frequently because of the higher purses?

>> COMMISSIONER ZUNIGA: Or if it's not --

>> COMMISSIONER CAMERON: I mean, I read about that.

>> MR. TUTTLE: I mean, we're in -- not to put in delicate term -- the racing industry in the United States is in a crisis based on the number of -- the recent high incidence of fatal injuries at Santa Anita.

>> COMMISSIONER CAMERON: Yes, yes.

>> MR. TUTTLE: Which is one of the flagships for horse racing in the United States. You know, we're proud at Suffolk Downs of the work that we've done with this Commission over the last several years, since 2012, to make sure that we have one of the safer racing facilities in the country. And the Commission has shown great leadership in terms of the standards and practices that have been put into place to help make racing here as safe as it can be. And we realize that that is always ongoing, and we're always looking at ways to improve. We -- you know, part of that was assessing last year at the end of the year, you know, do we have the best standards and practices as it results -- as it relates to the claiming prices and the purse levels? And so, yes. We don't want to be creating conditions that encourage someone to put their horse at risk. And, you know, there are inherent risks with any horse-related activity in riding and racing and things like that. But we certainly don't want to increase those risks. And that was part of the conversation with Dr. Lightbown over the winter to try to make sure that we -- we just recalibrated those particular races for that reason.

>> COMMISSIONER ZUNIGA: But if I just -- if I understood your earlier point, which is also what you're now further explaining, is that you don't want too much of a disparity between horses running in the same race. Is that -- in this case -- is that what you explained relative to the ratios?

>> MR. TUTTLE: You don't want -- so the lowest-level claiming race at Suffolk Downs is \$5,000, right? And if the purse for that race is \$25,000, that means that the winner's share is about 60% of that, right? So you have horses that are racing for more money than on paper is their value -- you know, their sales price in the race, right? And so they've looked at it around the country and, you know, established parameters that we think are best practices. And so we were a little bit above that last year, and we're lowering those bottom purse levels to make sure that we're within the recommended parameters.

>> COMMISSIONER ZUNIGA: But I understood your -- that point correct. Is it not that there's savings, quote, unquote, to the horse -- racehorse development fund as a result of those practices this year compared to last year?

>> MR. TUTTLE: There are. But over six days and let's say, you know -- let's say --

>> COMMISSIONER ZUNIGA: Not significant.

>> MR. TUTTLE: Right. Yeah. And if we run the extra stakes race that I mentioned, that would basically offset the savings.

>> COMMISSIONER ZUNIGA: Okay.

>> DR. LIGHTBOWN: The second part of the request on that was to distribute all the purse money before the first day of racing. In the past the Commission has given the first two weekends of money ahead of time and then last year we gave \$800,000 of the \$1.1 million before the final weekend. And then after that about -- you know, it took about a month for Suffolk and the Gaming Commission to get everything lined up. You know, we were about \$153,000 was what we ended up doing as far as the true-up. So it's really up to the Commission if they want to continue doing it that way.

>> COMMISSIONER O'BRIEN: Do we have to finish the vote on the first motion before we move on to how the distribution happens?

>> CHAIR JUDD-STEIN: We could divide it into two motions if that's helpful unless you have a recommend -- I guess maybe it makes sense on the amount first, the \$3.5 million, in case there's differing opinions, and then maybe we can have further discussion on your recommendation with respect to the timing. So should entertain a motion for the amount?

>> COMMISSIONER CAMERON: Madam Chair, I move that the Commission approve the \$3.8 million from the horse racing development fund, which is consistent and just explained for this year six days of racing.

>> COMMISSIONER O'BRIEN: Second.

>> CHAIR JUDD-STEIN: Any discussion? All those in favor? Opposed? 5-0. With respect to the timing of the \$3.8 million.

>> COMMISSIONER ZUNIGA: Well, I'd like to comment that I would be -- I'm opposed to the up-front disbursement of all of them. I would like to continue the practice that we have done in prior years in the sense that this year is not very different from before for that sense. We can consider the first two weekends, and that should be enough cash flow, if you will, for planning purposes and come back at any other Commission time, Commission meeting for the final weekend.

>> COMMISSIONER CAMERON: I believe in the past it was not necessary to come back and revote.

>> DR. LIGHTBOWN: Correct.

>> COMMISSIONER CAMERON: But in the past, it was authorized staff to make the additional payments before that third week of racing.

>> COMMISSIONER ZUNIGA: And I'll go along with that process. But not with what they're requesting.

>> CHAIR JUDD-STEIN: Does timing in any way affect the support that goes to the MTBA? Okay. Any further discussion? Okay.

>> COMMISSIONER ZUNIGA: Well, then I'll move that the Commission approve the disbursement of the racehorse development fund monies in accordance with the practices that we've had in prior years.

>> COMMISSIONER CAMERON: Which means for two weekends?

>> COMMISSIONER ZUNIGA: Yes.

>> COMMISSIONER CAMERON: For two weekends of racing and then before the third week?

>> COMMISSIONER ZUNIGA: That's right.

>> COMMISSIONER CAMERON: Okay.

>> COMMISSIONER ZUNIGA: For the first two weekends of racing and then allow staff to make a reconciliation and disburse accordingly for the last weekend.

>> COMMISSIONER CAMERON: Second.

>> CHAIR JUDD-STEIN: Further discussion to clarify. The first two weekends are May 18th and 19th and June 8th to the 9th. So we'd withhold what amount?

>> COMMISSIONER ZUNIGA: Well, we would simply not disburse amounts proportionate to the last weekend.

>> COMMISSIONER CAMERON: Two thirds and one-third.

>> CHAIR JUDD-STEIN: Two thirds? Okay. Perfect.

>> COMMISSIONER ZUNIGA: Until after that second weekend.

>> CHAIR JUDD-STEIN: Thank you. So that's a little bit of a difficult motion. But I think we understand it will be the first two weekends in proportion to the overall three weekends.

>> COMMISSIONER ZUNIGA: Correct.

>> CHAIR JUDD-STEIN: Okay. All those in favor. Opposed? 5-0. Thank you.

>> COMMISSIONER CAMERON: Thank you.

>> CHAIR JUDD-STEIN: Thank you for the education. Continuing now on our capital improvement fund with a consideration.

>> DR. LIGHTBOWN: The next items are all going to be handled by our Senior Financial Analyst, Chad, and he can go on from there.

>> MR. BOURQUE: Good morning.

>> CHAIR JUDD-STEIN: Good morning. Nice to see you.

>> MR. BOURQUE: Nice to see you. So throughout our billing cycle, we deposit funds into a capital improvement trust fund and also a promotional trust fund. Funds are distributed upon the Commission's approval of both a request for consideration and also a request for reimbursement. So the first item that we have in front of you is a request for consideration submitted by Suffolk Downs in the total amount of \$108,964.23. This amount reflects consideration for project numbers 2018-1 through 2018-16, and it also includes one holdover that was requested now for 2017, which is project number 50. I have reviewed all the supporting documents which include opinion letters from Dixon Salo who is the architecture who is charged with ensuring that all items are necessary. And it is in his opinion that they are necessary, and he is recommending approval. This item does require the Commission's vote.

>> COMMISSIONER STEBBINS: I'll make the motion because I love the capital improvement trust fund so much. I would move that the Commission approve the request for consideration items for the Suffolk Downs capital improvement trust fund as provided in the packet for a total of \$108,964.23.

>> COMMISSIONER O'BRIEN: Second.

>> CHAIR JUDD-STEIN: Any discussion or questions? All those in favor? Opposed? 5-0. And moving on to the second capital improvement funding.

>> MR. BOURQUE: Yeah. So the next item is a request for reimbursement from the Suffolk Downs capital improvement trust fund in the amount of \$94,046.17. The Commission did approve the request for consideration back on November 18th, 2018. They did go ahead and move forward with each project. I've included in the packet the opinion letters from Dixon Salo who provided all the documentation of the completed projects. Along with the letter, I did review the supporting documentation which included pictures, exhibits, invoices, copies of checks made payable to all vendors to ensure that there were the account had balanced out, which it did. So this item also

requires the Commission's vote.

>> COMMISSIONER CAMERON: So Madam Chair, I move that we -- that we approve the request for reimbursement in the amount of \$94,046.17 as outlined in the memo dated March 28th from the Suffolk Downs capital improvement trust fund.

>> CHAIR JUDD-STEIN: Do we have a second?

>> COMMISSIONER ZUNIGA: Second.

>> CHAIR JUDD-STEIN: All those in favor? Opposed? 5-0. Thank you.

>> MR. BOURQUE: The third item is both a request for consideration and reimbursement from the Suffolk Downs promotional trust fund in a total of \$149,523.01. I have reviewed all supporting documentation to ensure the funds requested were used for the advertising of racing. I have also reviewed the invoices and checks made payable to the vendors to ensure accounting balances. And they were balanced.

>> COMMISSIONER STEBBINS: Good work.

>> CHAIR JUDD-STEIN: Do we have a motion?

>> COMMISSIONER CAMERON: So Madam Chair, I will move that we approve the request for reimbursement from the Suffolk promotional trust fund in the amount of \$194,523.01 as outlined in the memo from March 28th.

>> COMMISSIONER STEBBINS: Second.

>> CHAIR JUDD-STEIN: All those in favor? Opposed? 5-0. Thank you.

>> COMMISSIONER ZUNIGA: Can I just ask a question? Who is -- remind us what's conover total pace?

>> MR. TUTTLE: It's Suffolk Downs advertising and public relations agency. I believe the request was from activity in 2013.

>> COMMISSIONER ZUNIGA: Okay. Thank you.

>> MR. BOURQUE: Okay. My apologies. On to local aid. So each quarter in accordance with Section 18D of Chapter 58, local aid is payable to each city and town where racing activities are conducted. The amounts are calculated at .35% times the handle from the quarter ending six months prior to payment. The local aid payment for the quarter ending on March 31st, 2019, is in the amount of \$249,454.13. This amount reflects the total handle from racing that took place in July, August and September. On the second page, you'll see a breakdown of handles for the quarter as well as distributions that are made payable to each city and town. This item requires a vote from the Commission.

>> CHAIR JUDD-STEIN: Any questions?

>> COMMISSIONER CAMERON: Madam Chair, I will move that we approve the request to distribute the local aid as designated on March 31st in the memo for the amount of \$249,454.13.

>> CHAIR JUDD-STEIN: Second?

>> COMMISSIONER O'BRIEN: Second.

>> CHAIR JUDD-STEIN: Those in favor? Opposed? 5-0. Thank you very much.

>> MR. BOURQUE: Thank you.

>> COMMISSIONER ZUNIGA: Thank you.

>> DR. LIGHTBOWN: Thank you, Commissioners.

>> MR. TUTTLE: Thank you, Commissioners, and I would like to extend an invitation for any of you to join us during live racing. It would be my pleasure.

>> COMMISSIONER CAMERON: Thank you. I'll be out.

>> CHAIR JUDD-STEIN: Thank you.

>> COMMISSIONER CAMERON: Good luck with the season.

>> CHAIR JUDD-STEIN: Yes. Thank you. Thank you, Dr. Lightbown. Moving on to item 7, Commissioners' updates. Do we have any?

>> COMMISSIONER STEBBINS: I have just one quick one. On Monday I happened to be out in Springfield very early on in the Commission's life, we had a lot of support, involvement from the American Institute of Architects, I believe, their Boston Chapter. They held a forum for us on casino design. And I had the opportunity to take the Executive Director around the new MGM casino, and he was extremely impressed by the facility, the grounds, the buildings, the historic reuse. He was going to hopefully have an opportunity to report back to their membership as to his impressions of the Springfield casino.

>> COMMISSIONER CAMERON: I have one as well. I, along with our chairwoman, were out last week at a forum with sports betting being the topic. Interesting to learn from other states what they're planning to do as we learn as much as we can about the topic here in the Commonwealth as well. So it was a good opportunity to share information with states in the region.

>> CHAIR JUDD-STEIN: Any other updates? Okay. Do I have a motion to adjourn?

>> COMMISSIONER ZUNIGA: So moved.

>> COMMISSIONER O'BRIEN: Second.

>> COMMISSIONER CAMERON: Second.

>> CHAIR JUDD-STEIN: All those in favor? Opposed? 5-0. Thank you.
(The meeting adjourned at 11:35 a.m.)