

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: Good morning, Austin. Good morning. We are calling to order meeting number 271 of the Massachusetts Gaming Commission on May 29th (sic), 2019, at 10:00 a.m. at our offices at 101 Federal Street here in Boston. We're going to begin with item number 2, Commissioner Stebbins, please.

>> COMMISSIONER STEBBINS: Thank you, Madam Chair. Good morning. In front of you you have the meeting from the May 22nd, 2019, minutes. I would move their approval with one addendum. I had a conversation with the Chair. And what I'd like to do is go back under the conversation about the alcohol beverages and insert some language from the transcript with respect to the conversation we had around distance to parking and security for folks that were walking to parking so we can make that a formal part of the adopted minutes, and I think Commissioner O'Brien spoke to that as well.

>> COMMISSIONER O'BRIEN: Mine was a little more specific to the one on page 5, the reference to what I had asked of IEB. It was not a general request on input. It was specifically their historical experience with MGM's 2:00 to 4:00 alcohol service, so I just asked them to reflect that at the bottom of page 5.

>> COMMISSIONER STEBBINS: Okay.

>> COMMISSIONER ZUNIGA: I just had a very small one, but I'd still like to reflect on page 7, almost the last paragraph, I thanked Mr. DeSalvio and Ms. Krum for their work in keeping the Commission informed but also for the work they're doing in getting the casino on time. So it's not just further information but further work.

>> CHAIR JUDD-STEIN: Any further questions or discussion?

>> COMMISSIONER CAMERON: I second.

>> CHAIR JUDD-STEIN: All those in favor?

[Vote taken]

(Off-mic) Item number 3, please. Our administrative update, Executive Director Bedrosian.

>> MR. BEDROSIAN: Good morning, Commissioners.

>> COMMISSIONER CAMERON: Good morning.

>> COMMISSIONER STEBBINS: Good morning.

>> MR. BEDROSIAN: So I have two updates, a general and a staffing update. I'll start with the general update. I am pleased to tell you that the Encore opening is going at a hectic but controlled pace thanks to our gaming agent on the property, Luis Lozano, and his team. All the slots have been verified and sealed with state seals. There are about six of them who were still having some challenges communicating with the knock but we anticipate in getting that resolved relatively quickly. I talked to Scott Helwig in our gaming technology department, so that's a good place. And that's not just -- to be clear, that's not just the work of our folks. That's work of the Encore folks who cooperate with us on that also. So that was a great team effort. We will now turn our attention, the gaming agents will, to table games, and they would expect that they could get table games verified all in about a week. So we're right on schedule. In addition, with our gaming agents and Mr. Curtis from licensing, we will work on alcohol inspections. We have a great relationship with ABCC. We're doing a walk-through with the Encore staff and ABCC later next week in anticipation of opening also.

So Mr. Ziemba and Mr. Delaney are working very hard on commitments, and I was over at the property with them yesterday, and they stayed after I left to work on making sure all the commitments are verified on that. I think all of this will be reflected in a meeting I anticipate having before you next week in which the directors in their specific areas will come and tell you what has been done and what might still be outstanding needed to be done in the weeks leading up to opening. So I would say, in general, we're in a good spot, but there is a lot of work, a lot of documentation to get to the Commission, and we can do it, but it's going to take everyone's effort and cooperation, and the Encore folks have been terrific in that cooperation. So thank you to them.

I do have a little bit of an anecdote. I was walking around the property yesterday, and I walked into Rare, which is the steakhouse, and there was a woman dressed in a server's uniform. And she walked up to me. We were talking about the condition of the property. And she asked me what I did, and I explained I was with the Gaming Commission and what our responsibilities were. And I asked her what she did. I assumed she was a server within Rare. Turns out she was a banquet server. And in the conversation, she said, you know, ever since I voted for the casino in Everett, I've been looking for -- I said oh, you're an Everett resident. She says, I am an Everett resident. And it turns out that she has been a banquet server at most of the major hotels in Boston in the sea port, and she couldn't contain her enthusiasm about having a job in her backyard and being, you know, really excited. She even said, you know, I had a 4:00 -- I don't know what the term is, but she had to show up at 4:00. And she said, I woke up at 3:00 and I was all in. It was great. So she --

>> COMMISSIONER CAMERON: 4:00 a.m.?

>> MR. BEDROSIAN: 4:00 a.m., she said.

>> COMMISSIONER CAMERON: What kind of banquet is that?

[Laughter]

>> Early breakfast.

>> An early meeting that day.

>> MR. BEDROSIAN: But she was super enthusiastic. I know that's just an anecdote, but it was certainly the person I ran into that day, and it was a nice anecdote.

So speaking of happy employees, I'd like to introduce or tell you about some of our staff who's grown since I have done the last of these, which is -- was in February of last year. So I'm going to give you the list of our new employees, some of whom are here, many of whom are gaming agents and are out doing exactly what I just described. But let me start with someone you've probably seen here at these meetings for a while, David Bumpus, who's sitting right over here is our new Digital Communications Coordinator. He started in April of this year. Welcome, David.

>> CHAIR JUDD-STEIN: Austin.

>> MR. BEDROSIAN: Austin, I'm sorry. I'm sorry. It's David Austin.

>> COMMISSIONER CAMERON: It's the legal name.

>> MR. BEDROSIAN: We go with legal names.

[Laughter]

>> COMMISSIONER STEBBINS: Two months and I've been calling him by the wrong name?

[Laughter]

>> CHAIR JUDD-STEIN: An imposter. D.A. There we go.

>> MR. BEDROSIAN: All right, David. That's a free lunch.

>> CHAIR JUDD-STEIN: We have had the luxury of getting to know Austin well, so thank you, Austin.

>> MR. BEDROSIAN: Vivian Showell, who we see out front. Thank you, Vivian. Excellent.

>> CHAIR JUDD-STEIN: And another official welcome.

>> MR. BEDROSIAN: That's right. And a recent hire, Noelle Low, who is a Senior Revenue Accountant.

>> CHAIR JUDD-STEIN: Noelle.

>> MR. BEDROSIAN: There she is. Excellent. Let me do a couple more who are here, and then I'll do the gaming agents. Matt Jordan is a new Financial Investigator. Matt hails from Alaska. So he came to us from Alaska.

>> COMMISSIONER ZUNIGA: He came here for the weather, I take it.

>> MR. BEDROSIAN: Yeah. Just a little bit of a change. So welcome, Matt. Tamaren O'Connor who is an IT Operations Coordinator. There she is behind the pole. Thank you.

>> CHAIR JUDD-STEIN: Nice to meet you.

>> MR. BEDROSIAN: And finally the last one here is Conor McCourt who is a Licensing Specialist 1. I know Conor and those folks have been working really hard to get our licensing done for Encore, so thank you, Conor.

For gaming agents, we have David DiOrio, Mary Porter, Diane Podolak, Matthew Kelly, James Morrell, Joseph Ford, Martin Edwards, Colin McGahan and Sean Murphy. For supervising gaming agents we have David DiOrio, Mary Porter, Jolene Bingham and Darren Fenske. So that's obviously a lot of folks. We've been ramping up for the additional Region A responsibility, and I think that's also reflected in that. The other thing you probably know about is we've expanded our Gaming Enforcement Unit with the state police and also this time with Everett Police. So we have a combined unit of state troopers and Everett folks who are -- and were on the property yesterday and continue -- will be on the property now 24/7. So that's another good work with the Everett Police. Many of us -- many of us who worked law

enforcement in the past know some of the Everett folks, including the chief, so it's long relationships. So I think that will be a great thing for us.

>> CHAIR JUDD-STEIN: Ed, do you have the numbers, by chance, as a breakdown between city and state?

>> MR. BEDROSIAN: Yeah. So I think it's 12 and 6. Yeah. I think it's 12 and 6 with Lieutenant Tim Babbin being the GEU Lieutenant for that for the Encore property. You may remember Tim started in Springfield, moved here, and Ronnie Gibbons ended up -- he was a sergeant out in Springfield, now Lieutenant, ended up backfilling out in Springfield.

>> COMMISSIONER ZUNIGA: I think Tim started in Plainridge and then moved to MGM.

>> MR. BEDROSIAN: Yeah, he did start -- exactly. So great -- so, yeah. The good news is our senior management has that depth of experience. So I think the overall message is both our preparations for the opening of Encore and our staffing for the opening of Encore are on schedule. But it will still be a lot of work, and I hope you will see that reflected in the presentation next week. That's all I have.

>> COMMISSIONER CAMERON: Thank you.

>> CHAIR JUDD-STEIN: We'd like to extend a warm welcome to all our newcomers. We thank you for being part of this team and hope that it's a warm and comfortable welcome for you. And for those who have been engaged like Vivian, I know that you're enjoying yourself, and that smile shows it every day, and we thank you for your service. Thank you. And Austin, we'll keep in mind the two names.

[Laughter]

All righty. Just a clarification, Janice, are we staying on course right now? Okay. We are going to move an item that was originally enumerated as number 7 on our agenda up front to accommodate our visitors. So we'll start with Director Griffin, please, on Workforce, Supplier and Diversity Development and welcome our Encore friends. Good morning, Bob.

>> MR. DeSALVIO: Good morning.

>> MS. GRIFFIN: Good morning, Chairwoman and Commissioners.

>> COMMISSIONER CAMERON: Good morning.

>> MS. GRIFFIN: So I'm joined today by Bob DeSalvio and his team. I'm actually going to let him introduce his team, and then I have some introductory remarks.

>> MR. DeSALVIO: Sure. Good morning, Madam Chair and Commissioners. Thank you for the time this morning. We are very pleased to be here to present the overall regional and what turns out to be worldwide and international marketing plan, and I am joined today, my far right, Danielle Ashurst, who is our Assistant Director of Travel Industry Sales, and Joan Esneault, who is our Executive Director of Hotel Sales and Catering for the presentation. And then also I think Martha Sheridan is on her way over. Martha's the president and CEO of the Greater Boston Convention and Visitors Bureau and will be stopping by as well, and so she's been an important part of the equation for us.

>> CHAIR JUDD-STEIN: And good morning, Jacqui.

>> MS. GRIFFIN: And Jacqui Krum.

>> MR. DeSALVIO: Yes.

>> CHAIR JUDD-STEIN: So by way of background, the regional marketing plan was

submitted by Encore Boston Harbor is intended to fulfill pre-opening requirements of license condition 15, in addition to other requirements in Chapter 23K. Condition 15 requires the licensee to produce a regional tourism and marketing plan in consultation with the regional tourism council and the Mass Office of Travel and Tourism, subject to approval by the Commission.

And the plan includes but is not limited to making space available in the gaming establishment for state and regional tourism information. On the website, a joint marketing program with the regional tourism council and MOTT, staff training in regards to the plan and sharing of visitors' data to the tourism council. The plan was required to be provided to the Commission at least 90 days prior to the anticipated commencement of operations of the gaming establishment. And Encore satisfied this requirement. Section 3, license condition 4 referred to business development including in recognition of the unique cultural, historical and entertainment attractions located in the city of Boston and throughout the region, Wynn shall develop and maintain a proprietary concierge program for the purpose of cross-marketing these attractions, and I think you've seen some of these requirements illustrated in the plan.

As you are all aware, tourism, promotion is an important part of Chapter 23K as well, and this is evidenced in Section 1, area 6 which states promoting local small businesses in the tourism industry including the development of new and existing small businesses and tourism amenities such as lodging, dining, retail, cultural and social facilities is fundamental to the policy objectives of this chapter. So I won't go on. Some of the other requirements are in the memo, but I did want to outline the process the staff and Encore underwent.

We received -- staff received the first version of the plan, the draft, on March 7th, and I met -- I had several meetings regarding the plan with Martha Sheridan, President of the Greater Boston Convention and Visitors Bureau, and with Assistant Secretary for Business Development and International Trade, Nam Pham. And the newly appointed Executive Director of Mass Office of Travel and Tourism, Keiko Orrall. And Encore, based on the feedback provided from this group, submitted a revised version of the plan on March 24th. And Commissioners, no vote is planned today for the plan, but instead planned for the June 12th. So with those comments, unless you have questions, I'll turn it back over to you.

>> CHAIR JUDD-STEIN: Any questions?

>> MR. DeSALVIO: Great. Thank you again. We have divided the plan really into three different sections. And Danielle is going to start in just a moment with the -- how we invite the world to visit Massachusetts. Then Joan has a section that really talks about sharing the best of Massachusetts with the rest of the world. And then I'm going to jump in at the end and talk about infrastructure because it takes quite a bit for this to happen by way of property and regional infrastructure. So with that, I'm going to turn it over to Danielle for the first section.

>> MS. ASHURST: Good morning, Madam Chair and Commission.

>> COMMISSIONER STEBBINS: Good morning.

>> COMMISSIONER ZUNIGA: Good morning.

>> MS. ASHURST: Thank you for having us. And it is my pleasure to represent Encore Boston Harbor internationally. Our philosophy as a company is to look at regional tourism with a global approach. So we're very excited to go out into the world

and not only present Encore Boston Harbor but this amazing state of Massachusetts and everything that guests can do while they're here with us. We're very excited to get out there and promote this amazing state and region.

First we'll start with utilizing our global network. Between our properties in Las Vegas and Macau, we've got a database of over 10 million brand loyalists. We're able to market to them as often as we like, and our newest property has been very palatable to the guests that have enjoyed our properties in both Las Vegas and Macau. And so we do have some representation in some of the markets as well. So as you can see, we have representation in California, Canada and throughout Asia which is quite a large market for us to really push the efforts of Encore Boston Harbor and get people excited about the state of Massachusetts. I've been out a lot. The response I always get is wow, I love Boston. When's the last time you've been here? I -- the more I talk about experiences here that guests can have, the more excited folks get. And then the fact that we've got something familiar for them with Encore Boston Harbor, they're very, very, very excited to come visit us.

Another way we're able to utilize our network is our Wynn magazine. This magazine is not only in all of the guest rooms, so every single guest that stays in any of our resorts will have complete access to the Wynn magazine, and of course, we'll be featuring the opening of Encore Boston Harbor. And this magazine is solely to not only promote the resorts but also the locations they're in. So Boston will be a large focus for us moving forward and, of course, will showcase what we've got on site, but maybe showing where our boats will take the guests to as well through the city and having some dining tips outside of what your normal expectations are and giving some hidden gems for the region. So we're very excited to present this. And for anybody in the audience, next time you're in the airport, pick one up at Hudson News. We've got it there as well.

So globally sourced entertainment is my favorite. We do some really amazing activities on property. My favorite being the Lunar New Year or more notably known as Chinese New Year throughout all of our properties in Las Vegas, Macau and here in Encore Boston Harbor, we're very excited to do the Dragon Dance, which is an over-the-top experience for guests to come in. So we do have guests from all over the world, and it's incredibly important for us to share and to celebrate different cultures. So we're excited for the Lunar New Year dance, Brazilian Independence. We'll have a Diwali celebration, of course, St. Paddy's Day. And Cinco De Mayo is on there, not Mexican independence, but we do celebrate both. So Mexican Independence Day is actually September 16th. We do a large celebration for Mexican Independence Day as well. So very excited to not only bring cultures together but highlight some of the great cultures that our guests are very proud of and maybe our guests, while they're in house, will learn something new about a culture they weren't familiar with.

>> COMMISSIONER ZUNIGA: I should say that that's something that often gets confused, by the way. Cinco De Mayo and Mexican Independence Day. Thanks for pointing that out.

>> MS. ASHURST: Yes. I had to point that out. So we here at Encore Boston Harbor, my position is, again, to promote tourism domestically and internationally, but I'm one person. I've got myself and one other team member. So we as a company have continued with our sister properties in joining preferred hotels and resorts.

Preferred hotels and resorts is a representation company, and they represent us on six different continents. We're still working on Antarctica. But every single -- every single major city has a preferred hotels and resorts representation person in office. And right now their sole focus is Encore Boston Harbor and Boston. We will actually have the President and CEO of Preferred Hotels and Resorts next week and to check out the site and come and experience Boston so that way as they're going out and speaking with their team members, they'll have a full experience as well.

There is a list of where some of the cities are, very, very large presence in Asia but also throughout Europe, South America, Canada, Mexico and then, of course, here in the States. Personally, I am able to go out and travel with Preferred Hotels and Resorts, and this year I've been to four continents, and we're only to June. So it's a really, really great opportunity to have some folks in market to get me in front of the right people to do mass presentations to discuss this property in this beautiful region.

Red Card. So if you've been to a Bruins game, a Celtics game, gotten to the Sox games at Fenway, you might see our big Red Card booth which Red Card just built our brand loyalty. We have been a company since the early 2000s, first opening in April 2005 as Wynn Resorts, and our Red Card has constantly engaged our guests to be a part of our culture. So Red Card is gaming focused. So the minute guests come in, whether they spend a dollar or \$1,000, they can be a part of our Red Card program. And they'll receive offers for the property and, of course, big focus on Boston. So we will be sending out marketing offers to our database of 10 million and growing and get everyone excited about this new project and location.

And lastly, I want to introduce you to familiarization trips. So familiarization trips invite influencers, discerning clientele and travel professionals into the location of the resort and familiarize them with everything we have to offer. So an example of a fam trip -- in the industry we call it a fam -- we would invite guests in for a site tour of the resort and then breakfast, lunch or dinner and then an off-site activity. So we've already had a lot of fun going to events around the city and duck tours and presenting Boston as a new city for this resort. And what it does is a lot of people think when we open up a hotel, we just sell the hotel. But we sell the destination first because the guest has got to want to come to Boston, and then we'll let them figure out where they'd like to lay their heads. But at the end of the day, there's no greater passion than going out, selling this great city, letting everybody be excited about it, and then say, well, I've got killer hotel rooms as well. So what we do is we invite our travel professionals to come out, really experience, immerse themselves in this market, and then they can go back out to wherever they come from in the world and sell it to their guests from a firsthand experience. Because I guarantee you, you will take a recommendation from a friend before you will a stranger. So they go out into their own markets, and they do a really great job, so we look forward to bringing that.

>> MR. DeSALVIO: Thank you, Danielle. Now I'm going to turn it over to Joan who's going to talk about sharing the best of Massachusetts with the world.

>> MS. ESNEAULT: Good morning, Chair and Commissioners. I do want to continue with the tourism campaign and talking about how our goal is to create, of course, memorable experiences for our guests not only in the resort but, of course, in Boston and the region and across the state. So this plan will outline some of those

initiatives. We know that when guests come and stay at our resort, they're not just staying here. They're staying two or three nights. So we know they're not going to just -- even though there's lots to do there, that they're also going to explore Boston and the region. And we want them to, and we encourage that. And as Danielle said, as we go out on the road, we're selling the destination first and then the resort. We understand the importance of supporting the local businesses and having the guest experience to explore all of these businesses as well.

So the grand opening marketing campaign introduces Boston Harbor as something completely new and different for New England. And in my role, I've also gone out on the road quite a bit, and Martha is here from the Boston CVB, and we've teamed up with her team and done domestic shows, client events where we introduced Boston as well, so we've really partnered very well together in going out on the road. This property is truly unique to Boston, as you know. Meeting planners are thrilled to hear about this, that there's something new and different. And this truly is a demand generator. We have a meeting planner now headquartered here in Boston, and actually, they have never held their convention here. They've always held it at the Wynn Las Vegas because they're too large for most of the hotels here. But once they heard we were coming here, they were so thrilled. And for the first time, they'll be holding their event here in September. So -- and, of course, they're bringing about 400 or 500 people, and we'll be ready for them to explore Boston as well.

I believe we actually only have -- we have the only pairing of a major city and a major five-star luxury resort. There really isn't another city, when you think about it, in the country that has this type of a five-star casino resort in a major city outside of Las Vegas. I don't know if that's really a major city, but of the major cities, there really isn't when you think about it. And our meeting planners are telling us this, too, as well. We have also just completed a TV commercial airing next week which will be kind of a teaser campaign for us. We just finished shooting that yesterday.

So the grand opening marketing campaign is a multimillion-dollar grand opening campaign which consists of TV, print, radio, outdoor, digital and paid social. It actually starts June 10th. It will cover some of these feeder markets that you see here; the Cape, Providence, Newport, Portsmouth, Manchester, Worcester, Hartford, and then even in the outlying areas in New York and Westchester. So we're really trying to obviously get outside of this regional area as well.

Also on June 21st, we're holding what's called a media day. And we'll have about 200 to 300 media from domestic that will focus on New York, Chicago, L.A. and regionally that are coming in to tour the property and also hold a news conference with Bob and answer some questions. And then on the 22nd, Martha and her team are going to show them -- give them a tour of Boston as well. And then on the 23rd of July, we are looking to have the Japanese media join us for another tour as well. So we also have some outreach with the international media.

As far as booking the resort, it really starts pre -- before they even come to Encore Boston Harbor as an experience. We have 19 reservations agents that are trained on the Boston region very well on their offerings. We have weekly fact sheets that the concierge works with to train them and give them all of the facts about the area as well as restaurant offerings. So they have a whole list. We also have a link to the Massachusetts Office of Travel and Tourism as well as the Boston CVB that

are both linked on our website. So all the facts are there during the reservation process in case any questions come up, and we can answer those and help them find all kinds of things to do outside of the resort as well.

Also, Martha has offered to facilitate some training with our folks in the reservations center as well as the front office. So thank you, Martha, for offering to do this and train them as to some of the sights as well.

We have quite an extensive concierge services as well. Marc Simoneau has been in the industry about 23 years. He's our chief concierge. And I don't know if you've ever heard of this organization, but we have nine concierge professionals, but three of them -- actually, three of them represent an organization called Les Clefs d'Or which means the golden keys, and it's the ability to open doors. It's a very elite organization. You have to have many years of service, comprehensive testing, and prove beyond a doubt that you really understand the service and the quality. So it's very high standards for our guests, and we're really very excited to be able to showcase the city with these concierge folks. They are also a member of the Greater Boston Concierge Association which they attend their monthly meetings. And then when they come back, they will have interdepartmental meetings and review all of the details and new findings about Boston. And they have developed strong relationships also with the Massachusetts Chambers of Commerce.

>> CHAIR JUDD-STEIN: Three of your nine.

>> MS. ESNEAULT: What's that?

>> CHAIR JUDD-STEIN: Three of your nine.

>> MS. ESNEAULT: Three of the nine are part of this really elite organization, yes. But all of them do attend the association meetings.

>> CHAIR JUDD-STEIN: I think it's just great that there's an opportunity for them to excel.

>> MS. ESNEAULT: Exactly.

>> CHAIR JUDD-STEIN: And really develop professionally. That's tremendous.

>> MS. ESNEAULT: And they're also responsible for cross-training the call center and the front office representatives with local and regional knowledge. We'll have also what's called ambassadors besides concierges that are out roaming in our lobby. And anyone that stops can ask questions. We don't really have kiosks because we're a five-star service, and we really want that personalized service with our guests. So we actually want to talk to them rather than say, go over to a kiosk. So we want to find out what they're looking for and really personalize that service.

As far as partnerships with area restaurants, I think you've heard of Fratelli Restaurant Group. We have that North End restaurant, Fratelli's, between brothers, and Frank DePasquale and Nick Varano have partnered together in opening up this fabulous north end restaurant in our resort. We've also partnered with Big Night Entertainment Group, Randy Greenstein and Ed and Joe Kane. And, of course, I'm sure you're familiar with their facilities, The Scorpion Bar, Red Lantern and Empire. We'll have Mystique which is similar to Empire with Asian cuisine, fusion, and that open concept kitchen. And then Memoir, which is a really fun nightclub as well.

We also will be partnering with a lot of the local food vendors and businesses. Warren Richards and our executive chef, Joe Liebowitz, are from the Wynn Las Vegas, and they have been here for over two years and really have

immersed themselves into the community to partner with a lot of these local food businesses such as Island Creek Oysters which will serve in our oyster bar; Iggy's Bread; New England Charcuterie. So there's a whole list here. And they continue to expand that list and grow that partnership, and it's very important that we do this.

>> CHAIR JUDD-STEIN: That was going to be my question. So this will be an ongoing effort.

>> MR. DeSALVIO: Absolutely.

>> CHAIR JUDD-STEIN: Excellent.

>> MS. ESNEAULT: And along with the food, there is a beverage program that we are supporting through our partnerships. The Lord Hobo is working hand in hand with Encore Boston Harbor. They actually have created a New England style beer specifically for our property that they will package and sell to retail stores after we open as well.

>> COMMISSIONER ZUNIGA: And what is that going to be called? Do you know? Is that the Lord --

>> MS. ESNEAULT: I don't know what the name is of yet, but they are working on that. I'm sure they'll come up with some unique names. Then there's Boston Harbor Distillery and Privateer Rum which is located in Ipswich. On the next page it just continues with our local craft beers that we are partnering with. Harpoon, Sam Adams, and we'll be serving all of these local beers in our venues.

We partnership also with Boston Harbor Now, which is to promote the accessibility along the harbor front. Jim Folk, I'm sure you know him, our Executive Director of Transportation. He's on the advisory board. They've been a very big help to us in designing the wonderful amenity of the harborwalk that goes around the property, and we're very excited to have -- to showcase that to the public. They've worked very hard with us on the environmental findings and provided guidance, and they've conducted -- we have conducted a water transportation study with them as well. We'll have most of the regularly scheduled boats that go into the sea port in the financial district, which I know Bob is going to talk about in a little while.

We have a partnership with the Mystic River Watershed Association, which is a vision of connecting 25 miles of bike and pedestrian pathways. Eric Hanson is the Chief Sustainability Officer on our team who is on the Board of Directors with the Watershed Association. They've conducted regional Mystic greenways vision, creating more accessibility around the Mystic River. They've come up with the living shoreline, if you're familiar with that, that is on our property, and that's coming along very nicely as well. The vision is to develop the future plans for the parks, pedestrian paths, bike routes, accessibility and engaging thousands of community members to showcase this. Developing plans through this study can support the future development that will be well received by the community.

Sports venues. As you might imagine, sports aligns well with our customer demographic. Therefore, we are partnered with some of the wonderful Boston sports teams, and we also have a contract for suites at TD Garden, Gillette Stadium and Fenway Park where we often entertain customers. I know for my staff and meetings and conventions, we have taken -- we have used it a couple times already. At Fenway, we bring in about 35, 40 of the meeting planners and entertain, and it's a great way to network and showcase the city as well. We engage in the

Bruins sponsorship also with the Stanley Cup where we sponsored the entertainment light show.

Another great membership that we have, of course, is with the Boston Chamber of Commerce. We sponsor their annual dinner and meeting and dinner, and Bob DeSalvio is Co-chair of the Hospitality and Tourism Leadership Council. Bob attends quarterly meetings. They bring in speakers on various industry topics and, of course, one of the important ones is transportation.

Other memberships that we are participating in are on the next page, other chambers, Everett, Malden, Somerville, Chelsea, John Tocco, our Executive Director of Government and Community Relations, is on the board for the Everett Chamber and very involved with that chamber, as you might imagine. And we're getting more involvement with the other chambers as well as we move along.

Other membership, statewide tourism. We're in discussions with the Mass Office of Travel and Tourism. So you mentioned Keiko Orrall, who is the Executive Director. Annie Malone, the Chief of Staff, and Maria Spiridakos, who is the Director of International Public Relations. They have all come out to the property. We gave them a tour. And I've been in contact with Keiko, and she is in the process now -- she's new, as you know -- and she's developing her strategic plan. And we are going to get together on June 17th and discuss that plan with her and how we can partnership on certain initiatives.

And, of course, Martha with the Boston Convention Center and Visitors Bureau along with the Boston Convention and Marketing Center as we had mentioned before. We have engaged with them on many of the client visitors, client events and trade shows as we go around the country and even internationally. We just came back from Frankfurt from a big trade show that was out there. And in the fall we do a Barcelona. So we really are international as well as domestic. And also Danielle is on the committee for the Chinese Marketing Committee as well. And we also are working -- we have taken out some ads in some of the local destination guide as well since we know that goes out to thousands of meeting planners.

Partnership on the regional tourism board. The Greater Merrimack Valley Convention and Visitors Bureau and the North of Boston Convention & Visitors Bureau, we are in the process of joining. We've been speaking with them. And they are actually sending out an introductory email for us next week to their thousandth membership for the north of Boston convention bureau, and we are setting up tours with them and meeting with their staff and seeing how we can partner better together as well.

For the neighborhood organizations, the friends of the Navy Yard, which is to improve the quality of life for the residents and businesses and visitors in the Charleston area along with the Gee How Oak Tin Association, which is a community group in Chinatown, that we support their efforts as well. We've entered into a gift certificate program as part of our commitment, and we will have -- we will purchase \$125,000 worth of gift certificates from the cities of Everett, Malden, Medford, and Somerville, and we're in the process of selecting those restaurants and entities that we will have certificates from.

>> COMMISSIONER ZUNIGA: And these certificates are to provide to your customers?

>> MS. ESNEAULT: Correct. And our employees.

The WESave program for local businesses. We are partnering so that we can offer opportunities to provide discounts to our employees. So actually, this is great for the local businesses because they get to be in front of 5,000 employees and offer their services and products. We are in process of obtaining these businesses right now and gathering up what those discounts will be. We've already secured some, Boston Sports Club, Carter's Day (sic) Cleaners, Darryl's Corner Bar & Kitchen, so we have a whole list, and that will be an ongoing process as well.

>> COMMISSIONER STEBBINS: Is there a way to help small businesses in the area understand what your expectations might be for that WESave program so that if they're not ready when you come visit, they can kind of move to a position where --

>> MS. ESNEAULT: Absolutely.

>> MR. DeSALVIO: Yeah, Mark Tenant is in our -- he's our Director of Learning, and he's played an active role along with the Human Resources group and along with John Tocco to go out and really try to promote the buying power of these 5,000 team members. They will spend, you know -- and since right now the major concentration are all local. I think the last number I saw was something in the range of 85% were really fairly close in. The buying power of those folks with local businesses will be extremely strong. So we'll go out there. We'll work with them. We want them to present -- you know, to give something for the employees by way of some sort of a discount to help encourage it. They all seem very happy to do it. So I think this program will start and then just keep growing over time, expected to spread over the years to many businesses. It's actually worked quite well for us in Las Vegas.

>> MS. GRIFFIN: If I could add, John Tocco presented to the Commission's Vendor Advisory Group. And chambers and cities are very excited about this program. Because there's a low entry. There's no cost. It's an easy way for them to advertise and get new customers. So there's a lot of excitement about this.

>> CHAIR JUDD-STEIN: And will there be a way to measure the success metrics? Will the local partners be willing to keep track of the foot traffic that they get or --

>> MS. ASHURST: There's a code that we would have --

>> CHAIR JUDD-STEIN: Excellent.

>> MS. ASHURST: -- to authorize the employee to access that discount so they'd be able to track.

>> MR. DeSALVIO: They can see how it's going.

>> CHAIR JUDD-STEIN: That would be great. Thank you.

>> MS. ESNEAULT: The host and surrounding community festivals that we also support. The Village Fest in Everett and the S.S. Cosmas and Damian Society Italian Festival. We sponsored the headlining events for both of these events and, of course, encourage attendance and support it as well. I know there's lots of festivals and events that go on in Boston, and these are two right now, and I'm sure we'll be participating in and sponsoring others.

The Massachusetts State Lottery. This week we've installed all of the lottery equipment in the building. And if approved, Encore Harbor will expand the lottery reach, installing eight lottery terminals, I guess, in Encore Boston Harbor, but we have installed lottery equipment.

>> MR. DeSALVIO: Including, yeah, the Keno equipment and the on-deck facility as

well they put that in this week.

>> CHAIR JUDD-STEIN: It's going to be on deck, is that the burger place?

>> MR. DeSALVIO: Yes.

>> CHAIR JUDD-STEIN: That's excellent. And you've been working with Director Sweeney?

>> MR. DeSALVIO: Yes. Actually, Jacqui Krum has been spearheading the effort with the lottery. It's going quite well.

>> MS. ESNEAULT: Another partnership that we've entered into is with the Museum Of Fine Arts. We've sponsored their Lautrec exhibit, and our employees are -- we give them free admittance as well as the Everett residents. Other cultural institutions that we share the best of Massachusetts, the Boch Center, Boston Landmark's orchestra and the Boston Symphony Orchestra as well where we sponsor their "A Company Christmas At Pops."

>> CHAIR JUDD-STEIN: So just one question to return to your arts program. We had the benefit of a tour just a few weeks ago when we were still required to wear construction hats. And we met the gentleman who was responsible for the arts program at your facility --

>> MR. DeSALVIO: Roger Thomas, yes.

>> CHAIR JUDD-STEIN: -- which was highlighted recently in The Globe. Your facility alone will be giving opportunity to your patrons and visitors to learn about the art there, and I think you have planned to maybe institutionalize that --

>> MR. DeSALVIO: Absolutely. Yeah. We're currently working on, to start, we're going to do -- we're doing a complete inventory of all of the wonderful art features within the resort. And they'll be cataloged and put into the form of a printed piece so that people will be able to go around. I'm hoping one day to expand that further and maybe even do -- I'd love to do an audio tour someday that people could either do with an app, which would probably be the easiest way to do it. But for now we're going to make sure that that book is ready to go and that for those that are interested in the arts, they literally could walk around the property and enjoy it as if it's our own art museum internally.

>> MS. ESNEAULT: We're waiting for Popeye.

>> MR. DeSALVIO: Yes. Popeye is en route.

>> COMMISSIONER ZUNIGA: When does Popeye arrive?

>> MR. DeSALVIO: Looks like around June 10th or 11th he should be arriving. Yes. He left the building in Vegas.

>> MS. ESNEAULT: Popeye has left the building.

>> MR. DeSALVIO: Thanks, Joan. I am going to talk for a few minutes about infrastructure because it's wonderful what the ladies and their teams are working on. But at the end of the day, moving folks in and around the region and making sure they can get to some of these wonderful attractions is the key. You've heard me speak previously about our multimodal transportation program where we partner up with the "T" for shuttle service from both Wellington and Malden Center. The new bus stops -- we just completed the new bus stops on Broadway right in front of the property, and we're already getting word that people have figured out that you can even get out at Sullivan Square and jump on a number of bus lines. And your first stop, when you leave Sullivan Station and head north on Broadway, is right in front of us. So people

have said that, you know, they get on the bus and they're there in five minutes. So it's really working well in terms of interconnecting with public transit.

Of course, our neighborhood shuttle just started this week. And we've already got ridership on that. The premium park and ride will begin right at our opening and will be in Millbury and Rockland Park and Londonderry in New Hampshire. Can't wait to start that service. The premium harbor shuttle service. We had one of our vessels out with the Coast Guard this week doing its inspections. Minor list of things that they're working on, and then the second and third boat will be out as well. All of that will be timed with our planned opening so those vessels will be in service. We can't wait to show that off to the public. I think that's going to be a wonderful opportunity. And we're focusing on our three stops. One being, of course, Encore Boston Harbor. The other being Long Wharf North and the third being the World Trade Center out in the seaport.

As part of our plan, we are joining the Transportation Management Association as a better city and the Transportation Management Association. All of that with the idea of sharing best practices and understanding how we can do things better to move people around. It can involve carpooling and vanpooling and distributing materials and guaranteed ride home. All of the things that help us make our place truly mass transit oriented development, which has always been one of our goals. Creating infrastructure --

>> CHAIR JUDD-STEIN: Bob --

>> MR. DeSALVIO: Yes.

>> CHAIR JUDD-STEIN: -- if I could just interrupt. I don't know if this is a great time -- and you can correct me if you'd like to address it later -- but there have been questions around the parking for employees this past week.

>> MR. DeSALVIO: Sure.

>> CHAIR JUDD-STEIN: And I think that it's probably fair to say that the Commission itself is not really fully briefed. And I don't know if you're in a position to brief us on that issue.

>> MR. DeSALVIO: Sure. I'd be happy to.

>> CHAIR JUDD-STEIN: Is this a good time?

>> MR. DeSALVIO: Yeah. It's perfectly fine because we're on infrastructure.

>> CHAIR JUDD-STEIN: Yeah.

>> MR. DeSALVIO: As you probably know, we made arrangements for parking at Wellington. Wellington is actually a very important transportation hub for that for us. And so we've got -- we built and just recently opened a brand-new shuttle location within the MBTA's facility at Wellington. It gives us our own island that we share along with a couple other local businesses that have shuttle service. At the same time we made significant improvements in and around the station, paving and lighting and crosswalks to make that a better place. So naturally, it's a wonderful spot to intercept both guests that are -- and employees that are riding on the Orange Line and those that want to park. You've also heard previously in our meetings that that station landing area is where we're going to be putting our day-care center as well. So the coordination of Orange Line plus day care plus folks that have to park all made sense for us to consolidate a lot of that activity at Wellington.

What you heard recently, I think, is there is a lot of confusion about

what's going on. The parking garage in Wellington is subdivided. There is a large part of the garage that is just for anybody who decides to go. But the MBTA also has, in a sense, almost like a condominium inside that garage and floors 5, 6 and 7 are a deal that was made some time ago where the "T" has a number of spots that they actually, I believe, are selling for, I think, \$5 a day as part of their program. The "T" also has a very substantial surface lot over at Wellington. And when the announcement came out recently, they went back to Joe Pesaturo, who is the "T" spokesman, and he made comment that there are still daily and monthly parking passes still available. There's space within the surface lot. I know because some of our team members are currently using it. And there's also -- you know, obviously we've lived and worked over by Station Landing for years. So we know that area fairly well.

The upper floors of the garage at Wellington are fairly lightly used. And so there is plenty of availability. What happened was the private company that runs the garage there changed their -- some of their policies with regard to monthly passes. But I think the confusion was that folks believed that there was no parking left or that people would not have an option. And I believe the "T" cleared that up with their statement. And so I do believe we're okay. We will communicate back. I know we've been in contact with the local community to make sure -- Jacqui and I were just talking about that this morning. So I do think there's some other communication work that needs to be done. But I want to be very clear, there is still parking available in those locations. It may be that you buy it differently, but the parking is available and available still through the "T" at a discounted rate. So I think we'll be okay. I do believe there was a communication issue.

>> CHAIR JUDD-STEIN: (Off-mic).

>> MR. DeSALVIO: No, not at all. It's great timing because we're talking about infrastructure.

>> CHAIR JUDD-STEIN: (Off-mic).

>> MR. DeSALVIO: Yes.

>> CHAIR JUDD-STEIN: (Off-mic).

>> MR. DeSALVIO: Yes. So my next -- my next topic is to talk about people infrastructure, because obviously without our wonderful team, we would not be able to do what we do. I want to thank Commissioner Stebbins for joining us this past Saturday for the graduation of our first group of students from the program that we have, nicknamed Bet on U along with the community college. Its official name, of course, the Greater Boston Gaming Career Institute. But as you know, we shorten everything. So they like to call it Bet On U. We had, and I think you would agree, the most enthusiastic graduation that I have been in attendance at for many, many years. This was a group of young men and women, professionals, that are entering kind of a new chapter and career. And these students were so excited. Most of them began -- not only did they graduate on Saturday, they had to show up for work on Monday for their first day of orientation. And they couldn't wait to start.

It's turned out that the program has worked even better than what we expected. As a matter of fact, we are still in the process of hiring dealers. Just to give you a general update, we have as of Monday, 4,800 people now on the payroll as of this past Monday. We've got about 1,000 to go. And of that last 1,000, we put out offers for all but about 300. But within the 300 group, a large group that we need still are

dealers. So we are revving up next week another section of the dealer school program. And in consultation with Doug Williams who runs our table games, in mid-July, we're going to start again yet another class at the dealer school, and we're going to focus that one on a weekend opportunity. Because we do get a lot of people that are still currently employed, and they are interested in maybe switching a career, but they can't do the dealer school if it -- obviously if there's a conflict with their current paycheck. So we're going to open up a weekend session. And we'll get -- I know that sounds surprising, but we get a lot of folks that are willing to work their 40-hour workweek and then come in on a Saturday and Sunday and do the two days and get this intensive training program done because they know that there's a good career out ahead of them. And for those that get involved early in the -- when we open, the opportunity for advancement actually comes quicker. So they're a very smart bunch. They really know that if they can get in early and they can do a good job, when we have openings for supervisory roles, that gives them a leg up. If they've been at the place early. So this has been a smash success. Cambridge College, amazing partner in all of this, and we thank both Jill. Jill's been active in this. Jill was out there as well to see this on Saturday, but it was really a great thing for us.

>> COMMISSIONER CAMERON: Mr. DeSalvio, didn't just about everyone get hired that went through the school? I mean, the numbers were really tremendous, right?

>> MR. DeSALVIO: Very, very high percentage. And the other thing that we did, we had a few people that struggled with the class but were wonderful potential team members. And so we encourage them to look for other work, even within the facility. And so -- and then yeah, there were a few. We did have some folks that didn't quite make it. But you're going to get that. It is pretty intense. I will tell you, I don't think I'd make it through the dealer school, to be honest with you. I can do a number of things. Quick math is probably not at the forefront of it. It's a pretty intense program. And you have to be willing to do it under pressure.

>> COMMISSIONER CAMERON: Well --

>> MR. DeSALVIO: And you think about a Saturday night and having to actively work a game, I know you've seen this.

>> COMMISSIONER CAMERON: I have.

>> MR. DeSALVIO: And it's definitely not for me.

>> COMMISSIONER CAMERON: I'm in the camp with you that I don't know how successful I'd be, but you must have tremendous instructors if so many of those folks were able to be successful and move on to careers.

>> MR. DeSALVIO: The instructor team is amazing. And here's the real surprise. The programs were nine weeks and 14 weeks. But at the end of the program, our dealer school was packed after they were done. And what would happen is, they would come back to the school almost daily on their own time, even though the class was over to practice with each other. Now, that tells you something about the passion for the workforce and how motivated they are because there have been folks that have probably done the course the equivalent of twice just through coming back over and over again to practice on their own. So it's been very impressive to see.

Hospitality recruitment. Obviously, a big part of what we do. You know, I've spoken at previous sessions. We did these massive job events over at the Heinz, but that was really only part of the story. We have done smaller events by the

hundreds and continue to do them. As I mentioned, we still have openings. So, you know, we're telling folks to stay in touch. We have the career center that's still open over at Station Landing and will continue to add more folks. The NECAT program has been a real positive for us in connecting with some folks for the culinary hospitality training. We had some of the NECAT folks there on Monday who joined us for orientation on our very first day. So we were happy that worked out as well.

And then there's other hospitality infrastructure and outreach with all of the schools and programs that are in the surrounding area that we'll maintain with, including the tech high schools, which have been a great part of what we do between now, vocational schools, community colleges. There are hospitality programs sort of growing in leaps and bounds all over the place, and we'll partner with all of them.

And so with that, I want to either turn it back over to Jill, open it up for questions for any of us, and maybe even -- do you want Martha -- Martha, thank you so much. I know we changed the time on you a couple times today.

>> MS. SHERIDAN: That's okay. No problem.

>> MR. DeSALVIO: If you wouldn't mind saying a few words and introducing yourself.

>> MS. SHERIDAN: Good morning, I'm Martha Sheridan, the CEO of the Greater Boston Convention and Visitors Bureau. I am five months into the job and have had the privilege and pleasure of working for many, many years alongside Joan and Bob in our previous roles. I know them well and I know the caliber of resort that they will manage and sell. And I'm delighted to say that they have jumped in with both feet in working with us to promote this great destination. And for us, that's particularly important. You know, the tourism industry in Mass is somewhat underresourced when it comes to promotional investment from the state and city level. So for us to have this incredible infusion of national and international promotion by Encore on behalf of not just their property but more importantly the region and the state, I can't even begin to tell you how valuable this will be to our efforts. I know Joan mentioned how we are a unique proposition here now. Boston is, in our minds, one of the only major gateway cities in the country that has this caliber, resort casino, adjacent to it, and I think that makes us very, very uniquely positioned to draw new and unique visitors to the market. And I've been in this business for 30 years I've worked very closely in Rhode Island with the Twin River Casino. I was on their advisory board. And also worked closely with Foxwoods and Mohegan Sun. All three of those entities do a nice job of integrating into the community, but I'm not sure I've seen it at this level. Joan has been part of our team, really, our sales team, for several years now, and it's been great for us to have that kind of added infusion of interest in our trade show booths. She draws new people over to our booth, which only helps all of the small businesses that participate in our trade shows. So from our perspective, we are very, very excited. And I know a lot of times when resorts like this get built in communities, says there is actually oftentimes a lot of pushback from the existing hospitality partners. In fact, I was at a meeting yesterday where, you know, with the hoteliers that were in the room, were talking about how they are actually looking forward to having Encore as part of our mix because they do think it will bring unique visitors to our community and expose those visitors to all of the other assets that they can take advantage of at future times. So I can't say enough about what the partnership means to us. I met with Joan and the head of public

relations from Wynn yesterday in planning for the media tour and the great partnership there. The fact that they will be bringing in -- we could never do this on our dime -- 200 members of the travel and trade press into this market. We can't put a dollar amount on that, and the fact that they will support our efforts to bring them outside of their casino, which is not the typical case in that world is beyond what we can put a figure on. So we are excited to continue this relationship and really look forward to the caliber of customer they'll bring to our community and the fact that many customers will come to Boston and actually stay in other hotels because they want to experience the casino for a half a day or a day. So I know we focus a lot on bringing customers in and staying in the casino itself, but I think sometimes we lose sight of the fact that now we will have people that will be interested in staying in the greater Boston area in other properties that want to take advantage of the casino and its amenities while also spending money in the city. So nothing but great things to say about the start of this partnership. And I've had the privilege of seeing and working alongside them on many aspects of this plan, and my constructive input has been well taken and certainly included in the plan as it relates to how we'll work with their internal staff and educating them about all there is to do in the community. So I want to thank them for that. So thank you for having me.

>> MR. DeSALVIO: Thanks very much, Martha, for your support all the way through. It's been a great partnership.

>> MS. GRIFFIN: Questions from the Commission?

>> CHAIR JUDD-STEIN: Commissioner Stebbins?

>> COMMISSIONER STEBBINS: Yeah. I would just like to jump in. The plan looks phenomenal. I also got to credit Jill and Crystal because you had the obligation to get the plan reviewed. That are that was transitioning in. Director Orrall were transitioning in, so you actually had predecessors and successors all looking at the plan and offering their kind of input. It was great to meet Martha and say here, you're going to look at this and sign off. But we appreciate your help.

You know, the transportation piece has always been interesting because we've always talked about how it gets people to your property. But it's exciting to see you're thinking about it as a way to get people off property. It's not just picking up people at the boat stops bringing them to your property. It's thinking about using those resources to get people back into the city of Boston or the surrounding community. So I thought that was really unique. The workforce piece, which we have contributed to through the Community Mitigation Fund oftentimes to address the issue that Martha just raised about folks moving, looking for a different career, vacating a current employer and how do we help create a pipeline to backfill that. I think it's important to remind people it's going to be ongoing. There will be people that will quickly realize that maybe a casino business is not where they want to be. So people who thought, hey, I'm not going to be employed on June 23rd, I've missed my opportunity. They shouldn't think that way, and you've highlighted the fact that you're still going to have some gaming classes going on. So I think that's really important.

I do have to say, we had a workforce meeting about two weeks ago or last week that Jacqui and Jennie attended. And to see the level of participation around the table from regional employment boards, the MassHire work career centers, plus all of the communities, Boston, Chelsea, Somerville, all around the table, a lot of

community-based organizations, all with the simple goal of providing, you know, folks they've worked with a chance to find a new career. That was exciting.

I also want to take a minute to single you out, Bob, because when we were doing our due diligence on Wynn as a potential licensee, we called around -- I called around to some of the CVBs in the area where you came from. Without mentioning you by name, just say what's your relationship with Bethlehem Sands? And they said oh, my God, Bob DeSalvio was great. He jumped on board. He got the rest of the board and some of the hangers-on to actually step up and contribute. So kudos to you.

>> MR. DeSALVIO: Thank you.

>> COMMISSIONER STEBBINS: I was thinking about that story as I was reading through the plan. Lastly, I just want to kind of get on a soapbox a little bit because you mentioned Director Orrall and talking about his strategic plan. I think it's important for everybody to remember that the two biggest development projects in Massachusetts, being Encore Boston Harbor and MGM, are designed to bring people to Massachusetts. There would have been no requirement from a hotel if we were just asking them to open up the casino. But these two biggest private development construction projects are meant to bring people in. And by virtue of your presence and success, you're generating revenue for tourism. You're generating it for the mass marketing partnership. You're generating it for the gaming economic development fund. And I hope we find some leadership around that to say let's start, to Martha's point about not enough resources, let's put some money back into the immediate regions where a casino is located so that we can continue to prime the revenue for other parts of the state as well.

>> MR. DeSALVIO: Thank you.

>> COMMISSIONER STEBBINS: Off my soapbox.

>> COMMISSIONER CAMERON: Commissioners Stebbins, you worked the workforce folks in the meeting recently. And I was reminded of the early days. And I spoke to Attorney Krum and Director Griffin about this. You know, there was some animosity. I don't think people believed that this would be a real opportunity for them. They had been told that in the past, possibly, and that things didn't work out. So I know just from -- I don't know, maybe five years ago, right, when there was real -- those meetings were tense. And you attended many more than I did, but the few that I did have an opportunity to attend, it's like, wow, this group is just not believing this is a real opportunity. And to hear from the two of you -- actually, the three of you that, boy, that has changed, and people really do believe now that they have opportunities. I think that's a tremendous story in itself.

>> MS. GRIFFIN: Yeah. If I could just add, that has a lot to do with Encore Boston Harbor and their relationship with the community groups. In one instance recently, we heard of a community coalition that said, you know, we'd really like you to take a second look at X number of candidates. And they did. And ended up hiring some of the individuals. I mean, it's instances like that that I think have turned folks around. It really has contributed to Bob and his team.

>> MR. DeSALVIO: Thanks, Jill.

>> COMMISSIONER ZUNIGA: Yeah, I'd like to mention a couple of things that both Commissioners already alluded to. But your plan is really comprehensive, and it's

really good to hear your presentation today in the context that you put it. Clearly there's a theme that emerges, and that is one of partnerships that you already can corroborate, Martha, and we have also seen, in other instances before, as you lay out here. I'm also reminded of the time that we awarded the license, I was most impressed about particular points that you mentioned here. Most of the economic development and tourism clearly came under your section, Commissioner Stebbins, but there was a real nexus into the finance section that I analyzed with the help of our consultants. And that was the fact that significant revenues came from outside of the market area. And the way that we analyzed this was by looking at the resources that you put or you promised to put to make those efforts happen. And I'm reminded of one key number, and that was the number of marketing professionals that you have worldwide that you spoke to earlier that are exclusively dedicated to bringing gamers around your properties and other people in terms of tourism. So I think that's a very important part of the overall license here, and it's exciting that you are making it happen, and you are talking about it, and we really look forward to how all of that translates into what you have all projected.

>> MR. DeSALVIO: Thanks, Commissioner Zuniga.

>> CHAIR JUDD-STEIN: Commissioner O'Brien? Thank you. And we understand that there will be a vote for this in the future. Thank you.

>> MR. DeSALVIO: Thank you very much, Commissioners.

>> CHAIR JUDD-STEIN: Thank you, everyone.

>> COMMISSIONER ZUNIGA: Thank you.

>> CHAIR JUDD-STEIN: Thank you. Just to Martha, Bob was gracious to suggest that he owned the change in timing. That was our decision, and we appreciate you being able to be nimble today.

>> MR. DeSALVIO: I was trying to cover.

>> CHAIR JUDD-STEIN: You were covering, but I accept that, but I did want to accept full responsibility, so thank you for accommodating us.

>> MS. SHERIDAN: Not a problem. Joan was quick on the phone.

>> CHAIR JUDD-STEIN: Thank you very much. And congratulations on your new position.

>> MS. SHERIDAN: Oh, thank you.

>> CHAIR JUDD-STEIN: Okay. We'll move on to Section 7b. Oh, I guess for the workforce, but Bob is staying and Jacqui will move up. And we have Jennie Peterson, I believe, who might be joining us or no? Okay.

>> MR. DeSALVIO: Jennie's hiring people at the moment.

>> CHAIR JUDD-STEIN: That is excellent. We will go with that. So I have Bob and Jacqui who will stay on for the design and construction commitments on diversity. Thank you. Director Griffin.

>> MS. GRIFFIN: All right. Chairwoman, Commissioners, back again. And the topic is diversity preopening compliance. And I think as all of you know, staff has been very busy and very diligent in combing through the myriad of commitments and license conditions that are required prior to opening of the casino. And I wanted to present to you today the commitments related to the construction, specifically the diversity in the workforce and the supplier diversity commitments during design and construction of the facility.

So no vote is expected today. Again, the vote will be expected at the next meeting. I wanted to go through, briefly summarize some of those conditions that are in the memo. But the formative marketing program for design and construction. So the licensee, as you know, is required to submit a plan that pertained to minority business enterprises, veteran business enterprises, and women business enterprises for the design and construction of the establishment. And it was required to include a robust public outreach component directed to those businesses. You'll see attachments in the packet of some of the fliers and outreach that are not exhaustive but an illustration of some of the outreach that Encore has done. So they have satisfied that requirement.

Additionally, the affirmative action program for equal opportunity is the provision of a plan including the public events and outreach for individuals, minority individuals, women, and veterans. And Encore satisfied both of these requirements with a single diversity plan. Additionally, their diversity strategy for design and construction, in addition to designing that plan, they adhered to it very well and executed it well. In that plan, they included their project goals for the utilization of minorities, women and veterans on construction jobs, and also, likewise, the minority business enterprises, the WBEs and VBEs as well.

They followed the requirements regarding reporting relative to these groups. And attached in your packet is a recent report that they can speak to. Additionally, I just wanted to call attention that we have performed staff including other staff have complied with diversity audit where we went down to Encore. We collected information on certain vendors, certain suppliers, and workforce records. We combed through those records. We were really looking for their processes, what kind of assistive management systems they had in place, and we wanted to see how accurate the data was that was presented at the access and opportunity committee meetings. And we found that they had appropriate systems for the collection, tracking and management of this data. And overall, you know, we knew that they were on target with their diversity goals. One of the things that we especially noted was their diligence and the transparency regarding their workforce goals. Their corrective action meetings, their correspondence with the subcontractors, their use of the -- the turnstile to double-check the accuracy of the data or, for example, if they noted that a subcontractor all of a sudden their employees the tradespeople had decreased in a certain area, they would contact that subcontractor immediately. So that was really noteworthy and something I wanted to call out. So I wanted to stop at that point and see if you had any questions. No vote is expected today.

>> COMMISSIONER CAMERON: That's a high grade coming from you, Director Griffin. Usually there's some constructive points where things could improve, as I am as well. It's really impressive. Especially the realtime adjustments. You notice something's changed, why and how do we make an adjustment. That's really impressive.

>> MS. GRIFFIN: So I would point out that they met or exceeded all of the goals with the exception of the Women Business Enterprise for design. And as you know, much of their work was performed by the internal Wynn design team. So that was understandable, but we definitely saw that the licensee gave best efforts on that.

>> COMMISSIONER CAMERON: So the design team in Las Vegas has to be a little

proactive like we are here?

[Laughter]

>> MS. KRUM: Yes.

>> MS. GRIFFIN: So do you have anything to add?

>> MS. KRUM: No. Do you want me to --

>> MS. GRIFFIN: Yeah.

>> MS. KRUM: Okay. Good morning, Commissioners.

>> COMMISSIONER STEBBINS: Good morning.

>> COMMISSIONER CAMERON: Good morning.

>> MS. KRUM: I think it's always nice when the numbers actually reflect the effort that was put in, and I think we're very proud of what we were able to accomplish. A large part of that was, as you mentioned, Commissioner Cameron, staying on top of it on an almost daily basis and reaching out when we saw issues to correct them in realtime.

I know you're very familiar with our goals, and I'll touch on them as I go through the results. So this is as of the end of April. We are, of course, compiling the data for the end of May, and we will present that obviously at the next occasion. But we haven't seen any significant deviation in the results for May just based on the data that we have to date.

So on the design contracts, we awarded 13 contracts to minority business enterprises. We had a goal of 7.9%. And we were actually awarded 8.4% for a total of \$5.5 million worth of contracts. On the women business enterprises, we awarded 14 contracts. We had a goal of 10%. And as Jill said, we fell slightly short here at 8.2% for a total of 5.4. And I think it's actually noteworthy to look at why we fell short on this. As discussed, a large part of our design work is done through our internal design team. But I think also, a lot of our design work had been contracted before we developed the plan and before we were actually tracking, which is, I think, shows the benefit of having the plan in place early and actually tracking it in realtime.

On the veteran business enterprises, we had a goal of 1%, and we exceeded that. We had 6.1% for \$4 million worth of contracts and four total contracts. On the construction contracts, we awarded \$262.7 million worth of contracts to minority women and veteran business enterprises. We had a goal overall of 11.4%, and we exceeded that goal and hit 19.1%. We awarded 81 minority business enterprises contracts. Our goal was 5%, and we were at 5.9% for a total of 80.6 million contracts. On the women business enterprises, we awarded 152 contracts. Our goal was 5.4%, and we far exceeded that by 12.7% for a total of \$174.8 million.

>> COMMISSIONER CAMERON: Could I stop you there? I mean, those numbers are really impressive. Could you give an example of some of the kinds of contracts? There were 152 contracts with significant dollar amounts.

>> MS. KRUM: So I'll flip to the next couple of pages. While we don't disclose the actual dollar amounts --

>> COMMISSIONER CAMERON: No I was just meaning the total. Those are significant numbers.

>> MS. KRUM: Those are significant, and we were able to identify some excellent women business enterprises. I think what we were also -- what we also realized was breaking the packages down into smaller packages allowed companies that could not

bid on an entire package as we would traditionally have been able to do so gave them the opportunity to participate.

>> MR. DeSALVIO: (Off-mic).

>> MS. KRUM: There we go.

>> MR. DeSALVIO: There's the WBEs. You can see a lot of them -- a lot are local as well. You can see. But it's -- I think Jacqui hit the nail on the head. It's trying to break up the packages and having them spread to as many businesses as possible is a big help.

>> COMMISSIONER CAMERON: Yeah, I guess I'm -- well, the gravel business, the stone business, stucco.

>> MS. KRUM: Yeah, it was across --

>> COMMISSIONER CAMERON: Yeah.

>> MS. KRUM: It wasn't sort of soft trade.

>> COMMISSIONER CAMERON: Correct.

>> MS. KRUM: It was across the board.

>> COMMISSIONER CAMERON: Great. Great work. Thanks.

>> MS. KRUM: So the veteran business enterprises, we had a goal of 1% and we hit 2.8%. One of the areas that was somewhat more difficult in the veterans world is a lot of veterans don't disclose that they are veterans. And there wasn't an official way to do it. So the gaming Commission was incredibly useful to us in terms of getting some of these companies registered as veteran-owned businesses.

So on the construction workforce, we had 5,661,677 hours of work performed by minorities, women and veteran workers. That was a total of 7,354 workers that we had on site. Our goals were 15.3 minority, and we achieved 25.3. For female, it was 6.9% was our goal and we hit 7.2%. That was not without significant effort. I think, as I've spoken about before, what's even more important is the number of women that we were able to get into the pipeline that are not reflected on our jobs but hopefully will be able to work on other construction projects. And then on the veteran, we had a goal of 3%, and we hit 5.4%.

So do you have any questions for us?

>> COMMISSIONER CAMERON: Each of you come from other properties, other companies. Have you ever been required to really pay attention to this extent to hiring minority, female and veterans?

>> MS. KRUM: It's always been something that's been talked about. I don't think it's ever been tracked, at least in my experience, to this extent. And I've never seen the kind of effort that went into it that we've put into it.

>> MR. DeSALVIO: And, Commissioner, I'll add that we had goals in Pennsylvania when I did the project there, but the tracking mechanisms have gotten much more sophisticated. For example, the turnstile program where literally everyone has to go through the safety trailer, get training, get their badge, and we're able to then issue a badge that can then be tracked and monitored on the site, which was wonderful from a lot of perspectives. But between that and really the internal work that was done. And a shout-out to John Fish and everybody at Suffolk. They worked day in and day out with the subs to really push this. And I think the other major turning point for us was the rewards program and recognition. The fact that we had quarterly awards and, you know, prizes, trips to Las Vegas, gift certificates. There's nothing better than having a

scorecard. And it works.

>> COMMISSIONER CAMERON: Agreed. Agreed.

>> CHAIR JUDD-STEIN: Director Griffin, in the course of this very successful outcome, were you able to identify any barriers that continued to persist perhaps with a smaller vendors or contractors? I know with respect to design, women are actually doing quite well in Massachusetts. I'm sure they would have loved to have participated, but we understand that you used your own in-house resources. But were there other barriers that you saw with respect to either capital?

>> MS. GRIFFIN: Yes. I think -- so there were --

>> CHAIR JUDD-STEIN: Because the outcomes here are excellent, so I don't want to put you on the spot, but I just wondered, because you're so experienced in this area, is there still a place where in Massachusetts we can continue to support MBEs, WBEs, VBEs in a way that helps them gain capacity to enter?

>> MS. GRIFFIN: So one of the things -- this is a union construction project, and so the firms needed to be union signatory. So that was a limiting factor in some ways, if a firm decided not to participate. So that would be one area, you know, during construction. And I think just the size maybe of the business. Not everyone had the capacity. So I think generally, the same constraints that you might see for other large construction projects.

>> CHAIR JUDD-STEIN: And then a second question I have. I think I understand correctly that the practices that you've employed here might be being adopted on other projects here in Boston and in Massachusetts, generally. So I don't know if you can speak to that or not.

>> MR. DeSALVIO: I could talk about one in particular that Jacqui mentioned earlier, and that is the formation of the Girls in Trades group which really has spread to be now more statewide. They've had a meeting out in Western Mass. I know that Mary Ann Hamm who partnered with Jennie Peterson is over out at Minute Man Technical School, and they are going to focus a lot on it this. And I think this has a lot of legs, and that will be something that the pipeline will continue to grow in the future, and I would say one of the long-lasting impacts of this will be the recognition of the incredible work that women do on the jobsite.

>> MS. GRIFFIN: And that's a program that has been adopted in Western Massachusetts as well, so that's very exciting.

>> MR. DeSALVIO: Yeah.

>> MS. KRUM: I think this is also a statistic that the construction companies are embracing. So this is a selling point for them. And the more that they can do this with other jobs, the more they can increase this. This is something that they're proud of, too. And they're starting to implement on other jobs as well, we've seen.

>> COMMISSIONER O'BRIEN: I think one of the things I would also love for you to talk about is equal access once you're on the site in terms of the work hours because you were describing sort of a dip and a frustration that you had, and you dove deeper into the numbers to find out why, working hours for some of the women were dropping, and I think that's sort of a deeper probe into not only getting them in the trades but getting them equal access when they're on site. It would be helpful, I think, if you could describe that.

>> MR. DeSALVIO: Go ahead. Either one.

>> MS. GRIFFIN: Go ahead.

>> MS. KRUM: No, so I think we described this previously in another meeting, but what happened was we saw as the subcontractors were winding up some of their work, what was happening was the numbers were dropping. And what they were doing was letting the senior people on their teams stay on the job and getting rid of some of the more junior people on the team. Of course, given sort of how unions have been for a long time, that meant that a lot of the women that were newly joined to the union were getting laid off before other people. So once we were able to identify that problem, it was a very simple fix.

>> MS. GRIFFIN: And I think one of the other things that Jennie delved into was overtime hours and the availability of overtime for all individuals. And that was something that, I think, the turnstile and some of your other systems were helpful in determining.

>> MS. KRUM: Yeah. All throughout the construction project, we received, twice a day, we would get a list of every single subcontractor on the site, you know, how many workers they had on the site, and it was in realtime. We were getting it as they checked in in the morning and as the second shift happened. So we could track these numbers really, really closely, and I think that was a huge benefit.

>> COMMISSIONER ZUNIGA: I should add one that maybe Director Griffin is being a little modest about because the access and opportunity committee here I think was a key factor in bringing all the stakeholders together, so everybody has a share, and that was also alluded to. But, you know, sharing that committee, convening it, keeping it on track, and keeping everybody engaged was a key success factor in my opinion and you should be recognized for that.

>> MS. GRIFFIN: Commissioner, thank you. I wanted to note that Encore Boston Harbor attended 45 access and opportunity committee meetings since March of 2015. And these were monthly meetings that I think these may have the meetings that you were alluding to, Commissioner Cameron. They started off a little feisty, let's just say.

>> COMMISSIONER CAMERON: They were.

>> MS. GRIFFIN: And people weren't trusting one another. And in the end, at a recent meeting, community groups that had -- or individuals representing the community who had originally, I think, battled were commending Encore for sticking with it and for -- and I actually have to commend Jennie Peterson on your team. She has a remarkable ability, when suggestions are presented, even in ways that maybe are a little hostile, she has an ability to see through that. And at the next meeting implement and report out. And she did a remarkable job, didn't she.

>> MR. DeSALVIO: She did.

>> MS. GRIFFIN: And gained the trust of the committee.

>> MS. KRUM: I think that was the key, was getting the trust of those individuals. I think a lot of them had experienced other projects where they had the same sort of access, and nothing happened. So I think they were very pleased to see that Jennie was taking all of their suggestions. You know, frankly, you have to have buy-in from the very top on this, and Bob's been an immense help on that.

>> COMMISSIONER CAMERON: You do.

>> MS. KRUM: And so he gave her all the support. And I think that really drove the numbers.

>> COMMISSIONER ZUNIGA: I also want to mention just one more thing that you only mentioned briefly, Director Griffin, and that is the compliance audit. Our comfort level with the numbers that have been reported all throughout and today is very high based on the work that you and Joe Delaney have done. This was priorly -- previously discussed at a compliance group that Director Bedrosian chairs in more detail. But I happen to be a member, and it was -- it's an important process for us to perform and get comfortable with, and it has been a really good effort in that regard.

>> COMMISSIONER CAMERON: Great work.

>> MS. GRIFFIN: Thank you.

>> COMMISSIONER CAMERON: Really good work.

>> MR. DeSALVIO: Thank you, Commissioners.

>> COMMISSIONER STEBBINS: Thank you.

>> CHAIR JUDD-STEIN: Thank you. And that will be a vote, again, for the future, correct?

>> MS. GRIFFIN: Yes.

>> CHAIR JUDD-STEIN: Thank you very much. Thank you.

>> MR. DeSALVIO: Take care.

>> CHAIR JUDD-STEIN: And thanks for all the work that's going on right now.

>> MR. DeSALVIO: Thank you.

>> CHAIR JUDD-STEIN: We appreciate it.

>> COMMISSIONER ZUNIGA: Could we take a quick break?

>> CHAIR JUDD-STEIN: We may. Commissioner Enrique has requested a break. I'm sure my fellow Commissioners would enjoy it as well. And for our Plainridge folks, good morning. We understand it was a little bit of a challenge to get here, and we're happy to see you. Do you mind if we just try your patience a little bit longer, and we'll take a quick break. We'll return in ten minutes to being just short of noon. Thank you.

>> CHAIR JUDD-STEIN: Thank you, Austin. So we are reconvening our meeting, and we are now shifting again on our agenda to original number 5 for Plainridge Park Casino's quarterly report, Ombudsman, please. And good morning. Good morning.

>> Good morning.

>> CHAIR JUDD-STEIN: Thank you.

>> COMMISSIONER CAMERON: Five minutes.

>> CHAIR JUDD-STEIN: It's still before noon, so thank you.

>> MR. ZIEMBA: Well, good morning, Chair and Commissioners. So on the Commission's agenda today, there are several matters pertaining to Plainridge Park including Plainridge Park's quarterly report for the first quarter of 2019. And then separately under Director Griffin's report, the Commission is also scheduled to vote on Plainridge Park's amended workforce plan. So at the end of the quarterly report, I'll ask Director Griffin to come take the seat here, and we can get those matters done, if that is okay with the Commission.

>> CHAIR JUDD-STEIN: That's a good plan. Thank you.

>> MR. ZIEMBA: Okay. As the Commission recalls, both the workforce plan and a more comprehensive review of Plainridge Park's compliance with all their commitments was part of the February 28th Commission meeting, and we went into depth about a number of different matters. They'll be addressed both in the workforce plan and also the quarterly report.

So up first, we're going to ask Plainridge Park to present its quarterly report for the first quarter of this year. And representing Plainridge Park are Lance George, General Manager, Mike Mueller, vice president of operations, Michele Collins, vice president of marketing, Lisa McKinney is also here to answer any questions you may have. But we're also joined by two new members from Plainridge Park. And I'm going to turn it over to lance, and he will also introduce our new members.

>> MR. GEORGE: Thanks. Yes, also with us behind me is Dana Fortney who is our vice president of finance. I think she's been with us for three months. Three months. Relatively new. And then next to her we also have Kathy Lucas, who is our new Vice President of Human Resources. She's been with us for three days.

>> CHAIR JUDD-STEIN: Wow.

>> MR. GEORGE: Thank you. So with that introduction, we'll jump right into it. Get the report up. Okay. Touch on revenue and taxes paid. Several numbers on this slide I'll call your attention to just a few. Year-over-year comparison of the first quarter shows a modest decline in revenue and taxes paid. This decrease was driven largely by the opening of the casino in Rhode Island which opened in September of 2018 and would not have impacted last year's Q1 numbers. Softer months in January and February with a more encouraging March. Unpredictable weather in New England in Q1 also is a bit of a wild card. In 2019, the combination of taxes paid to the Commonwealth and fees paid to the horsemen at 49% totaled just over \$20 million with gaming revenues just under \$41 million. Successful start to 2019 for us.

Lottery sales. Again, several numbers highlight just a couple of them. Q1, 2019, total sales of \$868,000, a slight decrease of approximately 3%, which is commensurate with the decrease in gaming revenues. Encouraging beginning of the year for us. No material change to the relationship or in the approach. In essence, same number of games or PALs I believe they call them at the lottery, same location, Keno is in the same location, so we continue to generate significant revenue. It's been the story for us from the beginning.

>> CHAIR JUDD-STEIN: Mr. George, I was recently asked that question in a public hearing about why do we think that Plainridge has been so successful in this partnership? If I remember correctly -- I know you will correct me if I'm wrong --

>> MR. GEORGE: Sure.

>> CHAIR JUDD-STEIN: It's generated a 25% increase in lottery sales in the host area.

>> MR. GEORGE: Accurate, in that area.

>> CHAIR JUDD-STEIN: In that area.

>> MR. GEORGE: Yes.

>> CHAIR JUDD-STEIN: So do you have an explanation or the strategy? Could you guess?

>> MR. GEORGE: No. No. I'd love to think we were really, really smart, placed them in the right locations. Certainly we worked with the lottery in advance of opening on where they should go. The number of them, the locations. But I don't know that I can pinpoint exactly why it's been so successful for us.

>> CHAIR JUDD-STEIN: Would Director Sweeney actually say that they are driven through the P.A.T. machines in the casino, or is he also pointing to the convenience retail agents that have also seen increased sales? Do you know that?

>> MR. GEORGE: I -- as to where those specific increases, is it driven more out of retail or the machines?

>> CHAIR JUDD-STEIN: From convenience stores and retail agents that are outside of the casino, are they also seeing increased foot traffic because of visitation, or is it strictly the increase coming from the PATs at your location?

>> MR. GEORGE: Good question. I don't know the performance of stores that surround us.

>> CHAIR JUDD-STEIN: Yeah. I just wondered because --

>> COMMISSIONER CAMERON: We did have information about that. They remained pretty steady, which was a good-news story because they were worried that they would decrease. But the drive really comes from within. Now, you do a lot of promotions as well.

>> MR. GEORGE: Sure.

>> COMMISSIONER CAMERON: With lottery products.

>> MR. GEORGE: Sure. There are times when these sales are increased or inflated, if you will, because we have a relationship or will have a promotion for lottery ticket giveaways. Certainly when those jackpots get to a very staggering number, we'll offer those. It's proven very successful for us in the past.

>> COMMISSIONER CAMERON: Right.

>> MR. GEORGE: But even if you back those numbers out, certainly it's something we're quite proud of.

>> COMMISSIONER CAMERON: Right.

>> CHAIR JUDD-STEIN: So the cross-marketing promotions are really working. That was my next question.

>> COMMISSIONER ZUNIGA: They are. I'm reminded of -- and this is what you may be remembering, Commissioner, of a report from our SEIGMA team that did an analysis of the lottery sales at Plainridge. And even though it's a few months ago, I suspect that the dynamics remain the same, especially because of the numbers. And that is that you simply get a lot more gamblers at PPC, and they complement and buy also a lottery ticket. Overall in the region, Plainridge is what explains a lot of this stabilization or slight increase in overall lottery sales. And there's some dips in some of the surrounding communities. But I think it's a good report to go back to if we want to.

>> COMMISSIONER CAMERON: It's significant, though, Commissioner, correct?

>> COMMISSIONER ZUNIGA: Very small.

>> CHAIR JUDD-STEIN: This is a success story.

>> COMMISSIONER ZUNIGA: Yes.

>> CHAIR JUDD-STEIN: And I know that MGM folks are hoping to try to follow your lead. So I ask because, of course, it is a significant mandate in our statute. So thank you for that. And I understand it's a very small difference, right, with this report today.

>> MR. GEORGE: Correct, correct.

>> CHAIR JUDD-STEIN: So thank you.

>> MR. GEORGE: Thank you.

>> CHAIR JUDD-STEIN: Great efforts.

>> MR. GEORGE: Transitioning to spending and procurement by state. Next two slides will go hand in hand related to in-state spending. For Q1, 2019, 44% for approximately \$600,000 of the eligible spend occurred in state. The remainder is split

amongst several other states. The decrease to the in-state spend percentage is driven in part by a change to one of our primary food vendors. Penn National as a company and as an organization nationwide is transitioning from Sisco to U.S. Foods. So you will see those dollars in the New Hampshire spend, which I believe is 200 -- 200 and change. So 90 -- 95-plus percent of that is all food related and all driven by the transition from Sisco to U.S. Foods.

Local spend, digging a bit deeper in the property's procurement for 2019 provided a breakdown of local spending, approximately \$61,000 of PPC's Q1 spend occurred in our local and surrounding communities with the dollars spread between all of the communities. Both the in-state numbers and local numbers move materially based on the timing of our capital projects for the year. So if you noticed a significant dip from Q4 to Q1 of this year, I think it was about \$800,000. That's driven by some of the capital projects that were undertaken in Q4, most notably the changeout of B. Good to Smashburger, spent about \$100,000 in the banquet space upstairs, IT related. So oftentimes we don't get to those projects until Q4, so you will see significant spikes sometimes, and that's why.

Vendor diversity. It's compared to our goals for Q1 and as compared to 2018 overall, as represented by the first set of bars, 29.5% of our spend occurred with either an MBE, WBE or VBE. To the right of this is the detail behind that total which shows a nice increase in the WBE category. This is largely driven by a few in-state WBE vendors, notably Ipswich, industrial supply and Kittredge. Good buy by the time. Targets with a modest decrease and increase respectively.

>> COMMISSIONER STEBBINS: You guys have been pretty strong and pretty consistent on your vendor diversity, and it's interesting to see that you maintain those numbers despite not some of it under the local spend being attached to some of your capital projects. So is there operational supplies that continue to be focused on finding some good partners.

>> MR. GEORGE: Agreed. And you've worked with Ely in the past. He's certainly focused on this. He understands the significance.

>> COMMISSIONER STEBBINS: Thank you.

>> MR. GEORGE: Mike?

>> MR. MUELLER: All right. Good afternoon, Madam Chair and Commissioners. I'd like to share with you our Q1 employment numbers. In Q1 of 2019, we had 461 employees. 315 of those were full-time employees, and that made up 68% of our staff. We had 142 part-time employees that made up 31% of our staff. This is also when we start hiring in our seasonal employees. So we have four seasonal employees. Currently more now, we're up to 12. But as of Q1 when we brought them on, we had four.

>> COMMISSIONER CAMERON: Are those racing individuals?

>> MR. MUELLER: These numbers compare very favorably to both our prior quarter and the same period of Q1 of last year. Looking at our total employee base. Our diversity hires made up 27% of the workforce. Veteran hires were 5%. Massachusetts-based employees made up 63% of the workforce, while our locally based employees were 32%. In addition, our current male-to-female mix remains at 50%. 50/50.

>> COMMISSIONER CAMERON: Can I ask a quick question there? I know that

you've implemented the Women Leading At Penn program, very impressive program. Has it helped with getting women to, A, apply for promotion, receive promotion, move up, move up into some of the management positions?

>> MS. COLLINS: It has. We had 15 girls that were active in the program. And of that, six of them have been promoted.

>> COMMISSIONER CAMERON: Okay. Terrific.

>> MS. COLLINS: Into, yep, advanced positions.

>> COMMISSIONER CAMERON: And I see you're introducing new team members who are at high-level positions, so we welcome that as well.

>> MS. COLLINS: Yes. We want to note that the exec team is now 60% women. That's the five of us here.

[Laughter]

>> COMMISSIONER ZUNIGA: There it is, exactly.

>> COMMISSIONER CAMERON: What a difference a year makes. Thank you. Great report.

>> COMMISSIONER ZUNIGA: Before you leave that slide, remind the local definition in this slide?

>> MR. MUELLER: Sorry?

>> COMMISSIONER ZUNIGA: Local.

>> MR. MUELLER: Right now local is 32%.

>> COMMISSIONER ZUNIGA: Yeah, but that is that the host and surrounding communities?

>> MR. GEORGE: Yep, yep.

>> COMMISSIONER ZUNIGA: Okay.

>> MR. MUELLER: Going on to the compliance side. During Q1 our security department checked 20,460 IDs at our podiums. And those ID checks prevented 429 individuals from entering the facility. Of those 429, 9 were minors that were turned away as well as 79 underage individuals. There were also 341 that made up the difference that had either expired, invalid or no IDs. In Q1 there were no fake IDs presented. Finally during the third quarter of this year, there were no minors or underage individuals found in the gaming areas. Gambling within the facility or found consuming any alcohol. So we do want to note and appreciate the continued diligence that our security team does as well as all of our employees in preventing the underage gambling at the facility.

>> COMMISSIONER CAMERON: Great. That's really a good report. Usually there's a one or two in there somewhere. And the team is doing a great job with that.

>> MR. MUELLER: Very proud of that section. And with that being done, I'm going to hand it over to Michele.

>> MS. COLLINS: Thank you. Good afternoon, Chair and Commissioners.

>> COMMISSIONER STEBBINS: Good afternoon.

>> MS. COLLINS: We are going to look at the Women Leading At Penn. We just gave you some of the highlights. But for May, we had Jenny Shanks as our guest speaker. She's the former EVP and chief administrator officer for Pinnacle, and now she's currently working as a strategic adviser for the Penn properties. During her time, she gave lessons on what she's learned in the casino industry while she's been in the business. July we're going to look at work/life balance which I think we're all looking

forward to. And then as I mentioned earlier, what's important is that we actually track the program. It's very easy to implement a program. It's not easy to get results and actually measure the results. So we're excited to say that as I mentioned, 6 of the 15 that were active participants have taken on a new role, either from an hourly to a salary management role to a bigger property to a regional role. So we're very excited about that development. And for those six that are no longer part of the program at the property, we've just brought in six more from other various departments so that they can participate in the program.

>> COMMISSIONER CAMERON: Terrific. Good results.

>> MS. COLLINS: And what's nice about that is the results are consistent across the Penn enterprise. So other properties are also seeing the same kind of results.

For local community, again, you know, typical to what we normally do each quarter where we work with various programs. The two to highlight here is we had our second annual -- oh, sorry-- we had our second annual comedy event for New Hope, which is an important message. It provides comprehensive domestic violence and sexual assault services to the local area. In addition to that was the Polar Plunge which both Lance and Steve O'Toole participated in where they had to take a deep dive into a very cold lake. And it raised awareness for the Mass Lions Eye Research.

>> COMMISSIONER CAMERON: That's great. What month was this?

>> MS. COLLINS: That was in early April.

>> COMMISSIONER CAMERON: Early April. And it was really cold?

>> MS. COLLINS: Yes, it was really cold.

>> MR. GEORGE: First time, yeah. Maybe the last time.

[Laughter]

>> COMMISSIONER STEBBINS: Early April? Really?

>> MR. GEORGE: It was cold.

>> COMMISSIONER STEBBINS: That's the opening of summer almost in New England. Come on.

>> MR. GEORGE: Not tough enough?

>> COMMISSIONER CAMERON: Good work.

>> MS. COLLINS: We'll move into Q1 sponsorships. So we maintained our sponsorships that we've been doing for quite some time. That includes the Wrentham Outlets, TPC so we can offer that amenity to our players. NBC Sports-Celtics. We reviewed the Fenway renewal. That will allow us to bring a suite at each of our concerts. As we were talking earlier about the lottery, we recently did a promotion for them for March 23rd when the jackpot was \$685 million. We purchased 500 tickets and gave them to the first 500 guests that came into the casino. So it generated excitement. It was a partnership, and we could really help raise awareness of how exciting the jackpot was.

And finally for the Bruins, this is kind of exciting. It's something different that we haven't done before and haven't been able to do before. But given where two of our properties have played against the Bruins, we were able to send our customers there, and they're sending our customers here. So tonight we have a group from our St. Louis property that will actually be at TD Garden watching the game.

>> COMMISSIONER CAMERON: Wow. Go Bruins.

>> MS. COLLINS: That's not what they're saying, but yes.

>> COMMISSIONER CAMERON: I understand.

>> CHAIR JUDD-STEIN: And we do welcome them here. We're very happy to have them here.

>> MS. COLLINS: And for marketing highlights, a couple fun things that we did, we did a golden ticket which was like the Willy Wonka chocolate bar where there was various free play slot prizes on the golden ticket. We also did a pie day giveaway for 3-14 which we worked with a local company called the ever so humble pie company out of Walpole, and we purchased 1500 mini-pies and gave those out to our customers on 3.14. Get it?

>> COMMISSIONER STEBBINS: Yep.

>> MS. COLLINS: And we also have the mychoice launch which is coming up. We're excited about this. This is our new loyalty program. And it's when we integrated Penn and Pinnacle Properties. We kind of combined the best of the best. So some of the new initiatives that we'll be doing allows us to offer more local amenities on our websites where they can use their points they're earning to actually purchase things that are around our area, which will include concert tickets, Red Sox tickets, Southwoods Zoo tickets, Luciano's gift cards, what's in our local market and what's important to those in Massachusetts or those that want to visit Massachusetts. We partnered with responsible gambling month with GameSense. And then as always, we continue doing our comedy shows in The Loft. The next thing we're excited to test out is this summer we'll be doing outdoor concerts at the racing apron.

>> COMMISSIONER CAMERON: Terrific. Wow.

>> MS. COLLINS: So that's everything I had. Any questions?

>> COMMISSIONER CAMERON: No. Thank you.

>> COMMISSIONER STEBBINS: That's great. That's busy.

>> MS. COLLINS: You're welcome.

>> MS. COLLINS: Michele, thank you. Very exciting. So no further questions on the entire report?

>> COMMISSIONER CAMERON: Good report.

>> MR. ZIEMBA: So Commissioners, one final thing I will mention is that I attest that the Plainridge Park crew have been making great efforts to resolve the issue regarding the Section 61 finding involving GATRA. I know there's been numerous contacts, has not been resolved to date, but it's still a work in progress. And General Manager and I just had conversations about that in the last couple of days. With that, let me turn it over to Joe.

>> MR. MUELLER: Thank you.

>> CHAIR JUDD-STEIN: And that is actually 7c on our early agenda, just so folks can follow.

>> COMMISSIONER CAMERON: Thank you. Great report.

>> CHAIR JUDD-STEIN: This will be the Plainridge Park Casino Workforce Development Plan, which is up for a vote today. Thank you.

>> MS. GRIFFIN: Yes. Good afternoon.

>> COMMISSIONER ZUNIGA: Good afternoon.

>> COMMISSIONER STEBBINS: Good afternoon.

>> MS. GRIFFIN: Shift. So today we're here, and I'm hoping you'll vote on the Plainridge Park Casino amended Workforce Development Plan. And just by way of

background, at the request of Commission staff, Plainridge has amended their workforce diversity plan which was originally submitted to the Commission back in August of 2014 in preparation for their June 2015 opening. As you can imagine, a lot has changed since then. But I wanted to add that Commission staff and Plainridge Park representatives have had numerous conversations relative to both Plainridge Park's efforts to achieve the goals of their original plan, and regarding the revised goals in the new plan. Plainridge updated the Workforce Development Plan, taking into account the lower unemployment rates, the more competitive gaming market, the neighboring economy of Rhode Island, and the recent changes to the Massachusetts minimum wage which will increase the minimum wage over the next five years in Massachusetts.

And Plainridge has had multiple meetings with staff in order to refine their proposed new goals. Additionally, Plainridge Park's former Vice President of Human Resources, Ms. Kim Rego, and I reviewed the plan with the Commonwealth of Massachusetts Director of Career Services. And these conversations also helped to inform the revisions. So you'll remember that this plan was originally presented to the Commission back in February on the 28th. As John mentioned earlier during a review of their progress in meeting other goals and requirements. The Commission requested that Plainridge Park discuss with its host and surrounding communities the status of its compliance with its goals and these new proposed plans. So Lance is prepared to discuss that today.

The Commission also suggested that the amended workforce plan be posted for public comment before taking any action on the plan. And we did post the plan for public comment on March 6th until March 27th of 2019. And we received no comments on the plan. So also included in your memo are the new hiring goals. One that 50% of Plainridge Park's workforce will be women. And this is formalizing something that they had been working towards. And at least 2% of Plainridge Park's workforce will be veterans. Previously they had a hiring preference. And to hire 65% of Plainridge Park's workforce from Massachusetts. And that's a brand-new goal.

>> COMMISSIONER CAMERON: That's -- that's a really impressive goal. I think that's really -- I know how close you are to Rhode Island. Your facility. But I do think valuing those folks that are from Massachusetts is important.

>> MR. GEORGE: I think based on what we've seen, that will likely be the most challenging to achieve based on the numbers that continue to come in. With that being said, I think the number I just saw was 62% or 63%. So we're certainly in the neighborhood.

>> COMMISSIONER CAMERON: Mm-hmm.

>> MS. GRIFFIN: Great. And Plainridge Park Casino has proposed revising certain hiring goals, to hire 35% of Plainridge Park's workforce from their host and designated surrounding communities. And as you know, this is revised from the 90%, which has not yet been achieved. Their local hiring has hovered consistently in the mid-30 percentage points with a low of 20% in quarter 2 of 2016. And as you know, the unemployment rate in their host and surrounding communities is actually quite low. So --

And another revised goal, that 15% of their workforce be comprised of individuals with ethnic -- from ethnic minority groups. And this is an increase from their

previous goal of 10%. So with that, I'm going to pause, see if you have any questions, and then turn it over to Lance to talk about his discussions with the host and surrounding communities.

>> COMMISSIONER STEBBINS: Yeah, I'd like to actually hear that first because that's -- you know, when you talk about having a goal for hiring locally, it does impact host and surrounding communities. You know, I'd be interested to hear kind of what their feedback was. You know, as Jill provided, the unemployment rates are pretty low. If you wanted to hit that 90%, you'd tell people leave your job, come work for us. Could be an appealing pitch, but I'm curious to how the host and surrounding communities reacted to the plans changing.

>> MR. GEORGE: Very briefly. So we sent out an email, got responses from two communities, the communities that we didn't receive emails from, we followed up with phone calls to ensure that they had received, reviewed it, and read it. No concerns. No concerns. They thanked us for continuing to be a good neighbor. They're very supportive of us. They've always been very supportive of us, which is greatly appreciated. But largely uneventful. And so in the grand scheme, I think that's a good thing. But no, they did not express any reservations, any concerns, and they thanked us for the information and for continuing to be a good neighbor.

>> COMMISSIONER CAMERON: Wasn't that 90% left over from the Springfield application? So it was really never achievable. Is that correct?

>> MR. GEORGE: That is correct, yeah.

>> COMMISSIONER CAMERON: Okay. So this is a more realistic goal.

>> MR. GEORGE: Yep.

>> COMMISSIONER CAMERON: As well as you've increased your commitment to women, to minorities, and to Massachusetts residents.

>> MR. GEORGE: Agree. And it's not a layup either. I think Jill mentioned the lowest we've been is 20%. This goal has us at 35%. I think I just saw 32% come in. So we're going to have to stretch a little bit to get there.

>> COMMISSIONER ZUNIGA: And by the way, that number that you mentioned was the subject of a lot of those discussions that you talked about, Director Griffin, including that started with the midterm license review that also Ombudsman Ziemba was part of. So there was a lot of analysis done relative to the efforts that they undertake, the realities of the marketplace, and as well as the unemployment rate. So I think all of that bears into here to mention, which I'm comfortable with.

>> MS. GRIFFIN: Yeah. And one thing I didn't mention, some of those conversations was with our internal compliance committee.

>> COMMISSIONER ZUNIGA: Yes. Yeah.

>> MS. GRIFFIN: That Commissioner Zuniga is a part of. Commissioner O'Brien. One thing I did want to add is that along with the revised goals, Plainridge Park Casino has outlined specific tactics to help them meet those goals including hosting an annual on-site career fair, attending a minimum of one veteran career fair per year in Massachusetts. Attending at least two college career fairs per calendar year in Massachusetts and partnering with the Massachusetts Career Centers and coordinating hiring events. So there are clear commitments to their new Massachusetts goal and to meeting the other goals. So I commend Lance and his team.

>> COMMISSIONER STEBBINS: I think this -- I think a correction was certainly

needed. I think we all understand that. I do think -- and John briefly talked about, you know, GATRA issues, transportation issues are a challenge in the region because you could hit some communities that, you know, do have higher pockets of unemployment who could find a career with Plainridge Park. It's just a question of how do they get there? Because there aren't the public transportation resources available to them. I'm happy with this change. I would just kind of put out two questions. One is on the ethnic minority group goal. You know, this quarter you hit 27%. We're talking about moving your goal up to 15%. I think that's fine but I think as we kind of move forward, we look at, you know, maybe moving that goal up a little bit further or at least have some consideration around that. And also, you know, we've stressed this I think with our licensees is that, you know, we hope these goals are floors and not ceilings. We certainly know you're doing everything you can, and that's why Jill is our watchdog on this. But setting these as floors and hoping that each time, you know, you kind of work to surpass those. I know that's what you want to do. You know, if you can reassure us that that's your focus, that would give us some confidence.

>> MR. GEORGE: That's our focus.

>> COMMISSIONER STEBBINS: Okay.

>> CHAIR JUDD-STEIN: Are there any further questions or discussion on this matter? I believe that Ms. Griffin has made her recommendation and her report. Do we have a motion?

>> COMMISSIONER STEBBINS: Yeah, Madam Chair, I'd move that the Commission approve the amended Plainridge Park Casino's strategic plan to engage and recruit the diverse under and underemployed workforce population in the new hiring goals and strategies within.

>> COMMISSIONER ZUNIGA: Second.

>> CHAIR JUDD-STEIN: Any further discussion? I just would want to again commend you for the efforts, and I do think it's a reasonable amendment. For those of you -- if you have no further discussions, those in favor? Opposed? Catherine, 5-0, please. Thank you.

>> COMMISSIONER ZUNIGA: Thank you.

>> MS. GRIFFIN: Great.

>> COMMISSIONER CAMERON: Thank you.

>> CHAIR JUDD-STEIN: Thank you and have a good trip back. Now we will go -- actually, I'm not sure if any of our folks from Plainridge are staying for racing, but our next item would be our originally scheduled item number 6. Racing.

>> COMMISSIONER STEBBINS: Stick around.

>> CHAIR JUDD-STEIN: Dr. Lightbown. Dr. Lightbown, always a pleasure. Thank you.

>> (Off-mic)

[Laughter]

>> CHAIR JUDD-STEIN: Give me one moment to just get my notes in order here, please.

>> COMMISSIONER ZUNIGA: I think you were also part of the executive team. They didn't mention you.

>> CHAIR JUDD-STEIN: One moment, please. Sorry. All right. Dr. Lightbown, thank you. I almost needed a break just to get my notes together here. Thank you.

Please proceed. Thank you.

>> DR. LIGHTBOWN: Good afternoon. Our first item on the agenda for racing is the quarterly local aid payments, and I'm going to turn it over to Chad Bourque, our Senior Financial Analyst, to discuss that.

>> MR. BOURQUE: Good afternoon, Madam Chair. (Audio glitch) the quarterly local aid payment. 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. So with that said, the local aid payment for the quarter ending June 30th, 2019, is in the amount of \$181,638.36. This amount does reflect the total handle from racing that took place in October, November and December of 2018. And on the second page, you'll see a breakdown of those handles as well as the distributions that are payable to each city and town. This item does require a vote.

>> CHAIR JUDD-STEIN: Any questions for Mr. Bourque? Your reports are always very thorough. Thank you.

>> COMMISSIONER CAMERON: So I move that the Commission approve the quarterly aid payments for quarter -- the quarter in the amount of \$181,638.36 as outlined in the memo.

>> COMMISSIONER ZUNIGA: Second.

>> COMMISSIONER O'BRIEN: Second.

>> CHAIR JUDD-STEIN: The second from Commissioner Zuniga, please, and any further questions? All set? All those in favor? Opposed? 5-0, please. Okay.

Moving on now to item 6b.

>> DR. LIGHTBOWN: So Plainridge Park Casino has two other racing officials to add to their approval. With me is Steve O'Toole, Director of racing for Plainridge. The Commission delegated the Director of Racing, the authority to approve racing officials if it was needed for business activities between meetings and that type of thing. So these two people have already been working.

They've already passed the background checks of the state police and been signed off by the judges. And so today we need your approval. And if you have any questions, Steve's here to answer them.

>> COMMISSIONER CAMERON: Are these employees replacing others, or are they -- just you needed additional staff?

>> MR. O'TOOLE: The outriders have been with us for a couple of years now. And the -- it's a replacement for the photo finish and timing position.

>> COMMISSIONER STEBBINS: Madam Chair, I'd move the Commission approve the request of Plainridge Park Casino to approve Thomas Ryan, a marshal outrider, and Kelly Capico, timing and photo finish as racing officials.

>> COMMISSIONER O'BRIEN: Second.

>> CHAIR JUDD-STEIN: Any questions for Director O'Toole? Thank you for coming today. All those in favor. Opposed? 5-0. Thank you.

>> COMMISSIONER CAMERON: Thank you.

>> CHAIR JUDD-STEIN: Item 6c.

>> DR. LIGHTBOWN: The next item is Suffolk Downs, request for capital improvement. And we have vice president of marketing, Jessica Paquette, representing Suffolk. If you have any questions. And I'll turn it over to Chad Bourque

again for this one.

>> MR. BOURQUE: So this is a request for reimbursement for Suffolk Downs capital improvement trust fund. This is in the amount of \$108,963.63. The Commission approved the preceding request for consideration for all projects on March 28th. I have included copies of the request forms and opinion letters from Dixon Salo Architects. I did review all the supporting documentation including pictures of the completed projects, vendor invoices, copies of checks made payable to those vendors to ensure that the amount requested is -- does match up with the amounts billed, which they did. And this item also requires your vote.

>> CHAIR JUDD-STEIN: Any questions for Mr. Bourque? I'm sorry, I failed to get your name. I apologize.

>> MR. BOURQUE: It's Chad.

>> CHAIR JUDD-STEIN: No, I know you.

>> MR. BOURQUE: Oh.

>> MS. PAQUIETTE: Jessica.

>> CHAIR JUDD-STEIN: Yes, I know you. Thank you.

>> MR. BEDROSIAN: Are you sure it's not David?

[Laughter]

>> CHAIR JUDD-STEIN: He's been Chad ever since I got here.

>> MR. BOURQUE: I prefer Austin.

[Laughter]

>> CHAIR JUDD-STEIN: No kidding. All righty. Any -- so no further questions? Do we have a motion?

>> COMMISSIONER STEBBINS: Madam Chair, I'd move the Commission approve the request for reimbursement for the Suffolk Downs capital improvement trust fund as provided in the meeting packet.

>> COMMISSIONER CAMERON: Second.

>> CHAIR JUDD-STEIN: Any discussion? All in favor? Opposed? 5-0. Thank you. And our last item under racing, 6d.

>> DR. LIGHTBOWN: So this is a request from Suffolk Downs for approval of racing official. And again, this was a delegated authority. He acted as a starter the first weekend. He's been a longtime assistant starter. And they're just asking for approval of Eddie Bubolz as a starter. I believe he might have also worked the final weekend at Suffolk.

>> COMMISSIONER ZUNIGA: When is the final weekend again?

>> DR. LIGHTBOWN: The 29th and 30th.

>> CHAIR JUDD-STEIN: And this weekend also.

>> DR. LIGHTBOWN: Yes, they're racing this weekend as well.

>> COMMISSIONER ZUNIGA: Oh, this weekend as well. A few more weekends.

>> CHAIR JUDD-STEIN: And I understand that you need a motion on this as well.

>> DR. LIGHTBOWN: Correct. This requires a vote.

>> COMMISSIONER O'BRIEN: My only question I guess is there supposed to be a list attached?

>> DR. LIGHTBOWN: His name's right in the memo, Eddie Bubolz. It's just the one person.

>> COMMISSIONER O'BRIEN: Okay.

>> DR. LIGHTBOWN: There wasn't a separate list.

>> COMMISSIONER O'BRIEN: Okay.

>> DR. LIGHTBOWN: Well, there should be a letter from **Chip Tuttle**.

>> COMMISSIONER CAMERON: So Madam Chair, I move that the Commission approve Suffolk Downs request for a key operating personnel as a racing official, Edward --

>> DR. LIGHTBOWN: Bubolz.

>> COMMISSIONER CAMERON: -- Bubolz as outlined in the memo.

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

>> COMMISSIONER CAMERON: Thank you.

>> DR. LIGHTBOWN: Thank you.

>> CHAIR JUDD-STEIN: Thank you.

>> COMMISSIONER ZUNIGA: Thank you.

>> CHAIR JUDD-STEIN: I think we are now moving to our budget. Thank you very much. This would be item 4 on our original agenda for today. And Chief Financial Accounting Officer Derek Lennon will take over for us. Thank you.

>> MR. LENNON: Thank you. Good afternoon, Madam Chair and Commissioners.

>> COMMISSIONER ZUNIGA: Good afternoon.

>> COMMISSIONER CAMERON: Good afternoon.

>> MR. LENNON: I'm joined by Agnes Beaulieu and Douglas O'Donnell to present the FY19 recommendations for the Mass. Gaming Commission. I understand it was a strategic move to move us towards the end of the day to keep everyone engaged. And we appreciate that. In your packet, we are recommending \$43.5 million in spending composed of the following areas. \$34.2 million in the gaming control fund, of which \$28.4 million is for regulatory costs, and \$5.78 million is for statutorily required costs. \$6.54 million in research and responsible gaming funding, which, for the first time, will be funded from the public health trust fund, and \$2.75 million in racing costs. In aggregate, this funds 107 FTEs and 6 contract positions. Once again, we've taken the time to distinguish between regulatory costs which are the costs the Commission can control and statutorily required costs. The table on page 2 provides a little detail behind the \$5.78 million in statutory costs as well as it breaks out the funding the Commission anticipates to receive from the public health trust fund in FY20.

Pages 3 through 7 of the memo compare the FY20 funding recommendations to the currently approved FY19 budget. Once again, I'd like to point out that FY20 will be the first year the Commission will assess our licensees for the public health trust fund. We'll do that at the floor level, which is \$5 million. And it will also be the first year that the public health -- that the research and responsible gaming budget will be funded from the public health trust fund rather than the gaming control fund.

For the purposes of comparing year-over-year budgets, the charts and the remainder of the memo total the gaming control fund costs with the public health trust fund costs and call the combined spending of the gaming and statutory cost funding. That's just so that we can look at apples to apples even though it's a new breakout this year.

The MBC's currently approved budget for the gaming control fund is \$37.85 million and includes research and responsible gaming. The FY20 statutory cost

funding recommendation is \$40.7 million, which is an approximate 7.64% increase. The MGC's regulatory costs grew by 5.05% from \$27 million in FY19 to 28.4 million in FY20. This is mainly representative of the annualized costs of Boston Harbor -- the Encore Boston Harbor facility. While the statutorily required costs grew by 14.12% from \$10.8 million in FY19 to \$12.3 million in FY20 which are driven by the increase in responsible research and responsible gaming budget for GameSense at Encore Boston Harbor as well as the public health trust fund taking on the indirect costs of our research and responsible gaming program which had previously been funded from the gaming control fund.

At this point I'd like to take a little time just to discuss the MGC's process for building the budget. Beginning in February the MGC's office of finance met with each division bureau head within the MGC and developed spending and revenue projections for FY20. Costs were then reviewed by the finance office in coordinating with the Executive Director and the treasurer of the Commission. A third review was conducted by representatives of the current gaming licensees at a meeting on May 16th, 2019, at the MGC office. The meeting included a comprehensive review of the Commission's budgeted at a line item level and as always, was a very constructive and honest back-and-forth.

Pages 5, 6 and 7 of the memo compare each of the MGC's divisions FY19 budget to the proposed FY20 budget and offers some details on major year over year increases or decreases. For example, while the statutory costs of the MGC fund from the game -- sorry, not this statutory -- while the regulatory costs of the MGC funded from the gaming control fund are increasing by 1.36, the actual annualization of public safety and gaming costs of Encore Boston Harbor are closer to \$3.67 million, as you'll see in the details of the IEB's budget. Those increases are offset partially by the legal costs being driven down by over \$2 million as well as the IT costs being driven down by over a half million based on the one-time costs that they had to start up the Encore Boston Harbor facility.

The racing division remains pretty consistent year over year with a modest 1.23% increase projected in FY20. And it would be ill advised of me not to point out that the FY20 budget proposal does include a few funding exposures. First the MGC has only budgeted for the bare minimum required by our insurance carrier for litigation costs. You'll see in the legal division, our budget decreased by over \$2 million for legal costs. We've also included a full year of revenue for Suffolk Downs simulcasting. That money is uncertain as of January 1st and Doug can handle a lot of those questions if you have them after this.

>> COMMISSIONER ZUNIGA: You mean July 1st.

>> MR. LENNON: January 1st.

>> COMMISSIONER ZUNIGA: Oh, that's right. Light racing for July 1st is uncertain.

Thank you.

>> MR. LENNON: But the majority of the money that funds the racing division comes from the simulcasting, yes.

>> COMMISSIONER ZUNIGA: Right.

>> MR. LENNON: And finally we'll move on to the assessment piece of the discussion. Chapter 23 -- and I want to be very clear on this as far as gaming positions and what we used for budgeting purposes versus the Ombudsman's purposes.

Chapter 23K Section 56a through c defined how the MGC will fund its annual costs related to gaming nonracing activities. This chapter was further defined through 205 CMR 121 by taking the projected spending less than net revenues projected for FY20 of the Commission will utilize 205 CMR 121.03b to assess approximately \$29.8 million on licensees. In addition, per 205 CMR 121.013c, the Commission will for the first time assess \$35 million to be deposited in the public health trust fund. This will result in a \$34.8 million total assessment on our licensees.

The way we've chosen to count gaming positions for the purposes of calculating the assessment on licensees is solely based on the number of available seats or positions at a facility. Whether it be a slot machine, an electronic table game, or an actual table game. That's the total number of seats that can be occupied and should not be confused at any point with how many people, on average, or at any given time are at the casino. This is solely for calculating budget purposes, as laid out in the section of the General Laws and further defined through our regulations.

The chart on page 7 breaks out the total number of actual available seats for each casino as of June 1st, 2019. Attached to this document, you'll find attachment A which is a spending revenue projection by appropriation. Attachment B provides a view of each division's budget by object class. And then attachment C provides that same information but goes first ordered by object class, then by division. If there are any questions, I would be willing to open it up now.

>> COMMISSIONER CAMERON: My conversation with you this week was very helpful in understanding these numbers. So I appreciate the opportunity to meet with you and discuss in detail these numbers and what they mean.

>> CHAIR JUDD-STEIN: Any questions (off-mic)?

>> COMMISSIONER ZUNIGA: No, go ahead. I can -- well, I was just going to actually emphasize some of the things that you already mentioned that are worth noting. The point that this is the first year we are assessing the statutorily assessment of to the public health trust fund of \$5 million. But as per the MOU that we have with DPH, we will be funding \$6.5 million of research and responsible gaming activities. The balance coming from the actual gaming taxes that flow into that fund. Which is, I think, worthy of noting. Another thing that you mentioned is the legal fees. Even though the increase in the regulatory costs is whatever it is, \$1.3 million that you highlighted, there is still some uncertainty relative to next year's legal fees just like there was last year. And based on, however, all those activities develop, we will likely come back and ask for a revision or supplemental quarterly funding request as time evolves. But it's in good context, as you put it here.

The overall comment is that any one of these costs are, I think, appropriate. In the aggregate, we are trending on the expensive side. And one thing that we should look to, as we now transition into a regulatory mode, is to look at how we'll continue to look for efficiencies and opportunities in the context of everything we do. I just wanted to put that out there because it's something that we constantly think about it internally. May not necessarily talk a lot about it in this format. But it's necessary for us to continue thinking about in those terms because it's -- I think it's appropriate. By the way, there's a third category that we simply don't control that is also part of this budget. And I should mention the Attorney General's office, the ABCC, the state police that's assigned to the Attorney General's office, as well as the indirect

costs are all areas that we've tried to weigh in, especially on the indirect costs. We don't believe we should be paying for it. But it's something that we have not gotten any traction in that regard. And we'll continue to assess the licensees because that's the only recourse.

>> COMMISSIONER CAMERON: And as a side point to what you just talked about, Commissioner, I know we have a total kind of top-to-bottom debrief. How far we want to phrase that, coming up. Certainly we needed to get through an opening, and we continue to assess our risk and what resources we need in order to regulate appropriately with new information. And I know that's something the team has talked about doing in the near future, and I think that's a very valuable exercise.

>> COMMISSIONER STEBBINS: Agreed. I --

>> CHAIR JUDD-STEIN: (Off-mic).

>> COMMISSIONER STEBBINS: No, go ahead. I would just highlight, again, this is well put together. I do appreciate the blurb about the FY20 budget proposals and some exposures we might have. And you're talking about simulcasting. We just heard about local aid payments related to simulcasting and maybe at some point for a meeting down the line, we need to talk about the bigger picture of racing once again and kind of where it's going and what direction it might be leading. But I think that's a conversation, I guess, probably for agenda setting (off-mic).

>> COMMISSIONER STEBBINS: (Off-mic) two questions and one point. In terms of the legal fees, you've explained to us that we right now are carrying in the budget just that low threshold of -- I think it's \$400,000, correct? But it's my understanding and I think it's important for us to publicly state this that we are working with the licensees on that, and they are anticipating perhaps the need for additional amounts that Commissioner Zuniga mentioned. And that's actually their preference at this point for us to proceed in that fashion.

>> MR. LENNON: That's correct. That's actually a strategy that they have asked us to take on for the last two to three years rather than put in a high estimate and then come back, hold on to money through the course of the year, they prefer to pay it as we see what the anticipated bills are at the end of each quarter. And to the point that Commissioner Zuniga and Commissioner Cameron were making, one of the things that our licensees talked to us exactly about was reviewing after opening our costs and remaining competitive with other regulators as far as what we spend and how we staff. So that is something we really have to pay attention to.

>> CHAIR JUDD-STEIN: Right. And we will want to address how the process for that review. We could keep that on our internal list to establish a process that suits Derek and team. I'd be remiss to also -- and I know you will do this -- but to mention your team's additions here. But before we do that, a second question. There was at least -- well, last month, a little bit of confusion about the counting of the gaming positions. And I appreciate today the clarification. And I assume that all three licensees are all in agreement with how the assessment process is going with respect to that gaming position count.

>> MR. LENNON: So they were instrumental in driving this process. So in the past, we had put an arbitrary number on to each type of table game. And what our licensees have said to us is, well, we may want to put a few more around, or we may want to give our guests a little more space. So why don't we just give you an actual count. So we

received an actual count. Doug actually reached out to each licensee, received an actual count, reviewed it with our gaming agents to make sure it's accurate, and those are the numbers that you'll see in this document. They come right from the licensee. We have emails to back them up.

>> CHAIR JUDD-STEIN: That adds a lot of clarity, so thank you very much.

>> COMMISSIONER ZUNIGA: That does. And the only thing that I would just point out is that it was not necessarily an arbitrary number. It was a theoretical average.

>> MR. LENNON: Yeah, yeah.

>> COMMISSIONER ZUNIGA: You know, poker tables that are generally ten positions, one licensee has nine in one case. Those kinds of things, which is what you were describing.

>> MR. LENNON: Or one area may have seven or eight versus nine or ten average, so yes.

>> COMMISSIONER ZUNIGA: Yes. It's the actual.

>> CHAIR JUDD-STEIN: So that's really helpful. If there are no other questions, I think also Derek, the next step is that this budget will now go out for public comment. Do you want to just elaborate on that process and then what you'll expect from us in the future?

>> MR. LENNON: Yes. So if there are no additional questions or comments, the next thing we will do is right after this meeting, put our budget out for public comment, come back to you at the next scheduled Commission meeting, at least two weeks out. So if it's three weeks out, we'll come to you with that one. Bring back any public comments, any issues that we may have, and then ask you to consider those changes that may be brought forward, or if there are no comments of substantial items, we would just ask you to approve the budget as proposed.

>> CHAIR JUDD-STEIN: And that's a two-week period?

>> MR. LENNON: Yes.

>> CHAIR JUDD-STEIN: Everyone's comfortable with a two-week public period, and that's been your past practice?

>> MR. LENNON: It has been but it could go out longer than that.

>> MR. BEDROSIAN: I suspect that the meeting at which the Commission would take this up might be the last week in June. So I think we could just keep it out until, you know, probably 2 1/2, close to 3 weeks.

>> COMMISSIONER ZUNIGA: The reality is that the most comments -- the only comments we've gotten in the past are from the licensees.

>> MR. BEDROSIAN: Yep.

>> COMMISSIONER ZUNIGA: And that process has already taken quite a bit of robust time. So. . . But it's important to put it out for comment and, you know. . .

>> MR. LENNON: And then just one last thing I'd like to say is, like always, the whole entire team here at the MGC is responsible for generating these numbers. You know, Agnes and Doug work tirelessly. I get to do the presentation and take the credit, but behind Agnes and Doug are their teams, and behind them are each single division director who from day one have owned their own budgets, meet with Agnes on a monthly basis, can give us insight into why they're changing, why they're going up, why they're going down. It has really led us to the place where we can sit in front of you and answer questions or give a good summary of what's happening rather than just a

balance sheet exercise or a spreadsheet exercise. So it's been a really nice process compared to other places I've been, and people embrace it here.

>> COMMISSIONER ZUNIGA: And let me just add to that. I think it's important and I think it's good to recognize. Everybody takes it very seriously because the freedom we have to simply assess licensees should be taken very seriously. Compared to other agencies where they have to go through a legislative appropriation process, gives us really the luxury, I would argue, of looking at what's really necessary, and that's an important thing to highlight in terms of taking it seriously here and having a hard look, not just from the staff but especially from the Commission as to how we can continue to always realize efficiencies where we can and spend what we think is important for the activities that we believe need to be done.

>> MR. LENNON: I wholeheartedly agree.

>> CHAIR JUDD-STEIN: Any further questions? Thank you for the thorough presentation, and I should note that Derek is always very generous behind the scenes of always commending his team and making sure that their contributions are known to me, and I think that that's exceptional for you, Derek, so thank you.

>> MR. LENNON: Thank you.

>> COMMISSIONER CAMERON: Thanks to everybody. Appreciate it.

>> COMMISSIONER ZUNIGA: Thank you.

>> COMMISSIONER STEBBINS: Thank you.

>> CHAIR JUDD-STEIN: I think that this is an item that's actually on the original agenda. Number 8. Correct? For the legal division? General Counsel Blue, do you want to lead?

>> MS. BLUE: Thank you, Madam Chair. Good afternoon, Commissioners. We have before you today amendments to four existing regulations for items 8a, b and d, we are asking for your approval to begin the formal promulgation process for those amendments. For item 8c, we're asking for your approval to file this on an emergency basis and begin the formal process as well. We have different folks here to present on each one. We were wondering -- I know Deputy General Counsel Grossman is there. If we could do item 8d first because then we could let Mr. O'Toole get back to the track and look over matters there.

>> CHAIR JUDD-STEIN: I think he was welcoming that.

>> MS. BLUE: So item 8d is the addition of another form of wager to the racing wager regulation. Unlike in gaming, every time we want to add a wager to be available to the public and the patrons, we have to change the regulation. So this is just an additional form of wager. Mr. O'Toole can explain to you what it is. It seems a little complicated to me, but I'm sure he understands it.

>> MR. O'TOOLE: Sure. Thank you. So what we're asking for is just to adopt the ARCI recommendations of the model rule for jackpot payoffs. We've had good success with the wicked high 5 we call it. It's a pentafecta. And the way that the pentafecta is hit at Plainridge, it's not just if you pick five horses and the five horses come in in that particular order. You do get a payoff for that, but that's a consolation. You have to have the only ticket of all the wagers that pick that correctly. And then you get the jackpot. So 50%, when it starts, 50% of the pool gets carried over, or the whole pool if there's no tickets, gets carried over to the next pentafecta race. And then that jackpot builds. And we've had \$20,000 payoffs, \$10,000 payoffs. We just had \$8,000 last

week. So we're in the process now this week of building it back up. So what we want to do here is these are called pick 3, pick 4, pick 5 where you pick the winners of the races in success. Not the first five horses in a particular race, but now you're picking races 4 through 9, let's say, in a pick 5. And then the same -- and the same theory applies. You have to be the only ticket. If there's more than one, then there's a consolation, then half the pool gets carried over. So that's the concept behind the wagers. We have that already in place for the pentafecta and it's been successful. And now we want to add the rest of the racing Commissioners and the model rules that govern these which are already adopted in a lot of places in the regs to govern the pick 4, the pick 5, the pick 6. We're only going to use it either on a pick 5 or pick 6. We won't use it on the smaller ones. It would only be one time a day when we do it.

>> COMMISSIONER ZUNIGA: That was one of my questions. So pick 5 and pick 6, would you have them crossover days, or they have to be within the same day?

>> MR. O'TOOLE: It's always consecutive races.

>> COMMISSIONER ZUNIGA: Yes.

>> MR. O'TOOLE: So it's always -- you could set it up any way that you want. The pick 6 could be from 6:00 to 8:00, you know. I mean from 2:00 to 8:00. So whatever races you want to make it.

>> COMMISSIONER ZUNIGA: But they have to be within the same day. It cannot be the last race in one day and then come back the next day to pick the other four?

>> MR. O'TOOLE: I suppose you could, but it hasn't -- it hasn't been done.

>> COMMISSIONER ZUNIGA: It hasn't been done.

>> MR. O'TOOLE: I'm not sure. I'd have to look at the regs.

>> COMMISSIONER ZUNIGA: Because that would be the way to guarantee that you are the only one.

>> MR. O'TOOLE: Yeah.

[Laughter]

but it's done right now industrywide.

>> COMMISSIONER CAMERON: People like to make bets. We were talking about the fact that maybe -- it makes sense to do it in the same day because people want to get those bets in and move on to something else, right?

>> MR. O'TOOLE: Yep. Yes. They're still captured for future cards and future events if it doesn't get hit. That's the jackpot.

>> COMMISSIONER CAMERON: Yes.

>> MR. O'TOOLE: Theory behind it.

>> COMMISSIONER ZUNIGA: I'm just looking at it from the gambler perspective. If I wanted to pick 5 and there's only three races left in the day, I might not do it unless it carried over into the next day.

>> MR. O'TOOLE: Okay. So the program is prepopulated with the exact races that we decide that it's going to be. We stay consistent with that. So if you came to Plainridge next week and you came to Plainridge three months from now, on that card, the pick 5 would be, you know, races 4 through 9 or whatever. It would always be consistent with those races. So you don't get to pick and choose the races. It's a finite number of races on the one card. And then everybody bets into that one pool for those five races.

>> COMMISSIONER ZUNIGA: Okay.

>> COMMISSIONER CAMERON: And I really like the fact that we are conforming with our CI rules because, as we know, simulcasting and the bettors will understand, these are the same rules that other states, other jurisdictions have. That's a really important piece, so I'm --

>> COMMISSIONER ZUNIGA: Well, and that adds to the competitiveness, right? If people can find certain bets in other places and not at Plainridge, there might be a disincentive to come in or to bet at Plainridge.

>> COMMISSIONER CAMERON: Yeah.

>> CHAIR JUDD-STEIN: Mr. Grossman, can you just explain the process for how the complicated reg is drafted and reviewed and make sure that it works for Mr. O'Toole's team? Because -- did you work on the drafting?

>> MR. GROSSMAN: (Off-mic).

>> CHAIR JUDD-STEIN: Okay. Thank you.

>> MS. BLUE: Attorney Tirisi drafted it. We went to the RCI rules because we have made our RCI -- our wagers consistent with the RCI rules so we used their language. We did get the request, though, from Mr. O'Toole so we understood what he was working for. We worked with Director Lightbown to make sure that was appropriate as well.

And so that's how the process has worked.

>> CHAIR JUDD-STEIN: Thank you. Really helpful.

>> COMMISSIONER ZUNIGA: So where are we in the process promulgating? And that's a unique process, and I thought that was a question, Madam Chair, when it comes to racing.

>> MS. BLUE: So this will start the formal process. Once we do the hearing, we get the comments, we'll put it out for comment, we'll have a hearing, we will come back to the Commission to ask for authorization to file it with the legislature. It will stay with the legislature for 60 days. When we either hear from the legislature or we don't hear, and that period runs out, we will come back and ask you for approval to finalize the promulgation.

>> COMMISSIONER ZUNIGA: All right.

>> COMMISSIONER CAMERON: So we need a motion separately for each for the small business impact as well as the -- to begin the regulation promulgation process.

>> MS. BLUE: That's correct.

>> COMMISSIONER CAMERON: Okay. So, Madam Chair, I move that the Commission approve the version of the amendments in 205 CMR 6.35 pick n pools as included in the packet and authorize the staff to take all steps necessary to begin the regulation promulgation process.

>> COMMISSIONER ZUNIGA: Did we need a motion on the small business impact statement?

>> COMMISSIONER CAMERON: Well, I was going to do that one second.

>> MS. BLUE: I think that's the first one. The first motion that I've drafted motions. The first one is small business. The second one is the regulation.

>> CHAIR JUDD-STEIN: Right now --

>> MS. BLUE: You should do small business first?

>> CHAIR JUDD-STEIN: Right now we do have a motion, so we need to -- are you suggesting, General Counsel, that we withdraw that motion?

>> MS. BLUE: Yes, we should do the small business impact first.

>> COMMISSIONER CAMERON: So I withdraw the motion and I move that the Commission approve the small business impact statement for the amendments to 205 CMR 6.35 pick n pools as included in the packet.

>> COMMISSIONER STEBBINS: Second.

>> CHAIR JUDD-STEIN: I'd like to -- I want to just point of order, understand that motion because I'm not sure that it's been thoroughly vetted. Are we all set? Do we need any further input on that particular motion? Does anybody have any questions on this motion on the small business impact? Okay. Based on your review of the documents.

>> COMMISSIONER CAMERON: Which is why I gave the other motion first because we hadn't discussed it.

>> CHAIR JUDD-STEIN: I understand.

>> COMMISSIONER ZUNIGA: Well, it doesn't impact small businesses because it impacts Plainridge more than anything else.

>> MS. BLUE: That's right.

>> CHAIR JUDD-STEIN: No questions on that? Mr. Grossman, do you have anything to add?

>> MR. GROSSMAN: No. That's adequate.

>> CHAIR JUDD-STEIN: Thank you. If there are no further questions, those in favor. And those opposed? I'm going to abstain on that. Thank you. I just don't feel completely comfortable understanding the small business impact piece. I feel more comfortable on the next one, so thank you. Just a product of me being relatively new. So 4-1, thank you, abstention.

>> COMMISSIONER CAMERON: Madam Chair, I will make the second motion and move that the Commission approve the version of the amendments to 205 CMR 6.35 pick n pools as included in the packet and authorize the staff to take all steps necessary to begin the regulation promulgation process.

>> COMMISSIONER ZUNIGA: Second.

>> CHAIR JUDD-STEIN: Any further questions on that? Okay. Those in favor. Opposed?

>> MR. O'TOOLE: Thank you, Commissioners.

>> COMMISSIONER CAMERON: Thank you.

>> COMMISSIONER STEBBINS: Thank you.

>> MS. BLUE: Next we have item 8a. And we have Deputy General Counsel Grossman here to present on those amendments.

>> MR. GROSSMAN: Good afternoon. There are now a series of three proposed changes to three separate sections of the regulations. One of them, Madam Chair, actually does impact small businesses. So we can get into that in a little more detail when we get there. The first and the third item that we'll discuss, though, we would submit do not have any impact on small businesses as they really just pertain to the operation of the casino itself and to the third one relative to patrons as well. Neither of which are small businesses. So really weren't the focus of that section of the law that requires the Commission to consider impacts on small businesses before amending regulations.

With that said, the first proposal pertains to progressive controllers.

Scott Helwig has joined me up here to help explain to you what a progressive controller is, if that is helpful here. But I would just kick it off by noting that the proposal here is intended to clarify the existing requirements as they pertain to the physical security of progressive controllers that are related to certain slot machines within the casino. We do have an existing regulation that addresses this. There have been some questions about the application of that section. So in an effort to clarify that, we have collaborated on this language that we have before you here today.

You'll note that the new language addresses directly external -- I'm sorry, integrated progressive controllers, that the existing language does not address, and that was the source of some of the questions that we were receiving. So it's our suggestion that the new language, though similar to the existing language, just really clarifies the rule relative to the security of progressive controls. If there are no questions, we can certainly move this just through the process, allow all of the gaming licensees to comment on it. I believe Mr. Helwig has already shared this language with the gaming licensees, and there really wasn't too much of a response.

>> COMMISSIONER CAMERON: Mr. Grossman, when you say there was questions, were those questions from licensees that were just unclear?

>> MR. HELWIG: Hi, Commissioners and Madam Chairman. Yeah, that was the initial questions from the properties was just a clarification of whether -- how they handle internal or integrated progressive controllers because there was language about external controllers. So they just wanted some clarification on how to address internal controllers. So those were the questions that were coming from the property owner, how to address that.

>> COMMISSIONER CAMERON: You believe this new language really does clarify?

>> MR. HELWIG: Yes.

>> COMMISSIONER CAMERON: And you've already discussed it with our licensees?

>> MR. HELWIG: Yes, and they have commented that it is a lot clearer to them now and a lot easier to understand.

>> COMMISSIONER O'BRIEN: I had a question about the stricken language, when you have -- whenever the progressive controller has been accessed, written notification shall be provided to the Commission. And in the replacement language it talks about you can't access without first giving written notice to the Commission. But is anything being lost by sort of accidental or no malfeasance but leading to access? Was that supposed to be of a notification of some sort of breach that's disappearing?

>> MR. HELWIG: No. They should actually be contacting the IAB every time they go to access a controller. So maybe we can look at that language, and if we need to clarify it a little bit --

>> COMMISSIONER O'BRIEN: Because it seems like they're not quite apples to apples, stricken with the replacements.

>> MR. HELWIG: We can take a look at that, absolutely.

>> COMMISSIONER ZUNIGA: One was -- one was after and the other one is a priority.

>> COMMISSIONER O'BRIEN: Correct. And my question is, is there some sort of additional mandate to do written notification if there's some sort of, you know, either a breach or inadvertent access? The other one just says you shall not without asking

first, but what if there's some other access? You're saying it's understood they give notice, but it's not clear.

>> COMMISSIONER ZUNIGA: Well, this would be only the beginning of the process, right? We could always clarify that in between the promulgation?

>> MS. BLUE: We can because we will be looking for comments, and we can make that change as part of any changes we make for comments.

>> COMMISSIONER CAMERON: So we can begin the process and then take that into consideration?

>> MS. BLUE: Yes, we can.

>> COMMISSIONER O'BRIEN: I guess is there an issue with taking that stricken sentence and adding it in at this point as we move forward, or would we just make note that my question is part of the formal comment process that needs to be addressed at the next (off-mic)? I'm trying to figure out procedurally.

>> CHAIR JUDD-STEIN: We are being asked to vote on the version in front of us, but I think you've raised a point that perhaps many of us understand, should we amend it now to reflect Commissioner O'Brien's input, or do you need time to digest that?

>> MS. BLUE: I think we can do it either way. It's oftentimes easier to take all comments at once and make all of the changes. So you as a Commission can see what those changes are.

>> CHAIR JUDD-STEIN: Right.

>> MS. BLUE: But we can certainly make your change now and do other changes later after the comment period, whichever you'd prefer.

>> CHAIR JUDD-STEIN: I think the difference is is that we're being asked to vote on this version, and I think maybe there could be a process to say vote on this version as amended as opposed to viewing Commissioner O'Brien's comment as a comment. Obviously a comment period.

>> COMMISSIONER O'BRIEN: What I could do is move -- to move forward on this with that -- and I'll read that stricken language in as the closing sentence.

>> MS. BLUE: Yes.

>> COMMISSIONER O'BRIEN: And then we can just go forward with comment there. And if it doesn't create a problem.

>> CHAIR JUDD-STEIN: Right. And the reason why I like that, then at least the public will be commenting on the version that we actually, you know, voted on.

>> COMMISSIONER ZUNIGA: Good point.

>> CHAIR JUDD-STEIN: Does that make sense?

>> COMMISSIONER ZUNIGA: That makes total sense.

>> COMMISSIONER CAMERON: Is does.

>> CHAIR JUDD-STEIN: If that doesn't cause a big change.

>> COMMISSIONER ZUNIGA: Do you want to make a motion, Commissioner?

>> COMMISSIONER O'BRIEN: Are we done with questions?

>> CHAIR JUDD-STEIN: If there are any other questions or perhaps suggestions, I think Mr. Grossman, do you have a suggestion on where we would insert the language?

>> MR. GROSSMAN: I would suggest we just strike the last sentence in the red and replace it with the sentence that addresses it above.

>> COMMISSIONER O'BRIEN: My inclination is to add the stricken sentence because I feel like they do two separate things. One is to ask for affirmative permission

in advance. The other one I think speaks to whether there's some sort of breach. So what I propose to do is make the motions with basically amending by adding the sentence "whenever progressives have been accessed" as the final sentence. And then that can go up for comment. And if it comes back that they can be reconciled or stricken, then we can deal with it at that point.

>> MR. GROSSMAN: Okay.

>> CHAIR JUDD-STEIN: So simply add that sentence to the end.

>> COMMISSIONER O'BRIEN: Correct. Yep.

>> CHAIR JUDD-STEIN: Are there further questions on this one? And we've, again, discussed this motion, too. Do we want to have a discussion on the small business impact statement before we vote on this? Do you want to present?

>> MR. GROSSMAN: I mean, I would just note, I really don't think that this change will impact small businesses in any way. If you think about the universe of who this is addressed to, it's the staff at the casino who would have any involvement with slot machines or progressive devices, and the casino itself is not a small business in any way. It certainly impacts our staff, and we are not a small business in any way.

I don't really think it, in any way, impacts the manufacturers of progressive devices, but even they wouldn't be considered small businesses. These are huge multinational corporations. So I think you'll see in the draft statement before you, we indicate that there's no impact -- or it doesn't appear -- we never say there's never -- we say it doesn't appear that there's any impact that would be created on any small businesses. And I think that's fair in this particular case. I don't think this is the type of regulation that that statute was really concerned with.

>> CHAIR JUDD-STEIN: And can you remind me, is this filed with the secretary of the state's office?

>> MR. GROSSMAN: Yes, it is continue it gets filed along with our notice of reg change.

>> CHAIR JUDD-STEIN: I just wanted to make sure that that's part of the regulatory process, that that's a requirement that goes with the process. Okay. Excellent.

>> COMMISSIONER ZUNIGA: And for context, that has been our experience with most of the regulations with of we've promulgated.

>> MR. GROSSMAN: That's absolutely right.

>> COMMISSIONER ZUNIGA: There are some. You know, the hearing regs, for example, do impact small businesses in some cases, says but that's a -- a lot of the regulations that we promulgate on licensees is just what Commissioner -- what Mr. Grossman articulated.

>> CHAIR JUDD-STEIN: I'm not questioning the impact. I actually wanted to be reminding of the process of filing.

>> MR. GROSSMAN: Oh, I see. Okay.

>> CHAIR JUDD-STEIN: I haven't really looked at this in probably four years.

>> MR. GROSSMAN: Right.

>> CHAIR JUDD-STEIN: So thank you. So it gets filed with the secretary of state's office as part of our formal regulatory process.

>> MR. GROSSMAN: Yes. And it gets published in The Mass Register along with our notice of hearing. So everyone can see what we've said about, the small business impact. And then just to fast forward, at the end of the process, after the public hearing

when we come back before you to have a look at the final draft language, there's what's called an amended small business impact statement where you answer -- it's seven similar but slightly different questions to see whether your view of any impact on small businesses has changed throughout the process. And again, that gets filed with the secretary as well.

So really the statute is designed, of course, so you take a real close look at any impact that a change is going to have on small business. Which is not to say you can't have any impact on small business. You just need to think about it.

>> CHAIR JUDD-STEIN: No, no. Right. Thank you. Thanks for the reminder. I appreciate it. Okay. So I believe that the legal team's looking for a couple of motions.

>> COMMISSIONER O'BRIEN: So I don't believe I need to amend as to the small business. I can read motion 1 would be that I move the Commission approve the small business impact statement or amendments to 205 CMR 143.02f, progressive gaming devices. And that statement being included in the packet captioned small business impact statement.

>> COMMISSIONER ZUNIGA: Second.

>> CHAIR JUDD-STEIN: Any further questions? Thank you again for the assistance and understanding the process. All those in favor. Opposed? 5-0, please.

>> COMMISSIONER O'BRIEN: And Madam Chair, I further move that the Commission approve the version of the amendments to 205 CMR 143.02f progressive gaming devices as included in the packet but as amended to have the concluding sentence read "whenever the progressive controller and/or bank controller has been accessed, written notification shall be provided to the Commission and authorize the staff to take all steps necessary to begin the regulation promulgation process."

>> COMMISSIONER ZUNIGA: Second.

>> CHAIR JUDD-STEIN: Any further questions on that? All those in favor? Opposed? Catherine, 5-0. Thank you.

>> MS. BLUE: Item number 8b is an amendment to our definitions section. These are definitions to clarify veteran-owned businesses, minority businesses, and women-owned businesses. Commissioner Stebbins, you may want to speak a little bit to these definitions and the changes we're making.

>> COMMISSIONER STEBBINS: Sure. Thank you. The -- we're all probably familiar the gaming statute, again, created priority engagement of our licensees with minority business enterprises, women-owned business enterprises and veteran business enterprises. As we quickly found out, there were certification processes in place primarily through the Mass Supplier Diversity Office for minority and women. However, there was really no suitable certification for veteran-owned enterprises. So until our friends at the Supplier Diversity office came up with a process for certifying a veteran business enterprise, we were putting ourselves a little bit at risk by trying to do it internally. Thankfully now, because SDO has come up with a process, it takes about a month, it's free of charge to whoever the VBE is, I thought it was a good idea to kind of memorialize this as well as memorialize the certifying agencies or organizations that also do this kind of work. Some had been through one certifying agency and maybe not another, but it does give our licensees and us some level of comfort that the numbers they report to us are actual business with MBEs, business with VBEs or

business with WBEs. So kind of memorializing that process and those entities, I think, is really helpful.

>> MR. GROSSMAN: That's right. And I'd be happy to just piggyback on Commissioner Stebbins's remarks and just add that where this fits into the process now. These definitions actually exist in the regulations in section 138 which is the construction oversight section. In order to bridge the gap into operations, we are proposing that they be migrated also over to the definitions section, which would make them applicable to, for example, Section 139 where we talk about the periodic and annual reports that the gaming licensees have to file relative to the provision of goods and services, for example, and the amount of dollars contracted with and spent -- and actually paid to these assorted business enterprises.

So this will really just somewhat tie up a loose end in the regulations and ensure that we have clear definitions for what we mean by these types of business enterprises in an ongoing fashion.

>> COMMISSIONER STEBBINS: I would just add anecdotally, we know some of our licensees are doing business with, I'd say maybe professed business categories that fit under this. However, our licensees can't count them until they go through a recognized certification process. So I think at the end of this, we ought to think about how we communicate that out to everybody we have on our licensed or registered vendor base just so they're aware that they probably can't be counted until they've subscribed to the certification status as well.

>> MR. GROSSMAN: The enforcement and application is certainly a big piece of this. Madam Chair, just to your earlier comments, there's certainly an impact here on small businesses, as many of these entities are, in fact, small businesses. I believe what we've said in the small business impact statement, though, is that essentially this is an entirely voluntary process. It is a process that's essentially set out by the supplier diversity office. And by our inclusion of these definitions in the regs, we are not ourselves creating any new requirements or burdens or hurdles that don't already exist elsewhere and that we're really just trying to ensure that there's a uniform way that we can account and give credit to certain companies in these types of situations.

>> COMMISSIONER STEBBINS: Just since you brought up the small business impact statement, I've got two questions or points under question 2, which talks about the projected reporting and keeping other administrative costs. This third sentence down, the proposed definition requires presentation of the Commission by a vendor of the applicable recognition by an existing government agency process. We have it a little broader because there are nongovernment agencies that offer that certification, so I think we need to amend it to reference them as well. The next line says there are no costs associated with the actual Commission process. Just give me a little clarification on that because some of these outside organizations do charge. SDO does not as a service to Massachusetts businesses. And if somebody comes to us for licensing or registration, there's a cost to the business for doing that as well. So just looking as to what you are suggesting in that short sentence, but you could say there is a cost, some different touch points.

>> MR. GROSSMAN: I think we should clarify that, I would start by saying. I'd say, though, that the intent was to say that by including these definitions in the definitions section, there's really no additional cost involved in this certification process, as we

already have a certification process. But your point is certainly well taken, particularly as it applies to outside organizations that you might have to go to for certification. So we will clarify that language.

>> COMMISSIONER STEBBINS: Okay.

>> CHAIR JUDD-STEIN: And it's based on my experience that the reason why they reached out to these other nongovernmental entities was really to streamline the process, so it's actually helping. But to the extent that they do charge a fee, again, the process helps that, I believe with VBEs.

>> COMMISSIONER STEBBINS: And some of the other organizations who we've worked with do charge a fee and offer additional services, resources on top of that which, you know, SDO has defined priorities of what they need to do.

>> CHAIR JUDD-STEIN: I think that that whole process has been received with great success. But that's a good amendment. And then the other one with respect to existing governmental agency process, that's just a quick knit. Do we have to address costs in the small business statement? Is that one of the -- yeah, it does say costs, yep. So we'll need to.

>> MR. GROSSMAN: Right.

>> CHAIR JUDD-STEIN: So how -- do you have recommended language right now that we could act on?

>> MR. GROSSMAN: I don't know off the top of my head.

>> CHAIR JUDD-STEIN: For clarification, Commissioner Stebbins, were you stating, too, that the Commission, in fact, imposes any of its own?

>> COMMISSIONER STEBBINS: Well, I was looking for some clarification.

>> CHAIR JUDD-STEIN: Costs.

>> COMMISSIONER STEBBINS: Because if you do apply to be a licensed vendor, you do.

>> CHAIR JUDD-STEIN: That one you do.

>> COMMISSIONER STEBBINS: I just don't know if what you were referencing was the certification process and whether the Commission puts a price tag.

>> MR. GROSSMAN: Yeah, it's really the certification because the fact that you have to pay a fee to become registered as a vendor is not really up for discussion.

>> COMMISSIONER STEBBINS: Okay.

>> MR. GROSSMAN: Here. That's already in place, and that is the process.

>> CHAIR JUDD-STEIN: Could we say that the Commission does not impose any costs?

>> MR. GROSSMAN: Sure.

>> CHAIR JUDD-STEIN: Would that be helpful?

>> MR. GROSSMAN: Sure.

>> CHAIR JUDD-STEIN: And then to the extent that the certification process has some kind of, you know, incidental costs, then we've covered it?

>> MR. GROSSMAN: Right.

>> CHAIR JUDD-STEIN: Is that what the secretary of state's office is looking for in terms of -- would that -- or do we need to say -- mention that the SDO may have?

>> MR. GROSSMAN: Well, I mean, just to be clear, the secretary of state's office doesn't really monitor any of these.

>> CHAIR JUDD-STEIN: No, but I don't think you've developed the impact.

>> MR. GROSSMAN: There's the statute that asks the question.

>> CHAIR JUDD-STEIN: Right.

>> MR. GROSSMAN: I think it's our obligation just to answer the question fairly so people understand what impacts we think they are. So I think it would be fair to clarify that point that this process does not create any new costs. Of course, there may be costs associated with becoming certified.

>> COMMISSIONER O'BRIEN: I mean, if you wanted to amend 2 to Commissioner Stebbins's point where it talks about -- it ends with government agency process, you could amend it to say or similar private organization. And then you can conclude that paragraph to say -- because it says in there no costs associated with the actual Commission process. If you added a sentence that says we note, however, private organizations may charge a fee for such designation, then I think you've addressed sort of the gap that the private designation may cost something but it's not associated.

>> COMMISSIONER STEBBINS: Right.

>> CHAIR JUDD-STEIN: Do we want to clarify that the Commission?

>> COMMISSIONER O'BRIEN: It says there are no costs associated with the actual Commission process.

>> CHAIR JUDD-STEIN: The Commission process.

>> COMMISSIONER O'BRIEN: So it's covered in the draft that Attorney Grossman submitted. It would just be further clarifying if you add the reference, you just know that they may charge.

>> COMMISSIONER ZUNIGA: I think that's appropriate.

>> CHAIR JUDD-STEIN: So why don't we -- if we don't have any further questions or discussion for legal. Shall we move first on the small business impact statement?

>> COMMISSIONER O'BRIEN: Madam Chair, I move the Commission approve the small business impact statement for the amendments to 205 CMR 102.02 definitions as included in the packet with amendments to number 2's response to add the words "or similar private organization" following the phrase "government agency process" and to further conclude that paragraph with the sentence "we note, however, that private organizations may charge a fee for such designation."

>> COMMISSIONER STEBBINS: Second.

>> COMMISSIONER ZUNIGA: Second.

>> CHAIR JUDD-STEIN: Any further questions? All those in favor? Opposed? 5-0, please. And that motion -- do we have any further questions or comments? On the actual proposed regulatory change. No? All set? All right. Do we have a motion?

>> COMMISSIONER STEBBINS: Madam Chair, I'd move the Commission approve the version of the amendments to 205 CMR 102.02, definitions, as included in the packet and authorize the staff to take all steps necessary to begin the regulation promulgation process.

>> COMMISSIONER ZUNIGA: Second.

>> CHAIR JUDD-STEIN: All those in favor. Opposed. 5-0. Okay. And now we're on 8c.

>> MS. BLUE: Item number 8c is amendments to the excluded persons regulation, and just a little refresher. This is the list that the Commission puts people on as opposed to the voluntary excluded list. These are -- this is the regulation where we

have a process whereby the IEB makes a determination as to who may be appropriate to put on this list. They have notice and opportunity to be heard. We are asking the Commission to approve these changes by emergency so that we can have them in place before the opening of Encore. We have made changes to this regulation in the past, and these are just sort of minor changes so that we can make sure it's ready to go.

>> COMMISSIONER ZUNIGA: I do have a question, and I remember we talked about this in the past. And I understand that some of these amendments are to further align with our hearing regulations more than anything else. But the one thing I want to ask, on the 152.07, the petition to remove the name from the exclusion list, the request now goes to the bureau as opposed to the Commission? Why was that necessary? Can you remind me?

>> MS. BLUE: Well, it goes to the bureau, and then the bureau lets the Commission know we have a hearing. So the Commission still has the hearing, yes.

>> COMMISSIONER ZUNIGA: Okay. Because the other way around putting them in the list needed to go to the bureau for all kinds of other reasons. But it didn't have to come to the Commission.

>> MS. BLUE: Well, so when the IEB makes a determination -- and I'll let Mr. Grossman correct me here, too -- they send the letter out. The person then has the ability to ask for a hearing in front of the Commission. If they don't ask for a hearing within the specified time, they will end up on the list. If they do, then they'll have a hearing and the Commission will decide whether they're on the list or not.

>> COMMISSIONER ZUNIGA: Yeah, that's on the front end.

>> MS. BLUE: That's on the front end. This is if someone wants to come off. I think when we looked at this last time, we wanted to clarify that process. I don't think our process was as clear. So this would be the person themselves requesting to come off. The bureau would get the request, and then there would be a request to the Commission on the hearing for the removal.

>> COMMISSIONER O'BRIEN: Right now if you read the entire section, it looked like bureau needed to be replaced with Commission because otherwise the process didn't really make sense. They would come to us to request, but it still lay with the bureau to make the finding, the hearing, and then it comes back to us. So it's more of a ministerial correction I think to make the rest of this section make the process.

>> COMMISSIONER ZUNIGA: Okay.

>> COMMISSIONER O'BRIEN: Follow along.

>> COMMISSIONER ZUNIGA: Fair enough.

>> CHAIR JUDD-STEIN: And I presume it's aligned with the hearing regs.

>> MS. BLUE: Yes.

>> CHAIR JUDD-STEIN: And that must be how it is.

>> COMMISSIONER O'BRIEN: Yes.

>> MS. BLUE: Well, the statute has a separate requirement for hearings on this particular issue, but yes, we've aligned it up as closely as we can, given the statutory requirements for it. So it is the hearing would be with the Commission, for example, yes.

>> COMMISSIONER CAMERON: And Attorney Grossman, I know that you've worked with another attorney on this, and that the IEB is in agreement with these changes, correct?

>> MR. GROSSMAN: Absolutely.

>> COMMISSIONER CAMERON: Yeah.

>> CHAIR JUDD-STEIN: And again, the reason why we need this to be an emergency basis may have to vote today for the emergency basis, could you explain that?

>> MR. GROSSMAN: Sure. I think the theory would be is that if we're about to start putting people on the list, which hasn't really started in earnest yet, that it would be most fair for those individuals to know exactly what the process is. And if we wait, and potentially there could be a change to the process by which they would go about getting on the list, coming off the list, the whole thing, even though they're not really major changes. So that's the reason --

>> CHAIR JUDD-STEIN: So this would allow IEB and the gaming Commission to continue to operate under the emergency regulation, but it will still go out in full promulgation rules, and it could be changed.

>> MR. GROSSMAN: Yes. So procedurally, the way it would work is that if you were to approve this by emergency, it would go into effect immediately. We would then commence the formal promulgation process as we ordinarily would with these others, have a public hearing et cetera, et cetera, and then you'll have a chance to comment and can vote on the final version within 60 to 90 days or whenever it is.

>> CHAIR JUDD-STEIN: So that gives us an opportunity, Commissioner Zuniga, to look more carefully, if that makes sense.

>> COMMISSIONER ZUNIGA: I'm happy myself with the explanation that you provided, Commissioner, because I think it's appropriate. If I may add, context that I did ask Attorney Liliias for, there's only 11 people in this list currently. And it's mostly people who have been referred to the bureau from the Attorney General's office division of gaming, the gaming people.

>> COMMISSIONER O'BRIEN: It does also appear to add some teeth, too, if the licensee fails to --

>> COMMISSIONER ZUNIGA: Yes.

>> COMMISSIONER O'BRIEN: They have cooperated.

>> COMMISSIONER ZUNIGA: Knowingly or recklessly, yeah.

>> MR. GROSSMAN: That's already there. So it says it again. It's in a different section.

>> COMMISSIONER O'BRIEN: Okay. But it's new to 152.06?

>> MR. GROSSMAN: Yeah. It's new where it is, yes.

>> COMMISSIONER ZUNIGA: And the small impact -- is the small business impact statement is the same as others in which it doesn't affect small business?

>> MS. BLUE: That's right. It only affects our licensees, the Commission, and individuals.

>> CHAIR JUDD-STEIN: Any further questions or discussion? Do we have a motion on the impact statement?

>> COMMISSIONER ZUNIGA: I move that the Commission, Madam Chair, I move that the Commission approve the small business impact statement for the amendments to 205 CMR 152 individuals excluded from the gaming establishment as included in the packet.

>> COMMISSIONER CAMERON: Second.

>> CHAIR JUDD-STEIN: Those in favor? Opposed? 5-0.

>> COMMISSIONER ZUNIGA: And madam --

>> COMMISSIONER O'BRIEN: Do we need to approve on an emergency basis or does this --

>> MS. BLUE: Yes.

>> COMMISSIONER O'BRIEN: Does our language color?

>> MS. BLUE: The motion language for the emergency base, yes.

>> COMMISSIONER O'BRIEN: But not for the impact statement. So does that matter?

>> MS. BLUE: No, it doesn't.

>> COMMISSIONER ZUNIGA: Then, Madam Chair, I would move that the Commission approve the amendments to the 205 CMR 152, individuals excluded from a gaming establishment, as included in the packet. And authorize the staff to file the regulation on an emergency basis pursuant to Chapter 23K Section 5b, and further, to take the steps necessary to file the regulation with the secretary of the Commonwealth and to proceed with a formal regulation promulgation process.

>> COMMISSIONER O'BRIEN: Second.

>> CHAIR JUDD-STEIN: Any further discussion? Questions? All those in favor? Opposed? 5-0. Thank you, Catherine.

>> MS. BLUE: Thank you.

>> COMMISSIONER ZUNIGA: Thank you.

>> CHAIR JUDD-STEIN: Now Commissioner updates. Item number 9. Do we have any today?

>> COMMISSIONER STEBBINS: I have two quick ones. Again, I had the chance to go to the gaming school graduation on Saturday which was a lot of fun. I would just suggest that they weren't all necessarily young graduates who were in the crowd. They were people at all points in their life, whether it was they had retired from a previous job and were looking for a new challenge or opportunity, but we had one graduate who showed up legitimately in the full cap and gown outfit to be part of the ceremony. So it was rewarding.

The other item, we have -- I've had some continual outreach with the Department of Elder Affairs with respect to the work they do to protect elders across the Commonwealth. And obviously we know that elderly population in Massachusetts enjoys going to our casinos. So we had a great conversation with folks from elder affairs, with Mark Vander Linden and myself. One to talk about things like GameSense, Play My Way, the voluntary self-exclusion list is things that their network could be aware of as we get ready to open another casino.

We also had an opportunity or will have an opportunity to maybe educate our GameSense employees on what to do if they see an elderly person in distress, calling Elderly Protective Services. My hope is if that training goes well, it might be something that we could also extend to our gaming agents and the GEU unit, as well as security at our licensees. So the first step is for GameSense -- the new GameSense team to maybe do a training and maybe do it in time before Encore opens.

>> CHAIR JUDD-STEIN: Commissioner Zuniga, do you want to talk about your Nevada trip?

>> COMMISSIONER ZUNIGA: Yes. Yes, I do. I had -- I went to the Gambling and

Risk Taking Conference last week that took place in Las Vegas. It takes place every three years. This is the primarily the research conference has been taking place I mentioned 17 times, again, every three years. It's sponsored by UNLV, and it congregates a lot of what people from around the world who are doing research evaluation and other responsible gaming activities. There were -- Massachusetts continues to be featured prominently there. Our own Mark Vander Linden was part of two sessions. Rachel Volberg and Rob Williams, our two principal investigators, were themselves part of two other sessions as well as the Division of Addiction, Cambridge Health Alliance, they also had a session all talking about what Massachusetts is doing. Some of it is including also the Mass Council on -- Massachusetts Council on Problem Gambling also led another session. The point being is that our efforts are prominently featured in this conference. And that, again, draws from people around the world. And it's a small community but it's an influential community of researchers and people who do this notably from Europe and Canada and are very interested in responsible gaming and the like.

One -- the keynote speaker in this conference was Vickie Harris. And she talked about -- she's a former chair of the Nevada Gaming Control Board. Her speech was interesting and timely. My main update here, because it was a reflection on her tenure which was a little bit more than a year, but it was bookended by the developments of Wynn Resorts because she talked about how she was there two days, two or three days in her job when the January 21st article in the Wall Street Journal came to be. It was a very powerful speech. She went through what Nevada has gone through, the Nevada Valley Gaming Control Board. And if I can do justice in trying to summarize it, it is a healthy discussion as to whether and how the gaming control board could recommend regulations to the Commission to address -- to address this notion of sexual harassment on the gaming companies that they regulate. There was two schools of thought that she described, that there was already enough in the existing statutes and regulations to address these matters, like many others, and there was others who thought, like she did, to include regulations into the scheme here.

The board voted ultimately unanimously to recommend those regulations. This now puts the onus into the gaming companies to certify to the regulators that they're in compliance with these regulations, as opposed to in the past, which was one in which the individual would have to come forward in order for anything to really take effect. I should note that despite the vote of the gaming control board, they still would have to adopt them -- at the Commission level, so that's forthcoming. I don't know what the outcome will be. It will be interesting for us to look at that. And if we ever -- I know there's been some discussions here as to we -- Commissioner Cameron, we wanted to look into processes or our own evaluation, in general, of our gaming licensees, and I wanted to, again, offer that --

>> CHAIR JUDD-STEIN: We'll put that on our agenda.

>> COMMISSIONER CAMERON: Thank you. I've had the opportunity to a couple of occasions to speak to Becky Harris about these matters, these -- she gave a full prescription in Copenhagen last year. And we have a working group here to take a look at similar matters to see if we, in fact, need to make changes. No decisions have been made yet, but it's a robust working group with lots of -- lots of informed opinions, and we really felt like we needed to get through our earlier decisions before we move

forward, so that group will be working again.

>> CHAIR JUDD-STEIN: And you and Commissioner O'Brien are on that together.

>> COMMISSIONER CAMERON: Yes, correct, as well as a number of staff members. But thank you. I'm aware of how strongly she feels about the issues, and she does have some very interesting points to be made on the subject.

>> COMMISSIONER ZUNIGA: And I believe either the transcript or a tape of those presentations will be available, and I will --

>> COMMISSIONER CAMERON: Right. Great.

>> COMMISSIONER ZUNIGA: -- point them to you whenever we can get our hands on them. There are other items that I just will highlight quickly that bring home mostly because of the work that we've been doing. There's people out there looking at technology to improve responsible gaming, apps, notifications, et cetera is something that we've done in our own version here with Play My Way, but it's something that we should continue looking at. There are people struggling with voluntary -- regional voluntary self-exclusion. There's a big effort in Europe to try to do that. It's something that our statute directs us to explore because of the size and density and geography of gaming in New England. And I could emphasize -- I could relate to those struggles because it has not been entirely successful in our prior efforts to put together a regional voluntary self-exclusion list. But Europe is looking hard at it.

And most notably, and this dovetails into the GameSense program, there has been -- there was this great -- very interesting session about the effectiveness of brief interventions. There is some really hopeful evidence that they provide a marginal benefit. There's real opportunity relative to the cumulative effect of those brief interventions, and the whole point is that they are also very cost effective, and that really goes to the core of the GameSense program. So I could really as well identify well with them.

So overall a great conference. Again, I will try to get Mark to perhaps summarize or make available the most notable sessions in case anybody's interested.

>> CHAIR JUDD-STEIN: Commissioner Cameron, do you have an update? Commissioner O'Brien? Do I have a motion?

>> COMMISSIONER ZUNIGA: I move to adjourn.

>> COMMISSIONER CAMERON: Second.

>> CHAIR JUDD-STEIN: Second? Those in favor? Opposed? 5-0. Thank you.
[Adjourned at 1:50 P.M.]