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THE COMMONWEALTH OF MASSACHUSETTS

MASSACHUSETTS GAMING COMMISSION

OPEN MEETING

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Gayle Cameron

James F. McHugh

Bruce W. Stebbins

Enrique Zuniga

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SEPTEMBER 4, 2012, 1:00 p.m.

OFFICE OF THE DIVISION OF INSURANCE

First Floor, Hearing Room E

1000 Washington Street

Boston, Massachusetts

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PROCEEDINGS:

CHAIRMAN CROSBY: We are ready to start. I am going to call to order public meeting number 25 on September 4 of the Massachusetts Gaming Commission and start out with our regular first item, which are the minutes, which I think --

COMMISSIONER MCHUGH: I think we can go pretty quickly on those, Mr. Chairman, because they are not ready. And we will have them ready for next week.

CHAIRMAN CROSBY: All right. We'll go to item number three administration, the Executive Director search update.

COMMISSIONER STEBBINS: Just a little bit to report. Again, the posting closes this Friday. As you can imagine, through JuriStaff's process, they continue to make a lot of outreach. I suggested to them that by the seventh that they not initiate any new contacts, but if they were trying to connect with people as we went along to that September 7th date that would still be part of the process.

I also have three more initial phone interviews scheduled for this week. I was very impressed with the pool of candidates as I'm sure you will see. And

1 we are working now on scheduling some of those in-person  
2 visits for candidates that should move to the next step.

3 CHAIRMAN CROSBY: That would probably be  
4 starting the week after next?

5 COMMISSIONER STEBBINS: Yes, starting the  
6 week of the 17th.

7 CHAIRMAN CROSBY: Okay. Great.

8 COMMISSIONER MCHUGH: They would continue  
9 to reach out to people who they had been trying to reach  
10 out to but have been unsuccessful?

11 COMMISSIONER STEBBINS: Yes, yes. Or  
12 somebody who said let me think about it and give me a call  
13 back the week after next. In terms of the deadline being  
14 on the seventh, I suggested no new contacts be initiated  
15 after the seventh.

16 CHAIRMAN CROSBY: Okay. On additional  
17 hires, General Counsel and staff attorney?

18 COMMISSIONER MCHUGH: The General Counsel  
19 job description, which was approved at the last meeting  
20 has had the revisions made to it. We are going to reach  
21 out to one of the prequalified personnel firms to give  
22 us some assistance on that. And we will get that under  
23 way, the search under way this week.

24 Staff attorney, the resumes are all in

1 hand. We have 10 resumes. We need to make the cut on  
2 those as to who we want to interview. That will be done  
3 this week, that cut will be done and those interviews will  
4 start this week.

5 Commissioner Cameron and I are going to do  
6 the screening and then bring to you a final candidate for  
7 your approval. I would think that that one can be done  
8 fairly quickly and we can be back within a couple of weeks.  
9 -- Strike that.

10 We need to do the background investigation  
11 before we come back. But for that, we will have a  
12 selection, I think, within a couple of weeks.

13 I have also, pursuant to our discussion at  
14 the last meeting, reached out to the people who are  
15 running the internship program at the Boston University  
16 School of Law and will send them our job description and  
17 see what kinds of candidates we get for that as well for  
18 a one-year internship.

19 CHAIRMAN CROSBY: I thought the job  
20 description and the write-up, everything looked great.  
21 It requires that they be a member of the Bar. When do  
22 they usually take the Bar?

23 COMMISSIONER MCHUGH: They take the Bar --  
24 the Bar exam is given in June.

1                   CHAIRMAN CROSBY: So, they will be.

2                   COMMISSIONER MCHUGH: Yes. The results  
3 will be out soon. The results aren't out yet but by the  
4 time we hire them, they will be.

5                   CHAIRMAN CROSBY: Great. Deputy  
6 Director Investigations and Enforcement.

7                   COMMISSIONER CAMERON: Mr. Chair, that  
8 job description was also approved last week. Some  
9 corrections have been made and that will be posted this  
10 week.

11                   I have been speaking to a number of leaders  
12 in law enforcement, public safety who are putting their  
13 thinking caps on to assist us with recruiting some strong  
14 candidates for the position.

15                   CHAIRMAN CROSBY: At the moment, you have  
16 decided to do this on your own and not to try to sign up  
17 one of the firms to help you out?

18                   COMMISSIONER CAMERON: I didn't think  
19 that was necessary. I guess I would like to, as I have  
20 done with other positions, maybe leave it up and if the  
21 number of candidates that come in is extremely large,  
22 maybe we would use the firm at that point for screening  
23 purposes.

24                   CHAIRMAN CROSBY: Fine. It's your call.

1 So, that's fine.

2 COMMISSIONER CAMERON: I think we will get  
3 a fair amount of strong candidates for the position.

4 CHAIRMAN CROSBY: Great. The project  
5 management consultant, PMA, this is the consultant that  
6 is putting together our Gantt chart. Is there anything  
7 to update on them?

8 COMMISSIONER ZUNIGA: We could mention we  
9 had a meeting with them as a status since we last spoke.  
10 They were shooting for a September 11, if I remember  
11 correctly, draft of an initial skeleton of a schedule.

12 This would coincide with a deliverable  
13 from our consultants, which is only a piece of the master  
14 schedule, which is the timeline component of the  
15 strategic plan, which I also understand this is in the  
16 works. That timeline may or may not be ready prior to  
17 September 11 or that meeting, but we are hoping to hear  
18 from them within this week.

19 CHAIRMAN CROSBY: In our meeting with PMA,  
20 I asked them to make sure that in the next draft we got  
21 not only fleshed out more of the consultants' schedules,  
22 which is where they have been putting most in their  
23 energies, but the other major pieces like the  
24 communications and outreach, the research.

1                   COMMISSIONER ZUNIGA:  Some of the  
2 big-ticket procurement items?

3                   CHAIRMAN CROSBY:  Yes and personnel and so  
4 forth so we can pretty soon start to get a bigger holistic  
5 view of the thing.  They seemed responsive to doing it.

6                   So Eileen, the process is going to be what?  
7 We will get a draft in time for that to be discussed at  
8 our next meeting, right?

9                   MS. GLOVSKY:  Yes.

10                  CHAIRMAN CROSBY:  So, at the end of this  
11 week in order to discuss on Tuesday?

12                  MS. GLOVSKY:  We were going to do it, if  
13 you recall the discussion, we are going to focus in at  
14 the summary level not at the detail level to just get a  
15 better sense of those pieces, particularly since we won't  
16 have an opportunity to input the timeline according to  
17 the strategic plan.

18                  CHAIRMAN CROSBY:  Right.  Okay.  Good.  
19 So, that will be on the agenda next week.  Anything else  
20 on the project management consultant?

21                  Item number four, operation of the Racing  
22 Division.

23                  COMMISSIONER CAMERON:  As far as  
24 operations go, Mr. Chair, I just wanted to report that

1 we did have our visit to Suffolk Downs last week. And  
2 I think there is a better understanding for racing  
3 operations by all of the Commissioners after touring the  
4 facility, meeting the employees. So, I think that was  
5 a very successful trip as far as understanding our  
6 operations to a greater extent.

7           The Director of Racing search, we got  
8 several last minute just before the deadline applications  
9 in. So, we are reviewing those submissions and we are  
10 scheduling interviews at this time. Some of them will  
11 begin this Thursday. So, I'm hopeful we can move that  
12 process along and be ready in the near future to bring  
13 a candidate before the full Commission, one or two  
14 candidates depending.

15           CHAIRMAN CROSBY: Somebody was going to  
16 get the legal paperwork?

17           COMMISSIONER CAMERON: Yes. That has  
18 been requested. I requested that information from our  
19 individuals here as part of the Racing Division. I do  
20 not have that yet. It has been promised to me. We are  
21 waiting on the attorney for the Racing Division.

22           CHAIRMAN CROSBY: When it comes in, maybe  
23 you can give it to Commissioner McHugh who can winnow out  
24 down to some essential papers that we can all look at and



1 see if there was anything else to do.

2 COMMISSIONER CAMERON: I think  
3 Commissioner McHugh just volunteered for that  
4 assignment. So, I'd be happy to do that if that makes  
5 sense.

6 COMMISSIONER MCHUGH: Sure. I  
7 enthusiastically volunteer.

8 COMMISSIONER CAMERON: Thank you,  
9 Commissioner. That's my report, short report today, Mr.  
10 Chair.

11 CHAIRMAN CROSBY: Okay. Interviews  
12 starting maybe as soon as this week?

13 COMMISSIONER CAMERON: Thursday, yes.

14 CHAIRMAN CROSBY: Great. Okay. Five,  
15 project work plan, the consultant status report. What  
16 do we have? Kristin did show up, thank you.

17 MS. GOOCH: I did.

18 CHAIRMAN CROSBY: You can introduce  
19 yourself.

20 MS. GOOCH: I certainly will. My name is  
21 Kristin Gooch. I am a project manager for the  
22 consultants. Thank you for having us here.

23 I wanted to provide a quick update on where  
24 we are with the gaming consultant work. Over the last

1 week, the team delivered RFA Phase 1 application and  
2 instructions. The team also delivered versions of the  
3 Multi-Jurisdictional form, the Mass. supplement to the  
4 Multi-Jurisdictional form and the Business Entity  
5 Disclosure form that include annotations designating the  
6 responses which the Commission plans to consider  
7 presumptively exempt from public disclosure.

8           The team has prepared for and conducted  
9 various calls to the appropriate Commission members  
10 related to the strategic plan and policy decisions that  
11 the Commission will need to make. And the team continues  
12 to work on a number of items related to RFA Phase 1 and  
13 the strategic plan. Their main focus for this week is  
14 on completing a draft of the strategic plan, which they  
15 will make available early next week. Any questions?

16           CHAIRMAN CROSBY: We're waiting, I think,  
17 from the consultants to get back to us with a proposal,  
18 another proposal on Phase 2 right? I think we left --  
19 Kathy said they were going to -- the ball was in your  
20 court, I think, Kathy's court to pull together another  
21 response, another proposal on how to handle Phase 2?

22           MS. GOOCH: Right. I think there was more  
23 detail that was requested.

24           CHAIRMAN CROSBY: Right.

1 MS. GOOCH: I think the consultants  
2 currently own responsibility for getting back to you.

3 CHAIRMAN CROSBY: Okay. And remind me  
4 where we are on the investigations process. We are still  
5 considering outsourcing or using the existing  
6 consultants?

7 COMMISSIONER ZUNIGA: We are considering  
8 outsourcing or rather putting out a solicitation for  
9 those services without precluding our existing  
10 consultants from responding. So, we're drafting that  
11 scope of work. First of all, the timeline is a long lead  
12 time line. We have drafted that. And we are putting  
13 together that scope of work.

14 CHAIRMAN CROSBY: They wouldn't be  
15 starting this until the RFA-1 comes back, which is  
16 mid-January the investigations would start. So, we've  
17 got a few months.

18 COMMISSIONER ZUNIGA: Right.

19 CHAIRMAN CROSBY: We are still  
20 considering whether or not we can use or want to use or  
21 should use the existing consultants too, right? That's  
22 a possibility?

23 COMMISSIONER ZUNIGA: For ongoing  
24 non-investigations or investigations?

1 CHAIRMAN CROSBY: No, investigations.

2 COMMISSIONER ZUNIGA: That's still a  
3 question. I am of the opinion that we should issue a  
4 solicitation and let's see what kind of responses we get.  
5 Let's see how that process starts to map out.

6 CHAIRMAN CROSBY: I think we have been  
7 talking about this. There's pros and cons both ways, but  
8 we'll postpone that until we've got a firm recommendation  
9 on which way to go.

10 COMMISSIONER ZUNIGA: Right.

11 CHAIRMAN CROSBY: So, are there any issues  
12 at all, Kristin, in the schedule? Anything else we need  
13 to think about? Things are going along pretty much as  
14 planned, right?

15 MS. GOOCH: The strategic plan is really  
16 the key focus. And they are working hard to get a draft  
17 version in front of you guys early next week.

18 COMMISSIONER ZUNIGA: I have a  
19 question/comment to make on that just in anticipation of  
20 that process, which we are looking forward to. I had  
21 thought of a couple of policy questions particularly to  
22 the budget component as that being one area of where I  
23 have been focusing.

24 And I would like to at some point come to

1 the Commission with those policy questions in much the  
2 same way we did when we were drafting of Phase 1  
3 regulations. I see however a couple of components of the  
4 strategic plan where these questions could fit, timeline,  
5 budget but clearly many other aspects about it.

6 I just wanted to throw that thought out  
7 there. I at least have been thinking about the budget  
8 components and what I'm trying to do is trying to frame  
9 those policy questions for the next meeting, hopefully.

10 CHAIRMAN CROSBY: We wouldn't have had  
11 time to really look at the draft.

12 COMMISSIONER ZUNIGA: Right.

13 CHAIRMAN CROSBY: But you want to throw  
14 them out in advance?

15 COMMISSIONER ZUNIGA: I've just been  
16 thinking about them. We have a conversation scheduled  
17 on the budget component for later this week. These are  
18 some of the questions I'm thinking about.

19 CHAIRMAN CROSBY: That's fine. One of  
20 the things we talked a lot about is trying to make sure  
21 that we surface policy questions in the upcoming process  
22 sooner than later. So, by all means whenever you are  
23 ready. Thank you.

24 MS. GOOCH: Thank you.

1                   CHAIRMAN CROSBY:   Okay, 5B, Phase 1  
2 regulations, Commissioner McHugh, do you want to take the  
3 lead on this?

4                   COMMISSIONER MCHUGH:   Mr. Chairman, we  
5 have three documents in front of us today for approval  
6 by the Commission.  They are the three components of the  
7 Phase 1 one application, the phase that is designed to  
8 focus on the qualifications of the applicants.

9                   The first of them is the Multi-State  
10 personal qualification to be filled by all qualifiers.  
11 The second is the Business Entity Disclosure form it's  
12 called.  It focuses on the entity not the individuals,  
13 the financial stability and the like of the business, of  
14 the corporation, the partnership, the LLC, whatever it  
15 is.  And the third is the Massachusetts Supplement to the  
16 Multi-State personal form.

17                   On each of those documents, the  
18 consultants working together have highlighted  
19 proportions that will be considered confidential.  Those  
20 confidentiality determinations track the regulations  
21 that are now out for public comment.  If those  
22 regulations change, the form will change.  That's where  
23 the judgment was made as to what was confidential and what  
24 was not.

1                   Those confidentiality determinations will  
2 be part or indications will be part of the form as it's  
3 posted for everybody to see so that people can plan in  
4 advance with respect to the information that they can  
5 anticipate will be public and that they can anticipate  
6 will be private.

7                   There are as you recall provisions of the  
8 regulations that allow them to ask for an exemption from  
9 the public disclosure piece if they have information that  
10 presumptively is public but for some particular reason  
11 they can demonstrate to us should be private. So, those  
12 are there.

13                   Also, there are the instructions that will  
14 accompany those regulations when they are posted.  
15 There's an overarching set of instructions. That is the  
16 first document in the packet. Then there are  
17 instructions native to the Multi-State Disclosure form  
18 itself.

19                   I think it is important to understand, and  
20 this feeds into a conversation that I anticipate we will  
21 have later, that the forms by their length and the kinds  
22 of questions that they ask and require information for  
23 indicate how extensive this process of determining  
24 qualifications is and needs to be. And this is not

1 something that is conjured by us.

2           The Multi-State form, the personal  
3 disclosure form, the Business Entity Disclosure form all  
4 are designed to deal with the kinds of topics that the  
5 statute requires us to investigate in making this  
6 personal qualification determination.

7           It will take some time for a careful  
8 assessment by the applicants of the information that we  
9 require. It will take some time to present it to us even  
10 though the Multi-State form is in general -- strike in  
11 general, a form that is used to throughout the country  
12 and with which applicants will be likely to have some  
13 familiarity. But still to make sure that the information  
14 is updated and presented to us in a complete and  
15 comprehensive form is going to take some time and some  
16 preparation. But that's only the beginning.

17           The investigatory piece to examine the  
18 accuracy of the information contained in these extensive  
19 inquiries into personal qualifications and financial  
20 qualifications are going to take some careful monitoring  
21 and investigation. That too is something that the  
22 statute requires.

23           So that these forms are derivative of our  
24 statutory obligation. They are extensive. They are



1 comprehensive. They are designed as the statute as a  
2 whole is to insure that the public is confident in the  
3 financial stability and integrity of those who ultimately  
4 are awarded gaming licenses and those who ultimately come  
5 before us for those gaming licenses.

6           With that prologue, the issue is are there  
7 modification or other issues that we need to take up  
8 before we distribute the forms?

9           I should add one thing as I closed there  
10 and that is this. The forms are not required by the  
11 Administrative Procedure Act to have the same kind of  
12 scrutiny that the regulations themselves require. So,  
13 the idea is to post these forms tomorrow, hopefully, with  
14 whatever corrections we make if there are any, to leave  
15 them open for comment for a while. That comment period  
16 does not have to close when the comment on the regulations  
17 closes, which is next Monday.

18           And we can tailor those forms to the  
19 regulations as they are finally promulgated or as they  
20 are finally drafted. So, that if in the process of  
21 getting comments on the regulations we conclude that a  
22 change to them is necessary, we can change the forms so  
23 that they will continue to track the regulations. Now  
24 I am finished.

1                   CHAIRMAN CROSBY: I was going to ask that.  
2 These will be posted within the day or so, but they don't  
3 necessarily tie to our hearing on the 10th.

4                   COMMISSIONER MCHUGH: Right. Comments  
5 on the 10th on them are welcome, but they are not required.  
6 We will have a mechanism for making written comments to  
7 them and for assessing those written comments. Then of  
8 course, if there are comments we will summarize them and  
9 bring them before the Commission, make a judgment as to  
10 whether if we make any changes as a result.

11                  CHAIRMAN CROSBY: Are these in the  
12 packets?

13                  COMMISSIONER MCHUGH: They are.

14                  CHAIRMAN CROSBY: So, the press has these  
15 to see what is going on.

16                  COMMISSIONER MCHUGH: Right.

17                  CHAIRMAN CROSBY: I had questions as you  
18 recall from earlier on, but I don't have any more  
19 questions about them since we came to the conclusions that  
20 we did that scars and tattoos is appropriate. Does  
21 anybody else have conversation about these items? So,  
22 I guess they are good to go.

23                  COMMISSIONER MCHUGH: I'd like, if I  
24 might, a vote that we adopt those regulations for the

1 purpose of publishing them to see if there are public  
2 comments with respect to their content.

3 CHAIRMAN CROSBY: Forms not regulations.

4 COMMISSIONER MCHUGH: I'm sorry, forms.

5 COMMISSIONER CAMERON: Is that a motion?

6 COMMISSIONER MCHUGH: That I move.

7 COMMISSIONER CAMERON: Second.

8 CHAIRMAN CROSBY: Any more discussion  
9 about posting these three forms for public comment?

10 All in favor? Aye.

11 COMMISSIONER ZUNIGA: Aye.

12 COMMISSIONER STEBBINS: Aye.

13 COMMISSIONER MCHUGH: Aye.

14 COMMISSIONER CAMERON: Aye.

15 CHAIRMAN CROSBY: Opposed? The aye's  
16 have it unanimously.

17 On this same item, Commissioner, there is  
18 also the proposed processing of comments on Phase 1 regs.  
19 Could you walk us through this.

20 COMMISSIONER MCHUGH: There are a couple  
21 of things we need to decide, but basically, the objective  
22 here is this. We will have our hearing on the regulations  
23 next Monday. We will likely get comments. We don't know  
24 what the volume of the comments is. So far we've gotten

1 none, which is a happy void.

2           We could get a high volume of comments. We  
3 could get a low volume. In any event, we need to process  
4 them. So, set out in this memorandum is a mechanism for  
5 trying to process them in timely fashion and get the input  
6 of everybody whom we need to consult.

7           Basically, the idea would be to get the  
8 comments. All of the Commissioners will have all of the  
9 comments. We give the comments to Anderson and Kreiger  
10 and ask them to array the comments in groups that apply  
11 to the particular sections of the regulations that they  
12 address, if they are multiple comments. In some other  
13 fashion if they are not. Give them to the gaming  
14 consultants and the legal consultants, ask for their  
15 feedback.

16           Get all of that information, present it to  
17 the Commission along with the unexpurgated comments  
18 themselves and then see what if any comments we think  
19 merit changes to the regulations. And do that on the  
20 Tuesday before the regulations are due at the Secretary  
21 of State's office in order to meet our deadline. Make  
22 whatever changes we vote on at that time. Have a weekend  
23 to consider the recommended changes and then publish the  
24 regulations on time so that we can meet our deadline of

1 issuing this RFA-1 mid-October.

2           So, that is what this is designed to do.  
3 The detail is there and insofar as the processing is  
4 concerned, that is the proposal. So, we have to decide  
5 whether that is a sensible proposal and that is the one  
6 we ought to follow.

7           The other thing we have to decide is what  
8 we are going to do next Monday in terms of where we are  
9 going to be. The only question there is are we going to  
10 be arrayed two, two and one, or three, one and one. So,  
11 that is a question we have to answer. So, those are the  
12 two question that come out of that as I see them and there  
13 may be others that my colleagues that you all may have,  
14 but that's how I see the questions.

15           CHAIRMAN CROSBY: Anybody?

16           COMMISSIONER CAMERON: To respond to the  
17 first part of Commissioner McHugh's recommended plan is  
18 this memo is extremely detailed, comprehensive. It  
19 looks like a sound plan to me. It even anticipates the  
20 volume of comments and the fact that we can compress if  
21 we choose to. So, I look at that and think that that is  
22 a sound plan for moving forward as laid out in the memo.

23           As far as the two, two and one, I suspect  
24 the only issue was did it make more sense -- I'm assuming

1 now and I don't know this, because I haven't spoken to  
2 any of you about this, but would it make sense to have  
3 two Commissioners in Western Mass. since that is the area  
4 of the State which has a high volume of anticipated  
5 competition? That would make sense to me if we  
6 anticipate maybe a greater amount of comment to have two  
7 Commissioners out West. I believe that is what you were  
8 referring to, Commissioner McHugh.

9 COMMISSIONER MCHUGH: I was, yes.

10 CHAIRMAN CROSBY: I think that makes  
11 sense. And I am happy to volunteer to be the second in  
12 Springfield. I think that is a good idea. So, I think  
13 it's a good idea and I am happy to be the one that goes  
14 out there.

15 COMMISSIONER MCHUGH: But a caveat there  
16 is important to keep in mind and that is also in the  
17 document, these sessions are information gathering  
18 sessions. They are not interactive sessions in which we  
19 are in effect deliberating by talking among ourselves as  
20 to the comments or asking for diverse opinions from the  
21 presenters. And we will have to play that by ear. But  
22 this is not a deliberative exercise.

23 When we put these regulations out for  
24 comment, we are really doing just that. We are looking

1 for comment. Then we take the comments back. We'll have  
2 the transcript. We will have all of that. And we will  
3 have an opportunity to deliberate later on. But with  
4 this array, it is important that we don't -- we use it  
5 as an information gathering session.

6 CHAIRMAN CROSBY: Yeah. I was going to  
7 highlight that point too because that is sort of  
8 counterintuitive and needs to be reinforced.

9 COMMISSIONER MCHUGH: Right.

10 CHAIRMAN CROSBY: We will have to wrestle  
11 with answering what is merely answering questions and  
12 what's interpreting and deliberating.

13 We are trying this high-tech conference  
14 where we will be acting as if we are one meeting. So,  
15 the speakers in one place will be able to see the speakers  
16 in another place. And we won't be able to hear questions  
17 from each site simultaneously. We will have to go around  
18 which sort of extends things. But we thought it would  
19 be good if everybody could participate in this together,  
20 although we don't have any idea how many people are  
21 coming.

22 Also just re-emphasize, we started the  
23 meeting at 4:00 but we are running as late as 7:00 in order  
24 that people who are at work but can then have time to get

1 here and rush over to make comments if they want.

2                   So, it will be Commissioner Stebbins and  
3 I in Western Mass. Commissioner Cameron in Southeastern  
4 Mass. And Commissioner McHugh and Commissioner Zuniga  
5 in Eastern Mass.

6                   COMMISSIONER STEBBINS: A quick question,  
7 are there instructions that we should present at the start  
8 of the hearing to people who are planning to step up to  
9 the microphone and offer comments?

10                   COMMISSIONER MCHUGH: Yes. I think we  
11 should do two things. I think we should lay out the  
12 format that we are going to follow, i.e. that it is an  
13 information gathering session. That we are not going to  
14 engage in decision-making. We are going to take the  
15 information that people present to us. And that's the  
16 purpose of the meeting.

17                   Secondly, that the topic is the content of  
18 the regulations not the idea of gaming or nongaming or  
19 site selection or any other. The content of regulations,  
20 things that should be changed, things that have been  
21 omitted and the like. Those alone will be the comments  
22 that will be in order.

23                   And third, depending on the volume of the  
24 people who appear at each of the locations, some mechanism



1 for assessing the time. We did not include in this  
2 notice, and perhaps the next time around we will, a  
3 requirement for advance sign-up if you want to talk, speak  
4 or present. So, we will have to make that judgment  
5 on-the-fly when we see how many people are there.

6 Perhaps a show of hands at the beginning  
7 of how many people want to speak and then some  
8 consultation in public as to how to handle that would be  
9 the way to do that. But I think those three things we  
10 ought to talk about as we begin.

11 COMMISSIONER CAMERON: Commissioner,  
12 possibly we could get just those three items laid out.  
13 And we can kind read from that and that way we will be  
14 presenting the exact same information in each region.

15 COMMISSIONER MCHUGH: Sure.

16 CHAIRMAN CROSBY: Yes. If you wouldn't  
17 mind doing those three bullet points that would be great.

18 COMMISSIONER MCHUGH: I will. And  
19 perhaps we should have a sign-up sheet for people who want  
20 to talk or speak at each place. And that would be better  
21 than the show of hands.

22 CHAIRMAN CROSBY: Yes.

23 COMMISSIONER MCHUGH: I think we can do  
24 that.

1                   COMMISSIONER ZUNIGA: Mr. Chairman, what  
2 are the venues? Was that finalized?

3                   CHAIRMAN CROSBY: Does anyone remember  
4 offhand what they are? They are posted, I think.

5                   COMMISSIONER CAMERON: It's Massasoit  
6 Community College in Southeastern, which is in Brockton,  
7 Massachusetts in Southeastern Mass.

8                   COMMISSIONER STEBBINS: Springfield  
9 Technical Community College in Springfield.

10                  CHAIRMAN CROSBY: And the Convention  
11 Center in Boston, right? Our orchestrator here, does any  
12 one site have to serve as the focal point? If I am going  
13 to be in Western Mass., can I go ahead and chair the  
14 meeting from there?

15                  VIDEOGRAPHER: Yes.

16                  CHAIRMAN CROSBY: It doesn't matter.  
17 Okay. But I think in case there is a system failure, if  
18 something goes wrong, each of us will just have to operate  
19 independently and go through each site independently.

20                  COMMISSIONER MCHUGH: Yes, but there is  
21 not going to be a system failure.

22                  CHAIRMAN CROSBY: No chance, right.  
23 Great. Any other comments or questions about item 5B ii,  
24 the proposed processing?

1                   Okay, 5C, technical and other assistance  
2 to communities, we haven't had I don't think any formal  
3 inquiries that needed a response, right, Commissioner  
4 McHugh?

5                   COMMISSIONER MCHUGH: We have not.

6                   CHAIRMAN CROSBY: I have not gotten  
7 anything.

8                   COMMISSIONER MCHUGH: And we have been  
9 answering -- Director Driscoll has been answering along  
10 with Brandon Milby comments that have been coming in.  
11 That process was complete. I think we are up-to-date on  
12 the questions that have come in to our gaming question  
13 line. So, there is nothing that is hanging that requires  
14 the Commission to make a determination on at the moment.

15                  CHAIRMAN CROSBY: I am not sure that we  
16 have followed through on the interested party speaker  
17 format, which we need to get a form out to the people who  
18 have requested and just have something on the website if  
19 we haven't done that yet.

20                  MS. DRISCOLL: There is a presence on the  
21 website but I think we could highlight it more.

22                  CHAIRMAN CROSBY: Separate for people  
23 that are for interested party speakers or is it the same?

24                  MS. DRISCOLL: The protocol that

1 Commissioner Stebbins established does have a presence  
2 on the website, but I don't think it's pronounce enough.

3 CHAIRMAN CROSBY: Have we sent that out to  
4 the people who have asked to speak to us?

5 MS. DRISCOLL: It went out as a press  
6 release but I think we could probably send it out  
7 individually.

8 CHAIRMAN CROSBY: Target it out to the two  
9 or three people that have been pending.

10 MS. DRISCOLL: Yes, I can do that.

11 CHAIRMAN CROSBY: Okay, great. The  
12 ombudsman search, Commissioner?

13 COMMISSIONER STEBBINS: Still wrapping up  
14 some reference calls. I think I mentioned last week that  
15 Richard Henderson from Mass. Development is their VP of  
16 Real Estate Development had offered to do some follow-up  
17 calls with some candidates. He's doing that this week.  
18 Last week was his first week back in the office. So, he  
19 is catching up. So, he is doing that this week. So, we  
20 are moving ahead. I was hoping to be a little more  
21 optimistic of when we could get our finalists all squared  
22 away. But we are moving ahead with some of those  
23 follow-up calls.

24 CHAIRMAN CROSBY: We had been hoping to

1 get finalists this week.

2 COMMISSIONER STEBBINS: Right.

3 CHAIRMAN CROSBY: Does that look --

4 COMMISSIONER STEBBINS: I would say we are  
5 into next week before we can have a date to bring finalists  
6 in.

7 CHAIRMAN CROSBY: Let's push it as fast as  
8 we can, because we need it.

9 COMMISSIONER STEBBINS: Yes.

10 CHAIRMAN CROSBY: So, ombudsmen finalists  
11 next week. Item 5D, Springfield schedule and process.  
12 This arises initially -- I guess actually it arose last  
13 week first of all, when we talked at our meeting last week  
14 about the process there that was going on, the multiple  
15 sites. Nobody had really anticipated that there would  
16 be multiple sites in one community. We talked a little  
17 bit about the process last time. We kind of opened it  
18 up that we need to look around for other information.

19 Subsequent to that, there has been quite  
20 a bit of discussion in Western Mass. We also have a  
21 letter from the Mayor requesting some advice from us on  
22 the issue of his selection of the law firm Shefsky &  
23 Froelich. So, I'm going to exercise some discretion here  
24 but ask for your feedback.

1 I think there are at least two issues. One  
2 is I think we have to respond to the Mayor. I didn't fully  
3 understand what the letter said, but I subsequently --  
4 Commissioner Stebbins has subsequently heard the Mayor  
5 on the radio clarifying what he meant by this letter. He  
6 was asking for our opinion on the appropriateness of use  
7 of Shefsky & Froelich. That was pretty much confirmed  
8 to me by the City's lawyer this morning too. So, that  
9 is one item.

10 The second item is other comment about the  
11 process. We had asked the Mayor or his Director of  
12 Economic Development or somebody to come here today so  
13 we could iterate back and forth on what they're doing and  
14 how that fits with what we are doing. Whether there are  
15 inconsistencies or issues. We didn't ask them until  
16 Friday. That is pretty short notice. They weren't able  
17 to make it. They will come next week if we want them to.

18 Nevertheless, the questions hang about  
19 whether we continue to think that the process or that we  
20 think that the process that they are conducting out there  
21 is compatible with our legislation, with good policy and  
22 so forth. So, I think those are at least two different  
23 topics, maybe more than that but at least two.

24 So, maybe if you're all set with that,

1 let's start out with the first one on the Shefsky &  
2 Froelich question from the Mayor's letter. And then we  
3 will move onto the other one.

4 COMMISSIONER MCHUGH: I'd be happy to  
5 start off with the letter, Mr. Chairman, and say in my  
6 view we have an entity that is created for precisely this  
7 purpose and that is the State Ethics Commission. And it  
8 does not seem to me that we are competent, qualified or  
9 statutorily empowered to answer questions of that kind.

10 There is a process for obtaining advice  
11 from the State Ethics Commission both informally and  
12 formally. That process is posted on their website. The  
13 conditions for it are there. It is easily accessible.  
14 And if there are questions of this type, it seems to me  
15 that's the direction in which we ought to urge the Mayor  
16 to go.

17 CHAIRMAN CROSBY: I seem not to have the  
18 notes from the lawyer that I talked to this morning. And  
19 I wanted to clarify -- I didn't bring them. Their lawyer  
20 called me this morning. And I said I believed two things.  
21 One, that they had talked to the Ethics Commission and  
22 had gotten the clean bill of health. It may have been  
23 that they were going to, but I don't know for sure about  
24 that. And I realize that it's a big distinction. I am

1 not positive.

2                   They was also said -- He was also aware of  
3 whatever it is, 268A whatever it is, the appearance issue.  
4 And they were intending to cure the appearance issue with  
5 a filing of that form where they say there might be a  
6 possibility of an appearance of conflict with the RFP  
7 tomorrow when they issue the RFP, for what that's worth  
8 apropos of what you were saying.

9                   COMMISSIONER MCHUGH: Just a follow-up,  
10 not having had that conversation of course and saying that  
11 the Ethics Commission is quite capable of and quite good  
12 at issuing formal written opinions in clear language that  
13 is available for all to read and see and follow the  
14 reasoning and make judgments about.

15                   So, the mechanism is there to get a  
16 definitive answer and get an answer that is available in  
17 writing, if the person who asks for the opinion agrees,  
18 available in writing to everybody. It seems to me that  
19 that remains the place that they ought to go.

20                   COMMISSIONER STEBBINS: I just want to say  
21 I concur with Commissioner McHugh. This is really out  
22 of our purview and authority lent to us by statute. But  
23 expressing an opinion to the Ethics Commission in asking  
24 or requesting an opinion, again, it is up to the recipient



1 of that opinion whether they choose to make it public.  
2 I would hope for issues of transparency that they would.  
3 But I don't think this question falls or stays with us.

4                   CHAIRMAN CROSBY: Anybody else? I am not  
5 sure about that. I guess there is an ethics -- This is  
6 such a complicated case. I don't exactly know how the  
7 ethics law applies. But I certainly agree that it is  
8 appropriate for the City to ask and it is not our business  
9 to ask.

10                   However, there is another standard, which  
11 is a quasi political, quasi public relations, quasi  
12 sustaining the public confidence no matter what the  
13 technical law says. We have gone through this. I was  
14 criticized in the press for going to an event at a law  
15 firm even though it had been cleared with the Ethics  
16 Commission. Some people thought it looked funny that I  
17 went to that event even though there was not an ethics'  
18 issue. Whether I agree with that particular case or not,  
19 I do think that's a legitimate concern.

20                   We do talk about that ourselves. We are  
21 not merely driven by the letter of the law, not even using  
22 the appearance clause, which is in the ethics law.  
23 Furthermore, we have our own mandate to write an ethics  
24 rule -- set of rules which we haven't gotten around to

1 yet, but which we are working on which go beyond the  
2 existing ethics rules.

3                   This is not a rhetorical question. This  
4 is a question, given that there has been controversy about  
5 this, given that we have been asked to speak to the issue,  
6 should we speak to the issue as asked at that additional  
7 level of scrutiny?

8                   COMMISSIONER ZUNIGA: I have a number of  
9 questions to Springfield, and I know they're not here,  
10 especially in light of the letter that we have from the  
11 Mayor. I don't know if I should ask them rhetorically  
12 or wait until next week if that's really the venue or the  
13 time to ask them.

14                   It occurs to me though that there is a real  
15 time element here, timing element because it would appear  
16 that they have already entered into a contractual  
17 agreement. I don't know for sure. And they are issuing  
18 according to the timeline in the press release, they are  
19 issuing an RFQ tomorrow. So, had we been discussing this  
20 prior to such a timeline, maybe the context would be  
21 different. I just wanted to kind of throw that out there.

22                   CHAIRMAN CROSBY: I understand. I did  
23 ask the Mayor's office if they could postpone their launch  
24 when all of this stuff started to come up whether they

1 would postpone the launch so that we could talk to them  
2 next week before they started this. And they were not  
3 able to do that. So, we are stuck with the timeframe that  
4 we've got.

5 COMMISSIONER MCHUGH: I have some  
6 concerns about the second piece that I'm sure we'll all  
7 be discussing the question of how to most appropriately  
8 deal with them.

9 On this ethical piece, we do have an  
10 obligation to and are going to promulgate an enhanced code  
11 of ethics for ourselves, for the Alcoholic Beverages  
12 Control Commission, the State Police and the Attorney  
13 General, people who work on the Gaming Commission  
14 material, but we have control over that. We have  
15 regulations that apply to the people who will apply --  
16 who will be working directly for us. I think to go out  
17 and start either investigating and making judgments about  
18 conflicts of interest that the Ethics Commission has  
19 blessed --

20 CHAIRMAN CROSBY: -- or may not.

21 COMMISSIONER MCHUGH: Pardon me?

22 CHAIRMAN CROSBY: I'm not sure they have.

23 COMMISSIONER MCHUGH: No, no. If they  
24 have because it goes back to my first suggestion that



1 these matters. I think that we don't have enough  
2 information yet with regard to a selection process and  
3 they are asking for our opinion with a very limited letter  
4 that they sent us with basic facts, not enough facts to  
5 opine. And I also agree with the fact that the Ethics  
6 Commission is the appropriate venue.

7           Although, I think we may have a role in  
8 these matters, but we don't have enough information yet.  
9 We could sit here and take shots at the process. But I  
10 would prefer personally not to do that without more  
11 information. In one or two ways, Mr. Chair, you could  
12 go and sit with the Mayor and ask a number of questions.  
13 Sometimes things may have been considered that we don't  
14 know that weren't written in the paper.

15           Or maybe you could shed some light on  
16 issues that they may not have considered and would be  
17 willing to consider at this time, meaning that officials  
18 in the City of Springfield. I think that would be  
19 helpful.

20           Or are they willing to come here and speak  
21 to all of us. That is the unknown. I know that they were  
22 unable to be here today. But I think that at some point  
23 we need this information and we need it in a timely manner  
24 so that we can make wise decisions moving forward.

1           Because I think there are a number issues  
2 that require decision, but at this point, I don't feel  
3 like we have enough solid information to move forward.  
4 I would like to gather that information quickly. And I  
5 don't think we can do that without a direct conversation  
6 with officials in Springfield as to why -- a number of  
7 questions about the timeline, about the selection of this  
8 consultant. Those are the things that I feel like I don't  
9 have enough information about and would like to know those  
10 things before we take any action moving forward.

11           COMMISSIONER ZUNIGA: Mr. Chair, can we  
12 reinforce the distinction that Commissioner McHugh was  
13 talking about earlier. I don't know if we've moved on  
14 from the issue of the appropriateness of the selection  
15 of Shefsky & Froelich, and the second question in the  
16 Mayor's letter, which was the process question and the  
17 timeline. I just wanted to reinforce that it's two  
18 separate issues and maybe we should just continue to talk  
19 about them separately.

20           CHAIRMAN CROSBY: That would be helpful to  
21 me too, because they are so complicated. But  
22 Commissioner Cameron maybe saying she doesn't think we  
23 should make a decision on either of the two things.

24           COMMISSIONER CAMERON: I don't personally

1 by reading this letter, I don't have enough information.

2 CHAIRMAN CROSBY: There is more to it than  
3 this letter.

4 COMMISSIONER CAMERON: Agreed, agreed.

5 CHAIRMAN CROSBY: There are news reports.  
6 There is my conversation with the lawyer, several  
7 conversations I've had back and forth or emails back and  
8 forth with Kevin Kennedy, the head of -- so, it's more  
9 than just this letter. It's the clarification that we've  
10 gotten from this letter. It's the news reports where the  
11 Mayor has said that he is looking for our guidance. Where  
12 the lawyer said he thinks they are fine, but yes, they  
13 are looking for your guidance.

14 And the news report also, which I don't  
15 think this one was in quotes. I think this was the news  
16 media interpreting what the Mayor was saying, but there  
17 was a news report that we directed -- there is a sense  
18 in Springfield coming out of this clause here that it drew  
19 from us. It's not just the letter.

20 COMMISSIONER MCHUGH: The what? I'm  
21 sorry.

22 CHAIRMAN CROSBY: The news report said  
23 that the Mayor said that the City was directed, following  
24 a process that he was directed to follow by the Gaming

1 Commission.

2 COMMISSIONER MCHUGH: That's not what his  
3 letters says.

4 CHAIRMAN CROSBY: No, but like I said, I  
5 can't remember if that was a quote or whether that was  
6 the media's interpretation of a quote. But there is a  
7 clear perception as there is implied in this letter that  
8 the selection of Shefsky has some approbation, some  
9 approval from us.

10 COMMISSIONER MCHUGH: His letter says,  
11 and I'm quoting now, "I understand that our City staff  
12 drew from the Commission's consultants' selection  
13 process when procuring the services of Froelich &  
14 Shefsky." That strikes me as saying that they looked at  
15 what we did and they tried to follow it. We certainly  
16 have not given them any aid, assistance, encouragement,  
17 advice of any kind.

18 CHAIRMAN CROSBY: But it has gotten  
19 interpreted that we have. That's what I'm saying.

20 COMMISSIONER MCHUGH: It seems to me we  
21 ought to correct that interpretation. We have reliable  
22 folks right here who can help us correct that  
23 interpretation.

24 In terms of further facts, as a minimum



1 before we do anything more in this area I would like to  
2 see the written Ethics Commission opinion to see what the  
3 reasoning is and if there is anything that we need to  
4 pursue. Because to go down the path of investigating is  
5 to open the very door that it seems to me leads to a room  
6 full of imponderables that we really have to be careful  
7 about opening.

8 So, that is the first step that I would like  
9 to see before we go further.

10 COMMISSIONER CAMERON: I certainly didn't  
11 use the word investigating, but gathering information,  
12 which to me are two separate paths. I don't feel like  
13 I have enough information to move forward with clear-cut  
14 decisions on what we should do as a Commission with regard  
15 to each of these issues.

16 Yes, if there is an Ethics report that is  
17 one issue. Although, Chairman Crosby brings up the issue  
18 of an appearance, which is as we know are legitimate  
19 issues and issues that we have been warned personally by  
20 the Ethics Commission to pay attention to and we have been  
21 paying attention to.

22 Just from my own standpoint, more  
23 information, part of that being if there is a written  
24 report that would be helpful.



1 in the press that the two parts of the law firm are walled  
2 off from one another. I respect that and I assume that's  
3 the case.

4 Even with that, we are the holders of the  
5 integrity of this process. We are given the authority  
6 largely and certainly I think the intention of being the  
7 folks who stand for the integrity of this process.

8 And we know, we talk about this all of the  
9 time, that the slightest besmirchment even if a mistake,  
10 even if we make a mistake or if something goes wrong in  
11 some town somewhere that we are going to get blamed for  
12 it. I don't mean we so much that we would be blamed, but  
13 the whole process would be besmirched.

14 So, I think we have to really be on our toes  
15 to nip in the bud anything that might look like this is  
16 anything other than the most pristine of processes, which  
17 means erring sometimes on the side of pristineness even  
18 if it is over the top, even if theoretically maybe there  
19 could be more data.

20 But there is beginning to be a little bit  
21 of a bubbling in the Springfield area, in the Western  
22 Mass. area about this process. From the facts that we  
23 know and which are not in contest, a judgment was made  
24 that I'm not sure that I think was the right judgment.

1 And that I think is calling this -- the integrity of this  
2 process by this incredibly high standard into the  
3 question.

4 I am inclined to think that it is incumbent  
5 upon us to put our foot down and say this is not a decision  
6 that -- We have now been asked to use our judgment. And  
7 I think had we gone through this and we had very similar  
8 conversations when we were interviewing law firms and  
9 when we were interviewing consultants. At various parts  
10 along ways along the way we had discussions about people  
11 who would have some distant relationship with one of the  
12 vendors. And I think had this fact pattern come before  
13 us, I would have said I am really sorry, folks, we can't  
14 use you as long as you are presently representing active  
15 participants in the process.

16 That standard is what I think should have  
17 been the right standard for us. And I think I think that  
18 is what should have been the right standard for  
19 Springfield. To let this go for another week with the  
20 process underway feels to me a little bit like standing  
21 on principle and avoiding a call to arms where a call to  
22 arms is appropriate.

23 COMMISSIONER MCHUGH: I really couldn't  
24 disagree more, Mr. Chairman, with all due respect.

1                   CHAIRMAN CROSBY: I assumed that part.

2                   COMMISSIONER MCHUGH: I hope that is  
3 always unstated. These are difficult issues and I don't  
4 mean to minimize the difficulty of them and the fact that  
5 reasoning people can differ.

6                   We don't have the facts. I don't have the  
7 facts. I have got reports from people, newspaper reports  
8 that I've read and I've got the Mayor's letter. I don't  
9 have somebody sitting here answering questions and  
10 talking to us. So, that is a handicap that I feel under  
11 to start with.

12                   Secondly, what we would have done in  
13 similar circumstances doesn't strike me as the  
14 appropriate standard for everybody else in the world. We  
15 certainly have a heightened responsibility for the way  
16 we conduct the process. We certainly can take into  
17 account failings that we perceive in others when we are  
18 evaluating the applications and the other things that  
19 properly come before us. But I don't know how we get the  
20 power to issue regulations governing the conduct of  
21 everybody else who touches this process in any way.

22                   Thirdly, at the very least it seems to me  
23 that before we weighed in, we ought to have a judgment  
24 of the State Ethics Commission and see what they have to

1 say. We may disagree with it, but they may say based on  
2 established criteria that this is an improper approach  
3 to the consultant role. There is a conflict here. The  
4 ethics statute does deal with the appearance as well as  
5 the fact of a conflict. And that can be an ethics  
6 violation.

7           So, it seems to me before we get down the  
8 road further, and in this way I agree with Commissioner  
9 Cameron, we need more facts. We need an opinion from the  
10 authoritative body. And we need to be conscious of the  
11 fact that what we would do in a given situation is not  
12 necessarily the standard we can impose on others without  
13 careful thought about how far our jurisdiction goes, and  
14 the process we are going to use to create the standards  
15 that we are then going to impose on others. The fact  
16 that we wouldn't do it is not itself a standard that I  
17 think we can ask others to adhere to.

18           CHAIRMAN CROSBY: Even though they've  
19 asked for our advice?

20           COMMISSIONER MCHUGH: Yes. Just to  
21 finish that one, because inevitably if we wouldn't have  
22 done it that way, we are creating a formal standard that  
23 can only be applied after the fact.

24           We take a look at what somebody else had

1 done. We say if we were in their shoes we wouldn't have  
2 done it this way. And then we say therefore, you can't  
3 do it. That is not a standard to which anybody can  
4 adhere. That is no way that people can plan their conduct  
5 because they don't know what our standard would be or how  
6 we are going to apply it or what consequences it will have.

7 I think it is an element of fairness to have  
8 articulated standards if we are going to go beyond the  
9 standards that are established in the statutes and  
10 elsewhere, articulated standards that people can use to  
11 plan their conduct and not simply say in retrospect we  
12 wouldn't have done it that way so you can't do it. I'm  
13 very concerned about that.

14 COMMISSIONER STEBBINS: I pick up on this  
15 notion of the kind of retrospection piece that  
16 Commissioner McHugh just outlined. Certainly, it would  
17 have been helpful and we should look at this going down  
18 the line, whether it's a host community or a surrounding  
19 community inviting those conversations and topics to  
20 happen here as opposed to, in this case, kind of seeking  
21 our guidance and clarification kind of after the fact.

22 I again, just dealing with this first  
23 topic, which is guidance and clarification in this matter  
24 because as the Mayor alludes to in the letter, a potential

1 casino license applicant has raised questions about a  
2 potential conflict of the City's consultant. I  
3 wholeheartedly agree and think that the first stop is the  
4 Ethics Commission.

5                   If they have approached the Ethics  
6 Commission, they've seen a ruling, it would be great if  
7 they could share that ruling with us, just so we have it  
8 for our information. If they haven't, that should be the  
9 Commission's recommendation for them to do right out of  
10 the box if they haven't done that yet. That is just my  
11 thought on the one-page letter and the question about the  
12 consultant.

13                   I have other questions related to their  
14 process. And I think as Commissioner Cameron pointed  
15 out, there is not a lot here in terms of detail. Things  
16 in their process, how they may overlap, how they may  
17 conflict with the process that we are required by statute  
18 to undertake.

19                   I know that according to their timeline,  
20 they talked about a Phase 1 RFQ/P being issued tomorrow.  
21 I would think that it would behoove us to send a letter  
22 to the Mayor, send a letter to the City authority to say  
23 we have too many questions about your process. And to  
24 make sure that our processes follow the statute and the



1 letter of the law that you hold off on starting this  
2 process until we can meet with you a week from today.

3           There's just not enough here in the press  
4 release and the timeline I think for us to have clear  
5 picture as to what they mean by their process in due  
6 respect to the City. Again, we have mentioned it here  
7 today, nobody really could foresee a scenario where one  
8 community was being pitched by four and I guess  
9 potentially five potential applicants.

10           We want to be a partner with the  
11 communities, whether they be a host community or a  
12 surrounding community. And I think stepping back and  
13 working through these issues and trying to offer our best  
14 suggestions relative to what we know exists in the statute  
15 to the City of Springfield, to help them guide a process  
16 by whatever end goal they have in sight, I think it is  
17 a helpful conversation.

18           If they stick to this calendar of issuing  
19 a Phase 1 RFQ/P tomorrow, I would like to think we could  
20 have a communication back to the City and say please hold  
21 off on this process or initiating this process until we  
22 have a chance to talk with you face-to-face and learn what  
23 our concerns are and hear what your concerns are.

24           But I think to Commissioner Cameron's

1 point, there is not a lot of heavy detail in terms of the  
2 information that they are looking for, what these  
3 applications will even look like. It's tough for us to  
4 make a determination without having a lot of that  
5 information in front of us.

6 CHAIRMAN CROSBY: Any more thoughts?

7 COMMISSIONER ZUNIGA: I just want to echo  
8 your concerns and how you articulate that although there  
9 is a lot more information that we could and should try  
10 to gather and ascertain and ask, the question that we have  
11 pondered for ourselves is the question that Ethics  
12 Commission often asks, and it's a two level question. Is  
13 there a real conflict? And if a reasonable person was  
14 to look at this process, could they perceive a conflict?  
15 That's an important consideration. I don't know to what  
16 extent the city asked itself this questions or these two  
17 questions. I would love to know.

18 CHAIRMAN CROSBY: At this point, what we  
19 are wrestling with is whether to make any kind of a  
20 judgment about the process now or whether we are better  
21 served by at least waiting until next week when we can  
22 have a chance to interact with the City, and ask them to  
23 postpone their process until that is over. Where do you  
24 come down on that?

1                   COMMISSIONER ZUNIGA: I would agree with  
2 that notion to try to communicate to the City that given  
3 the big questions that they have posed and that they are  
4 faced with that going forward with this process may be  
5 premature. From my opinion, we could ask. I don't know  
6 whether or not they would concur. We should ask.

7                   COMMISSIONER CAMERON: I actually like  
8 Commissioner Stebbins idea and I think we could do it as  
9 soon as this afternoon is get a letter out stating that  
10 we have concerns about whether or not there was an Ethics  
11 ruling with this consultant.

12                   Secondly, that we have concerns about the  
13 process, the timeline that we'd like to be able to ask  
14 those questions. And ask them to hold the process for  
15 a week since they were not able to be here today until  
16 next week when hopefully they would be available and we  
17 could ask our questions and make informed decisions.

18                   CHAIRMAN CROSBY: You hadn't mentioned  
19 that step.

20                   COMMISSIONER MCHUGH: I hadn't and I have  
21 made my point on the first one clear.

22                   On the second one, I share the concerns  
23 that all of you have articulated. I think that this  
24 process can't really work in the right way unless there

1 is coordination of some kind between the cities and towns  
2 that are affected by it and the Commission.

3 I think we certainly have a final say. We  
4 have an enormous responsibility. But there is a piece  
5 of the statute that is carefully constructed for the local  
6 communities and options and responsibilities and powers  
7 that they have been given. How they exercise those  
8 powers can take an infinite variety of ways.

9 And at the same time, it seems to me that  
10 if we are going to work to make this process work for all  
11 of the people of Massachusetts, which is our mandate, we  
12 have got to have some form of interchange. And to create  
13 a process and launch it without any consultation with the  
14 other side I think is not designed to create the kind of  
15 environment we need to make this a success.

16 We are going through a regulation  
17 promulgation process to set up the standards and criteria  
18 and timeline that we are on. We are having these kinds  
19 of meetings and seeking input and commentary from the  
20 public to make sure we have taken into account the things  
21 we have received, helpful information from people who are  
22 going to be affected by the regulations. And it seems  
23 to me that's the way our end of the process ought to work,  
24 and we ought to be working with the cities and towns to

1 make sure there is a synchronous process between us and  
2 them as well.

3                   So, I would agree with a letter saying  
4 we've got some concerns as to how this interface is going  
5 to happen. We would be grateful if you held off starting  
6 it until we had a chance to talk to you. Let's sit down  
7 and talk and see where you are and why you are there, and  
8 hear where we are and why we are here. And see where we  
9 go.

10                   CHAIRMAN CROSBY: So, there is a pretty  
11 clear consensus that writing -- And I don't have a problem  
12 with this if they would have agreed -- had they agreed  
13 to stop before I would have agreed with this. So, I'm  
14 comfortable with this. We will send them a letter ASAP,  
15 which is probably -- they are probably on the other end  
16 of this. So, we will try to get it out before 5:00, asking  
17 them to hold their process, postpone their process until  
18 we have had a chance to meet with them. And we invite  
19 them, as we already have, to come to our next meeting on  
20 Tuesday.

21                   COMMISSIONER MCHUGH: I was just going to  
22 say, not only did we invite them on Friday, but we  
23 understand that there are some personal commitments that  
24 interfered with some of their ability to be here today

1 that they didn't have any control over.

2 CHAIRMAN CROSBY: I didn't mean in any way  
3 to cast dispersions on them not coming. There was a death  
4 in the family and so forth, plus Labor Day weekend.

5 So, I can put something like that together  
6 very quickly. I think that's pretty straightforward.  
7 And we will get that out ASAP. And hope then to talk with  
8 them and whoever else they want to bring about both the  
9 process by which they came to the conclusion on the law  
10 firm, to the extent that they want to bring that up further  
11 and on the whole issue of process and schedule.

12 I'm not sure we made this clear, but we got  
13 their schedule after our last meeting when we talked about  
14 this. We hadn't seen their schedule. And I think when  
15 we all looked at the schedule, we said, wow, that is really  
16 a quick one. And it highlighted some issues that we were  
17 concerned about. That was sort of the trigger mechanism  
18 for us kind of rethinking this. I will get that out ASAP.  
19 Anything else on this? Okay.

20 Item number six, public education and  
21 information, community and/or development outreach  
22 responses to requests for information. This is the  
23 letter, Commissioner McHugh, from -- did I skip  
24 something? Yes, I did. I'm sorry. 5C, technical and

1 other assistance to communities kind of gets confused  
2 with community and/or development outreach.

3                   We had a series of questions from Town  
4 Manager Jay Cash (SIC) from Chelsea that arose from our  
5 Western Mass. forum. Commissioner McHugh has drafted  
6 answers to those questions, which are here in red. I  
7 think do you want to just lead the conversation through  
8 that.

9                   COMMISSIONER MCHUGH: Yes, if I can find  
10 my copy of it. These answers are really discussion  
11 starters. So, these are new questions that we haven't  
12 faced before.

13                   CHAIRMAN CROSBY: This form, while you are  
14 looking, should say draft on it whoever has copies. I  
15 don't think it does.

16                   COMMISSIONER MCHUGH: No, because it took  
17 the form -- at the time I didn't know what we were going  
18 to do with it. Anyway, I don't seem to have a copy of  
19 it.

20                   CHAIRMAN CROSBY: Jamie, do you have a  
21 spare?

22                   COMMISSIONER MCHUGH: I got it. Sorry  
23 for the fumbling. These are questions that were raised  
24 to Commissioner Stebbins, I believe, after the last

1 forum. These are proposed answers to them.

2           The first one deals with local capital  
3 projects fund. The legislation created a number of  
4 funds. The money that is taxed to the gaming  
5 establishments goes into a fund out of which  
6 disbursements are made to a series of other funds. And  
7 then disbursements are made from those funds to an  
8 end-user. There is the local community mitigation fund.  
9 There's the horseracing development fund. There's a  
10 whole bunch of funds.

11           And in most of those funds, the mechanism  
12 for distribution was created. Who was to distribute it  
13 and how they were to distribute it was set up in the fund.  
14 Unfortunately, the local capital projects fund doesn't  
15 have any of that. It simply says that there is a local  
16 capital projects fund. And the legislation says certain  
17 monies goes out of the big pool of money into this fund,  
18 but it doesn't talk about how the money gets out.

19           There historically once was in a  
20 Comptroller's report an analogous fund. I couldn't find  
21 that in the statutes anyplace, the old statutes even.  
22 So, it may have been an outside section that is very  
23 difficult to find. And the Comptroller had some mention  
24 of it in an annual report. It dealt with prisons and



1 jails, but that doesn't exist anymore as far as I can tell.

2           So, this is really an orphan fund. So, I  
3 think we need to contact the Comptroller to find out if  
4 he knows anything about it. And if not, this is one of  
5 the things that we need to advise the Legislature is kind  
6 of an orphan insofar as how we get the money out of the  
7 fund to the end-user is concerned. That's the answer as  
8 I've stated I would propose we make.

9           CHAIRMAN CROSBY: Commissioner Zuniga,  
10 could you to take act to follow up on that?

11           COMMISSIONER ZUNIGA: Yes.

12           CHAIRMAN CROSBY: That's sort of in your  
13 bailiwick.

14           COMMISSIONER ZUNIGA: I'll contact Kathy  
15 Shepherd or Marty Benison.

16           COMMISSIONER MCHUGH: The next one is  
17 whether there is a standard percentage of the gross gaming  
18 receipts that should be shared with the host community  
19 and the surrounding communities.

20           The answer to that is no. 6.5% goes into  
21 the community mitigation fund. With that fund there is  
22 a mechanism for applications. There is a board that is  
23 set up to deal with distributions, but there is no set  
24 percentage that goes either to the host or to the

1 surrounding community. That's how that one is handled.

2 We have ultimately the obligation to pass  
3 regulations setting out the criteria for distribution of  
4 the money, but we haven't done that yet and won't have  
5 to for a while because there won't be any money in that  
6 fund for a little while. So, there is nothing more to  
7 do there except to promulgate the regulations.

8 The next question is whether host and  
9 surrounding community agreements include payment for  
10 unrestricted local government use or may all funds have  
11 associated mitigations. The answer quotes the statute.  
12 The bottom line is mitigations are what --

13 CHAIRMAN CROSBY: On this one, they are  
14 asking about host and surrounding community agreements.  
15 What you answered on was community mitigation fund. The  
16 host and surrounding community agreements probably  
17 include payments for anything that the host community and  
18 the surrounding community negotiated.

19 COMMISSIONER MCHUGH: You are absolutely  
20 right, Mr. Chairman. I misinterpreted that question. I  
21 think that they have asked a different question than I  
22 answered.

23 CHAIRMAN CROSBY: Unless there is some  
24 constraint that I can't remember on what can be in a host

1 and surrounding agreement, I think a host community can  
2 say we want you to pay us X-grand for discretionary  
3 monies. And if the bidder is willing to do it, that's  
4 their right.

5 COMMISSIONER MCHUGH: I hear you.

6 CHAIRMAN CROSBY: With all due respect?

7 COMMISSIONER MCHUGH: With all due  
8 respect, I don't know whether you're right or whether I  
9 agree with you.

10 COMMISSIONER MCHUGH: Let's go back and  
11 redo this one.

12 COMMISSIONER ZUNIGA: Mr. Chair, I do  
13 remember the feedback from our public educational forums  
14 and how some of the -- the people who had done mitigation  
15 strongly advised against funding line items of the  
16 budget. And really use mitigation monies for mitigation  
17 as opposed to say balancing a budget.

18 I know that is not exactly the question  
19 that is being asked. It is just saying broadly  
20 unrestricted funds and that could very well be for  
21 mitigation purposes. But I think maybe we could sort of  
22 frame the answer along those lines.

23 COMMISSIONER STEBBINS: I think the  
24 answer that we heard from the woman from

1 Nevada --

2 COMMISSIONER ZUNIGA: Yes, Henderson,  
3 Nevada.

4 COMMISSIONER STEBBINS: -- was ask for  
5 monies to mitigate what really needs to be mitigated  
6 instead of necessarily looking at the project proponent  
7 as kind of an ATM.

8 CHAIRMAN CROSBY: They are asking whether  
9 you have the right to do it. We can speak to the issue  
10 of what is their right. We can also speak to what is a  
11 best practice. But those are two different things.

12 COMMISSIONER STEBBINS: Right.

13 COMMISSIONER MCHUGH: We have urged  
14 creativity in terms of thinking outside the box.

15 CHAIRMAN CROSBY: Linkages.

16 COMMISSIONER MCHUGH: Linkages, but  
17 linkages I think that still have a hook in mitigation of  
18 the effects of gaming. So, I think the two are not  
19 incompatible.

20 The next one is will community mitigation  
21 funds be available to communities prior to construction  
22 beginning or facilities opening? I interpreted this  
23 question, again, to be based on the statutory funds and  
24 not the funds that are made available by developers in

1 the host community agreements.

2           So, I think this is the correct answer  
3 which is no, there won't be any statutory funds available  
4 until there is revenue. But maybe we ought to add to the  
5 answer the funds from the host community agreement for  
6 mitigation will be available according to the terms of  
7 the host community agreement. That's already taking  
8 place.

9           COMMISSIONER ZUNIGA: And surrounding  
10 communities as well, because that is another process that  
11 also happens.

12           COMMISSIONER MCHUGH: Right.

13           CHAIRMAN CROSBY: And I don't know whether  
14 this changes the question or not, but 50K for community  
15 mitigation is not a minimum. I'm sorry, is a minimum;  
16 it's not a maximum. So, we can go back to the developers  
17 and say it's requiring more money but that may not change  
18 the answer.

19           COMMISSIONER MCHUGH: Yes. That money is  
20 statutorily focused on defraying the costs of negotiating  
21 the agreement. And I think their question is broader.  
22 Their question is on broad scale mitigation. But the  
23 host community agreement could certainly say starting  
24 tomorrow we'll give you money to build a new railroad.

1                   COMMISSIONER STEBBINS: Could we also  
2 address this question in terms of -- Obviously, there is  
3 a different answer when it comes to statutory monies being  
4 available. But in terms of monies that maybe available  
5 through negotiation with the host community or a  
6 surrounding community, I would think that money would be  
7 available no sooner than when their license application  
8 is approved.

9                   It sounds like a regulatory question for  
10 us to get to, but in terms of when they would be  
11 responsible for freeing it up to a host community or a  
12 surrounding community, that linchpin date should be upon  
13 approval of their license application. It's a  
14 regulatory question I would assume in the RFA-2 process.

15                   COMMISSIONER MCHUGH: I think that's  
16 something -- I'd like to think about that because I  
17 misinterpreted the question, so I haven't thought about  
18 any of this. But I'd like to think about that for a  
19 minute. Instinctively, it sounds to me that you are  
20 right. But I'd like to think about it a little bit more.

21                   COMMISSIONER STEBBINS: Certainly.  
22 There should be no authority from us to say okay, once  
23 you have negotiated the host agreement you should start  
24 dispensing monies because either the host community

1 agreement has been negotiated and settled after the  
2 referendum question or upon final approval of the license  
3 application.

4 COMMISSIONER MCHUGH: Are we ready --  
5 Should we go back and take another draft of this and then  
6 reconsider these, Mr. Chairman? Or do you want to see  
7 if we could solidify a position now? What should we do?

8 CHAIRMAN CROSBY: I think it would  
9 probably be easier if you could take a stab at them and  
10 do them again.

11 COMMISSIONER STEBBINS: I am meeting with  
12 Jay on another topic on Wednesday. We may just invite  
13 him to clarify some of these questions for us.

14 CHAIRMAN CROSBY: That would be fine.

15 COMMISSIONER MCHUGH: That would be  
16 great.

17 CHAIRMAN CROSBY: And let Commissioner  
18 McHugh know the outcome.

19 COMMISSIONER MCHUGH: The penultimate  
20 question, -- Well, no, I haven't quite gotten to the  
21 penultimate question. Are mitigation agreements  
22 contracts and assuming so can municipalities legally  
23 enter into 15-year contracts with a casino? And the  
24 answer there seems to me is yes and yes for the reasons

1 that we state there.

2           The agreement is a contract. In fact, the  
3 statute talks about the Commission ensuring, taking step  
4 to figure out how to enforce the undertakings that went  
5 into the host and surrounding community agreements.

6 They are contracts. They are enforceable.

7           And they can make an agreement of whatever  
8 duration they want recognizing that the licensee may not  
9 be around if it's a 100-year contract. It seems to me  
10 that gets into a situation where it might be unwise to  
11 do it, but they can do whatever they want.

12           How will the Gaming Commission determine  
13 the social impacts that communities say they are  
14 experiencing? There is one that I think really needs a  
15 lot of thought. So, the answer is we haven't decided  
16 that.

17           Part of the application process requires  
18 us to look at the application and the plan that has been  
19 submitted for addressing these issues, make an  
20 independent judgment, get consultants to help us look at  
21 things, to have a hearing. I think all of those things  
22 go into it. Then there are policy committees that are  
23 designed to take a look at this. We can take a look at  
24 it during the course of the hearing. In a more formal



1 sense we haven't decided that.

2                   COMMISSIONER ZUNIGA: When I read this  
3 question, I thought also there was this additional  
4 dimension. The answers are right on point, but the role  
5 of the ombudsman, as we have talked about and their  
6 ability to coordinate with regional planning agencies and  
7 other secretaries or agencies maybe something to consider  
8 here.

9                   If we take a broader definition of the  
10 social impact question, not just perhaps problem gambling  
11 but mitigation if it's in a broad sense.

12                   COMMISSIONER MCHUGH: In its broader  
13 sense.

14                   COMMISSIONER ZUNIGA: In its broader  
15 sense.

16                   COMMISSIONER STEBBINS: In looking at  
17 this question, which seemed to be a lot broader than the  
18 other ones, I would think or make the suggestion that a  
19 host or surrounding community if they are worried about  
20 the social impacts, how would they come to us and justify  
21 in three, four or five years without -- just as we are  
22 looking at some type of baseline research to assess the  
23 impacts, recommend or suggest to them you need to have  
24 some baseline research.

1                   They can't be anecdotal that now you have  
2 an uncle with an addicted gaming problem. Did he have  
3 it before? Kind of devise a clear baseline as to how they  
4 know what they are experiencing.

5                   COMMISSIONER MCHUGH: Okay. We should  
6 include that too. Then the final one, can a table of all  
7 of the revenue sources and how they can be used and  
8 assessed - accessed by municipalities be published?  
9 That's a great idea. We should do that.

10                   We have the annotated statute that is up  
11 on the website. We could put a chart up there that simply  
12 picks off that in a simple, easy-to-follow format and show  
13 what funds are available and how they can access them.  
14 We can do that.

15                   CHAIRMAN CROSBY: Great. Incidentally,  
16 I talked to Jay Ash from Chelsea about these questions.  
17 And in the process, he added something which I think he  
18 is going to talk further to Commissioner Stebbins about,  
19 which in our workforce development plans we might want  
20 to tie into the Welfare to Work project that is going on  
21 in Massachusetts. So, we identify people on welfare on  
22 the TANF money and try to get them into that pipeline,  
23 which I thought is a great idea. Is that what he's  
24 talking about?

1 COMMISSIONER STEBBINS: Yes.

2 CHAIRMAN CROSBY: Good. There was also a  
3 letter that came in from a citizen about the issue of  
4 commenting on free and discounted drinks in casinos  
5 versus the happy hour thing. It was a thoughtful,  
6 well-written letter. I sent it around asking something  
7 that you think we ought to think about putting on our  
8 agenda. At least one of you, Commissioner Stebbins, got  
9 back to me and said you thought that would be a good idea  
10 as long as we did it with the ABCC.

11 I am thinking maybe, and I am just putting  
12 it on the table, would it be a good idea to see if we can  
13 invite the ABCC to come in and sort of give us an update  
14 on where they are on these issues? And whether we want  
15 to weigh in or not, I don't know.

16 It probably would be kind of good. It's  
17 something which they are very involved in right at the  
18 moment. It's going to involve us in due time. We are  
19 asked about it. We are not really up to speed on it. So,  
20 would it be a good idea to have the ABCC come in and talk  
21 to us about that?

22 COMMISSIONER STEBBINS: I think the ABCC  
23 would be great. I don't know if there is appropriate  
24 legislative staff that might be involved in the debate

1 or discussion on this issue. In terms of finding a group  
2 that may represent a block of business or industry that  
3 is mindful of this issue.

4 I think the NFIB has either weighed in in  
5 opposition. Don't quote me on that. But there may be  
6 a business entity or a business group that could represent  
7 the businesses potentially being impacted by a decision  
8 on this one way or the other. I don't know if that's the  
9 National Federation of Independent Businesses or not or  
10 a restaurant association or somebody who might be able  
11 to represent the industry.

12 CHAIRMAN CROSBY: I'd be fine with that.  
13 I was more thinking of just kind of an update from the  
14 regulatory agency rather than getting into an advocacy  
15 position if we have one side we need to have the other.  
16 But I am open to anything. I wasn't thinking about  
17 bringing in advocates. I was thinking about just getting  
18 the Agency here to bring us up to speed.

19 COMMISSIONER MCHUGH: I think that would  
20 be a good idea because we are not going to be dealing with  
21 this as an action item or a regulatory item for a little  
22 while. But if legislative changes are necessary or  
23 appropriate, that is going to be on some kind of a  
24 timeline. We do have some responsibility in this area.

1 So, I think it would be helpful. They have been holding  
2 hearings around the State. I think it would be good.

3 CHAIRMAN CROSBY: Is everybody okay with  
4 that?

5 COMMISSIONER ZUNIGA: I agree with that.

6 CHAIRMAN CROSBY: And if we want to take  
7 it a step further and get into advocacy, we can do that  
8 at a subsequent point.

9 Where did Jamie go? If you could reach out  
10 to the ABCC and coordinate with Jamie/Janice to have them  
11 come in next week if they can.

12 COMMISSIONER CAMERON: What we are  
13 looking for is just an update of where they are with all  
14 of their hearings and if that should apply to what we will  
15 be doing eventually? Am I understanding what we are  
16 asking for?

17 COMMISSIONER MCHUGH: Just an update on  
18 where they are, I think.

19 CHAIRMAN CROSBY: I was just looking to  
20 talk about these issues, the issue of the licensing that  
21 is either mandated or implied for the casinos. The  
22 impact on the neighboring facilities and the happy hour  
23 question, just an update on sort of where they are on that,  
24 what they see as the issues that they are going to have

1 to be wrestling with.

2 COMMISSIONER MCHUGH: Does that make  
3 sense?

4 COMMISSIONER CAMERON: I think it does.  
5 I originally thought that it might be premature to have  
6 these conversations because we won't be dealing with --  
7 there will be licensing and that we have some time there.  
8 It certainly doesn't hurt to have an update on where they  
9 are, what their results of their hearings have been.

10 CHAIRMAN CROSBY: There's enough in the  
11 news. I think it would be helpful to us if we had an  
12 update on where they are at.

13 COMMISSIONER CAMERON: I'll set that up  
14 through Jamie.

15 CHAIRMAN CROSBY: Report from the  
16 Director of Communications and Outreach.

17 MS. DRISCOLL: Good afternoon, everybody.  
18 I have a relatively brief report today. I am pleased to  
19 tell you that we are still on track with our website and  
20 branding project.

21 It does appear that after a thorough review  
22 of some excellent proposals, we have been able to identify  
23 a vendor moving forward. However, we are still in the  
24 process of finalizing the contract. So, we will refrain

1 from being more specific about that until we have had an  
2 opportunity to complete the contract.

3           Like I said, there were many excellent  
4 proposals. So, that is the good news and the bad news.  
5 But I'm very confident that we have identified someone  
6 that will give us a terrific product for a good budget.  
7 And we will be able to proceed relatively quickly but it  
8 will be intense for the next eight weeks or so, because  
9 I would like to see a very short turnaround, so that we  
10 have this infrastructure available to us as we continue  
11 to get extremely busy with the release of RFA-1  
12 application and other critical deadlines that we want to  
13 meet.

14           That is where we are right now. Like I  
15 said, I think we should be able to disclose that by the  
16 end of today or tomorrow, because I would like to start  
17 no later than the end of the week on that process.

18           I also put out yesterday a release on just  
19 the large volume of speaking engagements that  
20 Commissioners have over the next several weeks. We  
21 really commence tomorrow with an aggressive schedule that  
22 will take us through the next six weeks or so.

23           Commissioner Zuniga along with Chairman  
24 Crosby tomorrow will be with the Construction Management

1 Association of America at Wentworth, onto the Worcester  
2 Chamber of Commerce the following day. Commissioner  
3 Stebbins will be doing the Neponset Valley Chamber of  
4 Commerce before the end of the week.

5                   There are just many speaking engagements,  
6 as I said, over the next six to seven weeks. So, I have  
7 just been working hard to promote those and continue to  
8 discuss aggressive outreach efforts. And I will  
9 continue just increasing awareness of the speakers bureau  
10 so we can continue to add dates to our agenda.

11                   COMMISSIONER MCHUGH: Great.

12                   COMMISSIONER CAMERON: Thank you.

13                   CHAIRMAN CROSBY: This is another topic I  
14 am just going to ask about. Do you know how many people  
15 are signed up for the Diversity and Inclusion forum?

16                   MS. DRISCOLL: I don't have -- Janice told  
17 me that the numbers are actually larger than any forum  
18 at this time that we've had. So, I think she told me I  
19 want to say 50 to 75.

20                   MR. MILBY: It's about 78.

21                   MS. DRISCOLL: 78, so compared to other  
22 forums, it's the highest we've been at this time. So,  
23 we anticipate a great turnout.

24                   CHAIRMAN CROSBY: Great. Thank you.



1 The acting ombudsman report that would be me. There are  
2 no other inquiries other than the inquiries having to do  
3 with the Springfield situation. I haven't had any other  
4 people looking for appointments. We have not had any  
5 more receipts of \$400,000 deposits. You heard that we  
6 are moving quickly to get the ombudsman position filled.  
7 The Diversity forum September 19, you heard that is pretty  
8 well set up. You heard the sign-up sheet.

9           This issue promoting "Destination" gaming  
10 facilities. The word "Destination" or resort is meant  
11 to distinguish facilities from facilities, which are  
12 basically local in nature. The facilities, which are  
13 basically local in nature, have the least beneficial  
14 impact for the Commonwealth because it's most likely to  
15 be regenerating money from one place in the Commonwealth  
16 to another.

17           The money that has the greatest impact for  
18 the Commonwealth is either money, which is recaptured  
19 from another jurisdiction, or new money where we bring  
20 in people from other jurisdictions to the Commonwealth.

21           I just wanted as much to Commissioner  
22 Stebbins to you as anybody, but also to everybody to think  
23 about -- We've talked a lot with the tourism industry in  
24 a sort of defensive way which was I will note very much

1 reflected in the MGM -- in the press reports of the MGM  
2 proposal. That we want to make sure that casinos in our  
3 town, in our State are designed to work with other tourism  
4 and local business entities not to so to speak box them  
5 out. And we talked about that quite a bit.

6 I think the forum we had in Western Mass.  
7 was very powerful on that score. We learned a lot. It  
8 seems to be reflected in the talk with some of the  
9 potential competitors.

10 What we haven't talked proactively about  
11 is there anything that we can do to encourage folks coming  
12 in from other jurisdictions? Are there any strategic  
13 relationship that could be developed -- I'm just making  
14 this up. -- with the Convention Center or the convention  
15 centers? Are there promotional things, the promotional  
16 dollars that the Commonwealth of Massachusetts uses to  
17 promote tourism, could that be packaged in a way which  
18 is strategic to try to pull people in? Are there ways  
19 that our tourist attractions could be packaged with or  
20 our other key elements, our Red Sox or our educational  
21 institutions or whatever could somehow be packaged with  
22 our casinos to pull in outside dollars?

23 I just wondered whether anybody else  
24 thought that was some sort of an interesting thing to try

1 to explore. Maybe we either just put together a one-time  
2 brainstorming session with some people or we could have  
3 a forum if there were enough interest. Does anybody else  
4 have any reaction to that topic?

5 COMMISSIONER STEBBINS: I think one of the  
6 ideas that was raised to us out in Western Massachusetts  
7 was the notion that in that case you have a very active  
8 convention and visitor bureau trying to get out in front  
9 using their board, which mostly consisted of people in  
10 the hospitality or tourism sector or the recreational  
11 sector, having that early conversation. And I think we  
12 ought to encourage more of what we saw the group out in  
13 Western Mass. starting to do.

14 Create an MOA and have that MOA fold into  
15 the application is a legitimate piece of the process.  
16 Give that MOA some teeth. As I've been talking to people  
17 around other states, they certainly look at Massachusetts  
18 as having -- you realize that tourism and hospitality  
19 is the third-largest sector in Massachusetts. I think  
20 Massachusetts has more of an opportunity to connect  
21 visitors who come here for gaming with bringing their  
22 family with them to partake in all of the different  
23 amenities. It may be a hard pitch to get somebody to go  
24 to a Red Sox game right now, but other things are going

1 on in the Commonwealth.

2                   So, encouraging that kind of -- Taking what  
3 the Greater Springfield Convention Visitors Bureau is  
4 initiating and building on that as either a model that  
5 needs some refinement or a model that should be used by  
6 other convention visitor bureaus. And there are many of  
7 them located across the State.

8                   Where I see Las Vegas years ago try to pitch  
9 themselves as a family destination, they actually didn't  
10 have the other amenities to make it truly a family  
11 destination. I think you have Massachusetts, which is  
12 the history, the cultural, the theatre, the sports, all  
13 of these other amenities going on that I think positions  
14 us to actually have a better sales pitch to getting a  
15 family to come here for a weekend as opposed to the family  
16 all comes and stays within the confines of the resort.

17                   We obviously want to see some creativity  
18 from the operators as to again, how they are going to meet  
19 that priority, which is clearly laid out in the  
20 legislation.

21                   COMMISSIONER MCHUGH: Is it worthwhile,  
22 Commissioner, do you think to have a brainstorming  
23 session of the kind that Commissioner Crosby was talking  
24 about with the idea of coming up with things that we can

1 put in the application or criteria that we are going to  
2 use to judge the best applications. So that we are not  
3 simply relying on the creativity of the applicants. We  
4 want to do that, but we have some greater specificity to  
5 get them to start thinking about when they are making the  
6 application.

7 COMMISSIONER STEBBINS: I think that kind  
8 of discussion or just kind of brainstorming session would  
9 be helpful. There are certainly the many convention and  
10 visitor bureaus as I've been introduced have been in favor  
11 of casino gaming or their board is in favor of casino  
12 gaming. Others are not, but thinking best practices so  
13 we don't again necessarily rely on all of this being on  
14 the operator's shoulders. Okay, I'm new to  
15 Massachusetts. I've got to think how I'm going to  
16 connect my gaming operation with tourism. Kind of  
17 inviting some of that local conversation, balancing off  
18 some good ideas and plans, whether it's MOAs, whether it's  
19 other types of agreements that connect it all together.

20 COMMISSIONER CAMERON: That reminds me of  
21 the speaker from the Indiana shoreline who had some very  
22 good ideas I thought on bridging the two. He had already  
23 quickly assessed Springfield. And he mentioned the Hall  
24 of Fame and he mentioned Yankee Candle. That's how his

1 brain was working. And I found that to be useful for us  
2 moving forward to kind of create those partnerships.

3 He said you almost have to force it. That  
4 the operators will not necessarily do much of it on their  
5 own. You really have to have it as part of the  
6 application process.

7 CHAIRMAN CROSBY: Right.

8 COMMISSIONER STEBBINS: To Commissioner  
9 McHugh's point, I think it is a good one as we get to the  
10 more detailed process of the license application, the  
11 RFA-2 process, we are going to be turning to outside help  
12 via local planning commissions to assess community  
13 impacts. Is there some role for either the State Tourism  
14 Office or the individual tourism bureaus to play in  
15 helping us evaluate whether somebody's plan or goal  
16 matches up. If it's a plan that they've already entered  
17 into a partnership with a potential operator it would seem  
18 to have more credibility and more validation to it.

19 COMMISSIONER ZUNIGA: I was going to echo  
20 the point about the evaluation criteria. As we undertake  
21 this Phase 2 process, which I am really looking forward,  
22 I think there will be very big policy messages, if you  
23 will, or policy decisions that we will be putting out  
24 there to the tune of how to increase or promote

1 "Destination" just like this question poses.

2           So, asking operators to give us their  
3 international, cross promoting plans let's say and how  
4 we weigh those or how much importance, relative  
5 importance we place on that I think is going to be a very  
6 strong statement. So, I look forward to that process.

7           COMMISSIONER STEBBINS: I would just  
8 suggest as a next step, we could engage Betsy Wall from  
9 Travel and Tourism and have her think about a group that  
10 we could begin to have this conversation with.

11           CHAIRMAN CROSBY: I think that is a good  
12 idea. What we did with the diversity and inclusion is  
13 we had a session. And out of that came enough interest  
14 that we turned it into an educational forum. Let's you  
15 and I, Commissioner Stebbins, follow through on that.  
16 Starting with Betsy Wall is a good idea. Great.

17           Research agenda, we do have a draft RFI  
18 that Commissioner Zuniga and Eileen, I think, worked on  
19 together after that earlier memo that I wrote a while  
20 back. I think I told you that I met with Commissioner  
21 Auerbach and Secretary Bigby. They wanted to have some  
22 conversation about that RFI before we sent it out. I  
23 thought that was a good idea.

24           So, we are meeting with a very ad hoc group

1 of folks to advise us on this RFI on the 14th.

2 COMMISSIONER ZUNIGA: This Friday.

3 COMMISSIONER STEBBINS: It's a week from  
4 Friday.

5 COMMISSIONER ZUNIGA: Then it's the  
6 seventh.

7 CHAIRMAN CROSBY: It's the seventh.

8 That's right. I was going to try to get it posted -- have  
9 a brainstorming session. We will do with whatever work  
10 with it and try to get it posted by the 14th by the end  
11 of next week.

12 So, we have sort of slowed down a little  
13 bit on this, but we are going to try to get this out and  
14 I think it's a good idea. There are people from the  
15 Lottery, people from the Legislature, other people that  
16 are invested in this project as well as HHS and Public  
17 Health. And I think getting them involved early on is  
18 a good idea. So, I will keep chugging along.

19 That's it for my agenda, for this agenda.  
20 Any other items that we forgot about or missed? Motion  
21 to adjourn?

22 COMMISSIONER MCHUGH: So moved.

23 COMMISSIONER CAMERON: Second.

24 CHAIRMAN CROSBY: All in favor? Aye.



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COMMISSIONER ZUNIGA: Aye.

COMMISSIONER STEBBINS: Aye.

COMMISSIONER MCHUGH: Aye.

COMMISSIONER CAMERON: Aye.

CHAIRMAN CROSBY: All opposed? Done.

(Meeting adjourned at 2:49 p.m.)

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C E R T I F I C A T E

I, Laurie J. Jordan, an Approved Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Laurie J. Jordan, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive on Transcript Format.

I, Laurie J. Jordan, further certify I neither am counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken and further that I am not financially nor otherwise interested in the outcome of this action.

Proceedings recorded by Verbatim means, and transcript produced from computer.

//Laurie J. Jordan// Date: September 5, 2012

Court Reporter for Office Solutions Plus, LLC

My commission expires: May 11, 2018

//Elizabeth Tice// Date: September 5, 2012

Elizabeth Tice, President, Office Solutions Plus, LLC

My commission expires: August 26, 2016

1 ATTACHMENTS:

2

3 Attachment 1, Agenda

4 Attachment 2, August 31, 2012 email, Subject RFA Phase  
5 1 forms and Instructions

6 Attachment 3, Instructions for Applicants for a Gaming  
7 License-RFA Phase 1 Application

8 Attachment 4, Massachusetts Gaming Commission

9 Multi-Jurisdictional Personal History Disclosure Form

10 Attachment 5, Massachusetts Gaming Commission Business  
11 Entity Disclosure Form

12 Attachment 6, Massachusetts Gaming Commission

13 Massachusetts Supplemental Form to Multi-Jurisdictional  
14 Personal History Disclosure Form for Key Gaming Employees  
15 and Qualifiers

16 Attachment 7, August 29, 2012 Memorandum Regarding  
17 Proposed Processing of Comments on Phase 1 Regs

18 Attachment 8, August Western Massachusetts Forum  
19 Questions from City of Chelsea

20 Attachment 9, City of Springfield August 27, 2012 Press  
21 Release

22 SPEAKERS:

23 Elaine Driscoll, Director of Communications and Outreach

24 Kristin Gooch, gaming consultant