



Meeting Minutes

Date/Time: December 1, 2016 – 1:00 p.m.

Place: MassMutual Center
1277 Main Street – Meeting Room #5
Springfield, MA

Present: Chairman Stephen P. Crosby
Commissioner Gayle Cameron
Commissioner Lloyd Macdonald
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

**Time entries are linked to
corresponding section in
Commission meeting video**

Call to Order

See transcript page 2

[1:06 p.m.](#) Chairman Crosby called to order the 205th Commission meeting. He noted that there will be a change in the agenda order and item #5 will be moved up due to a guest from out-of-town.

Investigations and Enforcement Bureau (“IEB”)

See transcript pages 2-15

[1:07 p.m.](#) Director Karen Wells presented on the suitability investigation for Sportech Racing, LLC, an applicant for licensure as a gaming vendor-primary, which includes three entity qualifiers and ten individual qualifiers. She noted that the company is based in Connecticut and they provide the tote system at Plainridge Park Casino for harness horse racing. She provided a summary of the suitability investigation and stated that the IEB recommends that the Commission approve their application for licensure as a gaming vendor-primary.

[1:18 p.m.](#) *Commissioner Cameron moved that the Commission approve the suitability and license for Sportech as well as the qualifiers. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

Administrative Update

See transcript pages 16-17

[1:19 p.m.](#) Executive Director Edward Bedrosian, Jr. noted that it is the end of the year and there will be activities for staff. He also noted that the last day of racing is tomorrow. He stated that he and a small team will be attending a demonstration at MGM National Harbor in Maryland. He stated the purpose is to interface with the Maryland regulators to understand the opening process.

Ombudsman

See transcript pages 17-129

[1:21 p.m.](#) Ombudsman John Ziemba introduced members of the MGM team which included Mike Mathis, President of MGM Springfield and Brian Packer, MGM Vice President of Construction and Development. He noted that MGM is also joined by Kevin Kennedy, Springfield's Chief Development Officer. Ombudsman Ziemba reported that he attended the Springfield Rising to New Heights event last week.

[1:22 p.m.](#) Mike Mathis, President of MGM Springfield, reported that the weather is currently 55 degrees and that Mother Nature must want them to open on time. He recognized MGC staff for attending the MGM National Harbor control test and preopening activities. He noted the collaborative process between the two regulators which includes sharing information and best practices. Chairman Crosby noted that Charles Laboy, a final candidate for the MGC executive director position, has been helpful to the Commission.

[1:25 p.m.](#) Kevin Kennedy, Springfield's Chief Development Officer, presented on the Springfield Rising event held in Springfield and various projects occurring in Springfield. A video was shown highlighting the various projects which included: renovation of Union Station, an Innovation Center, a cultural district, a bike share program, wayfinding signage, and development investments.

[1:35 p.m.](#) Paul Picknelly, a native of Springfield and third generation business owner, presented on the Springfield Thunderbirds, the hockey minor league affiliate of the Florida Panthers. He reported that when the Springfield Falcons left Springfield he organized investors and business leaders to bring hockey back to Springfield. He reported that with the redevelopment of Springfield, now was not the time to lose a professional hockey team. He stated that 28 local Springfield business owners joined together and purchased the hockey franchise – Springfield Thunderbirds. He reported that MGM assisted in securing the agreement with the Florida Panthers and that MGM will serve as the team's presenting sponsor. He stated that there was a sellout crowd on opening night and ticket sales are robust. He also noted that the team is a boom for local businesses, drawing patrons to downtown restaurants. A video was shown highlighting the Springfield Thunderbirds. He also noted that MGM will be a catalyst for the hospitality industry and real estate development.

Commissioner Stebbins noted the longtime planning work done by the City of Springfield and its continuing alignment with work to be done.

- [2:00 p.m.](#) President Mathis introduced a new staff member, Barry Borowski, who will head up the planning and development team for MGM Springfield.
- [2:02 p.m.](#) MGM Quarterly Report (see presentation in Commission packet). Brian Packer, Vice President of Construction and Development at MGM Springfield, presented an update on construction which included: overall site progress, slab work, garage footprint and construction, demolition, Union Chandler, foundation, podium, storm water management, crane erection, design milestones, and schedule update.
- Chairman Crosby inquired about the status of the I-91 project. Mr. Packer stated that they meet with MassDOT every two weeks and they are on schedule. Chairman Crosby inquired about the labor and pricing. Mr. Packer stated that they may get a drop in bidders due to the busy market conditions, which could result in an increase in pricing, but he can't verify that now.
- [2:15 p.m.](#) Seth Stratton, Vice President & General Counsel for MGM Springfield, presented an update on the 2016 third quarter cost estimate. He noted that just under \$300 million has been incurred to date against \$700 million to be spent during the pre-opening period. He also noted that construction spending has exceeded \$100 million. Commissioner Stebbins inquired about the \$1.8 million remaining in the land line item. Attorney Stratton responded that it was over budget and they don't anticipate further spending under that line item.
- [2:18 p.m.](#) Brian Packer presented a diversity update which included a summary of WBE, MBE, and VBE data, design and construction commitments with 90 diverse companies to date, design and consulting commitments, construction commitments, diverse construction companies, and workforce diversity statistics. Commissioner Macdonald inquired about his strategy in achieving good results. Mr. Packer stated that he has a great team and he relies on community partners. Mr. Packer also presented on current quarter site progress.
- [2:27 p.m.](#) President Mathis reported that in addition to construction they are focused on building their organization and workforce development. He noted that they have launched their SkillsSmart program which is a tool to track applicant's skills and help them manage their hiring commitments. Commissioner Stebbins noted that he attended a SkillsSmart session and the turnout and enthusiasm was great.
- Chairman Crosby raised the issue about the ten year bar from non-gaming positions for folks with felony convictions. He asked for feedback or any data they may get that shows that this is an issue or not. President Mathis stated that they are working on the data with MGC staff. He also stated that this is an important discussion to have and we are all trying to do the right thing.
- 2:33 p.m. The Commission took a brief recess.
2:42 p.m. The meeting resumed.
- [2:42 p.m.](#) Ombudsman John Ziemba presented on the 2017 Community Mitigation Fund Guidelines. He noted that meetings were held with local community mitigation advisory committees and the subcommittee on community mitigation, along with a public comment period for the 2017 guidelines. He stated that the draft guidelines

reflect the ideas from the committee meetings and comments. He highlighted issues that resulted in significant dialogue at the meetings. There was a suggestion that the Commission should be cautious with early spending as impacts may get greater closer to the casino openings. He also noted enthusiasm for a job readiness program. There was also overall concern about how grant allocations are made by region and that we should work to ensure the needs of the regions are met. Ombudsman Ziemba also reported on recommendations made by the committee members for the Commission's consideration.

[2:47 p.m.](#) Director Jill Griffin presented on the pre-employment grant program and stated that it is intended to mitigate a strain on existing resources in the labor market and help low skilled adults obtain jobs related to the casino. She noted that the intent is for a regional collaborative approach to train people right away for hospitality positions and not to fund a study.

[2:50 p.m.](#) The Commissioners discussed the recommendations and comments received for the 2017 Community Mitigation Fund Guidelines.

[3:19 p.m.](#) Ombudsman Ziemba provided a summary of the budget items. The Commissioners discussed budget amounts.

[3:27 p.m.](#) *Commissioner Zuniga moved that the Commission approve the 2017 Community Mitigation Fund Guidelines with the corrections and edits discussed here today, with an overall target amount of \$3.4 million and delegate to staff the ability to fine-tune the draft pursuant to this discussion, and increase the job readiness program target amount from \$200,000 to \$400,000 as discussed here today. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

Commissioner's Update

See transcript pages 129-131

[3:29 p.m.](#) Chairman Crosby provided an update on the DFS and Online Gaming Committee mandated by the Legislature. He stated that they held their first meeting and their second meeting is next week. He reported that he sent a few articles to key members of the Committee. He requested that if anyone had articles to submit to give them to him.

Chairman Crosby also reminded folks that there is a request for comments on our website about the marijuana law and he noted that it will be put on the agenda at some point to discuss.

Other Business Not Reasonably Anticipated

See transcript page 131

[3:30 p.m.](#) Executive Director Bedrosian noted that today is Mike Sangalang's birthday.

[3:31 p.m.](#) *Having no further business, a motion to adjourn was made and passed unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda, dated December 1, 2016
2. MGM Springfield 3rd Quarter 2016 Report Presentation, dated December 1, 2016
3. Massachusetts Gaming Commission, 2017 Community Mitigation Fund Guidelines, with attached public comments
4. Letter from Director Karen Wells and Chief Enforcement Counsel and Deputy Director Loretta Lillios to the Massachusetts Gaming Commission, dated November 28, 2016 regarding the Suitability Investigation of Sportech Racing, LLC, an Applicant for Licensure as a Gaming Vendor-Primary

/s/ Catherine Blue
Catherine Blue, Assistant Secretary