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COMMONWEALTH OF MASSACHUSETTS  
MASSACHUSETTS GAMING COMMISSION  
PUBLIC MEETING #217

CHAIRMAN

Stephen P. Crosby

COMMISSIONERS

Lloyd Macdonald

Gayle Cameron

Bruce W. Stebbins

Enrique Zuniga

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May 25, 2017                      11:00 a.m.

MASSMUTUAL CENTER

1277 Main Street

Springfield, Massachusetts 01144

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P R O C E E D I N G S

CHAIRMAN CROSBY: All right. We are ready to call to order public meeting No. 217 today, May 25th at the MassMutual Center at 11 o'clock. First item on the agenda is the approval of minutes. Commissioner, Macdonald.

COMMISSIONER MACDONALD: Yes. Thank you, Mr. Chairman. I move that we approve the minutes of the May 10, 2017 public meeting subject, as usual, to the -- to corrections for typographical errors and for other nonmaterial matters.

CHAIRMAN CROSBY: Second?

COMMISSIONER STEBBINS: Second.

CHAIRMAN CROSBY: I think I will abstain. I was only there for part of -- only on the phone for part of the meeting. Any further discussion?

COMMISSIONER CAMERON: Yep. I will abstain as well. I was not there for any of the meeting.

CHAIRMAN CROSBY: Okay. All in favor, signify by saying aye.

1 MR. MACDONALD: Aye.

2 COMMISSIONER STEBBINS: Aye.

3 COMMISSIONER ZUNIGA: Aye.

4 CHAIRMAN CROSBY: Opposed? The ayes  
5 have it three to zero. Next up is the  
6 ombudsman report. It looks like we are going  
7 directly to Mr. Ziemba.

8 MR. ZIEMBA: Thank you very much,  
9 Mr. Chairman. Thank you very much,  
10 Mr. Chairman and Commissioners. Today, MGM  
11 Springfield is here to present its quarterly  
12 report for the first quarter of this year. We  
13 are joined by Seth Stratton, MGM Springfield  
14 Vice President General Counsel; Brian Packer,  
15 vice president for construction and  
16 development; and Courtney Wenleder,  
17 MGM Springfield's vice president and CFO.

18 In addition to the report on the  
19 quarterly activities, we have asked them to  
20 provide the Commission with an update  
21 regarding the residential units that are part  
22 of the MGM Springfield project commitments.  
23 As you are aware, at the last quarterly  
24 meeting, the Chairman and the Commission asked

1 about the status of such residential units.  
2 They have also been part of ongoing  
3 discussions between MGM Springfield and Gaming  
4 Commission staff.

5 In addition to the quarterly report,  
6 we have also attached in your packet  
7 correspondence that we have recently received  
8 from MGM Springfield as part of the  
9 MGM Springfield site plan review by the City  
10 of Springfield. MGM Springfield was required  
11 to conduct a traffic study relative to its  
12 planned electronic signage. MGM Springfield  
13 has forward a study to Springfield and to us,  
14 as we share an interest in the safety of the  
15 MGM Springfield project and its electronic  
16 signage. I am pleased to report that  
17 Springfield is in the process of its review  
18 and will, undoubtedly, approach this in the  
19 same professional manner that they always  
20 conduct all of their reviews.

21 And with that as a context, I turn  
22 it over to Seth Stratton.

23 MR. STRATTON: Good morning,  
24 Commissioners.

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CHAIRMAN CROSBY: Good morning.

COMMISSIONER MACDONALD: Good morning.

COMMISSIONER CAMERON: Good morning.

COMMISSIONER ZUNIGA: Good morning.

COMMISSIONER STEBBINS: Good morning.

MR. STRATTON: Welcome to Springfield. Thanks for coming out here on this dreary day. As you'll note, we're doing a little bit of a divide and conquer today. There's a pretty full agenda for MGM Springfield items. You're going to hear from our team in front of you here today, as well as our human resources team on workforce development shortly after that. And then, Mike and others from our team with respect to the criminal history disqualifier issue that we've been in conversations with the Commission on.

So we're here to talk about the quarterly update. As you saw a few minutes ago, on site we're making tremendous progress.

1 A lot of excitement here because of the energy  
2 of seeing the project go up. And you're able  
3 to witness a little bit of that today. And  
4 I'm going to turn it over to Brian to walk  
5 through exactly what progress we've made and  
6 what we see coming in the next several months,  
7 as we normally do.

8 And then, Courtney, who you met at  
9 our last meeting, who we're all very excited  
10 to have as our CFO here in Springfield,  
11 Courtney will walk through the budget update  
12 that she's relieved me of duty from having to  
13 do, which I'm very happy with, and then I'll  
14 close it out with an update on what we can  
15 update you on, on the residential piece. So  
16 without further adieu, I'll turn it over to  
17 Brian.

18 MR. PACKER: Good morning.

19 CHAIRMAN CROSBY: Good morning.

20 COMMISSIONER MACDONALD: Good  
21 morning.

22 COMMISSIONER CAMERON: Good morning.

23 COMMISSIONER ZUNIGA: Good morning.

24 COMMISSIONER STEBBINS: Good

1 morning.

2 MR. PACKER: So when we look back at  
3 the first quarter, I think it was really about  
4 finishing steel and starting to get in a  
5 position where we can start enclosure over the  
6 summertime. So I think we've hit our goals on  
7 that up to a nice, final topping-off ceremony  
8 end of quarter, so we'll walk you through some  
9 of that progress.

10 From the aerial photos, you can see  
11 the end of December to mid March here, where a  
12 lot of that steel framing is now filled in and  
13 metal decks beginning to go on in mid March.  
14 And it was -- you know, it was always our goal  
15 to kind of have concrete in place by the end  
16 of last summer, start steel in October so we  
17 can hang all winter. And that's, essentially,  
18 what happened.

19 Here, this slide seems awful cold  
20 compared to today. But, you know, we had  
21 maybe -- it was a light winter, generally. We  
22 had maybe, approximately, eight events that  
23 maybe affected construction and we had to dig  
24 out at certain levels. But we were still --

1           since we were kind of sequenced with steel,  
2           able to make a bunch of progress. And you see  
3           here the progress from that December slide now  
4           through March.

5                         This is looking down on the banquet  
6           space area and the outdoor deck that will be  
7           available to patrons to walk out on that  
8           overlooks on the plaza that's in your  
9           foreground. Off to the right is the hotel,  
10          and off to the left is the entertainment  
11          block. The crane you see off to the right,  
12          really, is -- was the last piece of steel that  
13          where that crane occupied we ended up working  
14          our way out of the podium and finishing up  
15          that steel as kind of the last steel sequence.

16                        And here, kind of diagrammatically,  
17          this -- this shows you the areas of where all  
18          the concrete's poured, in teal, and then the  
19          few areas that are left to pour that are ready  
20          for pouring. One is that -- that lane I  
21          described where the crane was. And we walk it  
22          out there in the podium towards Howard Street,  
23          down by the marketplace, obviously,  
24          coordinating five or six different vendors in



1 the marketplace. That's one of the last areas  
2 to pour because of the high sensitivity around  
3 there's food and beverage penetrations. And  
4 then, in the garage, the bottom floor or base  
5 level of the garage is the last to get poured  
6 because it's -- it's at grade.

7 And so, some of the items we were  
8 working on here in the first quarter, in the  
9 podium, was at 73 State you can see the  
10 support stuff for the facade, and we're  
11 bringing steel in behind 73 to eventually  
12 connect and then relieve the supports in the  
13 front. So it's all about steel connection and  
14 making that structural connection to be able  
15 to start enclosure the following quarter.

16 You see metal stairs come in the  
17 podium, and you see a bunch of scaffolding go  
18 up on the right-hand side of the slide with a  
19 wrap that allowed us to begin certain  
20 temperature-controlled sequences, like sprayed  
21 fireproofing, concrete metal deck pouring that  
22 are temperature sensitive. So the wrap around  
23 the project that you see helped us perform  
24 those tasks.

1                   CHAIRMAN CROSBY: So the wrap  
2 protects the material not the people?

3                   MR. PACKER: The wrap on Main Street  
4 does -- it kind of has two functions, right.  
5 Keeping the people that are driving along  
6 Main, any material or debris that may want to  
7 escape the site inside the site. But also,  
8 really for us, it's more about temperature  
9 control.

10                  CHAIRMAN CROSBY: Yeah.  
11 Interesting.

12                  MR. PACKER: In the winter, anyway.  
13 You here -- see some photos here of just some  
14 of the snow events. The more metal deck and,  
15 obviously, concrete we have poured, the more  
16 area that we have to clear off.

17                  The convention banquet area, in the  
18 bottom right-hand corner, if you were out  
19 there, or if you see the pictures really made  
20 a statement with the size trusses that were  
21 there, the clear spans. And, you know, once  
22 we were able to get those last pieces erected,  
23 you really saw the whole banquet space come  
24 together.

1                   This is looking along Main Street  
2                   and the hotel facade, and the scaffolding  
3                   that's up to allow us to begin metal framing  
4                   and sheathing on the outside of the steel  
5                   structure that's up currently.

6                   Union Chandler, you can't quite make  
7                   it out, but it's in the center of that  
8                   scaffolding in the picture on the left. And  
9                   on the right-hand side, these are just a  
10                  couple of shots behind 73 State of that  
11                  connection area that I spoke about earlier.

12                  So here are kind of some period  
13                  shots throughout the quarter of that -- you  
14                  know, that -- kind of that corner money shot  
15                  that you've seen in a lot of our previous  
16                  perspectives and renderings, and really seen  
17                  the hotel tower come to life here. And then,  
18                  towards the end of March with the topping-off  
19                  ceremony. So that last picture is right after  
20                  it was topped off.

21                  Garage made significant progress in  
22                  this quarter. The slip ramp out to Union  
23                  Street was completed. The precast sequences,  
24                  I believe at the end of this quarter we maybe

1 had six sequences remaining. And parts of  
2 the -- the dog leg right around the Colvest  
3 property took place, and that enabled us to  
4 now have a straight, kind of, remaining  
5 sequence all the way to MGM Way. So we kind  
6 of turned the corner with the garage here, in  
7 this quarter.

8 COMMISSIONER ZUNIGA: Brian, is that  
9 some snow melting, or can you explain that?

10 MR. PACKER: That is. That's a snow  
11 melt that's -- system that's, you know,  
12 underlaid underneath the concrete that's on  
13 that ramp. So when we activate that in the  
14 cold weather, anybody exiting the garage,  
15 that'll be turned on and melt that snow. So  
16 that'll be extremely functional by the time we  
17 open. And we looked at all the areas of where  
18 we would want to put this, and this obviously  
19 stuck out -- stuck out as one of the areas you  
20 definitely would want to do it. Right?

21 COMMISSIONER ZUNIGA: It's great.

22 MR. PACKER: A few more just  
23 progress shots and then -- of hoisting precast  
24 plank for the garage, precast tees. And then

1 at the end of quarter, March 29th, we had a  
2 topping-off ceremony for the project. And it  
3 was -- it was a great ceremony.

4 Very interesting to kind of see --  
5 typically, these projects you see just a  
6 regular steel beam, right. Here, because of  
7 the architecture, it was this oval-shaped beam  
8 and everyone signed around the beam and really  
9 made for a nice placement and topping off.

10 And it was a great day there. Some of you  
11 joined us, and we fed the workers as well so  
12 it was really just a nice morning. And now,  
13 in the day and age of cellphones and  
14 technology and video, I think everybody had  
15 their cameras out and a bunch of it hit  
16 You-Tube shortly thereafter.

17 So I'll move on to the design update  
18 for the quarter. We had a 50 percent design  
19 review workshop with the City of Springfield  
20 and their consultants and free mudder group in  
21 Las Vegas. That was really to walk through  
22 any questions, comments they may have had  
23 about the 50-percent set. And also, review  
24 the mockups for the exterior facade.

1                   So as part of our site plan review,  
2                   we talked with them about, hey, we'll build  
3                   certain sections of the facade to get you  
4                   comfortable with the quality of materials that  
5                   we're going to eventually have.

6                   So we built those mockups in  
7                   Las Vegas. The City flew out and we spent a  
8                   Friday out there reviewing everything. So  
9                   that was a successful meeting and really good  
10                  work sessions between all groups involved.

11                  The design work early in January  
12                  kicked off on the childcare center. And just  
13                  recently, we've submitted documents related to  
14                  the childcare center to the City for review.

15                  COMMISSIONER STEBBINS: Brian,  
16                  remind me where the -- is still planned for  
17                  across -- kitty corner across the street?

18                  MR. PACKER: Yeah. So if you're at  
19                  the corner of Union and Main, right where  
20                  Dave's Retail used to be --

21                  COMMISSIONER STEBBINS: Right.

22                  MR. PACKER: It's kitty corner to  
23                  that -- to that intersection. Garage, we've  
24                  had eight addendums submitted to the building

1 department through this quarter. The last  
2 pieces are, you know, related really to low  
3 voltage and some signage coordination.

4 95 State Street, where the executive  
5 offices will be, Delta wanted the permits set  
6 for that building. It was also issued to the  
7 city, and then we had a hundred percent  
8 submission for the ITS system. And roadway  
9 enhancements that's part of our offsite  
10 traffic requirement with MassDOT and the City.

11 On schedule, we've submitted our  
12 required monthly updates to the Commission.  
13 Nothing really substantial to note in here.  
14 The opening date of September of '18 has  
15 stayed consistent in all three of these  
16 updates. With that, I'll turn it over to  
17 Courtney for the budget update.

18 CHAIRMAN CROSBY: What keeps you up  
19 at night on the project these days?

20 MR. PACKER: Well, that's a long  
21 list. Right now, I'd say the primary concern  
22 is having the awards to place to complete  
23 enclosure sometime this fall. So we've  
24 awarded the major trades, curtain wall,

1 windows, roofing. But the goal right now is  
2 get watertight this year.

3 CHAIRMAN CROSBY: Right.

4 MR. PACKER: And then you -- you  
5 know, whatever you have to deal with  
6 weatherwise you're able to because you're  
7 enclosed. So that's one of the primary things  
8 that we're focusing on right now.

9 The other part of the enclosure  
10 piece is because we have so many existing  
11 buildings and, you know, the project moves at  
12 a fast pace, what in those buyouts could be  
13 missing? So is there a detail between, you  
14 know, some of those -- some of the interfaces  
15 of 95 State, where the podium abuts to 95  
16 State, what do those details look like? You  
17 know, how does it get waterproofed? And  
18 sometimes, those details can't be drawn  
19 accurately on a set of plans. You really have  
20 to have meetings in the field and figure out  
21 how these buildings jog and accept one  
22 another, what does that look like. So we have  
23 teams starting to focus on that as framing's  
24 going up. What are the interfaces we really



1           need to address.

2                         CHAIRMAN CROSBY:  Yeah.  That's  
3           interesting.

4                         MR. PACKER:  The next piece would be  
5           just the availability of -- right now, the  
6           market is extremely busy so we have seen an  
7           increase in bidders who are interested than  
8           during the bid process they may not be  
9           interested because they've just received an  
10          award at another project.

11                        So it's, you know, making sure we  
12          obviously have a good bidders list of  
13          qualified bidders that can meet our schedule  
14          requirements, quality requirements, PLA  
15          requirements, diversity requirements.  And  
16          right now, the market is -- you know, is  
17          looking for all the same things I am.  Right?

18                        CHAIRMAN CROSBY:  Right.

19                        MR. PACKER:  So you're competing in  
20          a robust market.  Boston, obviously, has an  
21          impact out here and, you know, getting  
22          watertight this fall.  And that's kind of  
23          the -- the two items that are on our plate  
24          every day.

1                   CHAIRMAN CROSBY: How's the labor  
2 market?

3                   MR. PACKER: So labor -- the unions  
4 have done a great job of, you know, having a  
5 constant dialogue with us. We meet every  
6 month. This region, from a union standpoint,  
7 by nature over the years has had to adapt and  
8 be somewhat noematic anyway.

9                   CHAIRMAN CROSBY: Be somewhat what?

10                  MR. PACKER: Noematic.

11                  CHAIRMAN CROSBY: Oh.

12                  MR. PACKER: So, you know, it's not  
13 odd from someone from here to go to another  
14 city and travel, or from folks from other  
15 cities in, you know, Connecticut or Maine or  
16 New York to travel here. So if needed, the  
17 unions have partners in the region they can  
18 call on and bring additional manpower in.  
19 Obviously, that costs additional money because  
20 you have certain types of -- additional  
21 requirements such as housing and what have  
22 you.

23                               But in terms of the local unions  
24 being able to staff the project for us, some

1           folks have had concerns about it. I haven't  
2           seen any of it really come to fruition. The  
3           unions have -- they've been great in terms of  
4           response.

5                         CHAIRMAN CROSBY: Great. Anything  
6           else?

7                         MR. PACKER: All right. So I'll  
8           turn it to Courtney.

9                         MS. WENLEDER: Good morning.

10                        CHAIRMAN CROSBY: Good morning.

11                        COMMISSIONER MACDONALD: Good  
12           morning.

13                        COMMISSIONER CAMERON: Good morning.

14                        COMMISSIONER ZUNIGA: Good morning.

15                        COMMISSIONER STEBBINS: Good  
16           morning.

17                        MS. WENLEDER: I'm going to briefly  
18           cover the numbers. As you saw this morning,  
19           and from Brian's comments, we've made  
20           significant progress on the construction side.  
21           From a cost standpoint, we've incurred an  
22           incremental \$35 million in capital costs,  
23           which brings us up to 30 percent of our  
24           budget. On the noncapital expenditures, we've

1           incurred an incremental \$8 million, which is  
2           split pretty evenly between cap interest and  
3           preopening expenses. We've added several new  
4           team members over the quarter to date, who are  
5           all very focused on our opening at the end of  
6           2018. Total project of 395 million, we're  
7           about 40 percent of our total spend. And  
8           incrementally, we've spent \$43.5 million this  
9           quarter.

10                   CHAIRMAN CROSBY: And you haven't  
11           dipped into your contingency yet?

12                   MS. WENLEDER: Not as of yet.

13                   CHAIRMAN CROSBY: Good.

14                   MR. PACKER: There were -- yeah.  
15           There were two earlier transfers. I think  
16           contingency was around 50-plus million.

17                   CHAIRMAN CROSBY: Oh, it was. Okay.

18                   MR. PACKER: But since Courtney's  
19           been here, the numbers held steady at that  
20           40-some-odd million number.

21                   CHAIRMAN CROSBY: Good.

22                   COMMISSIONER STEBBINS: You still  
23           have a sizeable remaining amount in preopening  
24           expenses and host community costs. How does

1 that kind of break out between preopening  
2 costs and the host community commitments?

3 MS. WENLEDER: Our host community  
4 agreements and gaming assessments, about  
5 \$43 million of the total.

6 COMMISSIONER STEBBINS: Okay.

7 MS. WENLEDER: A lot of the  
8 preopening will be payroll which will be --  
9 which we'll incur as we get closer to opening.

10 COMMISSIONER STEBBINS: Okay. Thank  
11 you.

12 CHAIRMAN CROSBY: Anything else for  
13 Courtney?

14 COMMISSIONER CAMERON: No. Thank  
15 you.

16 CHAIRMAN CROSBY: Thank you.

17 MR. PACKER: Okay. So we'll move on  
18 to diversity update. The overall combined  
19 numbers for the project design and  
20 construction commitments, we've surpassed that  
21 100-company vendor milestone in this quarter.

22 From a goal standpoint, target  
23 standpoint, on WBEs 10 percent. Current  
24 commitments through the quarter are 16.6. MBE

1 project goal of 5 percent, current commitment  
2 7.7 percent. And on VBE 2 percent target,  
3 current commitments are 5.3 percent. And then  
4 when --

5 COMMISSIONER ZUNIGA: Brian --

6 MR. PACKER: Yep.

7 COMMISSIONER ZUNIGA: Can I go back  
8 a little bit?

9 MR. PACKER: Sure.

10 COMMISSIONER ZUNIGA: Brian, can I  
11 got back a little bit, just actually to  
12 Courtney. When you report remaining dollars,  
13 is that include commitments, or is that  
14 exclude them?

15 MS. WENLEDER: I'm sorry. Could you  
16 repeat the question?

17 COMMISSIONER ZUNIGA: When you  
18 report remaining dollars -- or actually  
19 incurred, I should go with incurred, does that  
20 include your commitments, or is that purely  
21 cash --

22 MS. WENLEDER: Cash.

23 COMMISSIONER ZUNIGA: -- out the  
24 door. Okay.

1                   MR. PACKER: So then, if we take  
2 those numbers and we always kind of like to  
3 look at it then in the side of design and  
4 consulting versus construction. On the design  
5 side, from a WBE standpoint, 10 percent,  
6 current commitment's 15.3. MBE 5 percent,  
7 current commitment's 12.7. And on VBE,  
8 project goal of 2 percent, current  
9 commitment's are 7.1 percent.

10                   COMMISSIONER STEBBINS: Are those  
11 pretty set, knowing where you are with design?

12                   MR. PACKER: Within reason, yes,  
13 yes. There's still some potential moving  
14 parts, in terms of interior design. Maybe  
15 some historic signage to buyout. But in  
16 general, yeah, you wouldn't see -- you  
17 wouldn't expect to see these move any  
18 significant amount, probably, through project  
19 end.

20                   COMMISSIONER MACDONALD: Brian,  
21 that's very impressive, I think.

22                   MR. PACKER: Thank you.

23                   COMMISSIONER STEBBINS: Yeah.

24                   CHAIRMAN CROSBY: Yeah.

1                   MR. PACKER: And then, this kind of  
2 gives you an idea of those commitments. Who  
3 has been on the project thus far and received  
4 payment? And so, in green, represents team  
5 members we can trace payment to through this  
6 quarter. So -- and this would make sense,  
7 that on the design side we still have a few  
8 team members that are just on-boarding, but  
9 the majority have received payments already.  
10 And to the extent those payments were made and  
11 received, they would be then in Courtney's  
12 report.

13                   On construction, WBE companies goal  
14 at 10 percent, commitment's at 16.8. MBE  
15 5 percent, commitment's 7 percent. VBE  
16 2 percent target, 5.1 percent commitments to  
17 date.

18                   COMMISSIONER STEBBINS: That's  
19 impressive as well.

20                   COMMISSIONER CAMERON: Yeah, I would  
21 agree. That's really -- those numbers are  
22 really high. Has that been a challenge to  
23 keep those numbers strong?

24                   MR. PACKER: Every day.



1                   COMMISSIONER CAMERON: Every day?

2                   MR. PACKER: Every day.

3                   COMMISSIONER CAMERON: It's a  
4 challenge.

5                   MR. PACKER: Especially, if team  
6 numbers see these percentages -- you know, to  
7 keep future awards diverse can be a challenge  
8 because folks like to get comfortable, right.  
9 So you have to stay on it. Every award going  
10 forward, you can't take any of these numbers  
11 for granted. You know, things happen that are  
12 unexpected.

13                   You know, we had a design consultant  
14 who -- it was a WBE firm earlier in the  
15 project, they were going to do a fair amount  
16 of work for us, the partner got sick and  
17 passed away. So the reality is, it's no  
18 longer a WBE company. We can no longer count  
19 on that commitment.

20                   And so, you want to -- you need to  
21 always have contingencies in place and not  
22 take for granted where you are today. And  
23 there's a whole lot of work between now and  
24 September of '18 to be done and put in place

1           so -- so we're always trying to stay on top to  
2           that and keep that in mind.

3                       COMMISSIONER CAMERON: Great work.

4                       MR. PACKER: And then, here's a  
5           listing of all the -- the construction  
6           companies to date that have commitments. And  
7           then, in green, the ones that have received  
8           payment to date.

9                       And we try to stay on top of -- at  
10          least once a month these names and -- you  
11          know, we make awards to subcontractors that  
12          may have these subs named as tiered  
13          subcontractors. And, you know, how do we  
14          verify that, hey, there's a commitment here?  
15          But you don't get to the end of the job and  
16          somebody says, hey, I know I gave you that  
17          commitment but I -- I didn't use that tiered  
18          sub.

19                      So we have a verification form we  
20          get each month that the -- all diverse subs  
21          have to sign that says, hey, we've been  
22          committed X amount to date, we've been paid X  
23          amount to date, we have change orders of X to  
24          date. So by seeing that once a month, even if

1           there's a glitch or dollars -- additional  
2           dollars come in, or additional dollars fall  
3           out, you can at least see the trend and try to  
4           be aware of it so you can adjust it, if  
5           needed.

6                         On workforce, so outside of  
7           commitments, this is actually workforce  
8           percentages based on hours worked on the  
9           project. For women, 6.9 percent goal.  
10          Project to date is at 10.3 percent. Minority,  
11          15.3 percent. Project to date is  
12          24.1 percent. And on veteran, 8 percent  
13          project goal, and project to date  
14          10.4 percent.

15                        So here it's -- it's also that kind  
16          of daily recognition. We have a badging  
17          system that we use to get a daily report on  
18          percentages every day. So if one of these  
19          groups is trending negative, we can talk to  
20          the superintendents and try to adjust quickly  
21          so that it doesn't hurt the overall picture.

22                        So on top of that, the badging  
23          system, while it's good to kind of check folks  
24          and bodies every day, it's not very reliable

1 in terms of hours, which is this is this  
2 calculation. So you really need to get the  
3 certified payroll or a certification from the  
4 CFO of the company of here were the  
5 individuals and here were the hours worked.  
6 Because if you can picture, a worker comes on  
7 with a badge, they might go to lunch, they  
8 might not come back. They might run to  
9 Home Depot. It's not really -- can be  
10 representative. So we get that certified  
11 payroll.

12 And we were running it once a month  
13 for the AOC, obviously. But also now, we run  
14 that in the middle of the month as well. So  
15 that, even if the dailies look good, are we  
16 seeing anything, you know, mid month that  
17 would raise a flag for folks that either --  
18 you know, may not be using the badging system  
19 properly, or just to try to get a doublecheck  
20 here on trends.

21 COMMISSIONER STEBBINS: Brian, the  
22 numbers, obviously, are strong. Can you  
23 reflect a little bit on what the value of the  
24 community partners network that MGM has set up

1 is helping you with these numbers, to the  
2 degree that they are?

3 MR. PACKER: Yeah. I think, you  
4 know, the Community Partner's Network, you  
5 know, was a very interesting concept when  
6 Chelon brought it to me, you know, I don't  
7 know how long ago, but, you know, maybe at  
8 least a year ago. And, you know, the idea of  
9 being Springfield very active community, a lot  
10 of different community groups, a lot of  
11 different voices to be heard.

12 And so, how do you -- if you're in  
13 our position, how do you work together with a  
14 bunch of those groups without, you know,  
15 having 20 separate meetings a month with, you  
16 know, also developing some common goals and  
17 really, you know, for all of those groups how  
18 do you collectively work towards something.  
19 Right.

20 And so, Chelon's done a great job  
21 of -- with many of the community partners to  
22 come together, form an organization that says,  
23 hey, we're going to get together every so  
24 often, and we're going to find out, you know,

1           what are the top five things we want to work  
2           on. And then, all of these community groups  
3           are now working together through this one  
4           group to help us with things like, hey, if I  
5           want to join a union and -- I just -- you  
6           know, I'm going to be in a position that if I  
7           work in a union in Western Massachusetts I may  
8           have to travel after I work at MGM Springfield  
9           and I may not be able to take the bus to work  
10          so I need to get my driver's license. And so,  
11          there might be a group that helps folks get  
12          their driver's license. You might need a GED  
13          to get into a certain union. There is a group  
14          that can help you do that.

15                        They're also helping us process  
16          requests to join the union. We're helping  
17          screen to, okay, do you meet the requirements?  
18          If not, how do we get you? So there's all  
19          kinds of things going on just through the  
20          efforts of this group that has been -- really  
21          helped keep these numbers where they're at, if  
22          not increase them.

23                        COMMISSIONER STEBBINS: That's  
24          great. At our last AOC meeting, this probably

1 was shared with you, we had some folks from  
2 the building trades who just kind of raised  
3 the caution flag with us again that on  
4 projects where there is tremendous amount of  
5 diversity, there is some history of as a  
6 project starts to wind down that some of the  
7 women that are part of that construction crew  
8 kind of get let go first. So just -- they  
9 brought that to our attention to make sure  
10 that you're mindful of it to help keep your  
11 diversity numbers where they are.

12 MR. PACKER: Sure. Yeah. You know,  
13 the interesting thing about, you know, the  
14 dynamic of having a project labor agreement,  
15 especially in this market, you have a lot of  
16 subcontractors that have, you know, what we'll  
17 refer to as a core crew.

18 That crew may work for this  
19 contractor for 20 years. And so, when they  
20 come to a job like ours they have the core  
21 crew but then they man up through the unions.  
22 And then, as work winds down they will man  
23 down and then that core crew will move to  
24 another project.

1                   So part of the layoff process is  
2                   just part of, hey, the work is slowing down  
3                   and drywall stops at some point and picks up.  
4                   You know, it was interesting, just on a walk  
5                   today, Maria -- Randy pointed out to me, he  
6                   said, hey, there's Maria. She's now with  
7                   Central Ceilings, when a couple weeks ago she  
8                   was with a different company. And so Randy  
9                   had told her, hey, when you get laid off,  
10                  because that trade was ramping down, he said,  
11                  come to me, I'll try to, you know, introduce  
12                  you to the next subs coming on board.

13                  So we're trying to do some of that  
14                  so that, you know, we can keep the folks  
15                  around that have been on the project that  
16                  we've invested in. Because it would be very  
17                  easy for Maria to leave that sub and maybe go  
18                  up to UMass, or other places that need the  
19                  same, you know, diversity levels we're trying  
20                  to achieve. So that, really, you know, the  
21                  best place it can happen is at the  
22                  superintendent level because they're the guys  
23                  who drive who the crews are.

24                  COMMISSIONER CAMERON: Do those



1            layoffs usually happen by seniority; is that,  
2            basically, the way that works?

3                            MR. PACKER: I think it could vary  
4            by sub. Probably, due to the decision of  
5            the -- the general foreman or superintendent  
6            out there. But that core crew, obviously,  
7            they're the most senior. They actually are  
8            employed day-to-day by that company. They're  
9            going to be the last. And typically, they  
10           won't even be the last to go. They'll be the  
11           last just to move to another project.

12                           And then, just kind of keeping with  
13           some of our past presentations here, just an  
14           update of a couple current shots and what you  
15           can look forward to next quarter. A lot of  
16           you seen it this morning. The sun was out on  
17           this day, but you can really see the progress  
18           we're making with the scaffolding, and then  
19           some of the framing on the exterior of the  
20           building along Main Street. Focus on roofing,  
21           upper parapet kind of construction with the  
22           green board, and really working from the roof  
23           down to get watertight. The pool deck, a  
24           basin you can see on the bottom right. And

1           then we recently just topped off the parking  
2           garage as well. So as part of that we had a  
3           barbecue for the workers and that was very  
4           popular. They gave out over 400 t-shirts and  
5           ran out of shirts so -- so that was a nice  
6           day. With that, I'll hand it back to Seth.

7                         MR. STRATTON: Great. Thanks,  
8           Brian. I'll just close out with a brief  
9           update. I know the Commission is very  
10          interested in the residential component and  
11          where that stands and -- as are we. Very  
12          interested in determining where that's going  
13          to go.

14                        As you know, our vision has always  
15          been to bring enhanced housing opportunities  
16          to downtown Springfield that both compliment  
17          our property and capitalize on the urban  
18          housing trend. When we decided to change our  
19          project design and move the hotel up to  
20          Main Street, as you're aware, we amended the  
21          Host Community Agreement to allow for the  
22          development of market rate residential housing  
23          in downtown Springfield within half-a-mile of  
24          our project. And almost immediately

1           thereafter, after changing that commitment, we  
2           went out, and you'll remember we purchased 195  
3           State Street in Springfield as one of the  
4           properties where we could develop a portion of  
5           that commitment and then engaged in  
6           discussions with other property owners around  
7           other opportunities that would fulfill that  
8           commitment.

9                         As we were exploring that and  
10           investing in those developments, the City  
11           approached us and asked us to, essentially,  
12           hold off because it was an exciting  
13           transformative development for the city, which  
14           you've heard about, right across the street  
15           here at 31 Elm in Court Square, and asked us  
16           to slow down a bit because they thought that  
17           there would be an opportunity for us to use  
18           the investment that we would otherwise invest  
19           in separate residential developments to help  
20           make that last piece of what the urban  
21           redevelopment plans for the city have always  
22           been to come to fruition.

23                         And so, those discussions have been  
24           ongoing. They've taken longer than we would

1           have liked. I think longer than the  
2           Commission would have liked, and longer than  
3           the City would have liked. One of the issues  
4           is that, that -- that project is we would not  
5           be the developer, there's a preferred  
6           developer. And so, we're basically waiting on  
7           the City to finalize discussions with a  
8           preferred developer and come back to us and  
9           say, here's exactly what we think your  
10          commitment and participation would look like.  
11          We've had some conversations, but it's  
12          really -- it's really out of our hands. But  
13          we all think that it's worth letting the  
14          process move forward because it really could  
15          be transformative to Springfield.

16                        So we've heard very recently that  
17                        the discussions, as we've continued to hear,  
18                        have made very recent progress and it's a  
19                        matter of weeks from what the City tells us to  
20                        be in a position where we can really formalize  
21                        this. So I don't have a lot of details, and  
22                        we haven't hammered out the exact details  
23                        around what our participation would look like.

24                                Because of that, you know, I as --

1       you've heard Kevin Kennedy give an update  
2       before, and he mentioned that -- you know, the  
3       host community -- second amendment to the Host  
4       Community Agreement there are timelines around  
5       our residential commitment. Eighteen months  
6       from the execution of the second amendment to  
7       the Host Community Agreement was the first  
8       tranche of units. That amendment was back in  
9       March of 2016, so the clock is ticking on  
10      that. And that would really be -- September  
11      of this summer would be the deadline for that.

12                 That's effectively come and gone.  
13      And you've heard Kevin Kennedy mention that,  
14      you know, from the City's standpoint it's okay  
15      because they've asked us to hold off. In my  
16      position, that's always makes me nervous  
17      because we have a Host Community Agreement  
18      with -- you know, that says -- has a deadline  
19      in it. I've been very recently working -- and  
20      that makes Eddie Pikula, the city solicitor,  
21      nervous as well. We've been working together  
22      very recently on coming up with an amendment  
23      to the Host Community Agreement that would  
24      give us the optionality to move forward

1 with -- continue the discussions on this  
2 project, but also address this timeline so  
3 that there's no issue around concerns about  
4 this deadline not being met.

5 So we anticipate that before that  
6 deadline hits we will either have an amendment  
7 to the Host Community Agreement that gives the  
8 optionality to continue to pursue this  
9 development and extends a timeline. Or  
10 possibly, if the discussions move very  
11 quickly, be in a position to present to the  
12 city council, to the Gaming Commission, the  
13 proposal around this development, and even  
14 formalize that in an amendment to the Host  
15 Community Agreement prior to -- prior to that  
16 deadline.

17 So that's where it stands on our  
18 end. We look forward to further details from  
19 the City based on what we understand to be  
20 some very recent discussions between the  
21 developer and the city finalizing what were a  
22 few outstanding items on their end.

23 And so, that's -- that's the update  
24 that I have at this time. I'm happy to answer

1 any questions, to the extent I can, from the  
2 Commission.

3 CHAIRMAN CROSBY: Anybody?

4 COMMISSIONER MACDONALD: Are you  
5 worried about it?

6 MR. STRATTON: Because I'm the  
7 lawyer, yes. But no, I think -- I'm not  
8 worried about it because everyone you talk to,  
9 even the -- we had a -- we had a meeting with  
10 the city council, the Casino Oversight  
11 Committee. You know, the city council is very  
12 in tune with this and, you know, concerned  
13 about ensuring that this commitment satisfied.

14 And, you know, John and Joe were at  
15 that meeting. And we were pleasantly  
16 surprised at how excited the members of the  
17 council at that meeting were about this  
18 opportunity. Because it's such a -- such a  
19 potentially transformative development for the  
20 city, we're not concerned that everyone  
21 involved isn't going to make the best efforts  
22 to try to make this happen. So I think the  
23 momentum of the desirability of that  
24 development is really going to push over the

1 finish line. It's just a lot of moving  
2 pieces.

3 So I'm worried about making sure  
4 that the documentation is right and we're not  
5 missing any obligations. But I'm not worried  
6 that this makes sense for the city and that  
7 everyone's not going to work together to do  
8 their best to make sure it happens.

9 COMMISSIONER ZUNIGA: Seth, on that  
10 note about the documentation, so it sounds  
11 like, from your standpoint, and from the  
12 City's standpoint, you really are working  
13 towards amending the Host Community Agreement.  
14 And specifically, the notion of that deadline  
15 that you spoke about, which was start-by date;  
16 is that correct, not a complete-by date?

17 MR. STRATTON: No. It's a  
18 complete-by date.

19 COMMISSIONER ZUNIGA: It's a  
20 complete-by.

21 MR. STRATTON: Yeah. So 18 months  
22 after the second amendment, which was March of  
23 2016, we were to complete our first half.

24 COMMISSIONER ZUNIGA: Right.



1 MR. STRATTON: Yeah.

2 COMMISSIONER ZUNIGA: So what is the  
3 situation, currently, for this? Are you  
4 thinking towards a complete-by modification or  
5 a start-by date, given all the moving pieces,  
6 to the extent that you can talk about that?

7 MR. STRATTON: Sure. Yeah, I think  
8 it would be -- I think we would still do a  
9 complete-by. But if we move toward this  
10 participation in this development of  
11 Court Square, it would -- as far as I'm  
12 understanding, we would not be the developer  
13 so we can't control the project. You need to  
14 change the Host Community Agreement to reflect  
15 that -- that this is not something that we are  
16 actually developing. We are helping to --  
17 essentially, to fund.

18 And I think some of the open issues  
19 that I'm -- know the Commission would want to  
20 ensure are covered, as well as the City, is if  
21 -- if it is a financial commitment and we  
22 don't have control, well, what if for some  
23 reason it doesn't happen? How do we ensure  
24 that the commitment to residential development

1 is covered? And that's some of the -- kind of  
2 the guarantee pieces that we need to work  
3 through. And I think there would have to be  
4 some form of language that, if it didn't  
5 happen, then we'd have -- we'd have to go,  
6 kind of, back to the drawing board and have to  
7 recognize that it would be extended out  
8 because we need time to have the  
9 31 Elm project started and hopefully  
10 completed. But if for some reason we're not,  
11 then, we recognize that everyone's invested in  
12 seeing that sort of development, then we'd  
13 have to kind of go back to the drawing board,  
14 but -- and that would need additional time.

15 COMMISSIONER ZUNIGA: Yeah. And  
16 actually, you were building towards exactly  
17 where I wanted to kind of get some of the  
18 question. Is there such thing -- again, to  
19 the extent that you can at this point, is  
20 there such time as we need to go back to the  
21 drawing board?

22 From your standpoint, is there a  
23 time frame where you go, well, this doesn't  
24 look like it's getting done in the time frame

1 or for the amount of resources that we're  
2 willing to do it, to do it? When, to the  
3 extent that you can predict, could there be  
4 that time?

5 MR. STRATTON: Yeah. So --

6 COMMISSIONER ZUNIGA: A Plan B time.

7 MR. STRATTON: So the short answer  
8 is yes, there needs to be a time period. That  
9 needs to be negotiated and determined. I  
10 don't have an answer for you, in terms of what  
11 that time would look like. Because we're not  
12 the developer we need to say, all right,  
13 here -- what's your planned construction time?  
14 What's the outside -- what's the cushion? And  
15 where -- you know, where's that trigger where  
16 we need to know, you know, for one reason or  
17 another it's not happening and we need to then  
18 revert would be, I think, the discussions.

19 That's where we're -- we're waiting  
20 for the City to finalize pieces from their  
21 standpoint, and then we kind of get reinjected  
22 into the picture and say here's the conditions  
23 around our participation and what the City's  
24 going to require what the Gaming Commission

1 feels is needed to ensure that -- that this  
2 commitment satisfies all of our obligations.  
3 But I don't have -- I don't know what that  
4 period would be, as we sit here today.

5 COMMISSIONER CAMERON: So it sounds  
6 like you have this huge financial commitment,  
7 but you don't have a seat at the table for  
8 these negotiations, right?

9 MR. STRATTON: Well, we don't have a  
10 commitment yet. But I understand -- we have a  
11 commitment to develop residential units in  
12 Springfield and we could always go back to --  
13 you know, we still own 195 State. We've kind  
14 of put the discussions on hold. We're  
15 comfortable that if this falls apart we can do  
16 our original plan. We just need -- because of  
17 the time it's taken, we need a little bit  
18 additional time.

19 To your point, Commissioner, yes, we  
20 are not -- we don't have a seat at the table,  
21 in terms of what the project looks like, what  
22 it's going to cost, the time it's going to  
23 take. Where we do have a seat at the table,  
24 or we anticipate having a seat at the table,

1 is we're being asked to, we need your  
2 participation to make it happen financially.  
3 And so, that's where our leverage will come.  
4 And we can condition that participation on  
5 certain guarantees that we need around our  
6 commitments under the Host Community Agreement  
7 and so forth.

8 And so, we have certain commitments  
9 that we've already, you know, been in some  
10 discussions with the City around. But we're  
11 going to need to ensure that all parties who  
12 have a stake are satisfied that, in order for  
13 this to basically substitute for our doing  
14 units on our own, that everyone's comfortable  
15 that those commitments are -- are satisfied.

16 COMMISSIONER ZUNIGA: Yeah, if I  
17 may, to that, I think it's not about sitting  
18 at the table. You may no longer be driving  
19 the bus but you're still in -- you know,  
20 inside the bus. The question that I was  
21 asking is, you know, when do you get off the  
22 bus? When do you say, driver, you need to  
23 stop because we're turning around? And, of  
24 course, you'll recognize that, you know, at

1           some point, and that's something we'd be very  
2           interested in.

3                       MR. STRATTON: Yeah. And we -- and  
4           we have -- frankly, we appreciate the  
5           patient -- we've tried to be patient. We  
6           appreciate the patience of the Commission  
7           because we know everyone's really interested  
8           in seeing -- seeing this piece of our project  
9           come to life and help with the transformation.

10                      So we're -- trust me, we're pushing  
11           every day to get it moving. We appreciate the  
12           patience of -- the Commission's had, and  
13           understand that at some point folks are going  
14           to run out of patience and we're going to --  
15           and so, we -- we understand the urgency to  
16           come to some -- get some decision from the  
17           City and then kind of line up our obligations  
18           as soon as -- as soon as possible because the  
19           clock is ticking.

20                      COMMISSIONER STEBBINS: Seth, I --  
21           you know, I think it's important for everybody  
22           to be aware of, you know, I like your  
23           description of, you know, 31 Elm and that  
24           project and its potential is transformative.

1 It certainly has sat idle for a long time.  
2 It's sat boarded up for a long time. It's sat  
3 with holes in the roof for a long time.

4 Even when I was working for the City  
5 and on the city council, we went through a  
6 number of preferred developer processes and  
7 folks came and went so I can appreciate that  
8 this is not an easy process because the  
9 history would dictate that to us.

10 I did have a quick question or a  
11 quick concern. A few weeks back, in the media  
12 the question was raised about the number of  
13 units. And the reply, it might have come from  
14 Mike, was, you know, we'll be close to the  
15 number, but hopefully keep the spirit of the  
16 Host Community Agreement. Can you shed any  
17 light on that comment, or where do you feel  
18 the answer was being directed?

19 MR. STRATTON: Yeah. I mean,  
20 there's -- again, it's the we're on the bus  
21 but not driving the bus. But -- so like, I  
22 can't speak to the exact number of units. But  
23 what we understand is that the development  
24 here would be a mixed-use, residential retail

1 commercial development, and that there would  
2 be 60 units, which exceeds the number of units  
3 54. However, our understanding is that  
4 there's -- that developers will be seeking --  
5 let me back up for a second.

6 One of the reasons this has never  
7 happened, as I'm sure you're aware, is the  
8 economics, the investment that -- that it'll  
9 take to bring that building back to life are  
10 not supported by the current economics here in  
11 Springfield. That's where MGM comes in  
12 because they're still not supported. Absent  
13 significant, you know, historic tax credits,  
14 other, you know, publically-available  
15 financing that the developer will seek, and  
16 then, essentially, financial participation by  
17 MGM.

18 Our understanding is that one of the  
19 pieces of financing that's necessary to make  
20 this project happening would involve a mix of,  
21 you know, some affordable housing at the  
22 20-percent level. And so, if you look at 60  
23 units, 20 percent, you'd have 48 market rate,  
24 12 affordable. So I think that's -- I'm



1 not -- if that was Mike's comment, I think  
2 that's -- you know, you compare a total number  
3 of 60 to, you know, a 54, but you also look at  
4 our 54 was market rate, now we're talking  
5 about 48 market rate, 12 affordable. And  
6 again, I can't -- that's my understanding what  
7 the numbers are. I can't speak for the  
8 developer.

9 So I think that's -- that's the best  
10 information that I have and why we're talking  
11 about the number. In our view, if it were 60  
12 units, largely market rate with some component  
13 of affordable, that, frankly, probably some of  
14 our employees who could walk to work could  
15 utilize we think it's a -- we think it's a  
16 win-win and fulfills the spirit of what we're  
17 trying to do so...

18 COMMISSIONER STEBBINS: Okay.

19 COMMISSIONER ZUNIGA: For what it's  
20 worth, I see that as -- you know, additional  
21 units from your commitment. The notion of  
22 market, you know, in this case, you know, is  
23 secondary to the notion of total units, but  
24 that's just me.

1                   CHAIRMAN CROSBY: Anybody else? Do  
2 I -- is the housing commitment, John and Seth,  
3 a -- just in the HCA and therefore one of our  
4 commitments because we've adopted the HCAs, or  
5 an independent condition of our -- of our  
6 license?

7                   MR. ZIEMBA: It was included in the  
8 HCAs, and therefore it becomes part of our  
9 license provisions.

10                  CHAIRMAN CROSBY: Right.

11                  MR. ZIEMBA: And it's also part of  
12 the RFA2 process. And so, everything that was  
13 promised as part of the RFA2 process also  
14 becomes part of our license conditions.

15                  CHAIRMAN CROSBY: But there's  
16 nothing -- if they change the HCA, it changes  
17 the commitment they're making to us also.

18                  MR. ZIEMBA: No. So we would still  
19 have to review that. One thing that we  
20 specified during the site plan review, our  
21 design review, is that what was happening with  
22 the residential units was not happening, it  
23 was not known at the time, and so we reserved  
24 that for our approval.

1                   CHAIRMAN CROSBY:  And is there a --  
2                   are there any dates, critical, variable dates  
3                   in our independent agreement?

4                   MR. ZIEMBA:  Well, the date --  
5                   you're correct, Mr. Chairman.  The date  
6                   reverts back to what was included in the Host  
7                   Community --

8                   CHAIRMAN CROSBY:  Right.

9                   COMMISSIONER ZUNIGA:  -- Agreement.  
10                  But the anticipation -- the opening date is  
11                  sort of what everything is tied to in our  
12                  licensing procedure.  So to that degree, we'd  
13                  have to take a look at everything.

14                  CHAIRMAN CROSBY:  Because as a  
15                  practical matter, we're pretty much past that  
16                  already, right.  So there's -- housing isn't  
17                  going to be open at the time that the project  
18                  opens, which is already a bit of a  
19                  disappointment.

20                  What I hear you saying again, Seth,  
21                  and Kevin said this when he was here before,  
22                  he spoke on behalf of the City and said, look,  
23                  really, in effect, it's our fault.  We're  
24                  asking MGM to slow down on this because we

1           have this bigger picture. And I'm -- you  
2           know, as long as it's MGM and the City asking  
3           our forbearance on this, I'm inclined to say  
4           we trust you, let's go with it.

5                        But if we trust you and all of a  
6           sudden somebody turns around and says, geez,  
7           the market -- geez, something happened, it  
8           can't happen, there's a big problem out there,  
9           there would be seriously unhappy campers. And  
10          if it -- I mean, at some point -- so how long  
11          are we going to wait before we finally say,  
12          look, you've got to do something else? You  
13          know, forget -- we all think 31 Elm would be  
14          fabulous. But there's plenty of places for  
15          the kind of money you're talking about that  
16          are within stone's throw of this project where  
17          you can put up 54 units of market-rate housing  
18          for the money you're talking about.

19                       So at some point, somebody has to  
20          put a stake in the ground and say we can't  
21          just keep sliding and sliding. And I know  
22          that's not your intention, and I say my  
23          dominant message is, because it's the two of  
24          you together saying we're in this together,

1 the City's committed to this as well, please  
2 stick with us, I'm inclined to say yes.

3 But I just -- I don't want there to  
4 be any misunderstanding, if something goes  
5 wrong we will not be happy, because we are --  
6 this is a critical element. I know you're  
7 committed to it. It was something that I and  
8 others had talked about all the time as one of  
9 the distinguishing features of this, and it  
10 ain't going away without dire consequences.

11 So I just want to make sure that,  
12 while saying in good faith we trust you, and  
13 we do, we also are going to be very watchful  
14 that this really does happen. And at some  
15 point, we have to -- we have to set a date.

16 MR. STRATTON: We understand.

17 CHAIRMAN CROSBY: Okay. Anything  
18 else, Seth?

19 MR. STRATTON: No. I think it's it.  
20 Unless there are further questions, that  
21 completes our update.

22 CHAIRMAN CROSBY: Great.

23 MR. STRATTON: Thank you very much.

24 CHAIRMAN CROSBY: Thank you very

1 much.

2 COMMISSIONER CAMERON: Thank you.

3 MR. ZIEMBA: Mr. Chairman, I'd like  
4 to just move on to a matter involving the City  
5 of Medford and a 2016 Community Mitigation  
6 Fund amendment. What I'm asking for is  
7 authority to change the purposes of the grant  
8 slightly.

9 When the Commission authorized this  
10 grant, it was for the hiring of a planner, a  
11 transportation planner, which, at the time it  
12 was intended that that planner would be a  
13 municipal employee. At the time that we  
14 awarded that grant, it was for the fiscal year  
15 '17 expenses of that planner. And due to some  
16 of the conditions that we placed on the grant,  
17 the City is not able to move forward with that  
18 grant as of yet.

19 And so, what I'm asking for, for  
20 authority, is to enable -- to enable the City  
21 of Medford to utilize those same funds for a  
22 contract employee, instead of a municipal  
23 employee. And to enable the City of Medford  
24 to utilize its funding through fiscal year

1 '18, instead of fiscal year '17 because it is  
2 so late in the fiscal year.

3 COMMISSIONER STEBBINS: John, I  
4 think it makes sense. You need a motion from  
5 us?

6 MR. ZIEMBA: I'm sorry,  
7 Commissioner.

8 COMMISSIONER STEBBINS: I said, I  
9 think it makes sense. Do you need a motion  
10 from us?

11 MR. ZIEMBA: Yeah. This does  
12 require a vote.

13 COMMISSIONER STEBBINS: Okay.  
14 Mr. Chair, I'd move that the Commission  
15 approve the authorization of the designated  
16 Medford planning grant and extend it into  
17 fiscal year 2018, to allow the City of the  
18 Medford to use the funds for a contract  
19 employee or a consultant for traffic. It's  
20 mostly for traffic engineering or traffic  
21 funding?

22 MR. ZIEMBA: Correct. Yes. Through  
23 fiscal year '18.

24 COMMISSIONER MACDONALD: Second.

1                   COMMISSIONER CAMERON: I was about  
2 to second, but we had the second.

3                   CHAIRMAN CROSBY: All right. Any  
4 further discussion? We started out kind of  
5 insisting that this be an employee, right?

6                   MR. ZIEMBA: No. What we insisted  
7 is that they had to document that a hundred  
8 percent of their costs are gaming related.

9                   CHAIRMAN CROSBY: Okay. That was  
10 the -- that was the issue. Right.

11                  COMMISSIONER ZUNIGA: And it's hard  
12 for them to do that with a municipal employee  
13 who, on an average day, might answer one  
14 question about noncasino-related matters.

15                  CHAIRMAN CROSBY: Right. This is  
16 totally a detail but I'm just kind of curious,  
17 if the 67,000, if it were for a person it  
18 would include big benefits. The number of  
19 hours that you got would probably be  
20 substantially fewer than if you hire a  
21 consultant, right; I mean, so this is a way to  
22 make the money go farther, among other things,  
23 probably?

24                  COMMISSIONER ZUNIGA: I'd say, not



1 necessarily.

2 CHAIRMAN CROSBY: Really?

3 COMMISSIONER ZUNIGA: Because, you  
4 know, any consultant could have, you know,  
5 French -- or, you know, overhead. It could,  
6 but not necessarily.

7 CHAIRMAN CROSBY: But I don't think  
8 that's a material observation so -- okay. Any  
9 other irrelevant conversation? All in favor  
10 of the motion as made? Aye.

11 MR. MACDONALD: Aye.

12 COMMISSIONER STEBBINS: Aye.

13 COMMISSIONER CAMERON: Aye.

14 COMMISSIONER ZUNIGA: Aye.

15 CHAIRMAN CROSBY: Opposed? The ayes  
16 have it unanimously.

17 MR. ZIEMBA: Thank you,  
18 Commissioners. For my third matter, I'm  
19 joined by director of racing, Alex Lightbown.  
20 We're here to give an update, a legislative  
21 update related to the Racehorse Development  
22 Fund. We have included in your packets the  
23 language from two legislative proposals that  
24 may potentially impact the Racehorse

1 Development Fund.

2 The first is an outside section that  
3 is included in the Senate Ways and Means'  
4 version of the budget. It requires the  
5 transfer of \$15 million from the Racehorse  
6 Development Fund to the general fund no later  
7 than June 30, 2018, for the programs and  
8 operations of the Department of Agricultural  
9 Resources and the Department of Conservation  
10 and Recreation.

11 And then, the second item in your  
12 packet is an amendment that is still pending  
13 as of this morning. We just checked before  
14 this meeting and it was still on hold. The  
15 senate still has, approximately, 350 or so  
16 amendments that -- that they are looking at  
17 today, hopefully, before they conclude debate  
18 on the budget, either today or tomorrow.

19 This amendment would establish a  
20 human trafficking prevention trust fund that  
21 would be funded, in part, from the Gaming  
22 Revenue Fund. The amendment reduces the  
23 amounts that are allocated under The Expanded  
24 Gaming Act to the Racehorse Development Fund

1 by reducing the 9 percent allocation from  
2 Category 2 slots to 4.5 percent. And the  
3 2.5 percent allocation from Category 1  
4 revenues to 1.25.

5 No comparable sections were included  
6 in the House version of the budget, so after  
7 the Senate concludes its debate, either today  
8 or tomorrow, they will work expeditiously to  
9 establish a conference committee. And then  
10 that conference committee will iron out the  
11 differences between the two versions of the  
12 budget. When they do so, potentially before  
13 June 30th of this year, and then they will  
14 send that proposal off to the governor. And  
15 with that, I'll turn to Dr. Lightbown to see  
16 if she had any further comments.

17 COMMISSIONER ZUNIGA: Can I just  
18 clarify one thing before? So, at that point,  
19 the amendments, we don't know yet if they will  
20 carry on the Senate, right; they're discussing  
21 that in the next few days?

22 MR. ZIEMBA: Well, yes. So there  
23 was no -- so the Senate Ways and Means' \$15  
24 million transfer, that is included in the

1       Senate's budget because there's no amendment  
2       to strike that from the Senate Ways and Means'  
3       version. So that will go forward to the  
4       conference committee, the second amendment  
5       that I just detailed. It was on hold.  
6       They've gone through all of the amendments  
7       sort of in sequential order and put that one  
8       on hold, I would imagine for further  
9       discussion as they wind down matters of  
10      significant interest before they conclude  
11      their budget debate.

12                   CHAIRMAN CROSBY: Dr. Lightbown.

13                   MS. LIGHTBOWN: So both of these  
14      would, obviously, adversely affect the money  
15      going into that Racehorse Development Fund and  
16      being used for racing in Massachusetts.

17                   Particularly, the second one, it  
18      would affect all the areas where that money  
19      goes to. It gets split between the harness  
20      side and the thoroughbred side. And then,  
21      that again gets split down between what goes  
22      to purses, what goes to the breeders, and what  
23      goes to the horsemen for benefits. So in that  
24      case, everything would be -- get less money.

1                   Particularly, on the breeding side,  
2                   these people are trying to plan maybe three  
3                   years ahead of time, because that's how long  
4                   it takes between when you breed your horse,  
5                   when you get the foal, when they get ready for  
6                   the races. We have people that, in good  
7                   faith, have bred horses the last couple of  
8                   years with the idea that this fund money is  
9                   there and they'll be able to go for these  
10                  purses down the road when their horses are  
11                  ready.

12                  Currently, in the fund there's  
13                  13 million. The money -- all the money goes  
14                  out on a regular basis, except for the purse  
15                  money at Suffolk, because -- on the  
16                  thoroughbred side because that's not all going  
17                  to be used in a year.

18                  So the money that's in the fund  
19                  right now, about 7 million of it, is from the  
20                  9 percent gross gaming that gets further  
21                  divided, the 80 percent, to the -- down -- and  
22                  on down from there. About 5 million of it is  
23                  from the licensing fees, originally. So  
24                  there's not 15 million in the fund right now.

1                   That does -- obviously, money comes  
2                   in and goes out, so we can anticipate that  
3                   over the next year there'll be another, maybe,  
4                   15 or 16 million that'll go in and go out. So  
5                   with the thoroughbreds not using all that  
6                   purse money, if they don't, there will be some  
7                   accumulation.

8                   Suffolk has put in a request for  
9                   their purse money for this year. It's going  
10                  to be similar to what they asked for last  
11                  year, the 2.4 million. The horsemen are also  
12                  asking for close to 600,000 on their half.  
13                  And that would come before the Commission  
14                  either at our next meeting in June or the  
15                  meeting after that, so that's something the  
16                  Commission would be voting on.

17                  So again, if you figure the  
18                  3 million, that -- over a year's timespan, if  
19                  about 6 million is coming into the  
20                  thoroughbred purse money portion of this, that  
21                  doesn't leave much money over. If some other  
22                  racetrack wanted to race, the Commission would  
23                  be limited as to what was available. Also, we  
24                  have the bill that's out there that would give

1 the Commission leeway over that fund to maybe  
2 spend it in other ways that might spur the  
3 development of thoroughbred racing in  
4 Massachusetts.

5 COMMISSIONER ZUNIGA: And then  
6 there's -- there's also the split, the 65 --  
7 there's that whole process on that horseracing  
8 committee that also comes into play here --

9 MS. LIGHTBOWN: Yes.

10 COMMISSIONER ZUNIGA: -- if this  
11 amendment passes.

12 MS. LIGHTBOWN: The committee's  
13 meeting again in August. And the  
14 standardbreds, the split went, you know, to  
15 55/45 to them from what was a 75/25 split.  
16 And the standardbreds really benefited from  
17 having that extra money. I know, on their  
18 behalf, that they would not wish to get less  
19 money total than what they're getting now.  
20 That's really been a boon to their program.  
21 And that's something that I should point out.

22 On that side of the racing industry,  
23 we've seen the program work as it was  
24 intended. There's more interest in it.

1           There's -- we've seen an increase in licenses.  
2           The Live handle's gone up. There's more  
3           interest in breeding. There's -- just  
4           anecdotally, I, you know, the other day was  
5           talking to somebody who was saying they were  
6           having a hard time finding a farm in  
7           Massachusetts to put horses on because they're  
8           filling up, which is great. But again, if  
9           that -- that split in August could potentially  
10          change again, and then the -- that would  
11          change all the percentages, and the amount of  
12          money going into the fund for thoroughbred  
13          purses would be less.

14                        COMMISSIONER ZUNIGA: And the  
15                        remainder could be less, right; the balance at  
16                        the end of the year could even be less?

17                        MS. LIGHTBOWN: Exactly. That  
18                        would, you know, lower it.

19                        COMMISSIONER ZUNIGA: Right. Even  
20                        further.

21                        CHAIRMAN CROSBY: Pro rata, yeah.

22                        MR. BEDROSIAN: So, Commissioners, I  
23                        think one of the reasons we put this on today  
24                        is also a process of decision, because we're



1 talking about a lot of hypothetical scenarios  
2 and we're hoping that maybe the Commission can  
3 think about designating one of you, because in  
4 real time we may have to respond. The  
5 legislature may ask what the position of the  
6 Commission is, given more concrete scenarios,  
7 whether it is the current Senate Ways and  
8 Means' suggestion or another amendment.

9 And certainly, staff, Dr. Lightbown,  
10 Mr. Ziemba or myself could explain the  
11 collateral consequences of whatever scenario  
12 happens. We can't represent the Commission.  
13 And given the Open Meeting Law constraints, in  
14 the time in which this will move, it would be  
15 great to have the ability to respond both  
16 staff with process information, than  
17 Commission with potential position information  
18 in real time.

19 CHAIRMAN CROSBY: Right.

20 COMMISSIONER CAMERON: I wanted to  
21 speak to that. That's a very good point. I  
22 think there are a lot of horsemen out there  
23 who, because they haven't heard from us think  
24 that we not supporting them. And I know one

1 of our obligations is under -- under the  
2 statute is to support, protect the industry.

3 So, you know, I'm going to speak for  
4 me that, you know, I would love -- in  
5 particular, I would love the standardbreds to  
6 have the opportunity to continue with the  
7 tremendous work they're doing. There are more  
8 jobs, there are more income. As Dr. Lightbown  
9 pointed out, the farms are beefing up, the  
10 breeding programs. There's so much more  
11 energy around everything going on at the  
12 racetrack. And I would love to see the  
13 thoroughbred folks have an opportunity, if  
14 they can, to have a place to race and be able  
15 to utilize what that money was intended for  
16 also.

17 So, you know, I just -- I do support  
18 that. I hope that's possible. And -- but the  
19 point was we couldn't speak without an open  
20 public meeting. So, you know, you can tell  
21 people that, but it's hard for them when they  
22 don't hear anything from us. And they're very  
23 anxious, and this is a really -- a time  
24 when -- passionate folks that care about their

1 industry. So this is the time when we can  
2 speak.

3 And I agree that it may require a  
4 quick response from the Commission. And I  
5 would recommend that we designate our chairman  
6 to work with staff to be able to respond in a  
7 timely manner, if we get a call about, what do  
8 we think about this legislation? What do we  
9 think of this? I think our staff is fully  
10 briefed and could assist. And Chairman, you  
11 could, you know, be able to respond for all of  
12 us with regard to this matter.

13 CHAIRMAN CROSBY: You know, the --  
14 in typically, when there are discussion of  
15 changing the law in the legislature, we  
16 typically take the position, and we have so  
17 far on this one, that we don't have any  
18 comment. Our job is to implement the law not  
19 write it. And if the law changes, you know,  
20 that's for example what we've said about the  
21 change in the drinking hours. You know, we've  
22 not taken any position on that.

23 This is different in the sense,  
24 first of all, we do have this, sort of,

1 semi-fiduciary role, but it's also different  
2 because at the request of the legislature we  
3 put in legislation that we think would give us  
4 the tools, and give the industry the tools to  
5 come up with a strategic plan where the  
6 Racehorse Development Fund might be able to be  
7 put to use for a strategy that could sustain  
8 the thoroughbred industry. We don't know for  
9 sure. But at least we think, with that reform  
10 legislation we would have a chance.

11 So by our own statements so far, by  
12 our own actions, it's sort of nonsensical to  
13 eliminate the Racehorse Development Fund until  
14 you pass the reform legislation, which our  
15 statute calls for, and see how the industry is  
16 playing, and see whether a holistic approach,  
17 holistic strategy that has the Racehorse  
18 Development Fund as part of a reregulated  
19 industry works.

20 So we could take a proactive  
21 position. We could write a letter to that  
22 effect, as well as be willing to speak. But I  
23 was wrestling with the same problem you're  
24 describing, which I couldn't -- I can't

1 represent us unless we've decided to take  
2 that.

3 So the question, I guess, is even a  
4 little bit more specifically than the way  
5 Commissioner Cameron formed it. Should we  
6 take a proactive position and state our, sort  
7 of, implicit judgment that to eviscerate or  
8 radically alter the Racehorse Development Fund  
9 prior to passing the reform regulation  
10 legislation does not make sense.

11 COMMISSIONER ZUNIGA: Yeah. Very  
12 well-put. I agree with that. And I think we  
13 should educate where we can and be vocal about  
14 how we responded. There's two drafts,  
15 actually, of proposed 128D. An original one  
16 and a modified one, if I remember correctly.

17 CHAIRMAN CROSBY: Right.

18 COMMISSIONER ZUNIGA: And explain  
19 that, you know, it is, after all, their -- at  
20 the legislature's prerogative, really, to do  
21 what they will with -- with the Racehorse  
22 Development Fund. There are many other areas,  
23 of course. But I think it's very important  
24 for us to explain it in the sense that -- you

1 know, the way that you just spoke. If you  
2 wanted to make this work, you are to consider  
3 these other tools that we already alerted you  
4 to, as intended. And if they don't, well,  
5 that's also their prerogative. But I think we  
6 should -- we should make that very -- very  
7 clear.

8 CHAIRMAN CROSBY: Commissioner  
9 Macdonald and Stebbins, are you okay with  
10 that?

11 COMMISSIONER STEBBINS: I'm in a  
12 hundred percent agreement. I think  
13 Commissioner Cameron stated it well, and,  
14 Mr. Chairman, I think you stated it well. You  
15 know, giving us a chance, you know, to -- you  
16 know, we've seen the success, as  
17 Commissioner Cameron pointed out, of how --  
18 you know, what this reenergized fund has meant  
19 to the standardbred industry and harness  
20 racing in Massachusetts.

21 And hopefully, we can find a place  
22 for thoroughbreds to run in Massachusetts and,  
23 you know, realize that same benefit. You  
24 know, having a window, or having an

1 opportunity with the -- with the reform bill  
2 that's in front of lawmakers as well, to give  
3 us that chance to use the fund with a great  
4 deal of discretion, you know, to see what's  
5 out there and see how we can bring  
6 thoroughbred racing back and hopefully have it  
7 achieve the same level of success that harness  
8 racing has.

9 CHAIRMAN CROSBY: Okay.

10 Mr. Macdonald?

11 COMMISSIONER MACDONALD: Yeah. I  
12 agree with the sentiments that have been  
13 expressed by others. I think it would be an  
14 enormous shame and would comprise an  
15 institutional failure, if our legislative  
16 mandate with regard to the -- to the support  
17 and creative shepherding of the thoroughbred  
18 and standardbred industries became imperiled  
19 by these stop gap -- what appear to be stopgap  
20 legislative initiative.

21 So I'm completely supportive of the  
22 notion of our -- of our -- designating our  
23 chairman to be the point person to express, in  
24 the strongest terms, the views that have been

1           expressed today.

2                         COMMISSIONER STEBBINS:   And I  
3           would -- I would add to that, and maybe  
4           Chairman you didn't hear it back from us, but  
5           encourage you to the degree that you can work  
6           with staff to be, maybe, in a more proactive  
7           mode on this one.

8                         CHAIRMAN CROSBY:   I think I would --  
9           with your approval, I would draft a letter, I  
10          think, and send it to the legislature, as well  
11          as be available to speak to the issue, if  
12          anybody asks.

13                        COMMISSIONER ZUNIGA:   There's a full  
14          consensus.

15                        CHAIRMAN CROSBY:   Okay.  Do we need  
16          a -- we don't need a vote for that, just a  
17          consensus?  Okay.  All right.  Great.  Thank  
18          you.  That was a helpful conversation.

19                        MR. BEDROSIAN:   So Mr. Chairman, I  
20          think the discretion is now with the  
21          Commission.  We could go on to Item 4A, the  
22          2017 MGM operations workforce development  
23          plan.  In our minds, I think we had planned to  
24          take lunch around 12:45, so that still gives



1 us about a half-hour, if we want to continue?

2 CHAIRMAN CROSBY: Jill --

3 COMMISSIONER ZUNIGA: Were they  
4 prepared to -- I heard that --

5 CHAIRMAN CROSBY: Lunch is here.

6 COMMISSIONER ZUNIGA: Michael Mathis  
7 was going to come in the afternoon. Was he --  
8 were they prepared --

9 MR. BEDROSIAN: Yeah. This is not  
10 on this.

11 COMMISSIONER ZUNIGA: This is not  
12 on --

13 MR. BEDROSIAN: Not on this, no.

14 CHAIRMAN CROSBY: No, no. This  
15 would be 4A.

16 COMMISSIONER ZUNIGA: This is for  
17 Marikate.

18 MR. BEDROSIAN: Yeah, 4A. I think  
19 -- I think they are prepared.

20 MS. GRIFFIN: MGM is ready to go.

21 CHAIRMAN CROSBY: Is that -- can we  
22 do that in a half-hour or so, do you think?

23 MS. GRIFFIN: I think so.

24 CHAIRMAN CROSBY: Marikate is saying

1           yes.

2                       MS. MURREN:   Yes.

3                       CHAIRMAN CROSBY:   Okay.  Then, let's  
4           go on to Item No. 4A and we'll have lunch  
5           after that.

6                       MR. BEDROSIAN:   Okay.  Great.

7                       CHAIRMAN CROSBY:   Good afternoon.

8                       COMMISSIONER MACDONALD:   Good  
9           afternoon.

10                      COMMISSIONER CAMERON:   Good  
11           afternoon.

12                      COMMISSIONER ZUNIGA:   Good  
13           afternoon.

14                      COMMISSIONER STEBBINS:   Good  
15           afternoon.

16                      MS. MURREN:   Good afternoon.  Is it?  
17           Or is it morning?

18                      COMMISSIONER CAMERON:   It is.  It's  
19           afternoon.

20                      CHAIRMAN CROSBY:   It's afternoon.

21                      MS. MURREN:   Welcome to Springfield.

22                      COMMISSIONER CAMERON:   Happy to be  
23           here.

24                      CHAIRMAN CROSBY:   Thank you.

1                   COMMISSIONER MACDONALD: Thank you.

2                   MS. GRIFFIN: So I'm going to just  
3 provide some introductory comments and turn it  
4 over to Marikate Murren, who's -- you know  
5 well as the vice president of workforce  
6 development for MGM.

7                   So today you're scheduled to vote on  
8 the MGM Workforce Development Plan, which MGM  
9 originally presented on March 2nd at our  
10 public meeting here in Springfield, I believe.  
11 And so, in your packet you have the original  
12 plan. You also have the public comments that  
13 were received. We put this -- the plan up for  
14 public comment for well over a month, and we  
15 received two public comments. The MCCTI,  
16 representatives from the Springfield Community  
17 College and Holyoke Community College  
18 commented. And, also, Bob LePage, assistant  
19 secretary for the Department of Higher Ed.  
20 provided remarks as well.

21                   There was a more recent  
22 correspondent -- correspondence from MCCTI,  
23 which described their joint efforts with MGM  
24 to address the workforce demands and training

1 requirements. And, additionally, I included  
2 correspondence from The Executive Office of  
3 Labor and Workforce Development  
4 undersecretary, Jennifer James, that noted  
5 that MGM seems to have satisfied the condition  
6 15 of their license agreement, to create a  
7 plan in consultation with the Department of  
8 Labor to market and offer opportunities to  
9 unemployed residents. So I'm going to turn it  
10 over for Marikate for some brief remarks and  
11 then...

12 MS. MURREN: Great. Thank you,  
13 Jill. And welcome, Commissioners, to  
14 Springfield, again. It's a pleasure to be  
15 with you to answer any questions on the  
16 Workforce Development Plan for MGM  
17 Springfield.

18 Bus just to give you very brief  
19 overview, with Alex Dixon coming on as our  
20 general manager, we -- he and I have really  
21 been spearheading the MCCTI relationship with  
22 Holyoke Community College and STCC. As you  
23 know, they have partnered to form TWO, which  
24 is training and workforce options. That is a

1 major, major success for us, as we work with  
2 Jeff Hayden, vice president at Holyoke  
3 Community College, to establish the training  
4 school and that program. I will not steal his  
5 thunder. He will be here with the president  
6 so I'll defer questions, if that's all right  
7 with you. I'll answer high, but I just don't  
8 want to steal his thunder on the presentation  
9 that he will be delivering.

10 But it is our intent, as delivered  
11 in the Workforce Development Planning  
12 presentation that we gave you and the  
13 Commissioners, to open that school in that  
14 January time frame, as we ramp up and bring  
15 the on-boarding of our vice presidents of  
16 table games, vice presidents of slots and  
17 their underlings to help us implement the  
18 gaming school, more detailed plans and  
19 timelines to address some of the comments  
20 brought to either the public or by -- from Bob  
21 LePage will be addressed.

22 I really want those owners and those  
23 leaders as part of the executive committee to  
24 really take over that gaming school. And a

1 lot of those answers, also, will be brought to  
2 you during the submission of the application  
3 from the MCCTI here for Springfield. And I  
4 know Jeff Hayden will go into detailed length  
5 of that.

6 So I would welcome any comments,  
7 concerns or questions you might have of the  
8 Workforce Development Plan. And Wanda Gispert  
9 sends her regards and is unfortunately not  
10 here. But we did speak, so I'm happy to  
11 answer on her behalf also, as our lead for  
12 workforce development.

13 COMMISSIONER ZUNIGA: So you were  
14 not going to go through the presentation, I  
15 suppose?

16 MS. MURREN: That wasn't my intent.

17 COMMISSIONER ZUNIGA: Okay.

18 MS. MURREN: I think we -- I think  
19 we ran, maybe, even a little long at last  
20 time, because we could talk workforce for  
21 hours. I really would defer to all of you  
22 with any questions you might have.

23 COMMISSIONER ZUNIGA: I did have  
24 one, or a couple of questions towards -- in

1 terms of timing.

2 MS. MURREN: Yes.

3 COMMISSIONER ZUNIGA: And if it's  
4 possible to go to the schematic that lays out  
5 the time frame.

6 COMMISSIONER STEBBINS: What page is  
7 it?

8 COMMISSIONER ZUNIGA: Oh, sorry.  
9 It's towards the end.

10 MS. MURREN: Is that the master time  
11 frame, Commissioner?

12 COMMISSIONER ZUNIGA: Yes. A  
13 timeline that looks like a critical --

14 MS. MURREN: Like a Gantt?

15 COMMISSIONER ZUNIGA: Well, you  
16 know, like a schedule, yeah. So roughly,  
17 somewhere -- elsewhere, maybe in the next  
18 slide, you talk about a target date, a  
19 milestone, for the MCCTI school opening.  
20 Maybe in the winter of 2017. Is that --

21 MS. MURREN: Actually, we're  
22 looking -- the intent is for January of 2018  
23 of the opening of the gaming school.

24 COMMISSIONER ZUNIGA: Yes. And

1           then, there's also a -- another key milestone  
2           that I see here, the Holyoke Community College  
3           Center for Hospitality and Culinary Arts,  
4           right, maybe targeted for...

5                         COMMISSIONER CAMERON:   Summer.

6                         MS. MURREN:   That's this summer.

7                         COMMISSIONER ZUNIGA:   This summer?

8                         MS. MURREN:   Yes.

9                         COMMISSIONER ZUNIGA:   And if I take,  
10           I guess, those two milestones and we also  
11           allow for, in general, time towards obtaining  
12           a GED, which is -- seems to be, in some cases  
13           at least, a bit of a prerequisite to joining  
14           those, what can we say, in terms of time  
15           frame?  Are there enough people in the  
16           pipeline obtaining GED, let's say, so that  
17           they'll be ready for those -- for those  
18           positions, or are some of those efforts going  
19           to happen in parallel?

20                        MS. MURREN:   I believe there are  
21           enough in the pipeline.  I think Jeff Hayden  
22           and the letter submitted to you by TWO really  
23           goes into a detailed analysis and description  
24           of their high-set, which is the GED for



1 Massachusetts, adult basic education and ESOL,  
2 those pipelines continue to be filled.

3 And I think the most critical thing  
4 I'd want to stress to the Commissioners and  
5 everyone listening, is the urgency for those  
6 who are interested in being a candidate. This  
7 is a very different project for MGM. This is  
8 truly workforce development. It is not a  
9 hiring exercise, something that we would do in  
10 Vegas.

11 So I would stress that, if there is  
12 an individual that does need a high-set, does  
13 need ABE, ESOL, is to visit our education  
14 partners. Go to Holyoke. Go to STCC. We  
15 need to assist with building that capacity.  
16 But there are, from what Jeff -- and I can  
17 have -- defer to him a little bit later, is  
18 there are spaces, but that also will run in  
19 parallel.

20 The good news is, I think if you  
21 recall, we will have a very small handful of  
22 job descriptions and opportunities within MGM  
23 Springfield that does not require a high-set.  
24 And then, once they do become a team member

1 and part of the family, we do have a  
2 commitment to ensure that we provide that as a  
3 team member and a family member of MGM  
4 Springfield.

5 So we'll have a pipeline and be able  
6 to open that up a little bit more. Have  
7 candidates come in, become employees, and then  
8 we would provide that high-set as part of an  
9 employment assistance program that we  
10 currently provide.

11 COMMISSIONER ZUNIGA: And by  
12 "high-set" you mean, ESOL and adult --

13 MS. MURREN: High-set is the GED for  
14 the Commonwealth. It's just their new name  
15 for the GED.

16 COMMISSIONER ZUNIGA: Yeah.

17 CHAIRMAN CROSBY: Oh, really.

18 COMMISSIONER ZUNIGA: So is there  
19 a -- I was flipping through the pages as well  
20 and I found this graph very helpful, the one  
21 where you have the labor force participation  
22 on the different cities.

23 MS. MURREN: Yes.

24 COMMISSIONER ZUNIGA: Notably,

1 Springfield. And maybe this is a question for  
2 someone else, like Jeff or others, but do you  
3 have a sense as to that -- that figure of  
4 unemployed Springfield residents, where might  
5 they be in terms of high-set skills or --

6 MS. MURREN: You know, I do want to  
7 bring a little bit of an update from  
8 SkillSmart. As you know, that's our  
9 application where we're communicating to  
10 individuals to go in, register, and to build a  
11 profile. We're using that system, really as  
12 our communications through e-notifications.

13 When someone does build a profile,  
14 Commissioner, we are asking where their  
15 highest education level right now. And we  
16 actually are really pleasantly surprised,  
17 encouraged that most people currently in the  
18 system have a high-set or a GED.

19 Now, to be clear and transparent, we  
20 have about 3,500 people. And those numbers  
21 will be driven and will increase as we have  
22 additional outreach and have events. But  
23 currently, we are very encouraged by the  
24 current level of education. But no, that we

1 haven't really hit everyone in the population.

2 And to your point about the  
3 timeline, that marketing outreach and that  
4 urgency will begin in this July and August  
5 time frame, to really get out to people. To  
6 create the urgency, and to encourage people to  
7 go to training and education programs.  
8 Because we -- next week we're going to be  
9 about 14 months out. So I can't stress enough  
10 of creating urgency, getting people to Holyoke  
11 and to STCC, getting into culinary programs,  
12 credit or noncredit. And also, we'll start to  
13 do some advertising for the gaming school  
14 three months prior to opening to create  
15 awareness and excitement for those positions,  
16 and then we'll do some targeted for our  
17 residents of Springfield and our surrounding  
18 communities.

19 COMMISSIONER ZUNIGA: Thank you.  
20 And you, I'm sure, are aware of the -- Jill's  
21 memo and recommendation to approve the  
22 Workforce Development Plan with a condition to  
23 come back with some more specifics on the  
24 35 percent --

1 MS. MURREN: Yes, sir.

2 COMMISSIONER ZUNIGA: -- threshold?  
3 Without revealing any trade secrets, is there  
4 anything that you can speak to at this point,  
5 or can you come back within that time frame?

6 MS. MURREN: Oh, I will definitely  
7 be ready within that time frame. I think  
8 that, as Wanda and Renata, the two leads on  
9 the workforce development, we are going to be  
10 doing targeted events for city of Springfield,  
11 whether they are residents or veterans, and  
12 those who are unemployed and underemployed.  
13 As you recall, that's part of our diversity  
14 program that you approved in, I think it was  
15 January of 2015.

16 So there'll be targeted events. And  
17 I would like to bring back, in that 90 days,  
18 those time frames with you, because I also  
19 need to engage Jennifer James from labor and  
20 workforce, to make sure we're on the same page  
21 and also include participation across.  
22 Because this really is a collaborative impact  
23 that we're doing. Not only for us as the  
24 businesses but for others. Because, as you

1 recall, we have made commitments to assist  
2 some of our small businesses with backfilling.  
3 As people will organically move from position  
4 to position, we need to make sure that we are  
5 leading that backfilling in the education and  
6 training for all of Springfield.

7 So I wouldn't want to tell  
8 everything right now. But within that 90 days  
9 or sooner, we'll have a plan for you, sir.

10 MS. GRIFFIN: I would add that the  
11 gaming school is a big part of that puzzle.  
12 And I understand, we'll hear later, that  
13 they've made significant progress and have  
14 had, I guess, promising conversations so I'm  
15 encouraged.

16 COMMISSIONER ZUNIGA: Thank you.

17 COMMISSIONER CAMERON: I had a  
18 question about the gaming school. It's  
19 opening -- it seemed to me, when I read this,  
20 that it's opening late. Meaning, January and  
21 you're opening casino the same year. I  
22 suppose all that will give these folks an  
23 opportunity to do is get some kind of a  
24 certificate, not an actual associate's degree

1 or -- so I just -- are there plans to expand  
2 this program to include higher education, for  
3 example, an associate's degree? I'm thinking  
4 of the Bristol program and what they're  
5 offering.

6 MS. MURREN: So if I may just jump  
7 in. We do not believe it is late, based on  
8 best lessons learned from National Harbor.  
9 It's a little bit of a different environment  
10 here. Different than DC, where we've had  
11 many, many experienced table game dealer where  
12 we stole, with pride, some of the best people  
13 from Horseshoe and the other casinos.

14 What we do worry here is providing  
15 enough cohorts to get enough people through  
16 the pipeline to fill those about 500 positions  
17 on the table games side. We have about 80 on  
18 the poker side. So we would really like to  
19 audition and interview at least a  
20 three-to-one. So now, as we go up that  
21 pipeline we're at that 1,500. And I am  
22 stealing, sorry, Jeff, a little bit of your  
23 thunder. But then, how do we get more people  
24 into the gaming school?

1                   We do worry about decay of knowledge  
2                   and skill set. And so, what our game plan is  
3                   to offer practicums over the weekends and off  
4                   hours, and actually run cohorts during a  
5                   24/7-hour period so people can get used to  
6                   working second and third shift. Because if  
7                   they can't come to a training program during  
8                   those time frames, we might have some  
9                   challenges getting people to work.

10                   We do not believe it's late. But  
11                   remember, we will shut down the gaming school  
12                   to get the resort open. And then, there are  
13                   plans for then to reopen, because that  
14                   workforce development will never stop. It  
15                   never does. We will have some attrition and  
16                   people moving. So we're encouraged. That  
17                   gives us nine months.

18                   And I think Jeff Hayden will go  
19                   through a little bit more of what those  
20                   cohorts look like. How many people we have to  
21                   put through the school by game. And I think  
22                   our timeline does meet the needs of the  
23                   resort. And also, will meet the needs of the  
24                   city residents who are looking for



1 opportunities.

2 COMMISSIONER CAMERON: I guess I  
3 was thinking of advancement, which I know your  
4 company is -- it's something that's important,  
5 to groom and give those who started a  
6 lower-level position opportunities to move up.  
7 And I was impressed with -- and I know around  
8 the country there are schools that will offer,  
9 you know, tourism, hospitality, start with an  
10 associate's degree at a local community  
11 college, and I guess I just haven't seen that  
12 here.

13 MS. GRIFFIN: Commissioner, I think  
14 this is a different model. This is a -- more  
15 of a workforce training model where  
16 individuals could take their credits and enter  
17 into the community college. But after TWO, or  
18 2-1/2 months, they could actually get a job  
19 after this workforce training program. So  
20 it's -- it's on the other side of the house.

21 COMMISSIONER CAMERON: So those  
22 higher-level positions that do require  
23 education, I guess that education wouldn't  
24 have to be specific because -- since it's not

1           offered in Western Mass.

2                       MS. MURREN: That's true. Most of  
3 the positions that do require higher education  
4 is a degree. And there are a lot of  
5 cross-synergies and collaborations with  
6 relative work experience and the education.

7                       I do want to bring up, is that we do  
8 have a relationship with American  
9 International College. We have partnered with  
10 them to provide an MBA in casino management.  
11 They have written that curriculum. But also  
12 in your packets, if you recall from March, we  
13 provided a couple of slides that talked about  
14 the step-up and the progression within the  
15 gaming side. Is that you would start as a  
16 dealer -- and I think it's a little bit  
17 towards the back of the book, sir. So you  
18 start within the experience. You get some  
19 type of education, formal education, whether  
20 it's through the gaming school. You spend  
21 some time as a dealer, and then you would step  
22 up into being a lead. More years, more  
23 experience, more training that we would  
24 provide as the employer, and then stepping up

1           into a floor supervisor, a pit boss, and then,  
2           ultimately, a vice president.

3                       So to answer your question, not so  
4           much on the credit side. But I think it's a  
5           wonderful opportunity that TWO and some of the  
6           other education partners could get into. But  
7           this, as Jill mentioned, is on the noncredit  
8           side and the workforce development.

9                       CHAIRMAN CROSBY: Maybe I  
10          misunderstood -- I didn't get some of your  
11          introductory remarks. But Bob LePage, in  
12          response to the first draft had this whole  
13          series of issues where he thought that the  
14          plan was lacking. Are they being addressed in  
15          the presentation that's coming? Is that what  
16          you were --

17                      MS. MURREN: Yes, they are.

18                      CHAIRMAN CROSBY: Okay.

19                      MS. MURREN: And they are also  
20          addressed in the May 16th letter that was  
21          submitted by Jeff Hayden and Jeremiah Riordan  
22          that the community colleges and our training  
23          partners are providing those services.

24                      CHAIRMAN CROSBY: Okay.

1 MS. MURREN: And Jeff will also, and  
2 the presidents will also make remarks towards  
3 that, sir.

4 CHAIRMAN CROSBY: Okay. Great.

5 MS. GRIFFIN: And I think they're  
6 also detailed in our request for more  
7 information regarding the Springfield plan.

8 MS. MURREN: For the 35 percent,  
9 correct.

10 MS. GRIFFIN: For the 35 percent  
11 Springfield residents, rather.

12 CHAIRMAN CROSBY: Okay. Are we all  
13 set? Any other comments, questions? Somebody  
14 want to frame a question -- a motion?

15 COMMISSIONER STEBBINS: Mr. Chair, I  
16 would move that the Mass Gaming Commission  
17 approve the MGM Springfield Operational  
18 Workforce Development Plan with the provision  
19 that within 90 days further details be  
20 presented back to the Commission with respect  
21 to a specific plan for targeting the  
22 35-percent employment target for the city of  
23 Springfield.

24 CHAIRMAN CROSBY: Second?

1 COMMISSIONER CAMERON: Second.

2 CHAIRMAN CROSBY: Further  
3 discussion? All in favor? Aye.

4 MR. MACDONALD: Aye.

5 COMMISSIONER STEBBINS: Aye.

6 COMMISSIONER CAMERON: Aye.

7 COMMISSIONER ZUNIGA: Aye.

8 CHAIRMAN CROSBY: Opposed? The ayes  
9 have it unanimously.

10 MS. MURREN: Great. Thank you. I  
11 look forward to seeing you.

12 CHAIRMAN CROSBY: All right. Great.

13 COMMISSIONER CAMERON: Thank you.

14 MS. MURREN: It's been a pleasure.

15 CHAIRMAN CROSBY: Knock 'em dead.

16 MS. GRIFFIN: Thank you.

17 MR. BEDROSIAN: Mr. Chairman,  
18 it's -- it's 12:36. This might be an  
19 appropriate time to break for lunch. We just  
20 might want to let our viewers know when we  
21 will be resuming.

22 CHAIRMAN CROSBY: Yeah. I think  
23 we'll take a half-hour.

24 MR. BEDROSIAN: Sure.

1                   CHAIRMAN CROSBY: And so, shortly  
2 after one o'clock.

3                   MR. BEDROSIAN: Sounds good.

4                   CHAIRMAN CROSBY: All right. Great.  
5 We are temporarily adjourned.

6  
7                   (A recess was taken)

8                   CHAIRMAN CROSBY: It is a little  
9 after 1:05. Are you ready, Director Griffin?

10                  MS. GRIFFIN: Good afternoon.

11                  CHAIRMAN CROSBY: All right. So  
12 we'll start with Item No. 4B on the agenda.

13                  MS. GRIFFIN: Chairman Crosby, I  
14 know you -- you ask me often for updates on  
15 how the community colleges are doing. And we  
16 thought it would be a great time today to  
17 provide you an update on the Western Mass --  
18 Massachusetts efforts.

19                  So here we have -- let's see, from  
20 the far left we have -- my left we have  
21 Jeffrey Hayden from Holyoke Community College.  
22 We also have Dr. John Cook from Springfield  
23 Technical Community College, and Dr. Christina  
24 Royal from Holyoke Community College.

1 CHAIRMAN CROSBY: Okay. Great.

2 MS. GRIFFIN: So I think Dr. Cook is  
3 going to kick it off.

4 MR. COOK: We're getting our act  
5 together. We're new around these parts.

6 MS. ROYAL: And I'm newer than him  
7 so...good afternoon.

8 CHAIRMAN CROSBY: Good afternoon.

9 COMMISSIONER MACDONALD: Good  
10 afternoon.

11 COMMISSIONER CAMERON: Good  
12 afternoon.

13 COMMISSIONER ZUNIGA: Good  
14 afternoon.

15 COMMISSIONER STEBBINS: Good  
16 afternoon.

17 MS. ROYAL: My name is  
18 Christina Royal. And I just started in  
19 January as president of Holyoke Community  
20 College, and most recently moved here from the  
21 Twin Cities, Minnesota so I'm getting my  
22 bearings on all level in the community, in the  
23 state, and at the institution. So I'm very  
24 excited to be here and to really get up to

1 speed and immersed in this wonderful project  
2 that we have with Springfield Technical  
3 Community College and MGM, and really looking  
4 forward to ways that we can really transform  
5 this economy, to be honest with you. It's  
6 much bigger than the institutions or MGM. I  
7 look at this as a huge economic development  
8 initiative. And I think we are prized to  
9 really transform Western Massachusetts, so  
10 that's very exciting.

11 One of the things that I wanted to  
12 stress as coming in new, is I've had a chance  
13 to meet with President Cook, as well as the  
14 other Western Massachusetts presidents, and  
15 really talk about the local region, the  
16 economic development initiatives, the needs in  
17 the local community. And I'm very excited  
18 that we're able to build off of an existing  
19 partnership with Springfield Technical  
20 Community College and really come together  
21 under the umbrella of our TWO program, the  
22 training and workforce options initiative,  
23 where we have an existing partnership.

24 I think John and I are both



1 committed to expanding that entity with our  
2 gaming initiatives and looking at how we can  
3 collaboratively look to make sure that, not  
4 only MGM's workforce needs are taken care of,  
5 but that, you know, we have vibrant job  
6 opportunities within gaming, culinary arts  
7 programs and hospitality management to be able  
8 to really help the local region, both with job  
9 opportunities and also with businesses.

10 So with that, I'm going to turn it  
11 over to my colleague for an introduction.  
12 We're later going to have Jeff Hayden walk  
13 through some details in a presentation. But I  
14 just wanted to say that I'm grateful to be  
15 here and look forward to working with you all.

16 CHAIRMAN CROSBY: Thank you.

17 COMMISSIONER MACDONALD: Thank you.

18 COMMISSIONER STEBBINS: Welcome.

19 MR. COOK: Good afternoon,  
20 Commissioners.

21 CHAIRMAN CROSBY: Good afternoon.

22 COMMISSIONER MACDONALD: Good  
23 afternoon.

24 COMMISSIONER CAMERON: Good

1           afternoon.

2                           COMMISSIONER ZUNIGA:   Good

3           afternoon.

4                           COMMISSIONER STEBBINS:   Good

5           afternoon.

6                           MR. COOK:   Again, John Cook.  I'm  
7           the very proud president of the Springfield  
8           Technical Community College.  This is our 50th  
9           year so quite an anniversary for us.  We are  
10          quite pleased with HCC to be that most  
11          affordable choice for many families and  
12          students here in the region.  I'll try not to  
13          take up too much of your time and give the  
14          time over to our presentation.  But just a few  
15          details that you'll find in some of the  
16          literature we push in your direction, but also  
17          something that's maybe not as obvious.

18                          For STCC in particular, 85 percent  
19          of our students live within 8-miles of the  
20          college.  Half of our students are graduates  
21          of Springfield Public Schools.  So as you  
22          think about the local obligations and the  
23          commitment to a local workforce, please know  
24          our community colleges are very

1 well-positioned to really contribute to that  
2 ecosystem.

3 I heard earlier conversation around,  
4 sort of, the pathways and the career  
5 possibilities. This is why community  
6 colleges, I think, are so appreciative of the  
7 chance to partner, is we often will take that  
8 high-school-equivalency individual, already  
9 give them a student ID, they think of  
10 themselves as a student, and they come and hey  
11 do take that one-year certificate with us,  
12 which they parlay into that two-year  
13 associate's degree with us and then they,  
14 let's say, persist on through an entity like  
15 the Commonwealth commitment that caps their  
16 bachelor's degree at 30,000 and that's how  
17 they move on to a UMass or a Westfield State.  
18 That's our ecosystem that's really central to  
19 us, and really important to, again, those  
20 families.

21 Depending upon where your questions  
22 may -- may land and what you want to ask a  
23 little bit more on, I think, again, between  
24 our two institutions we are well-positioned

1 with the array of programs. We even do  
2 have -- yes, we don't have a casino management  
3 degree, let's say, explicitly right now, but  
4 we do fast track customer service, we do  
5 business management, IT and security. So all  
6 of those things that are not just front of the  
7 house, or sort of at the table, are also, we  
8 anticipate, the types of needs for MGM here.

9           Lastly, in terms of scale, it's not  
10 lost on myself and President Royal that we're  
11 looking at, you know, upwards of 14, 15,000  
12 applicants to land at the workforce that we  
13 need. So just know that at any given time,  
14 between our two institutions, we have about  
15 12,000 students. And not that we can walk  
16 them down State Street or just have them pop  
17 down 91 to the doors there, but I think we  
18 carry a reasonable amount of optimism about  
19 how that translates to this next phase, the  
20 renaissance of the city.

21           I would say, lastly for the good of  
22 the order, just know President Royal and I  
23 carry a great deal of trust with one another.  
24 Before I think either one of us started we

1 heard about this thing called Two and knew we  
2 had to have our act together when it comes to  
3 that. So I think you'll find, even if we  
4 can't be at all the meetings, we are -- really  
5 have one mind when it comes to making sure  
6 that we do well by this. Thank you.

7 COMMISSIONER MACDONALD: Thank you.

8 CHAIRMAN CROSBY: Yeah. And just  
9 for the record, we're very much aware of the  
10 fact that you're both new to the game and  
11 have -- I'm most appreciative of how seriously  
12 that you've taken this and that you're taking  
13 the time to come. I'm sure you're both  
14 drinking out of fire hoses so thank you very  
15 much.

16 COMMISSIONER STEBBINS: Mr.  
17 Chairman, one quick question. President Cook,  
18 you pointed to the fact you have 12,000  
19 students between your two facilities. You've  
20 engaged in other conversations with your  
21 higher ed. colleagues at the other colleges,  
22 what does that population grow to, in terms of  
23 students up and down the valley in higher  
24 education, even a ballpark number if you have

1           it?

2                       MR. COOK: UMass is always the big  
3           one out there, up in Amherst. I'm trying to  
4           think if I know the undergrad population off  
5           the top of my head. I mean, it might be as  
6           big as 15,000, you know, at the undergrad  
7           level. Greenfield Community College, sort of  
8           at the tip of the valley there, is another  
9           2,000 students. And even when we look west a  
10          little bit at Berkshire Community College, I  
11          think there may be 1,800.

12                      COMMISSIONER STEBBINS: Okay.

13                      MR. COOK: And of course, just  
14          across the river at Westfield State, I think  
15          they have also 6,000 students.

16                      COMMISSIONER STEBBINS: Okay.

17                      MR. COOK: So, again, there are  
18          definitely some possibilities when we sort of  
19          look to education as a key point of  
20          engagement, not just community colleges.

21                      COMMISSIONER STEBBINS: You think of  
22          that pool that we've always talked about from  
23          the beginning, in terms of the number of  
24          people into the funnel to get out the MGM

1 employees that they need. And to your point,  
2 you can't walk everybody down State Street and  
3 encourage them to sign up. But throw in your  
4 other public higher ed. colleagues, you throw  
5 in the private colleges, we're well surpassing  
6 that pool, in terms of availability, if this  
7 is the career path people want to take.

8 MS. ROYAL: I just like to add that  
9 to that, that I think there's also a  
10 population of folks that aren't at the  
11 colleges right now that we'll really be able  
12 to connect with. Folks that are either  
13 unemployed or under employed that haven't yet  
14 made a decision to go back to a community  
15 college for a career change, but, you know,  
16 might be bracing for something like that, some  
17 type of transition in their career. And so, I  
18 think there's a lot of potential about what  
19 we'll be able to tap into in the western part  
20 of Massachusetts, both in the existing  
21 capacity, as well as the growth capacity at  
22 both institutions.

23 COMMISSIONER CAMERON: If I could  
24 speak to that point. President Royal, I have

1           experience in Atlantic City. And lots of  
2           people, right, that did not have any kind of  
3           degrees got lower-level jobs in Atlantic City.  
4           And the partnership that the casinos had with  
5           Atlantic Community College and then later on,  
6           Stockton State College, within 30 minutes of  
7           the casinos.

8                         I think there was so many people who  
9           never thought they were college material.  
10          They just couldn't -- you know, you get a  
11          certificate you still don't know that you're  
12          college material, if you get a certificate in  
13          something to -- gaming related. And between  
14          the casinos offering opportunities for  
15          advancement and the colleges offering programs  
16          that worked with shift work made a huge  
17          difference. They'd start -- they had jobs in  
18          the casinos. They'd start with the  
19          associate's program that was connected, do you  
20          know? And they were encouraged, a lot of  
21          people to start there. And once they -- after  
22          a semester they thought, wow, I can go to  
23          college, I just passed four classes.

24                         And so many people then getting



1       their associate's degree. There were  
2       programs -- this is -- I'm talking many, many  
3       years ago, but programs -- similar programs  
4       with those in law enforcement. And the same  
5       thing, I never thought of myself as college  
6       material. And so, that's -- those are the  
7       individuals. And those partnerships, I think,  
8       really make a difference, because if you're  
9       being encouraged not only by the colleges but  
10      also by your employer, hey, they'll be  
11      opportunity for you to move up. I think you  
12      should consider this program at the community  
13      college.

14                 So I just -- I hope to see that same  
15      kind of synergy here with individuals who  
16      would not have considered going back to school  
17      without that encouragement.

18                 MS. ROYAL: I would echo your  
19      statements, Commissioner. In my former life,  
20      I was in Cleveland, Ohio and the community had  
21      brought Horseshoe Casino online there in  
22      downtown Cleveland, and my institution had the  
23      training contract for both the gaming side, as  
24      well as we had created, invested in downtown

1 Cleveland in a hospitality center for culinary  
2 arts.

3 So I think we saw the same thing  
4 with the gaming contract, in terms of a lot of  
5 the expected employees came from a lot  
6 different populations than we had nationally  
7 expected to begin with. So I do think that I  
8 expect that we would see the same trend here  
9 as well.

10 CHAIRMAN CROSBY: That's great  
11 experience to bring to our table. I didn't  
12 know about that. That's great.

13 MS. ROYAL: It feels like deja-vu.

14 CHAIRMAN CROSBY: Yeah, really.  
15 Great. Fortunately, somebody that knows what  
16 they're doing.

17 MS. ROYAL: I wouldn't go that far.

18 MR. HAYDEN: So if I might jump in,  
19 I think, you know, to get right to the bottom  
20 line. I think there's two key issues that we  
21 need to be concerned with, with the  
22 development of training for casino jobs and  
23 casino-related jobs and the gaming school.  
24 And those two things are recruitment, getting

1           enough people from the community to get into  
2           those jobs, and then, obviously, the whole  
3           notion of how do we scale that up and how do  
4           we fund that? Those are the two primary  
5           issues.

6                         And so, when we look at the overall  
7           labor challenge for the gaming industry in  
8           Massachusetts, and specifically for MGM here  
9           in this region, it's a big hill to climb.  
10          It's a need for at least 20,000 people to be  
11          thinking about gaming and gaming-related jobs  
12          and the service-related jobs. And then, when  
13          you start to look at the challenge for the  
14          gaming itself, there's a large number of  
15          people that need to be recruited, a large  
16          number of people that need to go through that  
17          funnel and be ready to take those jobs.

18                        As Dr. Cook said, at the community  
19          colleges there's 12,000 students, and there's  
20          probably another 6,000 students who are taking  
21          workforce-development-related programs. And  
22          whether that be at a very basic level, adult  
23          basic education speakers, English speakers of  
24          other languages, high-set preparation, GED

1 preparation, workplace skills training,  
2 culinary training, customer service training,  
3 those types of things, all the way up into  
4 industry-recognized credentials.

5 And so, that population that we have  
6 of somewhere around 18,000 people that come to  
7 either community college is part of what we  
8 need to tap into, and need to tap into  
9 aggressively. But also, we need to look at  
10 our workforce development in the region and  
11 figure out how we can get more people in the  
12 pipeline for education and training,  
13 especially those who might be unemployed  
14 underemployed, opted out of workforce and have  
15 them return.

16 I mean, we're in one of those very  
17 unique storms, right? We have -- in Western  
18 Massachusetts we have a very limited labor  
19 pool that's available because of a high level  
20 of employment in the region. Unfortunately,  
21 most of those folks who are unemployed,  
22 underemployed are in the urban core of the  
23 region, in Springfield, Holyoke, Chicopee, and  
24 other neighboring components of that core.

1                   And so, in order to find enough  
2                   people, we need to take those people who  
3                   are -- those 11,000, 12,000 people and try to  
4                   get them back into the workforce. So that's a  
5                   huge challenge.

6                   And the other thing is, you know,  
7                   our population is flat in Western  
8                   Massachusetts, our immigration into the region  
9                   is flat. And so, it's really about trying to  
10                  take people who have opted out of the  
11                  workforce or not been able to be in the  
12                  workforce to get them the skills and the  
13                  resources they need.

14                  The -- you know, and this is the  
15                  model, in terms of the workforce model that  
16                  we're using across the state with  
17                  Massachusetts Casino Careers Training  
18                  Institute. It's about making sure that other  
19                  industries know about the workforce  
20                  challenges. And so, we've done things in  
21                  finance, we've done things in banking, we've  
22                  done things in manufacturing and health care  
23                  in order to try to scale-up the workforce so  
24                  that, in the event that some of their

1 employees might be attracted by positions at  
2 MGM, here's the opportunity for them to grow  
3 and to do more on their own as individual  
4 businesses not associated with -- with casino  
5 gaming.

6 Obviously, want to make people aware  
7 of jobs. We want to assess their skills. We  
8 want to make sure they've got proper  
9 counseling to be ready for training. Not  
10 ready for the job. Ready for training. And  
11 then, also get them the training and place  
12 them in jobs. That's a cree -- a key  
13 component.

14 Along with Jeremiah Riordan from  
15 Springfield Technical Community College, we've  
16 been working on five key areas. One is the  
17 career launch that MGM has done with  
18 SkillSmart. And we've been a partner in that  
19 to try to make sure that people are aware of  
20 the occupations. And we've done, already,  
21 probably close to 40 or 50 outreach sessions  
22 in that regard. We've also created courses in  
23 related to key skills that have been  
24 identified by SkillSmart and done all those

1 types of things.

2 The four other initiatives on the  
3 screen I'll go into a little bit more detail.  
4 So one is the hospitality and culinary center  
5 that we're developing, the current programming  
6 we have, the grant activity we have. And  
7 then, more detail on the gaming school because  
8 I know that's something we want to talk more  
9 about.

10 So with our culinary institute, it's  
11 an investment at the corner of Appleton and  
12 Race in downtown Holyoke of between six and  
13 \$7.5 million. Construction's in process.  
14 It's going along really fast. All the  
15 internal framing is up and all that kind of  
16 fun stuff.

17 We're looking for November 1st  
18 opening of the center, with our workforce  
19 development programs taking place there  
20 immediately. And then, in January, our credit  
21 program with our culinary certificate, and  
22 with our various associate's degrees, our  
23 management degrees, our hospitality  
24 management, food service management degree

1 will be offered.

2                   And two key components to be aware  
3 of. One is, we've created a remedial track  
4 for hospitality and culinary. And what that  
5 mean is, someone who might normally go into  
6 developmental education in math or English,  
7 we're providing a series of linked courses in  
8 math, English and culinary, so it's all going  
9 to be contextualized, is at that remedial  
10 level.

11                   So somebody coming into the program,  
12 who might not meet the -- some of the entrance  
13 requirements will be able to take that in one  
14 semester before the program starts. So we're  
15 hoping to enroll folks this summer into that  
16 program and test it out as a pilot to begin  
17 with.

18                   The other thing is, there'll be a  
19 new certificate program that we'll offer, and  
20 then a new two-year associate will be  
21 developed a year from now. So some of those  
22 things that Commissioner Cameron was talking  
23 about, in terms of certificates or degrees  
24 that lead to more education, these are the



1 types of things that will connect students to  
2 Johnson and Wales in Rhode Island, or connect  
3 them to UMass Amherst, connect them to various  
4 management-related programs at Eisenberg.  
5 Eisenberg does have an option for casino  
6 gaming as well.

7 So we'll really concentrate an awful  
8 lot, in terms of those credit students, so  
9 that they see it not as an opportunity to get  
10 a job, but to have a career. So that's really  
11 our focus there.

12 COMMISSIONER ZUNIGA: Jeff, just on  
13 average, what do -- how long do those  
14 certificates take, the remedial and the new  
15 credit certificate that you spoke about?

16 MR. HAYDEN: So that'll be in the  
17 summer --

18 COMMISSIONER ZUNIGA: Yeah.

19 MR. HAYDEN: -- done. So it'll  
20 be --

21 COMMISSIONER ZUNIGA: So three  
22 months remedial?

23 MR. HAYDEN: It'll be anywhere from  
24 a eight- to 10-week program.

1                   COMMISSIONER ZUNIGA: Right.

2                   MR. HAYDEN: So, in other words,  
3 someone who is coming out of high school says,  
4 I want to take this program, they do the  
5 testing, they find out that they're at the  
6 remedial level. Then, they take this program  
7 and then they're ready for the classes in  
8 September, as opposed to coming in in  
9 September and having to take remedial work and  
10 then pushing back their course work further.

11                   COMMISSIONER ZUNIGA: Right. And  
12 then, the regular one would take about a year?

13                   MR. HAYDEN: Yeah. So we are  
14 streamlining it to 24 credits so that it  
15 certainly can be accomplished in two  
16 semesters. And so, someone who's interested  
17 in, perhaps, taking some intersession courses  
18 and summer courses, you know, can squeeze that  
19 in even shorter period of time.

20                   COMMISSIONER ZUNIGA: Right. And  
21 have you figured the capacity of that first  
22 class?

23                   MR. HAYDEN: So in terms of the  
24 summer cohort, we have two sections being

1 offered, which would be 32 individuals. And  
2 again, this summer is a pilot and so we'll  
3 scale that up. But our hope is that, overall,  
4 on the credit side of the training we'll have  
5 somewhere around 300 individuals in culinary-  
6 and hospitality-related programs. And so,  
7 those -- 300 of those, probably, a third of  
8 them, at some point, will need that remedial  
9 program.

10 And, you know, I won't talk about  
11 the ongoing programs that we have. I will  
12 just highlight two new ones. One is the  
13 securities training certificate that Jeremiah  
14 and the team at Springfield Technical  
15 Community College have developed, as well as  
16 an interesting one. I kind of like it, The  
17 Brew Master's License Program. But both of  
18 those show the flexibility and the ability of  
19 the community colleges to adapt quickly to  
20 develop programs that meet specific needs.

21 And so, the security training  
22 certificate is one that, after discussions  
23 with folks at MGM, as well as other leaders in  
24 that areas, was put together in order to

1 address the need for -- for folks who need a  
2 little bit more detail, in terms of  
3 security-related positions.

4 CHAIRMAN CROSBY: So that's --  
5 that's targeted for casino security?

6 MR. HAYDEN: Yes, it is.

7 CHAIRMAN CROSBY: Like, would it  
8 include surveillance training for this --

9 MR. HAYDEN: Yes.

10 CHAIRMAN CROSBY: It would. Great.

11 MR. HAYDEN: And then, obviously,  
12 the other area is the whole gaming school  
13 curriculum. And as I -- we will have an  
14 application in to the Commission, in terms of  
15 the gaming school, hopefully, within a month.  
16 And in that application we'll meet all the  
17 requirements of the application process.

18 But one of things that we have done,  
19 we've developed a curriculum with the help of  
20 our many partners, and we have begun to run  
21 that by the state officials at the Department  
22 of Labor and Workforce Development. And so,  
23 their approval will be key to what you need to  
24 see, as this being a certified program and one

1 that can be offered in the state.

2 In terms of grant activity, you know  
3 many of the grants we have, but I would  
4 summarize it very quickly and say that we have  
5 about \$300,000 worth of grant activity ongoing  
6 right now. We're looking that we want to have  
7 about 500 to \$600,000, at least, in the fall  
8 or early spring of next year.

9 What that type of grant money does,  
10 it enables us to do training without any cost  
11 to individuals and -- but as you can imagine,  
12 that only goes a short distance, in terms of  
13 the cost of training. And so, we will  
14 continually seek new opportunities for funding  
15 and would seek your support in that regard.

16 The -- in terms of things in  
17 process, you know, obviously, one of the key  
18 areas that we can work with is the issue of  
19 hospitality and culinary workers for the  
20 region, and do specific business-focused  
21 applications in regard to training to scale-up  
22 on that end and, hopefully, that will have an  
23 impact on the MGM project as well.

24 And now to go into a little bit more

1 detail about the -- the actual gaming school  
2 planning that we've done to date. This is  
3 something actually we've been working on  
4 almost two years, in terms of all the  
5 different issues that need to be addressed.  
6 And I'll go through some key dates, some of  
7 the assumptions we used, some of the  
8 assumptions we're using in terms of the  
9 proforma and -- and then talk about funding  
10 models and suggest some next steps.

11 In terms of timing, the culinary  
12 arts center, which right now I think the  
13 favored name, although we're not done with the  
14 naming process, but is the MGM HCC Culinary  
15 Institute, but we'll figure that out down the  
16 road. But that will open in November, and the  
17 credit programs will open at the beginning of  
18 the spring semester.

19 The -- earlier Commissioner Zuniga  
20 asked about the timing of -- and opening of  
21 the gaming school, and perhaps this slide is  
22 what confused folks. So we are looking at  
23 doing some of the classroom-related training  
24 in the fall of this year, in order to make

1           sure that we have enough capacity to meet the  
2           need and the number of cohorts that we need to  
3           do the gaming training.

4                       When MGM mentions that we're going  
5           to open the gaming school in January or  
6           February, what they mean is the lab that will  
7           be part of their facility will be available to  
8           us at that time period. But, obviously, this  
9           fall will be a heavy recruitment period for  
10          us, and then we'll get some folks through some  
11          of the basics.

12                      As you recall from your regulations,  
13          there's a requirement for them to have  
14          education on the gaming law, on problem  
15          gaming, on safety and emergency training, like  
16          CPR and those types of things. So those --  
17          there's about 40 or 50 hours of those  
18          requirements, including customer service, that  
19          we would offer this fall and -- as a way to  
20          try to get cohorts started so that we can have  
21          them day one get right into the gaming  
22          training when the lab opens.

23                      COMMISSIONER ZUNIGA: Are you seeing  
24          enough interest in those programs for this

1 fall?

2 MR. HAYDEN: I would say, no. And I  
3 think that's really a function of a couple  
4 things. One is, you know, people have to have  
5 a sense that these jobs are there and ready  
6 and all that. And I think part of the work  
7 that you all have always done, but I think  
8 even now more so, we need to trumpet the fact  
9 that there are workforce development and job  
10 opportunities for people, and now's the time  
11 for them to start thinking. As Marikate said  
12 earlier, to think about, do I need my  
13 high-set? Do I need a particular certificate,  
14 or do I need to finish my associate's degree,  
15 or my bachelor's degree? So I think the more  
16 that all of us as a team can trumpet that fact  
17 that, you know, it's -- now is the time for  
18 people to get engaged, that would be very  
19 important.

20 And then, obviously, the dates you  
21 know from MGM. Their career center will open  
22 sometime in the -- early 2018, and then  
23 they'll have mass hiring events in the summer,  
24 and then the grand opening in September. So



1 all of the gaming school activity, obviously  
2 is focused to meet those various timelines.

3 Some of the basic assumptions is  
4 that for every job, that we're going to need  
5 at least six people. MGM, as Marikate  
6 mentioned earlier, would like to interview  
7 three people per occupation. So that means  
8 three people that we're going to need to train  
9 and scale-up, who might not get employment  
10 through this effort. And -- but, obviously,  
11 there are dozens of reasons why people don't  
12 complete programming, they drop out of  
13 programming, they don't meet criteria. All  
14 those type of things that familiar with.

15 We have submitted in the past, and  
16 will resubmit that to you when we do the  
17 gaming school application, the headcounts that  
18 we are basing all of this information on. But  
19 as Marikate said, 500 dealers plus 88 poker  
20 dealers is a significant number of folks that  
21 we need to train.

22 Some of the great news, and in some  
23 senses, it looks like I buried the lead here,  
24 is that the gaming school lab is proposed that

1           it'll be at 95 State Street within the MGM  
2           facility. And so, that's a very significant  
3           contribution by MGM to this process. And,  
4           obviously, we will have an agreement with  
5           them, in terms of using that space.

6                     The second great news from MGM is  
7           the fact that they will provide the gaming  
8           equipment needed to do the training and the  
9           related materials. And this will obviously  
10          all be done in accordance with the  
11          regulations, but, you know, that's another  
12          significant contribution that they're making.

13                    And the model that we're starting to  
14          think about is that we would have at least  
15          three terms. So, you know, if we get started  
16          in November, the first gaming cohort would  
17          start -- in the lab would start immediately in  
18          January, or whenever it's opened. And those  
19          three terms we would schedule over the spring  
20          in order to have people ready for the  
21          workforce.

22                    As Marikate said, one of the things  
23          that we're worried about is whether or not  
24          people's skills fall off. And so, we will

1 have regular hours every week. Some on  
2 Fridays, some in the evenings, and some on  
3 Saturdays for people to practice and to  
4 continue up their skills. And, frankly, we're  
5 looking at how we might require that, as  
6 opposed to making it optional.

7 So in other words, if you're a job  
8 seeker and you're looking for this typical --  
9 this type of dealer position, then, you know,  
10 as part of the gaming curriculum, we want to  
11 make sure that they keep those skills fresh.

12 We're looking between 20 and 30  
13 hours a week. And more likely, 30 hours a  
14 week. And that the will be in compliance with  
15 Section 30 requirements of the state, as well  
16 as WIOA requirements.

17 And then, we will be asking students  
18 to pay a nominal fee. All of that cost and  
19 fee information we'll submit in our  
20 application to you. But, you know as part  
21 of -- to give a little preview of the ask  
22 later on is really for the Gaming Commission  
23 and the state entities to work with MGM and  
24 ourselves to try to find additional workforce

1 training dollars because it's desperately  
2 needed. And the goal of that would be to have  
3 individuals pay less, as opposed to paying,  
4 potentially, six, seven, \$800.

5 So in terms of the proforma  
6 assumptions, you know, we're looking at direct  
7 training and indirect costs, the space cost.  
8 And then, in terms of revenue sources, we're  
9 looking at grants, the partners, whatever they  
10 can contribute. So MGM has already invested  
11 in term of those commitments I mentioned  
12 earlier, and then in terms of an individual  
13 student contribution.

14 The -- one of the key pieces of  
15 MGM's commitments is also to fund the  
16 instruction of the training. And this is a  
17 big new piece. And it's a significant  
18 investment that will help, again, bring down  
19 the total cost.

20 On average, we're looking at  
21 costs -- the total cost for the first year of  
22 training about \$2 million, and we're looking  
23 at -- without any offsets, it would be,  
24 approximately, between 3,000 and \$5,000 per

1 student. With some the types of offsets that  
2 MGM has already put in place, with some of the  
3 offsets that we hope to obtain through grants,  
4 we're hoping to get it down to a 200 or  
5 \$300 fee so that people have a sense of  
6 investment and skin in the game, but at the  
7 same time it's not onerous. And, obviously,  
8 we would figure out scholarship mechanisms as  
9 well.

10 I won't go into these other details,  
11 but, obviously, we need to -- to have a yield  
12 of at least 1,700 people from the gaming  
13 school operations to fill those jobs, if we're  
14 going to meet some of those ratios that I  
15 mentioned earlier.

16 And so, this details the funding  
17 sources a little bit more. But one of the key  
18 pieces really is, A, to have the state approve  
19 gaming training, which is a process that we're  
20 in the midst of exploring with them as  
21 eligible for WIOA vouchers, and then also have  
22 dialogues with the regional employment boards  
23 in the region to give us a sense of how they  
24 can, perhaps, dedicate some of those WIOA

1 vouchers specifically for gaming and  
2 gaming-related positions. That effort will  
3 need your support as well.

4 In terms of various grants, you know  
5 that. And this here, this ask that's  
6 mentioned, you know, 500 students, \$400 a  
7 student, that's just a rough ballpark. And as  
8 we start to finalize the numbers with the  
9 gaming school, we'll get that better to you.  
10 But if there was an infusion of between 200 to  
11 \$500,000 into training, it could get us to the  
12 point where we could offer that training at a  
13 very nominal prices to individuals.

14 The -- and I mentioned all the parts  
15 of MGM's commitment. I will say, on a  
16 sidenote, that the community college  
17 foundations committed to donating \$25,000 each  
18 to do student support services during this  
19 whole process, which will help us, especially  
20 on the initial intake, to offsets some of the  
21 cost in relation to that.

22 As you can imagine, you know, not  
23 only do you have a director of the gaming  
24 school, but you also have four or five

1       recruiters, who are doing all the assessments  
2       and all the -- all the placement into  
3       training, and then helping with job placement  
4       at the end of that.

5               Next up, the license application,  
6       finalize and implement our recruitment  
7       strategy. As I mentioned, that needs to take  
8       off in the fall. Finalize and schedule the  
9       training. As you can imagine, this is kind of  
10      a -- a unique matrix that we'll develop in  
11      order to get people into the spots. As  
12      Marikate mentioned, 24/7, in terms of our  
13      approach. And part of that is to make sure  
14      that folks are ready to do third-shift work.  
15      And so that'll be an opportunity for them to  
16      test it out.

17             And then, the training manuals are  
18      complete and we will add on a few more  
19      courses, but we'll have all that material to  
20      you. And then, obviously as I said funding  
21      money. I won't reiterate the needs because  
22      I've mentioned them already numerous times.  
23      But, obviously, our partnership with you, the  
24      Gaming Commission, really is going to rely on

1           our ability as a united effort to try to  
2           identify new financing sources in the -- you  
3           know, for the training.

4                     And then, also, to really work on  
5           the recruitment effort. How do we make sure  
6           that the funnel is large enough to get enough  
7           people into the training process so that  
8           quality applicants can be done?

9                     And with that, I'd say one final  
10          point, and this is more to address the point  
11          of Commissioner Cameron from earlier, is the  
12          partnership with Johnson and Wales, the  
13          partnership with AIC t,he partnership with  
14          UMass Amherst, as well as other partnerships  
15          that both institutions have, is our standard  
16          operating procedures, right.

17                    The -- we work in partnership and  
18          collaboration across the board. And whether  
19          it's with community-based organizations that  
20          are looking to find opportunities for their  
21          clients, or whether it's colleges that we're  
22          feeding folks to for more information. So  
23          we're very comfortable with this collaboration  
24          model, and also very comfortable with the fact



1           that we know that what we do is not the end  
2           but just the beginning of opportunities for  
3           individuals.

4                         And after all, I'll repeat my  
5           mantra, which you've heard many a time. We  
6           want to help them get a job, get a better job,  
7           and do their job better.

8                         CHAIRMAN CROSBY: Great.

9                         MR. HAYDEN: Questions?

10                        COMMISSIONER CAMERON: Thank you.

11                        CHAIRMAN CROSBY: Comments or  
12           questions?

13                        COMMISSIONER STEBBINS: Yeah. Jeff,  
14           three points. Marikate touched on this  
15           earlier, it's highlighting the urgency for  
16           people think about -- whether it's the gaming  
17           career or other careers. And you and Jeremiah  
18           were, you know, kind of partners with MGM  
19           going back to last fall and all the SkillSmart  
20           sessions that got rolled out getting people to  
21           understand, all right, if I want to make a  
22           track towards a chef position, here are all  
23           the culinary classes I need to take, all the  
24           other requirements.

1                   So again, you know, stressing the  
2                   urgency, as you pointed out, of don't just  
3                   expect to walk up to MGM's HR department next  
4                   September and say, hey, what can I do? We  
5                   hope people will be, you know, thoughtful  
6                   about what those opportunities are, as well as  
7                   begin to kind of stake out a career  
8                   opportunity themselves.

9                   How much does the gaming school  
10                  follow the Maryland model? Is it start with  
11                  required training in Blackjack and then  
12                  picking up another game, once you complete the  
13                  Blackjack training?

14                 MR. HAYDEN: So the initial piece  
15                 will be those required hours of training that  
16                 are more classroom-based. So that's the way  
17                 we'll approach it there.

18                 Obviously, to maximize our use of  
19                 the training lab, we will not have everyone  
20                 just take Blackjack first. Although,  
21                 obviously, it will be strongly weighted  
22                 towards that. So individuals who are doing  
23                 Poker, that does not require them to have a  
24                 second game, and so that track will start on

1 its own. but the majority of folks will start  
2 with Blackjack.

3 But again it's -- you know, how we  
4 schedule it and how we arrange it according to  
5 the available space and the cohorts will be a  
6 key part of our application to you so...

7 COMMISSIONER STEBBINS: And thirdly,  
8 again, looking at the model that MGM used in  
9 Maryland, I know we all went down and saw the  
10 the facility, the help for assistance for  
11 students who may need some financial support,  
12 that also had a WIOA, if I'm getting the  
13 acronym right, that WIOA component for folks  
14 that may have not have had the financial  
15 means. I'm assuming that the State of  
16 Maryland was able to be a partner in that  
17 process.

18 MR. HAYDEN: Right. And so, our  
19 hope is to have a dialogue with the Department  
20 of Labor and Workforce Development to talk  
21 about gaming training, being eligible for WIOA  
22 funds, we're pretty sure that they will go in  
23 that direction. But, obviously, I'm not  
24 speaking for them.

1                   And then, having a dedicated plan  
2                   for the use of WIOA vouchers in the region is  
3                   really something we need to work with the  
4                   Workforce Investment Board with the Regional  
5                   Employment Board of Hampden County.

6                   COMMISSIONER STEBBINS: Okay. Thank  
7                   you.

8                   COMMISSIONER ZUNIGA: Jeff, I had a  
9                   question. I suspect that it's, obviously,  
10                  based on experience, not just from you about  
11                  but from MGM. But these yields, the figures  
12                  and assumptions that you go towards this  
13                  funnels, I wonder if there's any worthwhile  
14                  efforts in trying to decrease those -- those  
15                  multiples, or is that really what experience  
16                  it takes, is there needs to be enough people  
17                  through the pipeline because it's not for  
18                  everybody and nothing ever is, and people are  
19                  going to drop off because they make some plans  
20                  and what have you; but what can you say  
21                  towards relative to whether it's worthwhile,  
22                  you know, looking at those ratios?

23                  MR. HAYDEN: Well, and certainly we  
24                  would want to tighten those ratios where we

1 can. But you know from common sense and your  
2 own experience, right? So you put out a  
3 posting for a job. You know, how many  
4 responses do you get? You get 200 responses  
5 for a job on the Commission? You know. And  
6 then, when you start to interview them you  
7 say, how many are we going to interview? And  
8 so, you know yourself that those ratios are  
9 pretty big. And they're probably bigger than  
10 what we have assumed here.

11 For MGM their experience is that  
12 three interviews per position is appropriate.  
13 But that's based upon the fact that the people  
14 who are coming in for those three interviews  
15 have all the credentials, have been trained  
16 properly, are able to pass the various  
17 screenings that are required in these  
18 positions, and have the skills training in the  
19 particular area.

20 You know, I'll yield to my partner,  
21 Marikate, from MGM, in terms of how the  
22 workforce development -- I'm sorry, how the  
23 human resource professionals look at that.  
24 But, certainly, in terms of the ratios, I

1 think, you know, yes we want to tighten them,  
2 but we're also using common sense to say,  
3 geez, seven people per job, six people per job  
4 at the top of the funnel is probably  
5 realistic.

6 MS. MURREN: And I would also like  
7 to bring to the Commissioner's attention,  
8 also, the use of SkillSmart. We will do some  
9 targeting, based on the skills -- skills that  
10 current and applicants have within the system.  
11 Now, those applications and those individuals  
12 within those profiles might not pick, let's  
13 assume table games, but if we can tell that,  
14 based on their skills where they currently  
15 are, SkillSmart can basically mine that  
16 information for us in that data and tell us,  
17 there's a group of about a hundred people who  
18 might not have picked table games, and then we  
19 could really target market and e-notify them  
20 and say, hey, John Doe, you have the skills to  
21 be, right now, a table games dealer. There's  
22 a class going on, or even if you have  
23 experience, here's the information. And  
24 that's the way we're also going to use that

1 system. Not only to get people to get them  
2 outreach and notify them of the positions, but  
3 also use it as a recruitment tool as we start  
4 to get more people into the system to build  
5 that pipeline.

6 MR. COOK: We have a parallel. It's  
7 not a perfect one and its scale is smaller.  
8 But for us, our health care programs carry a  
9 fair bit of demand. And so, let me just walk  
10 you through nursing as an example, to show you  
11 that we think about these things.

12 STCC takes about a hundred students  
13 in a nursing cohort every fall. We have over  
14 500 applicants for those places. And we have  
15 another thousand students in a prehealth  
16 option, who really aspire to apply to that.  
17 And it's -- for us, some of these gateway  
18 courses are things like the ability to take  
19 and pass anatomy and physiology.

20 I think we see some of that kind of  
21 rationale with this type of training. There's  
22 going to be key courses, key skills that  
23 people need to demonstrate and, again, lean on  
24 that -- that nice central use of technology.

1 SkillSmart actually really does bring all  
2 these things together. A person can go in and  
3 say, this is the job I aspire for. It'll map  
4 based on what they've entered to see, do you  
5 have those skills and competencies? And if  
6 not, HCC or STCC may have them, and they can  
7 already look to see when they can take those.  
8 So there's some real promise there.

9 MR. HAYDEN: If you answer the phone  
10 and you say, what do you want? Then,  
11 obviously, customer service class 101's  
12 probably --

13 COMMISSIONER ZUNIGA: Yeah. I'm  
14 also intrigued both of your comments relative  
15 to the training being offered on third shift,  
16 for example. We've had already experience  
17 with Plainridge where there's a fair amount of  
18 turnover, and at least some of it is -- which  
19 is also part of the gaming industry, and at  
20 least some of it is explained to the notion  
21 that people think, yes, I can do the third  
22 shift, but when they actually have to do it  
23 they think otherwise, at least a portion of  
24 them.



1 MS. MURREN: And it gives applicants  
2 and candidates an opportunity, also, to work  
3 and get their education. Right? So this is  
4 about not, as Jeff mentioned, now, the job  
5 now, but really building that career.

6 We've committed from that for MGM  
7 Springfield. We do, in general, from our  
8 corporate entity. And that is ultimately the  
9 goal, is to really, as you, Commissioner,  
10 mentioned early, really progress people  
11 through the company. And we've mentioned  
12 before, it doesn't necessarily have to be an  
13 up-and-down hierarchy. It can be a lateral  
14 move into different divisions.

15 You know, we do have Lorilee, our  
16 senior vice president. She presented to you  
17 in October of 2014, with the company 27 years,  
18 13 promotions into multiple divisions. So you  
19 really can have a long-term career with the  
20 company. And that's what we're looking for,  
21 really to target our city of Springfield  
22 residence first, right? That inner center of  
23 the onion, and then also our surrounding  
24 communities in the region.

1                   COMMISSIONER MACDONALD: Jeff, I  
2                   have a question. I'm kind of curious as to --  
3                   as to what the kind of sources or models of  
4                   prior experience in other jurisdictions that  
5                   you've based your proposals on here.

6                   President Royal said that in earlier  
7                   incarnation that she was, you know, active in  
8                   Cleveland and, apparently, in a -- in an  
9                   experience -- in an experience that is  
10                  significantly, or at least appreciably  
11                  parallel here. But what are the -- what are  
12                  the institutions and the jurisdictions that  
13                  have gone through this before that you have  
14                  gotten the benefit of the experience of, and  
15                  what risks or things to avoid or, you know,  
16                  unanswered, you know, questions are out there  
17                  that we should be aware of going forward?

18                  MR. HAYDEN: Sure. So thank you,  
19                  Commissioner. Over the two-year period I  
20                  mean, we've had a study of many different  
21                  jurisdictions. We've looked at, obviously,  
22                  the Atlantic City model and how that's used.  
23                  We had -- initially had a Letter of Intent  
24                  with Atlantic Cape Community College in terms

1 of curriculum. President Gentile up at North  
2 Shore Community College, you know, was from  
3 Atlantic Cape, and so her experience in that  
4 area has been useful.

5 We've also worked with the Maryland  
6 casinos, and we've gotten information from  
7 Prince George Community College. We've worked  
8 with Maryland Live down there as well. We've  
9 gotten information from them.

10 We've studied the Pennsylvania  
11 casinos and had opportunity with Mr. DaSilva  
12 at Wynn to talk about his experience at  
13 Northampton in Pennsylvania, which actually is  
14 a model very close to what we're talking about  
15 here, and so that's been useful.

16 We've had a treasure trove of  
17 information, obviously, from MGM itself and  
18 its international experience. We have looked  
19 at Michigan and models there. We've looked at  
20 Cleveland.

21 You know, pretty much a very  
22 exhaustive look at what works and what doesn't  
23 work, to the point where one of my teammates  
24 can tell you how much the gaming training

1 costs in most of those jurisdictions. So, you  
2 know, for the individual student.

3 And so, I think, you know, we've had  
4 an exhaustive approach to it, but we've also  
5 come at it with a mindset that we're always  
6 open to learn something new and to do  
7 something differently, not to be stuck in a  
8 model but to create a model that's going to  
9 work best for Western Massachusetts and the  
10 people of Springfield and the region, and best  
11 for our customer, MGM. So that's been the  
12 approach we've taken.

13 I would say to you, Commissioner,  
14 that I think the two issues I started with are  
15 the two issues we need to be most concerned  
16 about. Are we going to get enough people who  
17 are going to want to go into training? So --  
18 and I'll use a very simplistic example. So if  
19 training costs \$3,000, the number of people  
20 that are going to enter into training is going  
21 to be very limited. If training costs zero,  
22 we might have thousands and thousands of  
23 people want to do training.

24 So I think that's one worry that I

1           have, is are we going to have enough people?  
2           Are we going to be at a price point, or we  
3           going to be at a quality that will -- and to  
4           show options to individual learners that will  
5           be attractive to them?

6                         You know, I think the end goal for  
7           them to get a job with MGM is very attractive.  
8           You know, international company and all those  
9           types of things, and you've heard all the  
10          details about that company. But I do think  
11          when it comes to training it's, is it  
12          available to me? Is it on my schedule? What  
13          about things like childcare and  
14          transportation? What about costs, you know?  
15          And what's the value added? Can I take the  
16          hospitality and culinary workforce training  
17          and use that toward credits at the college?

18                         And so, for example, if someone  
19          takes Serve Safe, which is an eight-hour  
20          program, our culinary hospitality credit  
21          program will give someone one credit for that.  
22          And so, those types of things, the value-added  
23          pieces are what they look for.

24                         And then, secondly, is the -- you

1 know, how are we going to pay for all of this?  
2 You know, when you look at training and you  
3 see the pieces that MGM is willing to support,  
4 you know, that's a huge part of it, but  
5 there's still more that needs to be done.

6 It is an initial enterprise of about  
7 \$2 million, and then over the next four years,  
8 probably averaging about a million dollars.  
9 And that's based on the level of turnover that  
10 MGM expects, and it's based on the -- you  
11 know, the natural turnover that occurs with  
12 populations of people who have traditionally  
13 been unemployed, underemployed or lacking  
14 educational attainment.

15 COMMISSIONER MACDONALD: Just  
16 following up briefly, are you confident that  
17 the -- that the price point that would make  
18 for a successful program is actually  
19 realistic, in terms of reasonably available  
20 funding sources?

21 MR. HAYDEN: Well so, you know, I  
22 think my -- my answer to that would be we  
23 still have to identify what those available  
24 sources are. And I will say that every entity

1 that might be engaged in that discussion has  
2 shown interest. What we haven't been able to  
3 do yet is to get us all in the same boat, all  
4 with an agreement of how we're going to do it  
5 and to define that.

6 And so, you know that's some hard  
7 work that needs to be done. I'm confident we  
8 can do it. And then, obviously, what we land  
9 on in terms of price point will be the best we  
10 can do. And if -- if it's the best we can do,  
11 I would think that we'll not only get enough  
12 people to take the training but we'll meet all  
13 the goals, in terms of Springfield residents  
14 and regional residents.

15 MR. RIORDAN: Jeff, if I could  
16 interject quickly. If you were to compare  
17 this to a lot of our existing programs,  
18 manufacturing, health care and others, the  
19 price point that Jeff and I worked up is much,  
20 much lower for the number -- I mean, you're  
21 talking about programs that could be two to  
22 300 hours of training that they're going to be  
23 receiving. By comparison, those programs  
24 would cost a lot more than we've already

1 priced them at.

2 COMMISSIONER ZUNIGA: And at least  
3 one of the sources that you reference is your  
4 ask relative to the Community Mitigation Fund  
5 that -- some of which, you know, will be  
6 analyzed in the next few days; is that  
7 correct?

8 MR. HAYDEN: I wasn't so bold to  
9 make it an ask for that specific fund.

10 COMMISSIONER ZUNIGA: No. But you  
11 were being very modest.

12 MR. HAYDEN: But thank you for that  
13 recommendation.

14 COMMISSIONER ZUNIGA: No, no. I  
15 want to make sure that we're all, you know,  
16 understanding what we're all communicating  
17 here.

18 MR. HAYDEN: Thank you. I  
19 appreciate that.

20 CHAIRMAN CROSBY: Anybody else?  
21 Questions? Thoughts?

22 MR. HAYDEN: So if I might just  
23 thank the Commission for your time and your  
24 patience. I lost the bet to Jill. We were a



1 lot longer than I had said we would be and I  
2 apologize for that.

3 CHAIRMAN CROSBY: No problem.

4 MR. HAYDEN: But it's been a  
5 pleasure to work with you and see you again.  
6 And the colleges, in unison, are very grateful  
7 for this opportunity.

8 COMMISSIONER ZUNIGA: Thank you.

9 COMMISSIONER STEBBINS: Thank you.

10 CHAIRMAN CROSBY: Well, we're please  
11 to have seen it evolve since the first meeting  
12 we had way back when. So great. Thank you  
13 very much. It was very exciting.

14 COMMISSIONER CAMERON: Thank you  
15 all. Good luck.

16 MR. BEDROSIAN: Commissioner  
17 Bedrosian has -- or Executive Director  
18 Bedrosian has suggesting that we make a little  
19 scheduled change. We do have quite a few  
20 people here who are to be involved in topic  
21 5B, the gaming service employee registration  
22 review. I think we'll skip to that topic and  
23 then that'll enable people who have come to  
24 get that over with. So we'll take about a

1 five-minute break while you guys get set up  
2 for that topic, and we will get going shortly.

3  
4 (A recess was taken)

5  
6 CHAIRMAN CROSBY: Call to order  
7 public meeting No. 217. Folks, if you'll take  
8 your seats, please. All you glad-handers in  
9 the hallway, in the aisle take your seats,  
10 please. Before we get to this next topic,  
11 we're going to have one other side light.  
12 Executive Director Bedrosian had one  
13 administrative matter he wanted to bring up.

14 MR. BEDROSIAN: Sure. So thank you,  
15 Mr. Chairman, members of the Commission.  
16 Before we start this important topic, 5B, I  
17 did want to recognize a couple gentlemen  
18 sitting behind me, Guy Michael and  
19 Robert Carroll, who have been with the  
20 Commission, I think since the very beginning.  
21 In fact, they were IEB. They have been a lot  
22 of things to the Commission, including very  
23 close confidants. And they, in my first year  
24 as executive director, were instrumental in

1 helping me through this -- through this  
2 experience.

3           Unfortunately, our professional  
4 relationship, while it may end this year, I  
5 think our personal relationships with them  
6 will always exist. They have been enormously  
7 helpful. I think they are part of the reason  
8 the Commission and staff is where it is. And  
9 I just want to acknowledge them and thank them  
10 very much.

11           CHAIRMAN CROSBY: Thank you. Yeah.  
12 I would like to -- I'd like to add my two  
13 cents worth to that. And there may be others  
14 who would like to do the same.

15           You can't imagine what it is like to  
16 have a Bill that says, okay, now we're going  
17 to have casinos, and nobody in Massachusetts  
18 knows anything about casinos, including the  
19 five commissioners. At our first public  
20 meeting we were asked by --

21           COMMISSIONER CAMERON: I know you  
22 always by --

23           CHAIRMAN CROSBY: Pretty much.  
24 Right. So she had some. But at our first

1 public meeting, I think somebody in the press  
2 asked us to stand up if we'd never been in a  
3 casino or something like that, and four of the  
4 five of us stood up, or something like that.  
5 So we had to turn to outside help.

6 And those are situations where you  
7 can be sort of exploited, where you really  
8 don't know, you desperately need outside help.  
9 And we got luckily and found two men, whose  
10 roots are deep in the law enforcement and  
11 casino world in New Jersey, who were not only  
12 tremendously knowledgeable and helpful, but  
13 also tremendously honorable and -- and  
14 committed to our success. And have said a  
15 couple of times, we want to be paid. We  
16 expect to be paid. But we want you to be  
17 successful and we'll do anything we can to  
18 back you up. So I would like to add my two  
19 cents worth to that, Ed, and give a standing  
20 applause to our --

21 MR. CARROLL: We want to just say,  
22 we thank you all very much. This is  
23 unexpected and overly kind. And it has been  
24 our privilege to have been able to, in some

1 small way, help you guys do what you have  
2 magnificently done from scratch, as you  
3 pointed out. And it's something that we'll  
4 treasure for our entire careers so we thank  
5 you very much.

6 CHAIRMAN CROSBY: Thank you.

7 COMMISSIONER ZUNIGA: Thank you.

8 CHAIRMAN CROSBY: Okay. Go ahead.

9 MR. BEDROSIAN: Yeah. So if I could  
10 also, potentially, help set the stage for this  
11 topic. Commissioners, as you remember, and I  
12 apologize, I don't remember the date, but I  
13 think it was two meetings ago, we started this  
14 topic back in Boston. Obviously, it's an  
15 incredibly important topic. And by the  
16 presence of the folks here today, one that's  
17 particularly important to this region.

18 Since -- I just wanted to update the  
19 Commission, sort of, what's happened since the  
20 last meeting, which is, staff has worked and  
21 met with the folks from MGM on their  
22 interpretation of The Gaming Act. And while  
23 we absolutely recognize the underlying policy  
24 concerns, not only they have, but a lot of

1 folks in the room have as being genuine, real  
2 and very important, we didn't come to an  
3 agreement on the interpretation of the act  
4 that we thought gave the Commission the  
5 regulatory authority to do some of the things  
6 that, policywise, I think people would like  
7 you to do.

8 So -- but having said that, our  
9 interactions with MGM were professional,  
10 polite. I think we both understood where each  
11 other was. We also understood that this was  
12 an important -- important topic for people to  
13 have a public voice in.

14 So with that, Mike Mathis and I  
15 worked on -- or Mike did at my direction,  
16 worked on getting a representative panel of  
17 folks to address the Commission today. And to  
18 be clear and remind the Commission, we put out  
19 a public comment period for people to, sort  
20 of, give public comments to the Commission.  
21 Those comments are contained in the book. The  
22 Commission always takes additional comments at  
23 MGC comments, so we're open to hearing more  
24 comments.

1                   I will harken back. I think that,  
2                   in the end, the position of staff harkens back  
3                   to a memo that the gentleman behind me did in  
4                   May of 2014, in which they pressed for a  
5                   legislative solution to this issue but  
6                   recognized, also, the extreme important policy  
7                   reasons behind a legislative solution.

8                   So with that, I'm going to turn it  
9                   over to Mike Mathis and say that staff is  
10                  here. We have four -- well, three great legal  
11                  minds here, also, if you have any questions  
12                  during or at the end of the presentation. So,  
13                  Mike.

14                 MR. MATHIS: Thank you, Executive  
15                 Director Bedrosian, Chairman, Commissioners.  
16                 You know, best-laid plans, I was tasked with  
17                 choreographing this presentation. And because  
18                 of some schedule conflicts, I'm going to ask  
19                 the mayor, to take him out of order because  
20                 he's got a conflict, because the afternoon's  
21                 gone a little long. But I'm going to echo  
22                 many -- in a moment, echo many of the comments  
23                 that -- that Ed mentioned, because it's been a  
24                 really collaborative process, this important

1 issue. The amount of time you've spent on  
2 this, you know, is a testament to that. But  
3 without further adieu, let me bring the mayor  
4 up, and then I'll come back and sort of set  
5 the stage for the rest of the presentation.

6 CHAIRMAN CROSBY: Thank you.

7 MR. MATHIS: Mayor Sarno.

8 MR. SARNO: Thank you very much.

9 What was the old movie line, go west, young  
10 men, young lady? We always enjoy  
11 Chairman Crosby and Commissioner Cameron,  
12 Commissioner Macdonald, Commissioner Zuniga,  
13 Mr. Baseball himself, Commissioner Bruce  
14 Stebbins, coming out here to Springfield. And  
15 we've had an outstanding relationship and we  
16 deeply appreciate that, as we have had with  
17 MGM. And Mr. Director, thank you very much.

18 You're going to probably feel it's  
19 sort of unique that I'm known as a  
20 law-and-order-type mayor. And I'm going to  
21 speak to you pertaining to CORI reform, which  
22 I think is extremely important.

23 I am glad that my colleagues in the  
24 state legislature and friends, state



1 representative Carlos Gonzalez is here, who's  
2 well-versed in economic development and job  
3 creation, and my colleague, State  
4 Representative Buddy Williams, because I  
5 think, eventually, you're going to need some  
6 type of legislative edict coming from the  
7 state. But in the meantime, we want to press  
8 the issue with the Gaming Commission.

9 Any urban mayor in America will tell  
10 you, in order to continue to knock down  
11 poverty, the vicious cycle of poverty and  
12 public safety issues, three things are  
13 essential. One being family, famiglia. 1A,  
14 education, which we spoke to earlier, and 1B,  
15 jobs. Put our people to work.

16 For me, in picking the  
17 world-renowned MGM to come to the city of the  
18 Springfield, besides the economic development  
19 and the -- being able to capture tax revenue,  
20 jobs. Whether they were white collar jobs or  
21 blue collar jobs and putting people to work is  
22 part of their identity, self-esteem, less  
23 likely to get involved in the vicious cycle of  
24 poverty and/or public safety issues.

1                   So what we've come before you here  
2                   today, and in speaking to the building trades,  
3                   my friends in the building trades, they have  
4                   many success stories there that people made a  
5                   mistake. And again, I am not talking about  
6                   any type of hideous-type crime. I'm not  
7                   talking about entitlement and all. I'm  
8                   talking about people who have earned it and  
9                   empowering people of all creed, colors and  
10                  backgrounds, number one, in Springfield, and  
11                  all the surrounding areas. That, in a fair  
12                  and common sense approach that the Gaming  
13                  Commission can look in working with MGM and my  
14                  administration -- I know president of  
15                  Springfield MGM, Mike Mathis, will be giving  
16                  you a delineation of the facts and figures on  
17                  that, that there might be some type of  
18                  plausible compromise, where people, again, who  
19                  have earned this opportunity, who have done  
20                  well in the community, might have made a  
21                  mistake some years ago, might have made  
22                  something that was very minor in nature, but  
23                  not to close the door completely on them.

24                         I do respect and appreciate the

1       stringent rules and regulations that have to  
2       be put forth in the gaming industry,  
3       especially dealing with finances and the  
4       integrity and professionalism of that and the  
5       Board's activities in that, and MGM and the  
6       staff. So we wanted to start this  
7       conversation.

8                 As you know, I think we penned a  
9       2014 letter to put this on the horizon of our  
10      concerns of getting people that -- you know,  
11      have really done the right thing but have a  
12      negative mark on their application and might  
13      not be able to give the explanation why they  
14      should have a second opportunity that they  
15      earned.

16                So the Gaming Commission, I really  
17      appreciate that you're taking the lead on  
18      this. But again, I will send a clarion call  
19      to the state legislature that CORI reform has  
20      been on the docket a recent number of years.  
21      And I know it's a balancing act because you  
22      don't want to be -- say, geez, are you soft on  
23      crime, or you're too hard on crime?

24                To me, it's just common sense and

1 fairness for someone, he or she, no matter  
2 what creed, color or background, that has  
3 earned the opportunity to be able to take  
4 advantage of this really huge job generator  
5 that MGM -- well over 3,000 jobs when it's  
6 opened. We've already -- I think well over a  
7 thousand to 1,500 jobs in the construction  
8 trades.

9 And you hear those stories. I think  
10 you will hear some of those stories today,  
11 where someone, he or she, made a mistake. Not  
12 a mistake that was, you know, overpowering or  
13 hideous in nature, but did what they had to  
14 do, he or she, and have gotten back on their  
15 feet to be very productive citizens here in  
16 Springfield and Western Massachusetts.

17 So we would ask the opportunity, as  
18 we continue to refine and craft and review the  
19 guidelines, that there is some latitude given  
20 within reason, where there might be a fit that  
21 somebody could earn that opportunity.

22 And I'll just close with this:  
23 Again, if you give a person an opportunity to  
24 bring themselves up, nine out of 10 times they

1 end up bringing up their family, in turn,  
2 which ends up bringing up their community,  
3 which ends up bringing up the whole area,  
4 which is extremely important moving forward.

5 Mike will show you the percentages  
6 that we're looking at. And again, if it can  
7 be clarified, and if the state delegation can  
8 do some type of query on what is acceptable  
9 and what is not.

10 So you're hearing this from a  
11 law-and-order mayor. Not about entitlement.  
12 About empowering and giving people, our people  
13 of Springfield and surrounding areas, who have  
14 paid their dues, have done the right thing,  
15 have a skill set to bring.

16 I think, when you hear from  
17 Richie Devine from the sheriff's department on  
18 the drug and alcohol rehab program that we  
19 partnered for many, many years, my old south  
20 end community center, you had many people that  
21 made a mistake, who are very, very talented,  
22 licensed individuals, who got back on their  
23 feet.

24 So if that can be looked at, that is

1 deeply appreciated. And to the state  
2 delegation, that a real look on that, that  
3 clarifies who has an opportunity and -- for  
4 the hideous-type crimes that are put across,  
5 they should not have an opportunity at that  
6 point in time.

7 I thank you very much for your time.  
8 I thank you for taking me out of order. I  
9 have to head back for a three. And we always  
10 love having you. You are always welcome in  
11 Springfield and Western Massachusetts. Thank  
12 you so much.

13 CHAIRMAN CROSBY: We'll be back.  
14 Thank you.

15 COMMISSIONER CAMERON: Thank you,  
16 Mr. Mayor.

17 COMMISSIONER STEBBINS: Thank you,  
18 Mr. Mayor.

19 MR. MATHIS: So as hard as I work to  
20 make sure that I'm not the guy that follows  
21 the mayor, something happens where I am always  
22 the guy that follows the mayor. Can't match  
23 his passion. Can't match his eloquence, but  
24 that's my job. So with that, I want to sort

1 of set the stage.

2 Mr. Chairman, Commissioners, thank  
3 you for the opportunity to speak to you this  
4 afternoon about the very important issue of  
5 employee licensing and registration, and the  
6 impact of criminal backgrounds on that  
7 process.

8 I've prepared remarks for today. As  
9 you know, that's unusual for me. I usually  
10 sling from the hip. But it was important for  
11 me that I try to limit my comments to leave  
12 time for the other stakeholders on this issue,  
13 who I will introduce to you shortly. Before  
14 those introductions, I will just say at the  
15 outset, that the amount of time and energy  
16 that you and your staff have spent laboring  
17 over this issue, and I think we can all agree  
18 that we're laboring over this. There's really  
19 important issues on both sides of this. Is a  
20 testament to the quality of this Commission  
21 and the men and women that work for you. And  
22 you want to get that -- you want to get this  
23 issue right. You know, that is clear.

24 Similarly, I hope MGM's commitments

1 to this issue, regardless of where each of you  
2 land on the outcome, demonstrates to you that  
3 you have a licensee that cares about its host  
4 community and also wants to get it right.

5 Staff has asked me to help  
6 coordinate this presentation in our panel.  
7 You should know that there are many in the  
8 room today that would like to present to you,  
9 but they have entrusted me and this panel to  
10 express their concerns and to make their case.  
11 I want to thank them for their trust and for  
12 taking the time today to support us.

13 Specifically, I want to recognize  
14 city councilors, Tim Allen, Adam Gomez, and  
15 city council president, Orlando Ramos, and  
16 also state reps. Carlos Gonzalez and  
17 Bud Williams.

18 Today, you will hear from my  
19 colleague from Las Vegas, Hilary Muckleroy, to  
20 my right, MGM's vice president and legal  
21 counsel, who specializes in employment and  
22 labor law. Hilary will discuss MGM's existing  
23 policies around criminal background checks and  
24 our hiring process. You will -- you've



1 already heard from the mayor.

2 You will also hear from two  
3 individuals. Rich Devine from the Hampden  
4 County Sheriff's office, and Chris Judd from  
5 ROCA, who work in the community to help those  
6 released from incarceration to rehabilitate  
7 themselves and find employment opportunities.

8 Lastly, and I think most  
9 importantly, you will hear from two Jafet and  
10 Danny, that come from the criminal justice  
11 system based on mistakes that they've made in  
12 their youth, and who are asking that they not  
13 be automatically excluded from the employment  
14 opportunities that this once-in-a-life-time  
15 development in Springfield will offer.

16 Special thanks to both of them, in  
17 advance for sharing with us what is obviously  
18 a very personal issue. And to Jafet, in  
19 particular. I met with Jafet and our  
20 stakeholders the other day to prepare for  
21 today's presentation. And at one point he  
22 politely raised his hand and asked if I could  
23 stop referring to him and the folks we're  
24 talking about as ex-felons, which I had fallen

1           into the trap of doing just because we were --  
2           we were in the middle of a dialogue.

3                       His comment to me was that he didn't  
4           define himself by the one mistake or bad part  
5           of his life and that he didn't want to us to  
6           either. And I think that's part of the  
7           discussion that I personally lose sight of  
8           from time to time, that at the end of the day  
9           we are talking about people here.

10                      Before I turn it over to Hillary,  
11           let me just try to succinctly frame our ask  
12           because, at some point, I think it's really  
13           important to understand what is the request  
14           before you.

15                      We being MGM, along with the City of  
16           Springfield and the stakeholders up here, are  
17           asking that the Commission do two things. One  
18           is, that the Commission change its existing  
19           practice of imposing The Gaming Act's Section  
20           16B automatic criminal disqualification  
21           provisions, that they stop applying that to  
22           nongaming employees. We believe that, by its  
23           language, Section 16B applies to applicants  
24           for a license and not to registrants.

1                   Second, we'd ask that the Commission  
2 recognize that the statute already provides  
3 that gaming service employees, as the defined  
4 term, which are essentially nongaming  
5 employees, are the class that should be  
6 registered, and that the Commission has  
7 brought authority under the act to create a  
8 registration process, including within that  
9 process, deferring to its licensees, meaning  
10 us, to vet those candidates based upon such  
11 factors as the seriousness of the crime, its  
12 relatedness to the job being sought, and  
13 rehabilitation since the date of the crime.  
14 All of which MGM currently does. And as  
15 Hillary will tell you, the law will require we  
16 continue to do, regardless of your decision  
17 today.

18                   That is to say, that if the  
19 Commission continues to its current practice,  
20 come the summer of next year, we will likely  
21 end up in the unimaginable predicament of  
22 being forced, that is MGM, being forced to  
23 interview and give conditional offers of  
24 employment to applicants, who we know will be

1 rejected by your staff.

2 Just one last comment. We recognize  
3 that for most of you, perhaps all of you, that  
4 this is not a matter of why but the how. In  
5 other words, you understand the compelling  
6 public policy behind giving us, the employer,  
7 the right to individually evaluate a person  
8 for a job. And not to assume the commission  
9 of a certain crime 10 years ago means that  
10 they can't be a good employee for MGM or for  
11 this industry.

12 For most of you, I suspect it's more  
13 about the how. How does the Commission grant  
14 our ask and stay faithful to The Gaming Act.  
15 On that issue, your staff and our team have  
16 submitted our respective legal analysis,  
17 which, in some cases, is a dueling analysis.  
18 And I'll just say, to use a courtroom phrase,  
19 MGM will rest on our papers with respect to  
20 the legal analysis, and hope that you agree  
21 with us that there's more in the statute that  
22 points to imposing different standards for  
23 different classes of employees than there is  
24 to support a one-size-fits-all, which, again I

1 believe is the current practice we're asking  
2 you to change.

3 To loosely paraphrase  
4 Chairman Crosby from the last hearing, why  
5 would the legislature hold the CEOs of MGM and  
6 Wynn to the same licensing standard as an  
7 entry-level dishwasher? The answer, we  
8 believe, is that the legislature wouldn't do  
9 that and they didn't do that. And we think  
10 there's compelling provisions in The Gaming  
11 Act to support that view.

12 So the reason we think it is  
13 important to use this panel to continue to  
14 talk about the why, is that there is no  
15 perfect direction given by The Gaming Act. I  
16 think both sides will acknowledge that.

17 If the reader believes in one  
18 outcome, they will naturally jump through  
19 grammatical hoops, insert a word where it does  
20 not exist, and ignore or explain away the  
21 provisions that undermine their argument. And  
22 we, as the proponents of this request, are  
23 guilty of the same, in some cases.

24 If we all agree that -- that what

1 is -- that is -- if we all agree that this  
2 legal analysis can devolve into that exercise,  
3 at least in this case, we hope that after  
4 hearing more of the why you'll agree with us  
5 that it's just a matter of having the will to  
6 figure out the how.

7 My final comment, and this likely --  
8 this really struck home for me, in the last  
9 few weeks I've met young people who have --  
10 who will be excluded from employment based on  
11 this issue. They knocked on doors back in a  
12 sweltering summer of 2013. They made phone  
13 calls for us. They hosted information  
14 sessions in their homes. All to help us win  
15 the license in this community. Recall that  
16 they had to do that twice for us,  
17 unexpectedly.

18 None of us would be sitting here  
19 today, and I mean none of us, if it weren't  
20 for the efforts of those young people. I  
21 don't know if they'll be qualified for a job  
22 when we start interviewing next year, or how  
23 strong the other applicants will be for those  
24 jobs. But I know we at MGM have to work as

1 hard to give them the chance to prove  
2 themselves as they gave us to prove ourselves.  
3 And with that, I will turn it over to Hillary.

4 MS. MCELROY: Good afternoon,  
5 Commissioners. I know I've had an opportunity  
6 to meet several of you on my previous visit,  
7 or at the site visit this morning, but I  
8 wanted to thank you for the opportunity to  
9 speak today, very briefly for the sake of  
10 time.

11 As Mike said in his introduction, I  
12 am one of the corporate legal labor and  
13 employment attorneys based out of Las Vegas  
14 for MGM Resorts International, and I support  
15 MGM Springfield in the opening of the property  
16 and the hiring events, and hiring processes  
17 associated with that. I also have the  
18 privilege of assisting MGM National Harbor in  
19 its hiring processes when it opened late last  
20 year.

21 I wanted to take the opportunity to  
22 preface my remarks with an observation. That  
23 as a former litigator, I'm always grateful for  
24 the opportunity to have a problem where all of

1 the parties agree on the outcome. And I think  
2 we can all agree on the outcome here. We want  
3 to ensure that we are maintaining the  
4 integrity of gaming in the Commonwealth of  
5 Massachusetts, and that we are providing a  
6 safe and secure environment for both patrons  
7 and employees of MGM Springfield. So it's a  
8 good problem to have when we agree on the  
9 ultimate outcome. It's just a matter of how  
10 we get there.

11 As Mike indicated in his opening  
12 remarks, we as an employer have certain legal  
13 obligations that we are bound by, both under  
14 federal law and Massachusetts state law. And  
15 as you may or may not be aware, the EEOC has  
16 issued guidance -- guidance for employers and  
17 the employer's use of criminal history in  
18 rendering employment decisions. And there are  
19 certain prohibitions that we as employers have  
20 on using criminal history. And the first and  
21 foremost of those is that you cannot have a  
22 blanket rule. It is unlawful under federal  
23 law to have a blanket rule, for example, that  
24 we don't hire felons. The EEOC guidance



1 mandates that we participate in an  
2 individualized assessment. And I'll get into  
3 what that consists of in just a few moments.  
4 We cannot consider, for example, arrest  
5 records that do not result in a conviction.

6 Massachusetts law is similar. The  
7 CORI Reform Act sets forth similar  
8 obligations, including a limitation on the  
9 point in time at which an employer can inquire  
10 about criminal history. The so-called Band  
11 the Box laws that Massachusetts and several  
12 other jurisdictions in the United States have  
13 adopted, which means we don't even inquire  
14 about criminal history until a conditional  
15 offer of employment has been made. It's not  
16 information that we collect up front in the  
17 hiring process.

18 Massachusetts law also prohibits an  
19 employer inquiring as -- into arrests that do  
20 not result in a conviction, and also prohibits  
21 an employer from inquiring about misdemeanor  
22 convictions that have occurred more than five  
23 years ago, unless there has been some  
24 intervening conviction as well.

1                   And when you look at the obligations  
2 of the employer under both federal and state  
3 law and you compare that to the automatic  
4 disqualifiers in 16B, you really start to see  
5 the tension there, because, for example, in  
6 16B there is an automatic disqualifier for a  
7 felony or other crime related to theft,  
8 embezzlement and things like that.

9                   Arguably, that could be a  
10 misdemeanor conviction, a misdemeanor theft  
11 conviction that occurred less than five years  
12 ago, which, we as an employer would be  
13 prohibited from inquiring about under the CORI  
14 Reform Act. So you start to see this tension,  
15 when you balance the employer obligations with  
16 these automatic disqualifiers under 16B.

17                   And to Mike's point, the practical  
18 impact of that is that we as the employer  
19 invest a lot of time and resources in the  
20 hiring process in recruiting, interviewing,  
21 screening, conducting a background check for a  
22 potential candidate, who we then pass because  
23 they may have criminal history that we are not  
24 permitted to inquire about but that

1 automatically disqualifies them when they get  
2 to the gaming licensing process. So it is a  
3 lot of wasted time and resource for someone  
4 who has no chance of obtaining a gaming  
5 license.

6 I wanted to give you a little  
7 information about what the company's internal  
8 background check process is, to perhaps give  
9 you some assurance that this is not going to  
10 be a wild, wild west situation where the  
11 company intends to go out and, you know, hire  
12 folks with criminal history that creates a  
13 risk of having them in the workplace. Either  
14 a risk to their coworkers, to the integrity of  
15 the gaming process, or to patrons of  
16 MGM Springfield.

17 So as I said before, we comply with  
18 federal and state law. We will continue to do  
19 that, regardless of what the outcome of this  
20 discussion is, which means we do not impose  
21 blanket rules. No blanket prohibition, for  
22 example, on the employment of felons within  
23 our organization. Instead, we conduct that  
24 individualized assessment that is required

1           under the EEOC's guidance. And that requires  
2           us to collect criminal history information and  
3           examine that, really in connection with the  
4           positions sought.

5                        So the individualized assessment  
6           examines a number of factors, but the primary  
7           focus is job relatedness. So if we have a  
8           candidate who is applying to be a kitchen  
9           worker, for example, but has a felony DUI  
10          conviction, or a felony assault conviction  
11          from seven years ago, perhaps we don't care as  
12          much about that because there is no nexus,  
13          really, to the crime -- the underlying crime  
14          and the work being performed and the job being  
15          sought. So we first and foremost look at job  
16          relatedness and business necessity, and  
17          whether there truly is a risk based on their  
18          prior criminal activity compared to the  
19          position that they are seeking.

20                       We also look at a number of other  
21          factors, including the level of offense,  
22          whether it's a felony or a misdemeanor, the  
23          number of criminal offenses. So is this a  
24          one-off incident, or does this appear to be a

1 pattern of conduct. We look at the age of the  
2 time of the criminal offense. Was this  
3 someone who was 18, 19, 20 years old and  
4 perhaps is older and wiser and has learned his  
5 or her lesson?

6 We look at intervening work history,  
7 or work history, frankly, both prior to the  
8 conviction and subsequent to the conviction.  
9 Was this a criminal conviction from seven  
10 years ago but since they are released they  
11 have been gainfully employed and have  
12 demonstrated, you know, a commitment to  
13 reentering the workforce and becoming a  
14 productive member of society?

15 And then, lastly, we look at  
16 rehabilitative efforts. And that can be  
17 anything from intervening educational  
18 acquisition, you know, they went back and got  
19 their college degree, other workforce training  
20 programs that they may have participated in,  
21 as well as substance abuse programs that they  
22 may have participated and successfully  
23 completed.

24 And I'd like to close, really more

1 on a personal note, because I could get up  
2 here and talk -- as much as Marikate likes to  
3 talk about workforce development, I can about  
4 background checks day in and day out. But  
5 when you look at the data, and there is a  
6 number of scholarly articles, sociological  
7 studies, academic studies, data analytical  
8 models, predictive analytical models, there's  
9 a whole host of research on this topic, an  
10 examination of criminal history alone in a  
11 vacuum is really not at all predictive of  
12 recidivism rates. It is not at all predictive  
13 of a candidate's likelihood to commit future  
14 criminal offenses.

15 And, in fact, the inverse is true.  
16 When you look at postconviction or postrelease  
17 employment, that is one of the key driving  
18 factors in reducing recidivism rates. So if  
19 you want to ensure that folks really have the  
20 opportunity to reenter the workforce following  
21 an incarceration or a criminal conviction but  
22 you want to make sure you're preventing them  
23 or discouraging them from engaging in that  
24 type of conduct moving forward, the best thing

1           you can do is put them back to work.

2                           And I think that's the goal that we  
3           all have. And I think the mayor echoed those  
4           comments. Mike and the company certainly  
5           feels strongly, again, not about guaranteeing  
6           that these folks have employment, but at  
7           least, at a minimum, providing them the  
8           opportunity to compete for jobs that they  
9           would otherwise be qualified for. And with  
10          that, I will open it to the panel for any  
11          questions.

12                           CHAIRMAN CROSBY: Any questions?

13                           COMMISSIONER CAMERON: How are we  
14          going to go through this? I mean, are we  
15          going to go through the presentation and then  
16          get to our questions and points, or are we  
17          going to --

18                           MR. MATHIS: I'd recommend that we'd  
19          do that, get all the way through.

20                           CHAIRMAN CROSBY: Well, I think, in  
21          this case, this is so specialized --

22                           MS. MUCKLEROY: And I do have to  
23          catch a flight so I may have to leave before  
24          the panel --

1                   MR. MATHIS: I've loss all control  
2 of the -- of the presentation.

3                   MS. MUCKLEROY: So if you have any  
4 questions specific for me, I'm happy to answer  
5 them now.

6                   CHAIRMAN CROSBY: Anybody?

7                   COMMISSIONER CAMERON: Well, I  
8 think, you know, listening to your comments  
9 about policy, about recidivism rates, all of  
10 that is important information, important to  
11 all of us, certainly important to you,  
12 important to our staff, frankly. But I think  
13 that's not the point here today. We're  
14 talking about a law. And for me, it's --  
15 we're -- it's a separate issue altogether.  
16 One that we can certainly -- I can certainly  
17 sympathize with, but that's very different  
18 than about talking about our authority as a  
19 commission versus what the law says.

20                   So that's my only point to you, is I  
21 do appreciate your -- your knowledge, but I  
22 just don't know that it -- that applies  
23 directly to what we're talking about here.

24                   MS. MUCKLEROY: And that's



1 completely understandable. I'm not the  
2 administrative attorney, and I know that Mike  
3 and the rest of the team have submitted, you  
4 know, arguments and papers on that issue, and  
5 I do appreciate your perspective.

6 CHAIRMAN CROSBY: I was going to say  
7 the exact same thing. I don't think there's  
8 anybody at the gaming commission, staff or  
9 commissioners, who disagree with the points  
10 and the principals, and the policy direction  
11 that you are articulating. The problem, as  
12 Commissioner Cameron said is, what is our  
13 authority within this law? But thank you for  
14 your background data.

15 COMMISSIONER CAMERON: And it is a  
16 tribute to your company, that you do take  
17 these matters seriously, and I really do think  
18 that's an admirable, you know, way to look at  
19 this.

20 MS. MUCKLEROY: We would agree.

21 CHAIRMAN CROSBY: Anybody else,  
22 before we lose our Vegas representative?  
23 Thank you very much. Thanks for coming back.

24 MR. MATHIS: I just want to thank

1           Hillary. One of the pleasures of being part of  
2           an MGM Resorts is, I don't know that we have  
3           70,000 Hilarys, but we've got a bunch of them.

4                       CHAIRMAN CROSBY: Great.

5                       MR. MATHIS: And it's great to be  
6           supported by a team like that.

7                       CHAIRMAN CROSBY: Great. Thank you  
8           Hillary.

9                       MR. MATHIS: So -- safe travels.

10                      MS. MUCKLEROY: Thank you.

11                      MR. MATHIS: Rich Devine, if I can,  
12           I'll pass it to him for the next presentation.

13                      MR. DEVINE: Thank you, Mike. Good  
14           afternoon, Commissioners. I just want to say  
15           that we certainly appreciate the opportunity  
16           to speak to you today.

17                      I began as a correctional officer at  
18           the old York Street jail. And in 1989  
19           Sheriff Ashe came to me and said I'd like you  
20           to get -- and try to help people get jobs. So  
21           for the last 28 years I've been working with  
22           people -- our returning citizens coming back  
23           to -- coming to our neighborhoods and  
24           communities.

1                   And I know, if you think of what  
2                   Sheriff Ashe was trying to accomplish there,  
3                   by taking somebody out of uniform, I believe  
4                   it was because of public safety. We know and  
5                   it's proven, that if someone has a living-wage  
6                   job, then they're less apt to go back to jail.  
7                   So that's -- that was the intent of Sheriff  
8                   Ashe, when he asked me that so many years ago.  
9                   And I think it's important to realize that the  
10                  MGM positions are living-wage jobs. And even  
11                  beyond that, it's an opportunity to climb a  
12                  career ladder.

13                  Over the last 15 years, we've placed  
14                  about 400 people into jobs. And, you know, it  
15                  sounds pretty good, you know, we're over  
16                  10,000 people we've placed. But these -- a  
17                  lot of these are entry-level jobs. And what  
18                  MGM provides is the opportunity to climb the  
19                  career ladder. There's an opportunity to grow  
20                  with the company. And that's why we're  
21                  excited about this.

22                  We work with hundreds of employers  
23                  over the years. One, Mel O'Leary, who's right  
24                  behind me here, from Meredith of Springfield,

1 the president, and he's worked with us for 20  
2 years. And, you know, I think it's important  
3 to also realize the employer's perspective of  
4 hiring the ex-offender, and why did Mel stay  
5 with us for all this time.

6 Chris will speak about a lot of the  
7 job readiness and the skills and  
8 skill-buildings and stuff, but we realize that  
9 with certificates and skill-building, that is  
10 what opens the door from jobs. And, you know,  
11 you just heard from Jeff Hayden and John Cook  
12 and everyone from the colleges. We have a  
13 great relationship with them. We have our own  
14 restaurant in the community, but we have a  
15 partnership with HCC, where they earn a  
16 culinary certificate and the opportunity to  
17 continue with school. And we've had four  
18 cohorts of that. And after that they -- we  
19 helped them secure employment. And culinary  
20 is a very strong area for our folks to be  
21 hired.

22 I think the strengths of what we do  
23 is we prescreen and match the employer's  
24 needs. What we do, we always get a

1 description of the job for the company. And  
2 we really want to make that job match the best  
3 that we possibly can because we don't want the  
4 person to fail. Some do, of course. That's  
5 part of life. That's going to occur. But we  
6 do our best and our utmost, and I think it's  
7 why Mel has worked with us for so many years,  
8 is because it's better than a straight hire  
9 off the street. The employer knows and has an  
10 idea about who they're hiring.

11 What we have seen is that the -- our  
12 population is motivated, enthusiastic. And  
13 what the military has found, that people with  
14 criminal records that do go into the military  
15 become Sergeants faster than a regular  
16 enlisted person. So -- because they're  
17 hungry. They're ready to go to work. They  
18 appreciate that second chance.

19 The program that we have is  
20 nationally recognized. The Associated  
21 Industries of Massachusetts just awarded the  
22 21st century award. Sheriff Ashe was called  
23 down to The White House. President Obama  
24 recognized him there. But the thing that

1 we're really excited about is our partnership  
2 with the career centers, Future Works and  
3 Career Point. And Governor Baker has put a  
4 line item in for a million dollars for us to  
5 take our programs and model them across the  
6 state. Of course, the way the budget is right  
7 now, it's getting hammered, but we're very  
8 happy to be a line item, as you can probably  
9 realize.

10 A lot of what I know MGM is looking  
11 for is diversity and inclusion, and it's very  
12 important for all of us. And there's certain  
13 benchmarks that need to be attained. But in  
14 Springfield there are 43 agencies that do job  
15 training and job readiness and things like  
16 that. And, you know, we partner with all the  
17 nonprofits, the labor unions, the churches,  
18 area business, and we know we can't do the job  
19 alone, but I really think that we can fulfill  
20 the benchmarks that are needed, if some  
21 changes are made with what we're speaking to  
22 today.

23 It's a holistic approach. We try to  
24 look at the whole person. We don't just have

1           somebody get the job and we say, oh, it's  
2           place and pray. We don't pray that they make  
3           it. We work with people ongoing. There's  
4           people that we worked with for years. So --  
5           and I know one of the fears is, well, is the  
6           person going to commit a new crime and things  
7           like that.

8                         I would just like to speak to the  
9           Department of Labor's bonding program that's  
10          there. They will bond each employee for  
11          \$5,000. It's a great program. They've done  
12          it for over 50,000 people, and they've only  
13          had to use it 1 percent of the time.  
14          99 percent, which is a great ratio for that  
15          program. So it just speaks to how hungry our  
16          folks are.

17                        The other thing I'd like to speak to  
18          is Certificates of Employability, and also  
19          Change Person letters. These are tools that  
20          we use to show employers that, okay, our  
21          person is motivated. They've met some of the  
22          expectations and they're ready to be hired.

23                        The other thing -- the other tool we  
24          use is a portfolio, which helps our people get

1 ready. But it's reached a point that this  
2 portfolio, now, the judges asked for it,  
3 landlords, parole, probation. Every -- it's  
4 just grown into a tool that is recognized for  
5 someone exhibiting change. And that's kind of  
6 like what we've been talking about.

7 But another thing, CORI is an  
8 identifier. And I think it's important that  
9 our job seekers, if they've the skills,  
10 employers will bypass the status -- different  
11 statuses of CORI and hire our folks. It's  
12 skills what gets people jobs. And over the  
13 years, I've seen people -- I've had one person  
14 earning his doctorate, they've earned their  
15 master's, some of them become counselors. And  
16 it's just been -- you know, I guess people  
17 keep asking me when I'm going to retire. I'm  
18 not because I love my work. I see people make  
19 it. That's the important thing. That people  
20 make mistakes and we shouldn't hold it against  
21 him for the rest of their entire lives.

22 So I think, in conclusion, I would  
23 just like to say that the 43 agencies that we  
24 have here in Springfield really want to work



1 in tandem with MGM and the commissioners, and  
2 everybody involved, to have the best person we  
3 can and give them the opportunities of some  
4 very good jobs that MGM has to offer. And I  
5 think what this offers, what MGM is offering  
6 is a living-wage job, but it's offering hope,  
7 and that's what a lot of our folks really  
8 need. Thank you.

9 CHAIRMAN CROSBY: Thank you.

10 COMMISSIONER MACDONALD: Thank you.

11 COMMISSIONER CAMERON: Thank you.

12 COMMISSIONER STEBBINS: Mr. Chair,  
13 just a quick question for Richard. I've had  
14 the chance to work with you over the years.

15 MR. DEVINE: Yes.

16 COMMISSIONER STEBBINS: And happy to  
17 see that the new sheriff seems to be keeping  
18 the tradition of looking for employment  
19 opportunities for the folks that you work with  
20 every day, so kudos to him.

21 You're familiar with some of the  
22 disqualifiers. Part of our challenge has been  
23 trying to find data. Knowing what the  
24 disqualifiers are is outlined in the statute.

1           Could you give a guess?  Could you give some  
2           numbers as to how many folks you feel that  
3           would disqualify?

4                       MR. DEVINE:  I can get that number  
5           for you.  I wouldn't want to give  
6           misinformation.  We would have to look that  
7           up, take a look at our misdemeanors and felony  
8           convictions and figure that out, and see if we  
9           can address that number for you.

10                      COMMISSIONER STEBBINS:  Okay.  And  
11           my second question, I guess, would be a  
12           request.  And it's not really a request  
13           because you've -- you've been at the table  
14           with us talking about educating, you and your  
15           team, the stakeholders you have, and the  
16           partners you have in these other 43 agencies,  
17           about what this statute actually means.

18                      I think, one of my biggest fears is  
19           that people are self-selecting out of the  
20           process before they have any idea that they  
21           would be eligible to pursue a career with this  
22           employer.

23                      So I know you have been at the  
24           table.  I hope you will continue to be at the

1 table and to help us out, if we go in that  
2 direction of better education in conjunction  
3 with some other strategies I know MGM has  
4 mentioned before.

5 MR. DEVINE: Thank you. And I  
6 really do appreciate the opportunity. and  
7 every one's been very friendly in having us  
8 come to the table. We appreciate that.

9 CHAIRMAN CROSBY: Okay. Anybody  
10 else?

11 COMMISSIONER CAMERON: No. I just  
12 want to thank you for the tremendous work,  
13 frankly. The programs all sound right on  
14 point and really what's needed. So thank you  
15 for your passion and your efforts over many,  
16 many years.

17 MR. DEVINE: Thank you.

18 COMMISSIONER ZUNIGA: I just have  
19 a -- you know, if I could just append to the  
20 request, to the data request. I'm  
21 particularly interested in if there's a way to  
22 know or ascertain, or estimate, of the  
23 population that's currently underemployed or  
24 unemployed, and we have some figures in the

1 packet, here for -- in the city of  
2 Springfield, or in Hampden County, what  
3 percentage would you estimate to be falling  
4 within this automatic disqualification of a  
5 felony conviction, not a criminal record, but  
6 a felony conviction? Any number to that  
7 effect, I think, will be very helpful to this  
8 Commission.

9 MR. DEVINE: I will certainly get  
10 that. Thank you.

11 COMMISSIONER MACDONALD: If I could  
12 just add to that. It's not just a felony  
13 conviction. It's a felony or -- or other  
14 crime involving embezzlement, theft, fraud or  
15 perjury. So...

16 MR. DEVINE: Yes.

17 COMMISSIONER MACDONALD: In my mind,  
18 the most significant of those would, probably,  
19 be theft. Somebody convicted of shoplifting  
20 nine years ago would be on -- according to  
21 Section 16B of the act would be automatically  
22 excluded.

23 MR. DEVINE: Yes. I'll work the  
24 numbers to show the people that we think that

1 would be qualified to -- might be hired by  
2 MGM.

3 CHAIRMAN CROSBY: Okay. Great.  
4 Thank you very much.

5 MR. MATHIS: Thank you very much.  
6 Moving along, Chris Judd from ROCA, if you  
7 could allow her a few minutes.

8 MS. JUDD: Hi. Good afternoon. My  
9 name's Chris Judd. I'm the director of ROCA.  
10 And I appreciate the privilege to speak before  
11 you. And thank you, Chairman and the  
12 Commission. ROCA is a organization that has  
13 been in Springfield for seven years. We  
14 started with 50 young men seven years ago, and  
15 we started out of the AISS building,  
16 Sheriff Ashe. So we we're kind of a little  
17 organization in the branch of a -- the  
18 sheriff's department. And since, we have  
19 relocated to 29 School Street, and we  
20 currently have served, in the past six years  
21 436 young men 17 to 24 years old. And of  
22 those young men, 38 percent of them are black  
23 or African-American, and 57 percent are  
24 Hispanic or Latino. So it is a large

1 population.

2                   And more importantly, you know, we  
3 talk about -- I know when Hillary spoke and we  
4 were talking about the rehabilitation program,  
5 and I know that you -- Commissioner Cameron,  
6 you were talking about the fact that you were  
7 talking about a law, and I can, without a  
8 doubt, say that most of our young men are  
9 young men who have violent crimes on their  
10 either juvenile record or their criminal  
11 record. So in terms of young men already  
12 marginalized they will be marginalized even  
13 further without a change to this law.

14                   I would also like to speak to ROCA  
15 and just kind of give you an idea of what our  
16 model is. Our model is a cognitive  
17 restructuring behavioral change and skill  
18 development intervention. It focuses on the  
19 high risk young men in nonmandatory program.

20                   So all the young men, the 436 I just  
21 spoke to, are here because they want to change  
22 their lives. And it is a long process to do  
23 that. They have either aged out of juvenile  
24 justice or juvenile probation systems with

1 strong propensity for reincarceration as an  
2 adult, or they're connected with the adult  
3 justice system, or they're high-risk members  
4 of the community being served, who have strong  
5 propensity for incarceration as an adult.

6 In the first two years, we have a --  
7 it's a high-volume touch. So they are -- we  
8 are integrated with relationships. A lot of  
9 it a predicated on relationships. And Rich  
10 just spoke about the other agencies that are  
11 involved. We are involved with those same  
12 agencies. We could not do what we do without  
13 the Career Points and the REBs, and the  
14 one-stop shops, if you will.

15 In addition to that, we also work on  
16 life skills, workforce readiness. Kind of  
17 working on the skill gaps that are an issue.  
18 We run a transitional employment program,  
19 where our young men get real work, real pay.  
20 So they get minimum wage with an opportunity  
21 to grow within that -- within six months.

22 After working in our transitional  
23 employment program, which is a 18-month  
24 program, which, to us, is a entry-level job,

1 we would love to hand them off to a career  
2 opportunity. MGM would be that potential  
3 career opportunity.

4 And the idea to have any employer to  
5 have these subjectivity, the willingness to  
6 meet the individual, see how they've  
7 rehabilitated themselves, and whether they got  
8 a charge at 15 years old or 18 years old, and  
9 now they're 25, 26, 27 and have come and  
10 completed as much programming and  
11 certifications, and actually has done very  
12 well in our transitional employment program,  
13 to be excluded from an opportunity for a  
14 career just doesn't does another -- it's our  
15 due diligence to make sure that doesn't  
16 happen.

17 I would also just want to talk about  
18 the relationships with our carpenter's union.  
19 And I would defer to Danny because -- or Mike  
20 do you want to take that over?

21 MR. MATHIS: You ready to hand off  
22 to Danny?

23 MS. JUDD: Yeah, because I don't --  
24 Rich covered a lot. And I know that, in spite



1 of the time, I -- and I also know that I will  
2 be seeing some of you later so...

3 MR. MATHIS: Thanks, Chris. So  
4 yeah, if we can, I'd like -- like you to hear  
5 from the -- two of the gentlemen I mentioned,  
6 who are going to be impacted by this  
7 discussion. I think, humanizing it is an  
8 important part of the process. We're going to  
9 conclude with Jafet, so if I can start with  
10 Danny, who comes out of the ROCA program,  
11 that's a nice transition.

12 MR. ALMADOVAR: My name is  
13 Daniel Almadovar. I was a participant at  
14 ROCA. I still am. I just -- I managed to get  
15 out ahead of game and I join the the Local  
16 Carpenters 108. I'm a proud member of the  
17 108.

18 What I've heard a lot, you know,  
19 over time is, hey, Danny you don't really look  
20 like the person who fits, you know, as a  
21 ex-felon or -- you know, somebody who's gone  
22 to prison. You know, I don't know what I'm  
23 supposed to look like, you know, to fill in  
24 that part. But I know that during this time

1 I've seen so many things and I've learned so  
2 many things.

3 I had no plan when I was younger and  
4 I was making mistakes, and I wasn't really  
5 worried about the repercussions. Over time,  
6 you know, given the opportunity to join ROCA  
7 and just really, you know, have somebody put  
8 in my mind that, you know, that if you have a  
9 plan, at least you have somewhere to go. You  
10 have destination where you want to be.

11 Going through -- you know, going  
12 through -- through all these stages and  
13 actually requiring a job, and then becoming  
14 interested in something that I loved, which is  
15 carpentry now, I've become a man with a  
16 purpose, a young man with a purpose.

17 You know, I never -- I never thought  
18 that this would be something that I would find  
19 myself in. And just having the opportunity to  
20 have something that at the end of day I can  
21 say I accomplished, that alone is my form of  
22 rehabilitation. I made mistakes. I learned  
23 from them, and I'm just trying to make better  
24 decisions to succeed in life.

1                   I would have never known that at 18  
2                   years old, being convicted and going to state  
3                   prison, when I just had the remnants of a plan  
4                   that I was trying to put together, would end  
5                   with me coming out, being motivated and  
6                   joining the union, and actually trying to do  
7                   something. Trying to do something, you know.

8                   And it's hard -- it's hard for  
9                   people to -- to look at you. I was telling  
10                  Mike the other day, you don't expect somebody,  
11                  when they first introduce themselves, you  
12                  know, in any situation, hi, my name is Daniel.  
13                  I'm an ex-felon. I went to prison for three  
14                  years. I'm out. I'm rehabilitated and I'm  
15                  doing well. No. When you have a conversation  
16                  you introduce yourself. And you know the  
17                  conversation flows. If it touches that topic,  
18                  it touches that topic. But you don't really  
19                  know a person until you've given them the  
20                  opportunity to show themselves to you, you  
21                  know.

22                  My past actions don't dictate the  
23                  man that I am today. I turned that and I used  
24                  it as motivation to make me into the man that

1 I am, and into the man I want to be.

2 MR. MATHIS: Danny, great job. I do  
3 a lot of public speaking. That's impressive  
4 for first time up on the panel. So if I can,  
5 I'm going to hand it off to Jafet, and we'll  
6 close our presentations.

7 MR. ROBLES: Good afternoon. My  
8 name is Jafet Robles. I'm the lead organizer  
9 with Neighbor to Neighbor. We're a  
10 grassroots, member-led, peoples power  
11 organization representing people of color,  
12 immigrants, women and the working class. But  
13 the label I would say I'm most proud of is  
14 being a son, father, friend, and a voice for  
15 the community. So I'm here to basically make  
16 a argument of why I feel that those who have  
17 paid their debt to society, deserve a second  
18 chance, and I'll be sharing my personal story  
19 to make that argument.

20 But first, I just want to start off  
21 by thanking Mike for his efforts. I want to  
22 thank the commissioner. I want to thank all  
23 of the elected officials who have been putting  
24 a lot of time and energy into this issue. I

1 know it impacts our city a lot and it's really  
2 dear to my heart. So sincerely, thank you.

3 I was born in Bayamon Puerto Rico.  
4 My parents moved us to the U.S. chasing the  
5 American dream of hoping me and my sister  
6 would receive a better education and have a  
7 better life. We moved to the north end of  
8 Springfield. A lot of people don't know this,  
9 but the north end actually -- of Springfield  
10 has more of a Puerto Rican population than any  
11 other city in the nation, based on density.

12 North end is also pretty special  
13 linguistically. It has 69 percent of the  
14 residents five years old and above primarily  
15 speak Spanish at home. This is a higher  
16 percentage of 97 percent of the neighborhoods  
17 in the U.S.

18 So today's a -- it's a rainy day.  
19 But on a sunny day, if you went to the north  
20 end, you would probably hear salsa music  
21 playing out loud, you'll see the old heads  
22 playing dominoes, and on every other block  
23 you'll see and pincho trucks.

24 We have a total of 10,000 residents

1 in my community. So there's a deep sense of  
2 community in my community. Everybody knows  
3 each other. We also have a deep pride of  
4 being Puerto Rican. But according to the most  
5 recent census track, the north end is actually  
6 the poorest district in the entire state. And  
7 just like every other poor community of color  
8 across the nation, the north end is  
9 economically abandoned, socially neglected,  
10 yet, under intense surveillance.

11 I have always been someone that has  
12 a lot of energy, very hyper. My mom said when  
13 I was a baby, even when I had a fever and my  
14 temp was up to a hundred, I would still be  
15 running around the house doing backflips off  
16 the bed like I had no damn sense. And those  
17 who know me and are here, know that still  
18 hasn't changed. I'm still very hyper. I  
19 can't sit through a Super Bowl commercial.  
20 Earlier, the beginning of this hearing was  
21 torture for me. My friend, Mark, wanted to  
22 slap me because it was shaking.

23 But just top it off, I went to the  
24 Lincoln School, which is here in the north

1 end. And I'm not even joking, this school was  
2 probably built when Lincoln was alive. This  
3 school was really old. And as I mentioned, I  
4 was really hyper. So just to my luck, this  
5 school had no gym, right. No gym for me to go  
6 channel that energy. So we literally -- the  
7 gym was the first-floor hallway.

8 So in the summertime we can go  
9 outside and play, but in the wintertime we  
10 would literally be in this little hallway.  
11 The gym teacher had us doing these stupid  
12 stretches. And just top it off, on top of  
13 that, we didn't go to a cafeteria so I sat in  
14 that same class all day. And to give teachers  
15 credit, the classes were overcrowded, and I'm  
16 sure teachers don't get paid a whole lot, and  
17 they definitely work a lot.

18 And I think back to my old school  
19 days and all the memories, I recollect a lot  
20 of them were negative. I recall feeling  
21 frustrated and angry. I struggled with  
22 sitting still, I was easily distracted, and I  
23 was always forgetting my homework. I was  
24 constantly getting in trouble for neurological

1 traits I had no control over.

2 I remember -- eventually, I was  
3 diagnosed with ADHD and put into special ed.  
4 classes. I remember being laughed and in the  
5 cafeteria, in the bus stop, in the hallways.  
6 They called me mentally retarded, a SPED, all  
7 kind of names. As harsh as it may sounds,  
8 even my own teachers told me direct and  
9 indirectly that I would never amount to  
10 anything. I slowly started to internalize  
11 that I as stupid. Once I was labeled a  
12 troublemaker, I was blamed for anything and  
13 everything that happened. Detention led to  
14 suspension, suspension led to expulsion, and  
15 the streets took me with open arms.

16 In the 1980s, in the peak of the  
17 crack epidemic, my dad founded and started up  
18 a nonprofit, residential drug treatment  
19 program in Holyoke called Agape. I didn't see  
20 him much, but I knew he was doing important  
21 work and I loved him. I didn't take it well  
22 when he split with my mom and moved back to  
23 Neustra Patria Puerto Rico.

24 There's a term that says when you're



1 out of sight, you're out of mind. Well, when  
2 my dad left, his role of father figure was  
3 replaced by local drug dealers, who led me  
4 down the wrong path or used me for their  
5 personal gain at a critical time in my life,  
6 when I was young, vulnerable and desperately  
7 in need of guidance.

8 Growing up the in poor communities  
9 as a color, we often had to prove our  
10 masculinity just to gain respect. That was  
11 definitely the case in the north end. Crying  
12 or expressing your emotions was a sign of  
13 weakness. I think we used this as a coping  
14 mechanism. It was like, you know what, things  
15 are rough. You know, society, everything's  
16 falling apart but we got this.

17 As a teenager, I remember we had a  
18 need for excitement or adventure. Most of my  
19 friends never been on vacation or even  
20 traveled out of state. But one thing we did  
21 have was our bikes. And boy, did we ride far.  
22 We rode really far. We were always exploring  
23 and looking for something out there. Not sure  
24 what it was, but we were definitely looking

1 for something.

2 My peers and I attended schools that  
3 were decrepit, and lived in housing apartment  
4 buildings that were crumbling. Some of the  
5 conditions were often inhumane. As we rode  
6 our bikes to surrounding neighborhoods of  
7 higher economic status, like Longmeadow, we  
8 could help but realize the massive difference  
9 in quality of life only 20-miles away from  
10 where we lived.

11 Now, you might have seen us on the  
12 corner, on what we would call our block,  
13 hanging out, being loud and obnoxious rapping.  
14 You probably would have locked your door, if  
15 you were down the street at the light and  
16 thought to yourself, look at these hoodlums.  
17 Where are their parents at? But little did  
18 you know, deep down inside we were all uncared  
19 for, unloved for, unattended. Just wanted  
20 someone to give us guidance and a little bit  
21 of love.

22 My mom, on the other hand, was a  
23 hardworking, loving, smart, single woman who  
24 never felt bad for herself and made excuses.

1 She's, by far, one of the toughest people I  
2 know. She worked two jobs and showed up to  
3 work 15 minutes early every day, even when she  
4 was sick, just to make sure we never went  
5 without. Now, that's gangsta.

6 My friends, on the other hand, were  
7 less fortunate. Most of their parents were  
8 incarcerated or struggled with substance  
9 abuse. Most of the time, both. They faced a  
10 myriad of social problems that was related to  
11 poverty. One of my friend's was in middle  
12 school. He was fighting cancer. His father  
13 was in jail. His mom then got addicted to  
14 crack. He was only 14 years old. He had to  
15 take care of his little sister, pay the rent,  
16 not to mention, keep good grades.

17 I had another friend who his mom  
18 shot heroin right in front of him. This kid  
19 was the toughest kid I knew. I remember the  
20 day he told me his mother had contracted Aids.  
21 I hugged him tight as he weeped and cried for  
22 a half-hour.

23 Another one of my friends was a  
24 orphan, who ran away from a foster home.

1 Other than us on the block, he literally had  
2 nobody. Came from nothing. Told we would  
3 never be nothing. We didn't have much but we  
4 had each other. We were all we had.

5 Now, I've never met a person, when I  
6 was in jail or being released, that really had  
7 the intentions to go out and mess up.  
8 Usually, people have the intentions to  
9 transform their lives, do the right thing.  
10 But they get so many doors slammed on them and  
11 they eventually they end up losing hope.

12 I remember when I was released. I  
13 was first released into a halfway house in  
14 Hartford. And you can't go home on the  
15 weekend until you obtain work. In the first  
16 three months, I was not able to obtain work.  
17 I was out there trying. I was dressing up and  
18 nobody wanted to give me a chance.

19 And I remember, I finally got a job  
20 selling Kirbys. I'm sure you guys are  
21 familiar with it, with the Kirby vacuum. And  
22 all my life I did sales. Probably, not  
23 legally, but I had a little experience in it.  
24 So I started doing really good selling these

1 Kirbys. I got a job and I was loving it.  
2 Every -- just about every day I sold a Kirby.  
3 And I finally found a new identity. I was  
4 feeling good.

5 And then, one morning I was going  
6 down to go off to work. I had my tie, my  
7 suit, and the director of the program told me  
8 that I had to quit that job. She told me I  
9 was using drug-dealing skills in my new job,  
10 and that we had to get away from that  
11 mentality. So I was told to leave that job.

12 Upon my release, I was a single  
13 father. I had full custody of my kids. My  
14 son's mother had a situation. So right when I  
15 was coming out, I had full custody. I had two  
16 kids to deal with and I had to take care of  
17 myself. So we recently -- the law was  
18 changed, thanks to guys like Devine advocating  
19 where, now, when people are released from  
20 prison, they can actually get a license to  
21 get -- to work. But when I came out, I  
22 couldn't. That law wasn't in place. So I was  
23 with my kids -- I would have take the bus to  
24 appointments. I would have to take the bus

1 for doctors, groceries and job searching.

2 We live in a capitalistic society,  
3 where our self-worth is often measured by our  
4 job, or our status, so I had a lot of low  
5 self-esteem. I used to be a hustler. I was a  
6 provider. Now, I was a grown man, broke and  
7 sleeping in relatives sofas. Trying to start  
8 my life over and get on my feet but no one  
9 wanted to give me a chance.

10 As employees were denying me, my  
11 friends in the streets, who I used to hang  
12 with, kept calling me and tempting me to go  
13 back into the streets. I kept a picture of my  
14 kids on me at all times. I also attended  
15 random churches with my kids on Sunday and  
16 prayed that an employer would call me back  
17 with some good news.

18 Life is never the same after a  
19 felony conviction. Criminal records often  
20 disqualify people from participating in the  
21 workplace, it prevents them from accessing  
22 social services and creates barriers to fully  
23 integrating into the community, even after  
24 they've paid their debt to society by

1 completing a Court-imposed sentence.

2 For many people, a criminal record  
3 means they have no job, no incoming. Finding  
4 work is the most important step to avoiding  
5 recidivism, but it's also the most difficult  
6 challenge. Additional barriers further  
7 isolate people who have been convicted of a  
8 felony. Excluded from jury duty, educational  
9 grants, public housing, apartments, business  
10 loans. You literally go from a physical cell  
11 to a social cell. It's no mystery why  
12 returning citizens often end up living in  
13 poverty, isolated, hopeless, living with  
14 uncertainty. They are treated like  
15 second-class citizens. They feel like they  
16 have no hope.

17 Now, I say to everybody here, say if  
18 you were to get in trouble when you were 19,  
19 say, going for a ride with your friends, going  
20 to a party, say they would have busted in  
21 there and you would have gotten in trouble  
22 when you were young, say, 19, would you want  
23 to be known for that one incident for the rest  
24 of your life? And that's exactly what's

1           happening to thousand of Americans here in  
2           Springfield.

3                         We've all made errors in judgment as  
4           young people. Property damage, breaking and  
5           entry, and attempts to sell small amount of  
6           marijuana are low-level crimes that can be  
7           felonies. For some of you, those mistakes  
8           were a right-of-passage that you learned from.  
9           But for many residents of Springfield, these  
10          transgressions have followed them for the rest  
11          of their life in the form of a criminal  
12          record.

13                        In 2015, more prisoners were  
14          released in Springfield than any other city in  
15          the state, with the exception of Boston per  
16          capita. More prisoners are released to  
17          Springfield and Holyoke than Boston,  
18          Worcester, Lawrence, Fall River, Lynn or  
19          Brockton.

20                        Research shows that when people  
21          convicted of nonviolent offenses are given  
22          support needed to find employment, recidivism  
23          drops dramatically. Left with limited  
24          options, they will resort to what they know



1 best. Steady, gainful employment is the  
2 leading factor in preventing recidivism. We  
3 can not dismiss people who are qualified for  
4 employment simply because they made a mistake  
5 in the past. This is bad for the  
6 individuals -- individual because it  
7 undermines their productivity. It's bad for  
8 our society at-large.

9 A study by Evolve showed workers  
10 with criminal records are more productive than  
11 workers without records. Policies prevent  
12 people with criminal records from -- policies  
13 that prevent people with criminal records from  
14 finding employment waste talent and genius.  
15 I'm sure Devine sees that all the time. These  
16 people could be role models, community leaders  
17 and productive citizens of our society. How  
18 in the world do we expect people to support  
19 themselves, their kids, their families, if  
20 policies like this prevent them from finding  
21 work?

22 The automatic band on felons working  
23 in casino hurt Springfield economically.  
24 People without jobs often have to rely on

1 public assistance and cannot support their  
2 children, which burdens taxpayers. If  
3 individuals end up back in prison, it costs  
4 50,000 annually to house them. Allowing MGM  
5 to give jobs to qualified applicants, even if  
6 they have a felony on their record, will  
7 promote public safety and better the quality  
8 of life in Springfield for those individuals  
9 and our community as a whole.

10 Me and my friend, City Councilor,  
11 Adam Gomez, who's from the north end as well,  
12 unfortunately, we have lost many, many friends  
13 to the streets in our communities that have  
14 died and sent -- for senseless reasons. And  
15 you know, I mean funeral after funeral. And I  
16 was recently asked after a shooting, you know,  
17 what can we do to deter the crime, the murder  
18 rate? And it's a very complex question and I  
19 don't got the answer.

20 But what thing I do know, is that  
21 when people come out and we don't provide them  
22 with a chance at a meaningful job, to start to  
23 feel like they have a purpose and they feel  
24 like they have nothing to live for, those

1 people are more likely to commit crime. I  
2 feel eliminating this ban would make  
3 Springfield safer.

4 So today, I am advocated for people  
5 in Springfield like myself. Those who have a  
6 criminal conviction on their record but are  
7 working hard to contribute positively to our  
8 families and communities. I'm asking that the  
9 Gaming Commission not force MGM to use  
10 criminal history of job applicants to screen  
11 them before even looking at their  
12 qualifications.

13 It is wrong to dismiss people who  
14 are qualified simply because they made a  
15 mistake in the past. We need to make sure  
16 Americans, who have paid their debt to society  
17 and want to become productive members of our  
18 communities, get another chance. This  
19 approach will be good for MGM, good for  
20 Springfield, good for our families and  
21 communities.

22 And I leave you with a quote by  
23 Sean Michaels that says, you don't have to be  
24 a believer in Jesus Christ to be gracious and

1 understand that everybody messes up and most  
2 are looking for a second chance. Thank you.

3 CHAIRMAN CROSBY: Thank you.

4 COMMISSIONER CAMERON: Thank you.

5 MR. MATHIS: Thank you, Jafet.

6 Mr. Chairman, Commissioners, thank you for  
7 your patience. You know, these gentlemen  
8 represent thousands of people that could be up  
9 here telling their stories, so I thought it was  
10 important that you heard it.

11 Just want to recognize and  
12 acknowledge, obviously, you don't write this  
13 law, you don't have the ability to change this  
14 law. Just to be really precise. Our request  
15 is, to the extent that the law creates an  
16 ambiguity, call it a jump ball, I think you've  
17 heard a lot of compelling testimony today why  
18 we'd ask you to administratively interpret  
19 that jump ball and provide these folks an  
20 opportunity. I don't know what kind of  
21 interviews you guys hold, but if these two  
22 gentlemen came into my office, that'd be a  
23 grade day of interviews.

24 COMMISSIONER CAMERON: Agreed.

1                   COMMISSIONER MACDONALD: Thank you  
2                   all.

3                   CHAIRMAN CROSBY: Thank you.

4                   COMMISSIONER STEBBINS: Thank you.

5                   COMMISSIONER CAMERON: Thank you,  
6                   gentleman.

7                   CHAIRMAN CROSBY: Are you going to  
8                   have Seth address that memo; was that part of  
9                   your plan?

10                  MR. MATHIS: Yeah. To the extent  
11                  you wanted to talk about the legal piece we've  
12                  got --

13                  CHAIRMAN CROSBY: Well, that's  
14                  central so...

15                  COMMISSIONER CAMERON: That was the  
16                  whole issue.

17                  CHAIRMAN CROSBY: Yeah. So I think  
18                  that would be useful. It's a new approach  
19                  that we just barely gotten our arms around.  
20                  Well, what do you guys want; do you want to  
21                  give us, sort of, a highlight, sort of, on  
22                  what the essence, sort of, of your --

23                  MR. BEDROSIAN: If fairness,  
24                  Mr. Chairman -- am I on?

1                   COMMISSIONER ZUNIGA: Yes.

2                   CHAIRMAN CROSBY: Yeah.

3                   MR. BEDROSIAN: In fairness, I  
4 actually told MGM they wouldn't have to do  
5 this, to assume that the commissioners would  
6 be familiar with the law. I don't think we  
7 had time to talk because we didn't connect  
8 this week. But, certainly, I'm sure Seth is  
9 ready to do it, if necessary.

10                  MR. STRATTON: Yeah. I'd be happy  
11 to provide highlights. Absolutely. It's okay  
12 that you didn't give me a heads-up. If you'd  
13 like me to just give you a brief overview of  
14 the argument, I'm happy to do so.

15                  CHAIRMAN CROSBY: Yeah.

16                  COMMISSIONER MACDONALD: Just  
17 capsule it.

18                  MR. STRATTON: Yes. And I think  
19 that what we attempted to do, essentially, is  
20 to do that in a one-page document that is in  
21 the packet. It's the -- it's the document  
22 that looks like this. Should be helpful to go  
23 through. Perfect.

24                  So, essentially, our argument is

1 that, if you look at 23K, there are two  
2 different concepts. There's a concept of an  
3 applicant. And I say capital A applicant,  
4 because applicant is a defined term in Chapter  
5 23K. And there's also this concept of  
6 registrant. And I like to think of registrant  
7 with a little r registrant. There's a  
8 difference under the statute between an  
9 applicant and a registrant.

10 And our argument, in essence, is  
11 that Section 16, both 16A and B, apply to  
12 capital A applicants, and applicants only.  
13 And it's clear in the language of 16A and B,  
14 right before the semi colon, that it applies  
15 to defined term capital A applicants. And  
16 those applicants are key gaming employees and  
17 gaming employees.

18 There's also this -- and -- well,  
19 let me -- I'll get to that in a moment. So  
20 key gaming employees and gaming employees are  
21 capital A applicants, and then we have  
22 registrants. And registrants, referred to  
23 under Section 30, are gaming service  
24 employees.

1                   And if you look at Section 30,  
2                   you'll see various criteria, or various  
3                   provisions under Section 30 that apply  
4                   differently to applicants and registrants.  
5                   And what we've tried to represent graphically  
6                   is the different sections of 23K, as they  
7                   reference and/or apply to these two different  
8                   categories of persons who are referred to  
9                   under -- under the act.

10                   And so, applicants who are defined  
11                   are subject to suitability and investigation  
12                   under Section 12, there's certain --  
13                   there's -- under Section 13A they have a  
14                   burden to prove suitability. However,  
15                   Section 13B and Section 13C, which talk about  
16                   duty of candor to the Commission and  
17                   prohibition on withholding information would  
18                   apply to both categories. Section 16, by its  
19                   terms, applies to only applicants. And then  
20                   you get to Section 30 and it talks about --  
21                   different provisions talk about applicants,  
22                   and different provisions talk about  
23                   registrants.

24                   And without going section by



1 section, I think you can look back at these  
2 sections using this chart as a guide and see  
3 how this statute really differentiates between  
4 these two terms. And the reason that is  
5 extremely important is that, what we are  
6 talking about here today is the automatic  
7 disqualifier. We're not saying that these  
8 folks, who are in service positions, shouldn't  
9 be subject to the act, shouldn't be subject to  
10 the purview of the Commission, shouldn't be  
11 prohibited from withholding information,  
12 should have a duty to continue to cooperate  
13 with the Commission. They simply aren't  
14 subject to the automatic disqualifier for  
15 felonies and other crimes involving theft and  
16 dishonesty.

17 And there's one -- you know, there's  
18 one word in Section 16 that seems inconsistent  
19 with this. And that is in Section 16B.  
20 There's reference to the word "registration."  
21 It doesn't say registrant. It says  
22 "registration."

23 And it also says, "an application  
24 for registration." What does that mean? I

1 don't know. I don't know what that means.  
2 But it's plausible that it could mean that  
3 there's another category referenced in  
4 Section 30, which we don't talk about a lot,  
5 is not defined, and is not currently  
6 identified in the regulations, but it's in  
7 Section 30C, where you talk about -- and I  
8 used in the block quote in my letter, I put  
9 one, two, three, four in there, which I hope  
10 didn't cause too much confusion, but to show  
11 that there are really four categories of  
12 employees that are referenced in Section 30C.

13 There are key gaming employees,  
14 gaming employees, employees who have  
15 restricted access, and I don't have the --  
16 sorry, I couldn't remember off the top of my  
17 head. So employees who have restricted access  
18 to an area of the gaming establishment or  
19 knowledge of security procedures. Those folks  
20 cannot be subject only to the registration  
21 requirements.

22 And so, who are these -- who are --  
23 what is this category of employees who have  
24 restricted access to an area of a gaming

1 establishment and knowledge of the security  
2 procedures, who are not key gaming employees,  
3 and who are not gaming employees, and who are  
4 not gaming service employees? Well, perhaps  
5 they are applicants for registration under  
6 16B.

7 And so, if you could read those two  
8 provisions together so that the -- the act  
9 does not conflict, and you have categories who  
10 are applicants at a heightened standard, who  
11 are subject to automatic disqualifier, and you  
12 have a different category of employees, who  
13 are registrants only. Those are gaming  
14 service employees, who don't touch the  
15 operations of gaming, and they are subject  
16 only to registration. Registration that  
17 includes criteria set by the Commission, may  
18 or may not include criminal history. But what  
19 is clear, is that Section 16's automatic  
20 disqualification does not necessarily apply to  
21 those registrants.

22 So that's the argument in a nutshell  
23 that we've articulated and we believe is at  
24 least as plausible as other interpretations

1           that we've heard of 23K. And to the comment  
2           that Mike made, the question is, is there a  
3           path to address this? We think that there is  
4           within the confines of the statute as written.

5                        COMMISSIONER CAMERON: So,  
6           Mr. Chair, in all fairness, since MGM made  
7           their legal argument, I really think it's  
8           important to hear from our staff, who have  
9           spent an awful lot of time with us, with MGM,  
10          and also analyzing the statute. So I think,  
11          if we can get a real quick synopsis, that  
12          would be helpful and clear for the record.

13                       MR. BEDROSIAN: Sure. Let me -- I'm  
14          going to ask Ms. Lillios to respond to the  
15          highlights. But let me start by saying again,  
16          it's hard not to listen to all those folks who  
17          talked and not feel like you want to do  
18          something and they're absolutely right, and  
19          this is a very difficult situation. And we do  
20          disagree on the interpretation of the law, and  
21          unfortunately don't even think it's a jump  
22          ball.

23                       Having said that, I did hear  
24          articulated from at least one person, and as I

1 refer to the May 2014 memo, that this is a  
2 legislative solution. If we put in the packet  
3 examples of other jurisdictions where the  
4 legislature has been very clear about what the  
5 intent of their gaming acts are to correspond  
6 to the -- to the analysis that we're trying to  
7 do here. So in the end, after I have  
8 Ms. Lillios give some of the disagreements, I  
9 would say --

10 CHAIRMAN CROSBY: Ed, excuse me. I  
11 just got a message that our streaming isn't  
12 working. Can anybody -- can you see Mike?

13 MR. STRATTON: You want me to say  
14 that again?

15 CHAIRMAN CROSBY: It's all right?  
16 Okay. All right. Fine. Thank you.

17 MR. BEDROSIAN: We are streaming?

18 COMMISSIONER CAMERON: Yes.

19 CHAIRMAN CROSBY: Yes.

20 MR. BEDROSIAN: Okay. All right.  
21 You know, my suggestion to a clear path  
22 forward would be a legislative fix and working  
23 together. I suggest the legislature should  
24 hear exactly what was said here. And -- so

1           having said that, let me first actually turn  
2           it over to our general counsel, Ms. Blue, to  
3           make some comments, and follow it up, if  
4           necessary by Ms. Lillios.

5                         But what I -- what I was hoping to  
6           avoid was a back-and-forth. But I understand  
7           it's important for you to hear legally from  
8           our position, so I'll ask Ms. Blue to start.

9                         MS. BLUE: So I think, first what  
10          I'd like to do is thank MGM for the -- the  
11          good conversations and discussions we've had  
12          about this issue.

13                        CHAIRMAN CROSBY: Thank you,  
14          gentlemen.

15                        MS. BLUE: They have been very  
16          helpful in pointing out different points of  
17          view, and I, you know, hope that they know  
18          we've considered them very carefully.

19                        The staff, both the legal department  
20          and the IEB, has looked at Chapter 23K and  
21          this particular issue. It looked at this  
22          argument, as well as a number of other  
23          arguments, and really has approached it from a  
24          perspective of, is there a pathway to get to,

1           you know, the ultimate goal.

2                       I think to paraphrase a little bit  
3           what Mr. Mathis said, you know, there are ways  
4           to get there. Sometimes you, perhaps, take  
5           certain sections and different places and you  
6           omit other definitions. And the question  
7           really is, how tortured of a-- of an  
8           interpretation do you need to make and what's  
9           a reasonable pathway to get there.

10                      So in this particular argument, I  
11           think we would -- to simplify it we would look  
12           at it from two perspectives. And we think  
13           that what MGM is proposing is that, number  
14           one, registrants aren't applicants. And if  
15           you're not an applicant, then, you're not  
16           subject to 16B. We think the language in the  
17           statute doesn't support that.

18                      We think that you have to apply for  
19           a registration. Yes, there is a defined term  
20           applicant, but you're still applying for a  
21           registration. And then there are other  
22           portions of Section 30 that talk about how  
23           registrations -- registrants can be denied.  
24           So we don't think that definitional discussion

1 really works.

2           The second part of their argument  
3 that I think is, you know, more important, is  
4 that there aren't, in fact, three categories,  
5 there are actually four. The first two are  
6 very simple, the keys and the gaming. And  
7 then there's this -- there's these two other  
8 sections that they interpret the statute to  
9 create. And one of the section of folks that  
10 have restricted access and then there's  
11 everybody else.

12           I think that, when you look at the  
13 statute and you look at the other definitions  
14 in the statute, what you see is what they view  
15 as the third category, which would be a  
16 registrant with a background check, is really  
17 someone who falls into a gaming employee's  
18 category. It's not really a separate  
19 category. And then you have the all other  
20 employees, which the statute makes very clear  
21 are required to register and provide whatever  
22 information that the IEB requires, and also  
23 says that those registrants can be denied for  
24 the reasons in 16B.



1                   So we think that, yes, they are  
2                   trying to find a pathway to get there. I  
3                   think it doesn't quite hold up in a way that  
4                   is reasonable under the statute. And, you  
5                   know, I would concur with Executive Director  
6                   Bedrosian, that the real way to address this  
7                   is through some kind of a clear, legislative  
8                   fix that gives guidance to the Commission as  
9                   to exactly whether you have discretion, or  
10                  whether they create other categories, as some  
11                  other jurisdictions have done that, you know,  
12                  then really makes it clear what we can and  
13                  can't do.

14                 MR. BEDROSIAN: I think we're fine.  
15                 I don't think Ms -- unless you had something  
16                 else to add?

17                 MS. LILLIOS: No. I concur with  
18                 Ms. Blue had to say.

19                 CHAIRMAN CROSBY: Anybody have  
20                 questions or Seth or Catherine, or anybody  
21                 else?

22                 COMMISSIONER ZUNIGA: Does anybody  
23                 have available 16B, either -- I was trying to  
24                 look it up in my materials.

1 MS. BLUE: Yes, we do.

2 COMMISSIONER ZUNIGA: And well, this  
3 is, I guess, where Seth was going with the or  
4 registration; is that correct, Seth? But it's  
5 really referring to everyone else that's not a  
6 key or a gaming license.

7 CHAIRMAN CROSBY: In which case,  
8 they would have just said gaming service  
9 employees.

10 COMMISSIONER ZUNIGA: In which case,  
11 right.

12 CHAIRMAN CROSBY: But they didn't.

13 COMMISSIONER ZUNIGA: Yeah. Which I  
14 interpret to be applying to service employees  
15 in whole.

16 MR. STRATTON: I understand that  
17 interpretation, and I think it's -- I think it  
18 could go either way. But I think what -- what  
19 Chairman Crosby just said is -- is why don't  
20 they use gaming service -- it could have been  
21 very easy for Section 16B to say, to refer to  
22 the define term gaming service employees.

23 And I think one of the key points  
24 is, if you look at the highlighted terms,

1 application for a license, I read that as  
2 application for a license, or application for  
3 a registration? And then, if you follow along  
4 in that sentence it says, "Applicant." So  
5 it's talking about applicant. It doesn't ever  
6 say gaming service employee. And then when  
7 you go to Section 30, it separately talks  
8 about registrant.

9 So there is -- I don't think -- I  
10 don't think staff would even contend that  
11 there is a inconsistent use of the terms  
12 applicant and registrant in the statute, and  
13 that it could be read that those are  
14 contemplated to be two different things.

15 And I don't think it's clear that in  
16 order to be a registrant -- I think what  
17 Catherine said, you have to apply to be  
18 registered, I don't think that's clear under  
19 the statute, or necessarily true. You could  
20 register and be a registrant. There's no need  
21 to have an application or be a capital A  
22 applicant in order to be a registered with the  
23 Commission.

24 COMMISSIONER CAMERON: So you just

1           asked staff if they -- if they -- you thought  
2           that they would not disagree. I'm just going  
3           to ask if that's the case.

4                        COMMISSIONER ZUNIGA: But I think --  
5           let's go back to 16B, if you could, because I  
6           don't have it in the packet. If you take  
7           out -- because there's an other -- oh, there  
8           it is. Thank you. Sorry. If you take out  
9           the, other than a gaming licensee or licensee  
10          to the gaming employee -- or a key gaming  
11          employee, under this chapter, right, that's  
12          the other.

13                      MR. STRATTON: Oh. I see your  
14          question.

15                      COMMISSIONER ZUNIGA: That's the  
16          other.

17                      MR. STRATTON: I'm sorry.

18                      COMMISSIONER ZUNIGA: That means  
19          that this section is clearly applying to  
20          everybody else.

21                      MR. STRATTON: But I think the  
22          confuse -- sorry to interrupt. The confusing  
23          part, gaming license means a license to  
24          operate a gaming establishment. It doesn't --

1 Section 16B clearly applies to gaming  
2 employees. 16A applies to key gaming  
3 employees. 16B is gaming. And so, the "other  
4 than a gaming license" means, other than  
5 Blue Tarp's application for a license to be a  
6 gaming establishing.

7 So I agree that I often, reading it,  
8 confusing those two. But I think it's very  
9 clear that, at a minimum, 16B applies to  
10 gaming employees. And the question is, does  
11 it apply to anyone else? And we're  
12 suggesting, and is that anyone else, gaming  
13 service employees also? We suggest no. We  
14 suggest they are residents under -- under  
15 Section 30, and that 16B only applies to  
16 gaming. And could, if you created a category  
17 referenced in 30C, of these other category,  
18 who have restricted access, who the statute  
19 refers to not as key and not as gaming, that  
20 it could also apply to them, but not to gaming  
21 service, who are never mentioned in  
22 Section 16.

23 COMMISSIONER ZUNIGA: But the gaming  
24 service employee is a catchall, right?

1       Elsewhere, I don't know. You know, it's -- it  
2       defines -- the statute defines key applicant,  
3       qualifier, key gaming employee, and then  
4       everyone else has to be registered and is a  
5       service employee. So this specific language  
6       in 16B -- and it it's perhaps particularly the  
7       or registration that provides the real trouble  
8       to your argument, I would argue.

9               MR. STRATTON: Agreed. That their  
10       use of registration requires an interpretation  
11       of Section 30 to read those harmoniously. I  
12       suggest there is an interpretation of Section  
13       30 that allows to you read them harmoniously.  
14       But that is -- the use of term registration  
15       there --

16              CHAIRMAN CROSBY: The whole point of  
17       16A, as best I can -- the whole point of 16A  
18       and B is to say the same -- there's the same  
19       automatic disqualification criteria. Except,  
20       for the lower levels, you can be rehabilitated  
21       after 10 years. Why didn't they just say  
22       gaming employees and gaming service employees?  
23       That was very straightforward.

24              MR. STRATTON: And it's a defined

1 term.

2 CHAIRMAN CROSBY: I don't know --  
3 I'm not answering the question. I'm just  
4 asking the question. There's no answer to it,  
5 you know.

6 MR. BEDROSIAN: I think the answer  
7 is because they said registration. And that's  
8 what gaming service employees do. It's a  
9 verb. They're registering.

10 CHAIRMAN CROSBY: It's not a defined  
11 term. There's an obvious --

12 COMMISSIONER ZUNIGA: It may not be  
13 elegant language but it's straightforward.  
14 It --

15 MR. BEDROSIAN: Yeah.

16 COMMISSIONER ZUNIGA: You know,  
17 it --

18 MR. BEDROSIAN: As Loretta said,  
19 licensee isn't a defined term either so...

20 COMMISSIONER ZUNIGA: And  
21 harmoniously, reading them in tandem it's --  
22 you know, rather not -- with the other  
23 sections of the statute that follows that  
24 tiering, applicants, keys, gaming employees,

1 everyone else, this would be a logical  
2 paralleled structure, right?

3 COMMISSIONER MACDONALD: Mr.  
4 Chairman, I have a couple of comments, if I  
5 could. First of all, I want to observe,  
6 somewhat lightheartedly, that Jafet Robles --  
7 is that your name?

8 MR. ROBLES: Yes.

9 COMMISSIONER MACDONALD: You remind  
10 me very much of my son and my grandson, who  
11 have a level of hyperactivity that you  
12 approach, at least.

13 On a more serious note, that  
14 Mayor Sarno introduced himself as a  
15 law-and-order mayor. I will introduce myself  
16 here as a law-and-order Gaming Commissioner.  
17 And I have to say, and I've gone on record  
18 about this beforehand, that I'm very, very  
19 troubled that in our interpretation of our  
20 statute, that we are, in effect, requiring our  
21 licensees to violate federal and state  
22 employment law.

23 And I was impressed by, you know,  
24 Hilary Muckleroy's presentation to us in that



1           regard, in which she said that if she were to  
2           apply 16B literally, that MGM would be  
3           violating a federal and state employment law.  
4           And I think that's -- I think that's true. We  
5           are not employers so we're not covered by the  
6           EEOC and the employment -- and the state CORI  
7           law. But at the same time, by enforcing it we  
8           are, in effect, causing violations of the  
9           spirit of federal and state employment law.

10                   And I have -- well, let me add  
11           something. Unfortunately, Seth, I'm not  
12           convinced by your interpretation of the  
13           statute. My view of it is similar to what  
14           General Counsel Blue reported -- reported on.  
15           I have presented before as to my conclusion  
16           that there is, in fact, ambiguity in the  
17           statute by virtue of a conflict between direct  
18           unreconcilable conflict between Section 16 and  
19           Section 30F, such that we have residual  
20           discretion as an administrative agency to  
21           resolve that ambiguity.

22                   That said, it's a matter of record,  
23           but I accept the recommendation of our staff  
24           under the -- under the circumstances, and in

1 the memorandum at the last meeting, that we  
2 address this issue from Executive Director  
3 Bedrosian.

4 He noted that the staff on the  
5 merits of the issue are divided, the legal  
6 staff is divided. But that the conclusion of  
7 that recommendation was, is that we seek a  
8 legislative -- legislative fix. And I am  
9 totally supportive of that, of that, but  
10 against the backdrop, that I think it is -- it  
11 is most unfortunate that we are placing our  
12 licensees in a situation in which they  
13 indirectly would be caused to violate state  
14 and federal law.

15 And I'm totally convinced that --  
16 that it is the preferred public policy of the  
17 Commonwealth that the Gaming Commission would  
18 be -- would have the authority to exercise its  
19 discretion in the area of gaming's nongaming  
20 service employees, to be able to -- to be able  
21 demonstrate rehabilitation. And I just wanted  
22 to make those points for the record.

23 CHAIRMAN CROSBY: Anybody else?

24 Okay. Thank you all very much. We decided

1           that we would not try to bring to this to  
2           fruition today, which I guess means we'll have  
3           it back on the agenda in two weeks. And we've  
4           got to get it resolved in one way or the  
5           other.

6                         Thank you all -- thank you, all of  
7           you, for coming, speakers. As you can see,  
8           we're all wrestling with this in good faith  
9           trying to figure out what's the right way to  
10          go here. We appreciate everybody contributing  
11          to our thought process. Thank you.

12                        MR. STRATTON: Thank you.

13                        COMMISSIONER MACDONALD: Thank you.

14                        COMMISSIONER STEBBINS: Thank you.

15                        CHAIRMAN CROSBY: All right. We're  
16          going to come back to -- let's see 4C. But  
17          let's take a very quick break and reconvene in  
18          five minutes.

19  
20                                 (A recess was taken)

21  
22                        CHAIRMAN CROSBY: All right. We are  
23          calling to order again public meeting No. 217.  
24          I think we are on Item 4C, Director Griffin;

1 is that right? Yes, it is, 4C.

2 MS. GRIFFIN: Yes. However, I'm  
3 going to kick this right back over to  
4 Commissioner Stebbins, who has done the bulk  
5 of the work on this recommendation and memo.

6 COMMISSIONER STEBBINS: Thank you,  
7 Jill. And I had five pages of comments on  
8 this topic, but I'm going to throw them out  
9 the window.

10 COMMISSIONER CAMERON: Thank you,  
11 Commissioner.

12 COMMISSIONER STEBBINS: And I would  
13 even defer on this topic. But other than I  
14 know the packet went out with this information  
15 on it, so I want to make sure it at least gets  
16 distributed at this meeting. We can talk  
17 about it at further meeting, as we meet our  
18 obligations to comply with the Open Meeting  
19 Law.

20 Just real quickly. What you have in  
21 front of you is a cover memo and a -- what I'd  
22 call the draft invitation letter. At some of  
23 our previous meetings, the chairman and I have  
24 talked about meetings we've had with

1 legislators about the Gaming Economic  
2 Development Fund.

3 Quick recap of the Gaming Economic  
4 Development Fund, it is a fund to be created  
5 upon the opening of our Class 1 casinos. A  
6 certain percent, I believe it's 9 percent of  
7 the 25 percent that is taxed on gross gaming  
8 revenue goes into at Gaming Economic  
9 Development Fund.

10 The back part of the solicitation  
11 letter is the legislative citation, which  
12 outlines what the -- the fund can be used for.  
13 It is a fund that is subject to appropriation.  
14 It's not a fund we control. But in our  
15 conversations with the center president, the  
16 speakers, various chairs that the chairman and  
17 I have had, we've expressed an interest in  
18 looking at developing strategies for the use  
19 of this Gaming Economic Development Fund.  
20 Money will start flowing into that fund in FY  
21 '19.

22 And the purpose is, we talked about  
23 it a number of occasions, trying to find a way  
24 to build off the economic momentum that we

1       feel our Class 1 license -- licensees, and  
2       even our Class 2 licensees are generated in  
3       their host community and the surrounding area.

4               So you have a background to the  
5       strategy, you have an attached, again kind of  
6       strategy invitation letter that we can talk  
7       about more next time, which would be extended  
8       out to regions, chambers of commerce, regional  
9       employment boards, travel bureaus, host and  
10      surrounding communities, begin to get them to  
11      think regionally, strategically about how they  
12      can use this fund, again, to further the  
13      economic impact our Class 1 licenses.

14              So I'm happy to answer any  
15      questions, but, certainly, we can talk about  
16      it in a little more detail next time.

17              CHAIRMAN CROSBY: Great. So your  
18      time frame would be --

19              COMMISSIONER STEBBINS: My time  
20      frame, we're still on time. We would be  
21      issues thing the solicitation letter after our  
22      next meeting in June, give organizations and  
23      stakeholders a chance, kind of, over the  
24      intervening summer months to come up with

1 strategies and ideas, and then in September  
2 plan for the Commission to have three, kind  
3 of, strategy briefings with those stakeholders  
4 and hear their ideas and suggestions and  
5 input. So I think we're still on target.

6 CHAIRMAN CROSBY: Great.

7 COMMISSIONER MACDONALD: And the  
8 timeline of the funding, Commissioner Stebbins  
9 is -- is what, is the opening of, in effect,  
10 the MGM casino, and that's when the funds at  
11 least -- would be subject to appropriation for  
12 allocation to the fund?

13 COMMISSIONER STEBBINS: Yes.

14 CHAIRMAN CROSBY: It will go into a  
15 fund automatically, and then the legislature  
16 kind of appropriate it out of that fund to  
17 whatever purpose it decides.

18 COMMISSIONER MACDONALD: I see.

19 COMMISSIONER STEBBINS: It'll start  
20 flowing into that in FY '19. Obviously, both  
21 MGM and Wynn will open in FY '19. It won't  
22 be, kind of, full capitalization of the fund  
23 until the next year. But to begin to get some  
24 strategies in place and some ideas for the

1 legislature to consider or run with would be  
2 great for that initial amount of the money  
3 going into the fund in that year.

4 MS. GRIFFIN: And as Commissioner  
5 Stebbins highlighted in this letter, it's  
6 actually 9.5 percent of the operational casino  
7 revenues go into in fund.

8 COMMISSIONER STEBBINS: And we have  
9 an internal team. It's not just Jill and  
10 myself, but Elaine has been working with us,  
11 Ombudsman Ziemba and our CFAO to calculate out  
12 monies based on projections. Also, on -- you  
13 know, help individuals in the legislature  
14 understand the other -- availability of other  
15 funds, Community Mitigation Fund, financial  
16 commitments and host and surrounding  
17 communities as well.

18 CHAIRMAN CROSBY: Great. Terrific.  
19 Glad you're working on this.

20 COMMISSIONER CAMERON: Thank you,  
21 Commissioner, and Director Griffin, for taking  
22 the lead.

23 CHAIRMAN CROSBY: Yep. Anything  
24 else on 4C, or four in general?



1 MS. GRIFFIN: I think it's a wrap.

2 CHAIRMAN CROSBY: All right. Then  
3 on five, was there anything else in your --  
4 yes, in your administrative update --

5 MR. BEDROSIAN: No.

6 CHAIRMAN CROSBY: -- sort of, missed  
7 general and missed player card?

8 MR. BEDROSIAN: No. And as far as  
9 my administrative update goes, just by way of  
10 what I've been doing the last couple weeks  
11 is -- appears to be all budget related. The  
12 CFAO and I have spent a lot of -- a focus of  
13 our time on budget-related stuff. We will  
14 have an update -- if not presentation, at  
15 least an update at the next meeting on the  
16 budgets process.

17 CHAIRMAN CROSBY: Okay. Great.

18 MR. BEDROSIAN: So 5C. Chapter 23K,  
19 Section 29, which is entitled, Cashless  
20 Wagering Systems Setting and Adjustment of  
21 Betting Limits Monthly Statements and Annual  
22 Report to the Commission, has a provision in  
23 it that requires our licensees to send monthly  
24 statements to their player reward cards about

1 wins and losses.

2 When we were alerted by a member of  
3 the public, that he didn't think that was --  
4 this was happening, we actually went back and  
5 saw that it wasn't happening. But also went  
6 back and saw that in two public commission  
7 meetings in 2014, the Commission had talked  
8 about this. One tangentially, one more  
9 directly. And I think left staff with the  
10 impression that this provision was what I  
11 would call an opt-in provision. Someone would  
12 have to affirmatively request it, whereas, it  
13 appears that it is actually an opt-out  
14 provision, one can decline it.

15 Having said that, we gave -- staff,  
16 appears, gave Penn bad advice on this  
17 provision. We need to go back and fix that.  
18 We are working trying to figure out whether  
19 it's a regulatory fix, a policy fix. We just  
20 want to alert the Commission to that. And  
21 that we're going to work both with Penn, and  
22 as we do, often, with our Category 1  
23 licensees, because will have a direct affect  
24 on them also.

1 CHAIRMAN CROSBY: Right.

2 MR. BEDROSIAN: I can't quite give  
3 you a timeline yet. So -- but I -- we will be  
4 diligent in trying to address this.

5 CHAIRMAN CROSBY: Right. And we  
6 credit this member of the public, who brought  
7 this to our attention. And we appreciate it.  
8 We just wanted to make it clear that everybody  
9 knows that we're on top of it, and we will  
10 figure this out well before we get into the  
11 big casinos, and as quickly as possibly for  
12 Plainville.

13 MR. BEDROSIAN: Commissioners, thank  
14 you. That is all I have.

15 CHAIRMAN CROSBY: Okay. Anything on  
16 Item 6? I'm taking off next week for IAGA,  
17 the International Association of Gaming  
18 Advisors, where actually there are four  
19 different conferences going on at the same  
20 time. I'm on two panels. One, a responsible  
21 games panel, and one a, what is technology  
22 change doing to the gaming business, which I  
23 will report on when I get back. that's going  
24 to be next Tuesday, I guess. Anybody else?

1 Commissioner Cameron's going too.

2 COMMISSIONER CAMERON: Yeah. I have  
3 a panel on illegal gambling, so that should be  
4 interesting. Conference last week, a  
5 technology panel as well, I served on. And it  
6 was really, because this world is changing,  
7 how are regulators staying up with it? And I  
8 actually was pleased that we had addressed  
9 many of the issues that the industry was  
10 looking for us to address. Being nimble,  
11 listening to the newest ideas, not having a  
12 long process to change a regulatory -- whether  
13 it be a regulation or a policy. CMS does some  
14 work that they were interested in. So I think  
15 we're in good shape when it comes to keeping  
16 up with technology.

17 So I think -- there was also an  
18 interesting presentation on racing. I know  
19 The Stronach Group does successfully. In  
20 fact, we had a dinner at their facility. It's  
21 a beautiful facility. They do manage  
22 racetracks successfully. So we do have a call  
23 in our efforts to just gain as much as  
24 information as we can. The executive

1 director, I believe, expecting a meeting,  
2 correct, to --

3 MR. BEDROSIAN: A call. Yep. They  
4 contacted me and -- yep.

5 COMMISSIONER CAMERON: To update  
6 on -- yep. So just in an effort to keep on  
7 what's happening with racing and if there's  
8 anything --

9 CHAIRMAN CROSBY: Whether there are  
10 any options out there that we might consider,  
11 if and when we get the authority?

12 COMMISSIONER CAMERON: Correct. So  
13 we're doing our due diligence there. And  
14 that's all I have, Mr. Chair.

15 CHAIRMAN CROSBY: Anybody else?

16 COMMISSIONER ZUNIGA: No. You just  
17 missed a good tour this morning. The reset of  
18 us went on a great -- there's tremendous  
19 progress going on. You can see it from the  
20 street. But when you walk through it you can  
21 get a sense now of the space. It's quite  
22 interesting. There's a lot of progress in  
23 most areas. You know, they have a lot of  
24 moving pieces. But it's good to be here and

1 see all that progress.

2 CHAIRMAN CROSBY: Yep.

3 COMMISSIONER MACDONALD: You know,  
4 and that's where one of the things that I was  
5 impressed by, you know, on the tour, is, in  
6 fact, the openness of the facility to the  
7 street. And that there will be access to  
8 restaurants along, you know, Main Street. I  
9 guess you don't call it food court anymore  
10 because that's lower class, but it's --

11 COMMISSIONER ZUNIGA: Marketplace.  
12 Marketplace.

13 COMMISSIONER MACDONALD: That it's  
14 over in the corner by the justice center and  
15 so all the courts are all around. I think  
16 that's going to be a hotspot during the week  
17 for the local legal community and the defense  
18 lawyers.

19 CHAIRMAN CROSBY: Great. That's  
20 right, because that's right across the street  
21 from the courthouse, right?

22 COMMISSIONER MACDONALD: Yeah. It's  
23 literally right across the street. It's an  
24 exciting idea. I think the whole openness of

1 the facility, once you see it up, really  
2 manifests the distinctive design that went  
3 into this. Of course, I wasn't a member of  
4 the Commission at the time that you all  
5 approved it, but I know that was one of the  
6 distinguishing things --

7 MR. MOORE: The selling features.

8 COMMISSIONER MACDONALD: And it's  
9 coming -- it's becoming a reality.

10 CHAIRMAN CROSBY: Yeah, it's great.  
11 Okay. Motion to adjourn?

12 COMMISSIONER MACDONALD: So moved.

13 CHAIRMAN CROSBY: Second?

14 COMMISSIONER CAMERON: Second.

15 CHAIRMAN CROSBY: All in favor?

16 Aye.

17 MR. MACDONALD: Aye.

18 COMMISSIONER STEBBINS: Aye.

19 COMMISSIONER CAMERON: Aye.

20 COMMISSIONER ZUNIGA: Aye.

21 CHAIRMAN CROSBY: We are adjourned.

22

23 (Proceeding concluded at 4:10 p.m.)

24

1 GUEST SPEAKERS:  
2 Seth Stratton, Vice President, General Counsel,  
3 MGM Springfield  
4 Courtney Wenleder, Vice President, Chief  
5 Financial, MGM Springfield  
6 Brian Packer, Vice President of Construction and  
7 Development, MGM Springfield  
8 Marikate Murren, Vice President of Workforce  
9 Development, MGM Resorts International  
10 Jeffrey Hayden, Holyoke Community College  
11 Christina Royal, PhD, Holyoke Community College  
12 John Cook, PhD, Springfield Technical Community  
13 College  
14 Mike Mathis, President MGM Springfield  
15 Hilary Muckleroy, Esq., MGM Resorts International  
16 Richard Devine, Director of Employment and  
17 Community Outreach, Hampden County Sheriff's  
18 Department  
19 Chris Judd, Director, ROCA  
20 Jeremiah Riordon, Vice President Workforce  
21 Training and Development, Springfield Technical  
22 Community College  
23 Robert Carroll, Michael & Carroll  
24 Mayor Domenic J. Sarno, City of Springfield



1 Jafet Robles

2 Daniel Almadovar

3

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5 MASSACHUSETTS GAMING COMMISSION:

6 Catherine Blue, General Counsel

7 Edward Bedrosian, Executive Director

8 Alex Lightbown, Director and Chief Veterinarian,

9 Racing Division

10 Jill Griffin, Director of Workforce, Diversity

11 Supplier Development

12 John Ziemba, Ombudsman

13 Loretta Lillios, Deputy Director, IEB

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C E R T I F I C A T E

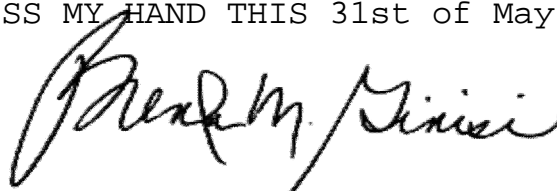
I, Brenda M. Ginisi, Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Brenda M. Ginisi, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive of Transcript Format.

I, Brenda M. Ginisi, further certify that 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.

WITNESS MY HAND THIS 31st of May 2017.



BRENDA M. GINISI

My Commission expires:

Notary Public

June 18, 2021