MGM SPRINGFIELD

Procurement Diversity and Local Business Plan

March 15, 2018

Massachusetts Gaming Commission
Plan Components

- Diversity & Local Spend Goals
- Project Team
- The Local Procurement Team
- Community Outreach Plan
- Advertising Plan
- Outreach Events & Activities
- Supplier/Vendor Meetings & Site Visits
- Timeline
- Sample Reporting & Tracking
Diversity & Local Spend Goals

MGM Springfield is committed to utilizing Best Efforts to ensure the following goals are met in providing opportunities for diverse and local companies:

Diversity Goals:

<table>
<thead>
<tr>
<th>Diversity Classification</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women Owned Business (WBE)</td>
<td>15%</td>
</tr>
<tr>
<td>Minority Owned Business (MBE)</td>
<td>10%</td>
</tr>
<tr>
<td>Veteran Owned Business (VBE)</td>
<td>2%</td>
</tr>
</tbody>
</table>

Local Spend Goals:

MGM will exercise its best efforts to ensure that at least Fifty Million Dollars ($50,000,000) of its annual goods and services are prioritized for local procurement, meaning principally Springfield, but including the surrounding Greater Springfield Area, meaning Hampden, Hampshire, Franklin and Berkshire Counties. Such local businesses shall not be guaranteed any awards but shall be given preferential consideration if all other aspects of the respective bid responses are competitive with non-local businesses.
Project Team – Roles & Responsibilities

**Steering Committee**
- Mike Mathis
- Alex Dixon
- Courtney Wenleder
- Seth Stratton
- Stacey Taylor

**Project Team**
- Ryan Geary
- Chelan Brown
- Kenyatta Lewis
- Jack Stone
- Mohamad Reda Bajah

**Functional Leaders**
- Jeffery Lynes
- Eddie Estrella
- Daphne Sligh
- Adi Bhardwaj
- Dalen Madina
- Davis Talley

**Roles & Responsibilities**
- **Steering Committee**
  - Offer feedback on Diversity reporting and strategy
  - Review Diversity reports prior to distribution
  - Help guide outreach strategy to meet HCA commitments
  - Assist with risk mitigation as necessary

- **Project Team**
  - Develop and drive Diversity strategy
  - Compile and distribute diversity reports
  - Make award decisions
  - Escalate risks to Steering Committee

- **Functional Leaders**
  - Conduct targeted vendor outreach
  - Issue RFPs / solicit bids
  - Document best efforts
  - Issue project awards
  - Escalate award decisions to Project Team
Meet The Team…
The Local Procurement Team is now onboard and being deployed in the local market. Their main focus is to drive local supplier identification and outreach in order to support upcoming bid opportunities.

Ryan Geary
Operations Controller

Jeffrey Lynes
Manager
Strategic Sourcing

Eddie Estrella
Assistant Manager
Strategic Sourcing

Chelan Brown
Assistant Manager
Procurement Operations
Overview:

• Enhanced Outreach Plan to be coordinated by the local procurement team members with quarterly participation by corporate procurement.

• Outreach events will also be coordinated in partnership with local chambers of commerce and other business development entities.

• Outreach activities and success stories will be reported out as part of MGM’s on-going reporting to MGC.
MGM launched a formal advertising campaign in March aimed at helping the local business community become more aware of upcoming procurement opportunities and how to register with MGM.

Targeted Outlets:
- Local Newspapers
- Local Radio Stations

Upcoming opportunities are also being distributed via our local business development network.
On-Going Monthly Outreach Activities

The local procurement team will coordinate on-going outreach activities including the following:

- Attend meetings with local chambers, community lenders, Vendor Advisory Task Force, and other business development groups as needed

- On-going local advertising campaign

- Feature procurement information in MGM Newsletter to be distributed to the business community and will include information on present & upcoming procurement opportunities, and local & diverse success stories

- Conduct meetings and site visits with local businesses

- Attend procurement opportunities information sessions

- Other outreach events as appropriate
Community Partners Network (Business Development Team)

CPN Objectives:
The MGM Local Procurement Team and the CPN Business Development Team will meet once a month and work with local business development partners to conduct the following:

- Awareness/Education on the MGM Procurement Process and Timeline
- Networking and engagement opportunities for business development entities and local/diverse businesses
- Assistance in capacity building and technical assistance for local/diverse businesses
- Local Business Mentorship Program

CPN invited Entities include:
- Springfield Regional Chamber of Commerce
- Latino Chamber of Commerce
- Minority Business Alliance
- NAACP Business Development Committee
- MGC Vendor Advisory Task Force
- West of the River Chamber of Commerce
- Hispanic American Institute
- African American Business Development Network
- Others as identified
Individual Meetings with Businesses:

The local procurement team has begun meeting and visiting with local and diverse businesses in order to better understand what is available in the market and connect local suppliers with procurement opportunities. These meetings generally cover the following:

• Introductions of the local procurement team members

• Team members share the procurement process, timeline, upcoming opportunities and answer any questions that businesses may have about the process

• An overview of the diversity certification process (if applicable) and MGC registration is discussed

• Capacity challenges and referral to CPN partners to assist business in addressing challenges
Visiting with Local and Diverse Businesses

Site Visits:
In addition to meeting with local and diverse businesses on site, the local procurement team is now being deployed off site to visit the establishments of local and diverse businesses in the area.
Visiting with Local and Diverse Businesses

MGC Vendor Advisory Task Force
December
- Deep Dive on HCA Requirements (Complete)
- Gather information on current Construction outreach and reporting (Complete)

January
- Develop Operations Diversity Strategy (Complete)
- Develop OSE reporting standards (Complete)
- Develop Operations reporting standards (Complete)
- Perform Diversity Gap Analysis (Complete)
- Continue Targeted Supplier Outreach (In Progress)
- Enhance Diversity/Local Program (In Progress)

February
- Continue Targeted Supplier Outreach (In Progress)
- Enhance Diversity/Local Program (In Progress)

March
- Submit Procurement Plan to MGC (Complete)
- Enhance Marketing Campaign (Complete)

April
- Conduct Monthly Community Outreach Events
- Conduct Monthly Vendor Meetings and Site Visits
- Attend Community Events

May

June

July

August
Sample Reporting & Tracking
Sample Reporting & Tracking

Objective:
As part of MGM's Procurement Diversity and Local Spend Plan, the company intends to use the following sample reports and metrics to identify opportunities/gaps, and create additional strategies to advance the goals set forth in our RFA/HCA.
Outreach Events

Global Procurement Quarterly Visit to Springfield: March 5-9, 2018

The local procurement team partnered with corporate procurement to attend and present at scheduled outreach events including:

March 6th:
West of the River Chamber of Commerce Business Members Network
Mayors of Agawam and West Springfield attending

March 5th:
Procurement Info. Night w/Minority Business Alliance (MBA)

March 5th:
MGC Regional Commercial Lenders Network

March 5th:
MGC Vendor Advisory Task Force Meeting

* Throughout the week:
Team members visited local businesses
## Dashboard - Local/Diverse Outreach

### OSE:

<table>
<thead>
<tr>
<th>Ref</th>
<th>Company</th>
<th>Location</th>
<th>Diversity Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>DiLaura Naturals Personal Care Products</td>
<td>Springfield, Ma.</td>
<td>WBE</td>
</tr>
<tr>
<td>2</td>
<td>Pop’s Biscotti &amp; Chocolates</td>
<td>Wilbraham, Ma.</td>
<td>WBE</td>
</tr>
<tr>
<td>3</td>
<td>First Light Trading Company</td>
<td>Framingham, Ma.</td>
<td>MBE</td>
</tr>
<tr>
<td>4</td>
<td>Kittredge Equipment Co.</td>
<td>Agawam, Ma.</td>
<td>WBE</td>
</tr>
<tr>
<td>5</td>
<td>C&amp;D Electronics</td>
<td>Holyoke, Ma.</td>
<td>M/WBE</td>
</tr>
</tbody>
</table>

### Professional Services:

<table>
<thead>
<tr>
<th>Ref</th>
<th>Company</th>
<th>Location</th>
<th>Diversity Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>TSM Design</td>
<td>Springfield, Ma.</td>
<td>WBE</td>
</tr>
<tr>
<td>2</td>
<td>White Glove Cleaning Services &amp; Supplies</td>
<td>Springfield, Ma.</td>
<td>MBE</td>
</tr>
</tbody>
</table>
MGM Springfield has made a total of $26.6M in operational payments during the pre-opening phase. 65% of all payments have been made to companies in the Commonwealth.
Dashboard - Diversity Spend

<table>
<thead>
<tr>
<th>Group</th>
<th>Payments</th>
<th>Project Goal</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>WBE</td>
<td>-</td>
<td>15%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MBE</td>
<td>-</td>
<td>10%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>VBE</td>
<td>-</td>
<td>2%</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
Dashboard – Local Payments

Local Payments
Pre-Opening Period (Millions)

<table>
<thead>
<tr>
<th>Group</th>
<th>Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth</td>
<td>-</td>
</tr>
<tr>
<td>Western MA</td>
<td>-</td>
</tr>
<tr>
<td>Surrounding Communities</td>
<td>-</td>
</tr>
<tr>
<td>Springfield</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
</tr>
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