

MASSACHUSETTS GAMING COMMISSION
MEETING
NOVEMBER 21, 2019
10:00 A.M.

CONFIDENTIAL
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P R O C E E D I N G S

>> CHAIR JUDD-STEIN: Good morning. Calling to order Commission meeting 282 of the Massachusetts Gaming Commission on Thursday, November 21st, 2019, at 10:00 a.m. at our offices here at 101 Federal Street in Boston. We will start with item 2, Commissioner Stebbins, approval of our minutes.

>> COMMISSIONER STEBBINS: Sure. Thank you, Madam Chair. In your packet you have the meeting minutes from the November 7th meeting down in Plainville. I would move their approval, again, always subject to any immaterial corrections or typographical errors.

>> CHAIR JUDD-STEIN: Any edits?
Questions?

>> COMMISSIONER CAMERON: I'll second.

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

[Vote taken]

All those opposed?

5-0, Todd. Thank you.

Moving on to item number 3, our administrative update, executive director Bedrosian, please. Thanks.

>> MR. BEDROSIAN: Great. Good morning, Commissioners. I have a number of items for you. First I want to tell you about some recent meetings that have happened since our last open meeting which both staff and Commissioners attended. So I'll just give the highlights. Then if Commissioners want to fill them in later, they can. The GPAC, gaming policy Advisory Committee, met Tuesday, November 12th, up at the state house. Among the items they discussed was a sports gambling update from our own associate General Counsel Justin Stempek, status of Region C and racing was also done. And John did an update on a Community Mitigation Fund, John Ziemba, our ombudsman, and the Chair was there, and she can say a little more later if she thinks that was not enough.

We also had another meeting of the public health trust fund executive committee

which was literally in this space right here. And that was this past Monday at 2:00. They received the same presentation that you received previously on the Boston Chinatown study. They also got a gap analysis on gaming treatment services gap analysis from the folks at Cambridge Health Alliance, and they had a DPH communications campaign presentation, and they have some standing items that they address at all their meetings. And I know a couple Commissioners, one was on and one was in attendance.

In addition, both Region B and Region A local community mitigation meetings happened this past Tuesday and Wednesday. Commissioner Stebbins was present. A lot of our staff was present. The Region B was out in Pioneer Valley Planning Commission out in Springfield, and the Region A was here. I attended a bit of the Region A. I would say there were some very robust discussions about the guidelines for next year, but I don't want to steal John and Joe's thunder for the next meeting in front of the Commission or Commissioner Stebbins' thunder, but those were meetings that have happened since our subcommittee meetings that happened.

So other things that have happened, last Friday, the 15th, as we do every 15th, we published the gross gaming revenue for the previous month. I've been reminded that I still owe you -- and I will work with John Ziemba on this -- a letter to the legislature just reminding them both about our bill for racing and the statutory deadline now. So I will get that done. I apologize, but I've been reminded about that, and I will get that done.

Let's see. Next week, because of the holidays, I think we may move agenda setting from Wednesday morning to Tuesday afternoon, if that works for everyone and get that done. We'll also lose some people preparing for the public meeting afterwards, and it gives a little more what I call runway. So I think we're good, and we will obviously post that in compliance with the open meeting law. Okay.

Speaking of next week, next week is the last week of harness racing at Plainridge Park Casino. And they will be racing -- they actually race today, tomorrow, and then next week they'll be racing Monday, Wednesday and Friday. And a little bit of trivia, next week is the only Wednesday race of the season. Obviously, because of the holiday. But it's the only race of the season.

>> COMMISSIONER CAMERON: Excuse me. You gave us the answer, though.

>> MR. BEDROSIAN: Okay. I have another trivia question for you that I will do later on.

>> COMMISSIONER CAMERON: Okay.

>> MR. BEDROSIAN: Okay. All right. So, you know, I want to thank our staff. We have a really dedicated seasonal staff, and those folks, you know, if you look at the racing schedule, it starts in April, 4:00 races, this number of days. It transitions later in the year to 2:00 races. Sometimes they're on Sundays. Sometimes they're -- so we have an incredible seasonal staff and full-time staff who work, you know, in snow, in rain and mud and all sorts of -- all sorts of weather and conditions and do just a great job. So we are very, very fortunate for that. So just big shout-out to them, and thank you very much.

So, okay. Speaking of trivia, tomorrow is what?

>> COMMISSIONER CAMERON: Tomorrow. What about Friday?
Tomorrow is --

>> MR. BEDROSIAN: Eight years ago tomorrow.

>> COMMISSIONER CAMERON: Oh. The law was passed.

>> CHAIR JUDD-STEIN: The gaming act was passed.

>> MR. BEDROSIAN: There you go.

>> COMMISSIONER CAMERON: Eight years ago tomorrow. Damn, we should have had that.

>> MR. BEDROSIAN: But, of course, because of our ethics rules, I have no prize. No prize.

>> CHAIR JUDD-STEIN: No prize.

>> MR. BEDROSIAN: No prize. So that is it.

>> COMMISSIONER STEBBINS: Just a quick question on one of your notes, the racing letter that you mentioned. You know, we should give some thought to -- and I thought we had talked about maybe having it on the agenda for the next meeting and being a letter that the five of us --

>> MR. BEDROSIAN: Sure.

>> COMMISSIONER STEBBINS: -- can sign off on.

>> MR. BEDROSIAN: Yep.

>> COMMISSIONER STEBBINS: Not that your signature doesn't carry a lot of weight.

>> MR. BEDROSIAN: Only on a check.

>> COMMISSIONER STEBBINS: But I think it helps remind folks how closely we're watching this.

>> MR. BEDROSIAN: Absolutely. Yeah, we'll get one we can put in the packet for the next meeting. I think it's still timely enough if we get it done by the next meeting, I'll be fine.

>> CHAIR JUDD-STEIN: I think beginning of December with the reminder of the deadline would be helpful, yeah.

>> MR. BEDROSIAN: That is all unless anyone has any other questions.

>> COMMISSIONER CAMERON: No. Thank you.

>> MR. BEDROSIAN: Thank you.

>> COMMISSIONER ZUNIGA: Thank you.

>> CHAIR JUDD-STEIN: So moving on now to item number 4. We have Mr. Delaney today, our construction overnight project manager leading the Ombudsman's report. We're just flipping our agenda a little bit. Folks from Encore Boston Harbor are here, and MGM will follow once they arrive. Hopefully safely. A little bit of black ice today.

>> MR. DELANEY: Thank you, Commissioners. I'm pinch-hitting for John Ziemba today. He sends his apologies for not being able to be here. We have two items on the agenda. The MGM Springfield and the Encore Boston Harbor third quarter reports. So first up is Encore Boston Harbor's quarterly report. This is their first report now dealing solely with operations. So a little new format for this report from what you've seen in the past, which dealt mostly with construction. We have with us today Brian Gullbrants, President of Encore Boston Harbor, Jacqui Krum, Senior Vice President and General Counsel, and Eric Krause, Senior Vice President for Communications and Public Affairs.

For this report, there was certain information regarding vendor spend that wasn't

available when we went to press for the packets. So Encore will be providing us with some supplementary information regarding vendor spend. There will be some discussion about it today, but we'll get that and present that at a later meeting. So at this point I'll turn it over to Brian and the Encore team for their presentation.

>> CHAIR JUDD-STEIN: And Brian, before we get started, we want to welcome you. Congratulations on your new position. This is your first time here as President, so congratulations from -- I think I can say from all of us and also Eric, welcome. We thank you and look forward to your continuing reporting in terms of the quarterly reports, they're always very, very helpful, and continuing a very healthy regulatory relationship, so thank you.

>> MR. GULLBRANTS: Thank you very much.

>> MS. KRUM: Thank you. And if I could just ask Brian and Eric to introduce themselves and give a little bit of their background information as this is the first time that they're appearing in this context.

>> MR. GULLBRANTS: Thanks, Jacqui. Chair and Commissioners, good morning and thank you for allowing us to be here. And thank you for greeting me. And thank you for welcoming me. Just a little bit of background. I've been on this project, whether you're aware or not, since we broke ground. I've been here for a little over 2 1/2 years. My original role here was to oversee operations. So I came in as Executive Vice President of operations. I've been with the company 11 1/2 years, so 9 years in Wynn and Encore in Las Vegas running nongaming hotel operations there, resort operations. And four weeks in the job, and we've got our hands full. So we've got quite a bit to do, and we're going to report today on some of the changes that we're making and the direction that we're taking and looking forward to working with you and making sure that everything's in line the way it should be. So thank you very much. And I'll turn it over.

>> MR. KRAUS: Thank you, Brian, and thank you for the warm welcome, Chair and the Commission. I'm Eric Krause. I do not have the illustrious tenure at the company as Brian. I'm two weeks old. And -- but I've been in the Boston community for quite some time. I started my career as a reporter at the Boston Herald and I was chief communications officer for the Gillette company. And then I left. I took Tyco Healthcare public and then was Chief Communication Officer for both Bacardi in Hamilton, Bermuda, and then back here in Massachusetts for Clean Harbors before joining Encore Boston Harbor. I was Chairman of the Board of Selectmen for six years in Walpole, Massachusetts, where my wife and I still reside. I am absolutely thrilled to join Encore and help progress what we're trying to do both internally, but most importantly, externally and continue to work with the communities, continue to work with the municipalities, and then obviously with Jacqui, with all bodies that are external. So I'm thrilled, and thank you for having us today.

>> COMMISSIONER STEBBINS: Welcome.

>> COMMISSIONER ZUNIGA: Welcome.

>> MR. GULLBRANTS: So we are going to start with the gaming revenue and taxes. I know you've already reported out, and we've reported out publicly. Just to kind of run you through where we've been and where we are and where we're going. We successfully opened our facility back on June 23rd. We're now focused on stabilizing our operations and really refining and growing our business. As you can see, \$48

million, \$52 million, \$48 million our gaming revenues, pricing a little over \$41 million in Massachusetts state taxes. We are at this point really growing our business, and I mentioned some changes. We've had some changes in leadership, some changes in marketing leadership. We've added Eric to the team. We added Jenny Holliday recently to the team. And we're really listening to our customers right now. It's about making sure that the customers in Boston and in the local areas enjoy our place and feel comfortable in our place. And a lot of the initial barriers that we set up are being taken down. And let me speak to some of those.

We thought we could charge for parking here in Boston, and we were wrong. We have now made self-parking free-for-all guests, 24/7. We thought we could charge for some of the transportation like boats and premium buses. We were wrong. And we're now making those complimentary or at a very low price. We've also looked at our floor, our casino floor, gaming floor and talk to our customers and listen to our customers. And our demand far outweighed our supply of tables when we opened, and we had \$50 minimums. And we were watching social and listening and responding and talking to customers. Now we have \$15 tables always. So we value everyone's money. So we want to make sure everybody has an opportunity to play.

We're also introducing new slot product to the floor. We're rearranging the slot floor to better meet the needs of the customers so they can traverse back and forth easier. But it's really about making sure that our F&B offerings, our room offerings, our nongaming amenities are meeting the needs of the customers. The last thing we want to do is be a Vegas casino in Boston. We want to be a Boston casino in Boston. We want to be Greater Boston's hometown casino. And we want everyone to come and feel welcome and feel like they can have a great time there, whether they're playing or not playing. Frankly, we have outstanding restaurants and nongaming amenities. You don't have to play to come visit us. And we'll talk about some of the events we've done that are nongaming related that have really, I think, exposed our facility to people that wouldn't normally come to our place. And you've all been out. You've seen the facility. It's actually a nice place to stay and a nice place to hang out, whether you play or not. Obviously, our focus is on gaming revenue as well. But we just wanted to make sure you understood that we are making every effort to grow our business.

Something that we also, I think, maybe fell short on when we opened, we launched our red card program, but it wasn't a tiered carded program. That really we figured out quickly it is a requirement. So we will be launching a tier card loyalty program January 1st that will give different levels of benefits to different levels of players and customers. And we believe that that along with some of the promotions and some of the different marketing, messaging that we're doing will help grow the revenues as well as help grow our business and be much more inclusive of everyone, not just the top 10%. We want everyone to come and have fun.

So with that, I would like to talk about lottery sales, unless there's any questions.

>> COMMISSIONER ZUNIGA: Yeah. Actually, Brian, just some revenues.

>> MR. GULLBRANTS: Of course.

>> COMMISSIONER ZUNIGA: A couple of things. I remember a prior presentation that a good early indicator was the rate of signing up into the Red Card. Are you still seeing some of those, you know, good rates in terms of, you know, what's the potential?

>> MR. GULLBRANTS: We are. Sign-ups are still in the thousands as each week

progresses. It has slowed since opening because a majority of the hoopla and excitement was right at the beginning. But as we launch our tier carded program, we'll also have a tiered match program so that customers that are at the silver level at some other facility will automatically be in the silver level at our facility. People that are in the top tier can come and be automatically brought into the top tier. And I think that will incent additional signups. We've also partnered with a lot of local agencies, facilities. We've partnered with the New England Patriots. We have partnered with the Wang Theater. We have facilities now secured at Fenway, T.D. Garden, Gillette, the Wang, making sure that we're meeting all the right people and introducing different groups of people to our facility and our business. So we're going to continue to do everything we can to grow that number because that loyalty program does, in fact, drive the business for sure. Great question.

>> COMMISSIONER CAMERON: One of the other things we heard early on was, you know, kind of wanted to get the bugs out before you really marketed internationally. You didn't mention that. Is that something that will -- you'll start to do more frequently in the future?

>> MR. GULLBRANTS: Yes, absolutely. We have a very significant VIP business in our other facilities, and we have built this facility to take care of those customers. The few that we have brought in -- I don't want to say prematurely but on the early side of our business have been blown away. I do believe our staff is at the level they need to be now. And I do believe it's the right time to start bringing in our international customers and our higher-end customers. I hope that you all have the opportunity to come out. I haven't seen any of you recently, but at hoping. When you start with 4700 brand-new people that are all learning their jobs in a brand-new facility, it can be a little challenging. And for some of us it was quite challenging. We are now at a place where we've stabilized and are continuing to refine now, and I think we're at that place where we can start bringing in international clientele. But great question. And yes, it will definitely impact our business.

>> COMMISSIONER CAMERON: Great. Thank you.

>> COMMISSIONER STEBBINS: I appreciated the context of your theme about listening to the customer, how it is driving some pretty proactive changes. I would just suggest, you know, some of the changes you made to parking and transportation, I think, understanding the marketplace or at least expectation in the marketplace, when you opened, but I also think some of those things that you were doing were also driving people to get out of their car and look at the additional modes of transportation to be able to access the casino without driving their car solely. So as you made those changes, I think it's great and I think it's timely because people have gotten somewhat accustomed to getting to Encore Boston Harbor through some of the other transportation options.

>> MR. GULLBRANTS: They've all figured it out. And we're going to help the ones that haven't figured it out yet figure it out. And I think by lowering those barriers, cost and price, people go, well, maybe I will jump on that boat if it's free.

>> COMMISSIONER STEBBINS: Yep. And it's an amazing arrival experience, so why wouldn't you?

You don't have to sit in any traffic.

>> COMMISSIONER STEBBINS: Right.

>> MR. GULLBRANTS: Any other questions on revenues?

>> CHAIR JUDD-STEIN: Could you just update us on the convention business? I know that there's -- when you had start-up, there were challenges of getting that in. Are you able to --

>> MR. GULLBRANTS: So the business is growing. Our prospects and definites are growing on the books. But we were slow at the beginning. This is a business that books 912, 18 months out. You don't decide you're going to have a meeting for 400 people tomorrow or next week or next month. Although there is some short-term business, it's usually smaller. The larger groups, the convention business has a much larger booking window, so we're really seeing great activity for '20 and '21, and that's starting to materialize now. And we're adding to the sales team. So it's important that we have all the horsepower we need in sales, says but we certainly have the facility. The team is doing an outstanding job. So we're really looking forward to that. On the short-term business, though, we have a great facility for catering and holiday parties. And that's just exploding right now. So really excited about the short-term opportunities, but to your point on convention, it's really a long-term play, and it's a 12 to 18-month booking window that we're working on right now.

>> MS. KRUM: We just had a beautiful wedding there this past weekend.

>> MR. GULLBRANTS: So social events and different things that are happening, and we'll touch upon some of that later in the presentation.

>> CHAIR JUDD-STEIN: Thank you.

>> MR. GULLBRANTS: Of course. With respect to the lottery sales, we started a little slow at 100,000, but in August, we went to 241,000. Now, that is with the addition of Keno that happened in August up at on-deck burger where we offer that. And then September, 186,000. And we continue to work with the state lottery to make sure that we're maximizing their sales and that we're refining the processes with Keno which we've made some adjustments there and making it easier for customers to see the numbers and we're displaying them now on very large TVs. So it's much easier to play, much easier to see the results, and we look forward to continuing that relationship.

>> MS. KRUM: And we've committed to a quarterly meeting with the lo theory to review the numbers, to see which machines are generating what profits and to make adjustments as necessary to continue to grow that business.

>> COMMISSIONER ZUNIGA: Great.

>> MS. KRUM: On the compliance side, we've put in a lot of initiatives since opening, designed to keep minors from entering the gaming floor. And if they do manage to sneak in, to prevent them from gaming and consuming alcohol. For example, since opening, we've added Stanchion so that our customers entering are made to go directly past the security guard. And we've given all of our security guards hand-held devices which they can use to identify verification. What we've discovered is the devices aren't wonderful, they're not terribly efficient or accurate. They tend to result actually in more false negatives. So what we're doing now is looking at whether we can hardwire the Veridocs that we can identify them right there.

Another initiative we're looking at implementing immediately is a number of our younger guests have -- or more youthful-looking guests have complained that they've been carded at multiple locations. And while we certainly want to encourage our cocktail servers and our dealers to card anyone who appears to be underage, we did

want to respect that these guests shouldn't be carded eight or nine times in an evening. So what we've implemented now is a system where they can go to a central location, show their identification, get it verified, says get a hand stamp, and that hand stamp will demonstrate to whoever else comes into contact with them that they are permitted to be within the gaming floor.

>> COMMISSIONER O'BRIEN: Jacqui, in terms of the minors intercepted gaming, do you have the shortest time period/long either time period median in terms of the time that they were gaming?

>> MS. KRUM: Yeah, we've been tracking all of that and working very closely with the GEU. Most of them are very short term, frankly. We're catching them fairly quickly. It's obviously easier at the tables than it is at the slot opinions. So we're working on trying to get what we call the rovers. We have rovers in every quadrant of the casino who are going through those slot machine areas to try to intercept anyone who may have got past our security.

>> COMMISSIONER O'BRIEN: Do you know what the actual numbers are, though?

>> MS. KRUM: I don't but I can get that to you.

>> COMMISSIONER STEBBINS: Out of that 41 you just talked about, the breakdown between people you're catching at the table and people you're catching at a machine, we would hope, you know, there's more that are sliding in somewhere on the slot machine floor and not actually facing a person standing behind the table. So out of that 41, do you have a sense of folks that you caught at a machine and folks that you caught at a table?

>> MS. KRUM: We do have a full breakdown of all of that information which I will supplement this filing with. We'll get that to you this week.

>> COMMISSIONER STEBBINS: Okay. Thank you.

>> COMMISSIONER CAMERON: You may not know the answer to this question either. I'm looking at the five minors that did consume alcohol.

>> MS. KRUM: Yeah.

>> COMMISSIONER CAMERON: And if that was a fictitious ID or did they just not get carded?

>> MS. KRUM: So on these ones, these were people who did not get carded. So what we've told our staff is -- what we're trying to encourage our employees to do is to look at an ID, try to verify it through our Veridocs machine. To the extent that they do actually check the identification, we're trying to not penalize them. If they do not check the identification. Or if it's blatantly false, then they are -- then they are subject to discipline.

>> MR. GULLBRANTS: But to your point on false -- fake IDs, it is an issue, obviously, and I know the nightclub deals with that as well. They're probably the biggest target of that. And it's something that with the right technology, you're a bit better off. So we are looking at different technology as well.

>> COMMISSIONER CAMERON: Great.

>> CHAIR JUDD-STEIN: So going forward, Joe, perhaps you can work with Jacqui to make sure we have those segmented metrics because that's an important part of the discussion. Thanks.

>> MS. KRUM: Okay. So on the operating spend, unfortunately we owe you more information on this, too. We are short one procurement person. So unfortunately we

weren't able to compile the data in the format that I know Joe and Jill have asked us to do. So we are working very diligently on this. We started with a number of companies that we already had contracts with in Las Vegas to maintain sort of the brand image, the brand consistency. So we're looking at those contracts to see what we can pull out and do locally and what needs to have that -- the Wynn-branded consistency.

So here's just a few examples of some of the local and minority and women-owned businesses that we have been working with. These were sourced locally through our procurement team here. And we've entered into long-term contracts with each of these companies.

>> COMMISSIONER STEBBINS: Jacqui, I had a chance, I think, to meet the folks from DPV transportation. This is obviously a business relationship that's really transforming their company, and they were extremely excited about the business opportunity. But at the same time, nervous, but at the same time I know Director Griffin actually worked with them and your spending team to get some payment issues worked out.

>> MS. KRUM: Right. And we're continuing to work with them to make sure that it's sustainable for them as well.

>> COMMISSIONER STEBBINS: Good. Thank you.

>> MR. GULLBRANTS: May I comment on DPV real quick?

These two guys are fantastic. Minority owners have really done a great job for us, partnered with us as well. We didn't see ridership coming from certain locations. They were quick to respond. And we said let's go to Patriot Place and see what we can do there. They've gone down there. Let's go to this other location and they've reassigned equipment, redone their operations. They've really been a joy to work with, and they're great partners. So I'm glad you brought them up because they're two really -- and they're young guys. Nothing wrong with being a young guy. But they're doing great, and we look forward to a long-lasting partnership with them. They're great.

>> COMMISSIONER STEBBINS: That's great to hear. Thank you.

>> MS. KRUM: To on the employment side, we, as of November 12th, had 4,674 employees, and we're continuing to hire. So far this month we had over 15 new employees go through our two-day orientation including Eric. So he can give a blow-by-blow of that orientation. As of this morning, we had 68 open job postings in hotel, food and beverage, retail, marketing, customer service and sales. So we're continuing to recruit and to hire. We also, of course, have our tenants in the building. We've got Big Night Entertainment that run Mystique and Memoir, Fratelli and Dunkin' Donuts and each of them have their own employees so that's another few hundred employees from those tenants.

In terms of the minority, veteran and women and local breakdown. We're very pleased to report on the minority side, we had a goal of 40%, and we're actually at 54%. On veterans, we're meeting our goal at 3%. On women, we need to work a little bit harder and get up from 44% to 50%, and that is something that we are focused on. In terms of local hires, which is defined as within 30 miles of the casino, we're at 87% compared to our goal of 75%.

>> CHAIR JUDD-STEIN: I'm sorry, Jacqui, I lost track. Did you -- did I hear you say that the goals, because of what you are expecting, did you just say them? I missed the goal.

>> MS. KRUM: Sure. So on the minorities, we had a goal of 40%.

>> CHAIR JUDD-STEIN: 40. I couldn't hear that. I'm sorry. Uh-huh.

>> MS. KRUM: Veteran was 3%.

>> CHAIR JUDD-STEIN: 3, okay.

>> MS. KRUM: Women was 50. And local, 75.

>> COMMISSIONER STEBBINS: Jacqui, you may not be able to answer this because it's probably on the HR side of the house, but it's timely because as we think about workforce pilot training programs and the next round of Community Mitigation Funds, are there challenges that keep coming up in terms of skills or training that you find good candidates?

>> MS. KRUM: So I think what's -- we do a lot of training in house, and we can train people who come from different industries from restaurants. A lot of our food and beverage are people who come from restaurants, not other hotels. I think the biggest challenge we're having is we're a 24-hour operation. And a lot of people aren't used to working the night shift. We are also pretty strict in terms of our work rules. So we have -- we expect people to show up. We expect them to show up in a timely manner. And if they don't, we have a progressive disciplinary process. And I think that given the unemployment rate in the current market and a lot of these employees have come from sort of more local restaurants, they weren't accustomed to the sort of rigidity -- rigor of our process. And so I think that's taken a lot of adjustment. We are starting to see that level out. And we're fairly pleased with our attrition rate right now. You know, we're in the 20s, the high 20s, attrition rate, which is less, frankly, than where we thought we'd be. And so our employees are definitely learning our system as well.

>> MR. GULLBRANTS: Yeah, you mentioned skill set. I would say we still would love to have more dealers. We are continuing with Cambridge College and our partnership and our dealer school. So that is one of those -- at least for the near future, we'll continue to do that until we feel like we are fully ramped up in the casino side. You're aware we've added tables because of demand. And so as we add tables, times three shifts, you need more staff. And so our business is really peaking on weekends, obviously, and evenings. So it's more difficult to staff everybody on two days, than have a more level playing field the rest of the time. So I think dealers will be one of those focuses we have for quite some time because there aren't a lot of Bostonians that have a tremendous amount of experience in dealing. So we're helping on that side and certainly recruiting from everywhere.

>> COMMISSIONER STEBBINS: And dealers need to be 21?

>> MR. GULLBRANTS: We are requiring 21, correct.

>> CHAIR JUDD-STEIN: And with respect to Cambridge College and Deborah Jackson is lovely as President. I'm wondering in terms of the pipeline, are they getting -- attracting the students that they need?

Is there any promotion, advertising issues for them?

And is it a positive pipeline for you?

In other words, are you able to hire a high percentage of their graduates?

>> MR. GULLBRANTS: Yeah, it's still an effective operation for us. Certainly we could always have more. And I don't have visibility to exactly the recruiting methods. So I can get back to you on that with more information.

>> CHAIR JUDD-STEIN: I'm just wondering, I want to make sure that the pipeline --

>> MR. GULLBRANTS: Of course.

>> CHAIR JUDD-STEIN: -- is healthy on both ends.

>> MS. KRUM: The pipeline has been very healthy. In fact, we've had a waiting list of people. So as we open up new programs, we send them out and let them know we're starting a new program. So we've been very, very pleased with the participation.

>> CHAIR JUDD-STEIN: And then in terms of the graduate, who you're able to hire.

>> MS. KRUM: Over 95%.

>> CHAIR JUDD-STEIN: 95%. And then in terms of scholarships, you're not finding a financial barrier so much in terms of the program?

>> MS. KRUM: We haven't -- we obviously gave out a lot of scholarships at the very beginning. We haven't heard any issues with scholarships.

>> CHAIR JUDD-STEIN: I'm turning to in terms of our community mitigation, too, that you're not hearing that financial barriers are keeping students out?

>> MR. DELANEY: I know that we are hearing that out in the western region. I'm not so much sure about the eastern region.

>> CHAIR JUDD-STEIN: Okay, great. Thank you. That's really helpful.

>> MS. KRUM: And just one more thing to add. So as we've sort of stabilized now that we've been open for a little bit, we've been able to implement our leadership programs. And so HR is rolling that out. So now we're able to take the managers who have been running at a million miles every day and actually give them the training that they need to be better managers and to grow in their positions, too. And I think one of the important things that we're focusing particularly on the diversity side is making sure that we get women and minorities through those leadership programs and into the higher roles that are available.

>> CHAIR JUDD-STEIN: I suspect that my fellow Commissioners will be asking for those numbers. So --

>> MS. KRUM: I suspect as well.

>> CHAIR JUDD-STEIN: Yes, yes.

>> COMMISSIONER CAMERON: Along those same lines, because you did such a very good job with the construction phase and incorporating women, have you identified any barriers to your overall hiring or specific jobs that women may need to be encouraged, you know, they can do those jobs, or have you -- I mean, that's an important step. I know you said you're working on that. But identifying barriers is a critical piece. I just wondered if you had any statistics on those things.

>> MS. KRUM: We have identified certain departments that have less women in those departments. And what we're trying to do, much like we did on the construction side, for example, what we call PAD which is our public area cleaning crew, anything outside of the rooms. So, you know, housekeepers, we have a large percentage of women, but we're not seeing those same candidates apply for our PAD positions. So what we're trying to do is if we don't have a housekeeping position available, we're trying to talk the candidates through what we do have available in PAD, hoping to transition them into a role which they wouldn't traditionally think that they may be able to handle.

The other department that we're working very closely with to make sure that we get more women in is our security department, which is a really large department. And Rich Prior, our director of security, has done a really great job in the last few months of

really identifying women that are -- meet the criteria to work within the security department or how we can adjust our criteria slightly so that we get people in who can be trained.

>> COMMISSIONER CAMERON: Thank you.

>> COMMISSIONER STEBBINS: Jacqui, again, kind of staying on this topic, any update on the day-care services?

>> MS. KRUM: Yes. So very good, yes. I know.

>> COMMISSIONER STEBBINS: Sorry. That came from Commissioner O'Brien through me.

>> MS. KRUM: Excellent news. We actually got our certificate of occupancy on the day-care center last week. We have moved in all the furniture. In fact, my assistant has spent the last two weeks at the day-care center helping them move the furniture in. So now they're going through their process of trying to get everything done on ABC -- ABCD -- ABC -- ABC on their end to make sure that they can get up and running first thing in the new year.

>> COMMISSIONER STEBBINS: Okay.

>> MS. KRUM: Moving on to marketing and entertainment. Brian, do you want to take us through this?

>> MR. GULLBRANTS: Sure. So we had July, August and September, quite a few different promotions and ramped them up sequentially. So July was really a launch of the Red Card program which is our current program that will morph into something different at the end of December, launching on the 1st of January, as I mentioned. That went out with a lot of free credit and got everybody excited and brought people in, and it's about trial and acquisition and making sure that customers can come and players can come and try us out.

In August and September, it started to become much more promotional, and we had our first car giveaway. It was a 2019 McLaren, which is a nice, fancy car, and a resident from Melrose actually won. You can see him in the bottom right corner very excited with his Fenway shirt on, winning a \$220,000 sports car, so he was very excited.

>> MS. KRUM: This is after he did a race back from Mike's Roast Beef. MGM this is hilarious. So you had to be present to win. A friend of him texts him and said hey, they just called you're name. You're the winner. And he says, nah. Another friend called him. He's running down Broadway from Mike's Roast Beef to get there just in time to claim the prize. So we were very excited to hold the car for him. All within the rules, yes.

>> CHAIR JUDD-STEIN: Doesn't he have the sandwich in his hand right there?

>> MS. KRUM: That would not be the sandwich. That's the prize.

>> MR. GULLBRANTS: I think he dropped the sandwich on the way back.

>> COMMISSIONER O'BRIEN: How much time did he have?

>> MS. KRUM: 15 minutes. That's quite a run.

>> CHAIR JUDD-STEIN: But I think it should be duly noted that he was taking advantage of a neighborhood enterprise for a sandwich.

>> MR. KRAUS: Part of the cottage industries.

>> MR. BAND: Many different promotions, but the car promotion so successful that we did a second one in October, also very successful with a Porsche. But we'll continue that on a regular cadence. We're really introducing quite a few additional

promotions and different things that we'll report out next month or next quarter, and you'll see this grow more and more to be more competitive in the market.

We also, if you turn the page, had a few concerts. And we started doing special events to really drive incremental traffic and introduce our facility to different customers. Tony Bennett, a true icon. He was phenomenal. Really did a great show. The show was sold out. We had invited guests there. They all came in and then scooted into the casino and had a great time. We changed the music that night in the casino, so it was a lot of fun. We had K.C. and the Sunshine Band. Yes, some of us still remember K.C. and the Sunshine Band. It was a great night for everyone. And then we had Earth, Wind & Fire when we kicked off things. We've had Paul Anka. We've had some Asian concerts. We had a Vietnamese and Taiwanese concert, making sure that everybody has something to enjoy. And bringing in different groups of people. So it's been a lot of fun.

We've learned that boxing is very popular here in Boston and the greater Boston area. We've had two Friday night fights, championship pro boxing. Both with Murphy's Boxing and both were very well attended. And the evening went very smoothly. We had extra security, and we had extra police detail just in case because everybody gets excited at a fight, and there's a certain activity going on in the middle of the room that might inspire people. We had no issues. Everybody was very civil and had a great time. But there was a lot of hooting and hollering, so it was a fun night.

The next page, a little different than fight night. We had our first high tea. This was really for the LGBTQ plus community, and the event was on a wonderful Saturday afternoon. As you can see by the pictures, it was beautiful weather and everything was still green and glowing. But we had a great reception. We had a couple thousand people show up. Not all with that community, but with residents, with customers that are just walking by, hearing the music and the deejays going. And it was a lot of fun. We all got to kind of go down, I hung out, and it was a really enjoyable afternoon. So much so that the LGBTQ plus community here in Boston wants to have additional events with us, and we're talking to them now about what we're going to do next to up it even more and make sure that we're in the right facility for all. So it was a lot of fun.

And I have to tell you a quick story. It's high tea, and that's what we billed it as. And about a half hour before the gates opened and before the opening, I saw six ladies, probably in their 50s or 60s, and they were beautifully dressed with beautiful tea hats and their pumps waiting. And I asked them if I could assist them, and they said, we're here for afternoon tea. And I explained, now, let me forward real quickly. An hour later, they were on the floor. They had the best afternoon tea and afternoon they've ever had. And it was really something that was to be seen and enjoyed by all. So it was a wonderful afternoon.

Mentioned briefly earlier that we have secured suites for all of our guests at Fenway, Gillette, T.D. Garden, the Wang and we're also very proud to announce our partnership with the New England Patriots. We are now the official hotel of the New England Patriots for several years to come. What a great organization, and have recently met with some of the other sporting associations and organizations here. Really making sure that we have the right strategic partnerships here in the community and that we reach out to all. But all of the venues have been very supportive and welcoming. So it's been great. And our guests are certainly enjoying all of our

winning teams.

Any questions on any of the promotions or any of the marketing that we're doing? You will see us come out more strongly with Boston's hometown casino. And, again, we want to be Boston's casino, not a Las Vegas casino in Boston. And we certainly welcome any input that you have as well. We want to make sure that this is a partnership, and we move forward and grow our business for the benefit of all. So thank you.

>> MS. KRUM: On our community relations, we engaged in a few cleanups. A cleanup of boys and girls club of Boston and Stone Zoo. And we also had about 110 participants in the 5K run that benefits disabled veterans. In other community highlights, we are proud to announce we are the gold winner of the Massachusetts economic impact award which we will be receiving on Monday. It was a pretty amazing competition. We went in and had to pitch -- there were about five other businesses from eastern Massachusetts in that room. And there were pharmaceutical companies that have developed drugs that are really saving lives. They were -- there was a company that can track every social media post. So in realtime, they track Twitter, Facebook, everything. And they're able to give a company realtime information about what's trending right now and how to respond to it. And there was sustainable farming projects. So pretty diverse group of companies that were participating in this. And we were really surprised and shocked and pleased to be the winner.

To date this year we've donated \$2.5 million to local charitable organizations. And our employees have volunteered 4200 hours. Our goal for this year is 5,000. And we're on track to getting there. I wanted to turn it over to Eric just briefly to talk about community relations going forward.

>> MR. KRAUS: Sure. Well, we have the four-year commitment of \$10 million. We're tracking well with a quarter of that in year one. I think what you're going to see from Encore Boston Harbor going forward is no matter how much we're going to give, it's never enough. And we want to probably transition of trying to do a lot that then you don't give as much and you don't have the impact with a single organization. So I think we're going to go from a shotgun approach to much more of a strategic focus in areas that are important not only in our host community in Everett but in greater Boston as well. So you'll see at least the commitment of our money remaining, but where we channel that will probably change, in some cases dramatically. Employee volunteer hours, we are committed to hitting the 5,000 threshold. And our employee base in all of the companies that I have worked in is probably stronger here than anywhere on being in the community. But we have ongoing meetings with Boston and the surrounding communities on what's important to them, and we're going to continue to do that. As you may know, we partnered with the Connors family office, and they have been terrific in identifying where we go. We have implemented a new committee internally that the three of us sit on. So any dollar going out needs our approval. And, hey, we're four months into this, and we're only going to refine it and get it better.

>> MS. KRUM: Great. So any questions for us?

>> CHAIR JUDD-STEIN: Questions?

>> COMMISSIONER ZUNIGA: Well, maybe just a comment. There's a lot of great signs and substance to the report today. Thank you. I would just -- I look forward to future updates, especially on the table game play. It's good to hear that you're reacting

quickly to what you perceive to be higher demand than anticipated. On table I know that carries a number of logistics, not just additional hiring, but, you know, in instances, there's slot moves and perhaps camera coverage. So it's really good to hear that you're responding quickly. As everybody knows, we do -- we will do research on patrons -- a patron survey and other things. And I'll be interested in seeing how much of that market is being recaptured money, you know, that's leaving the state, how much of it might be just the market dynamics that you're in because you're competing with other Massachusetts licensees, and how much is the overall market really growing, which is something that we're also interested in ascertaining. But thank you for the report.

>> MS. KRUM: Just on that, I'd like to say thank you to Bruce and Burke and Louis because we've been doing these changes almost constantly, and they have been unbelievable to work with. They've been responsive, they've been helpful. We couldn't thank them enough for being so prompt in their response.

>> COMMISSIONER STEBBINS: That's good to hear.

>> COMMISSIONER ZUNIGA: Good to hear.

>> COMMISSIONER CAMERON: Good to hear.

>> CHAIR JUDD-STEIN: I have a couple of questions. On employment, you know, thank you so much for the provision of both full-time and part-time. I know that you're going to get back to us on really looking at the minority breakdown and the goals a little bit further detail. But as you know, this is the measure of number of employees is an important one for the community. Right now the combination of full-time and part-time is 4,674. We know that you started with a high number of -- I think it was maybe, like, 5,800 for really your opening. Jacqui, you were here, I believe. I was not. When there was a submission for your application. Do you remember the number of what you anticipated for employee number?

>> MS. KRUM: Well, off the top of my head, Joe said he's got it right here. It was significantly lower in our application. I believe we were at 3,800. Joe, do you want to correct me?

>> MR. DELANEY: Yeah. The -- let me see if I can find it. John just sent this out to me yesterday. I think it was 4,300 and change was the number. It was in the RFA2.

>> MS. KRUM: Yes.

>> CHAIR JUDD-STEIN: And I think that's an important number to have on the record. And then secondly, I believe that you are keeping track of local taxes. I've seen one article. Again, I think that's a really important measure. We recognize our licensees as economic drivers. So do you have, off the top of your head, any numbers that you want to share, or could we at least plan on that coming in the future in terms of hotel and meal taxes?

>> MS. KRUM: So we actually had a meeting with the City of Everett on Tuesday. And we're working to get that information. They get it on a quarterly basis. We obviously know how much we've paid in but we're trying also not just to see what we paid in but what -- the impact on other businesses within the community. They did have one -- they only have one other hotel in Everett. It's the Envision Hotel, lovely hotel. And so we're trying to break it down and see are we helping Envision? Are we helping Mike's roast beef and some of the other restaurants, McDonald's down the street from us?

And so we will be able to report on that and give you that information as soon as we can amalgamate it all with the City of Everett.

>> CHAIR JUDD-STEIN: That would be a really helpful metric. Thank you.

>> COMMISSIONER STEBBINS: Yeah. I would echo that, you know, certainly it's something we've had a conversation with, you know, Mark Vander Linden and our research team about to look at some of those local trends and those local revenue sources, seeing what kind of impact we're having.

>> CHAIR JUDD-STEIN: Any other questions?

Thank you so much.

>> COMMISSIONER ZUNIGA: Thank you.

>> CHAIR JUDD-STEIN: Again, welcome. We knew you were already here in the Boston area. So we don't have to say welcome to the neighborhood. But thank you.

>> MR. GULLBRANTS: Thank you very much.

>> COMMISSIONER ZUNIGA: Thank you.

>> COMMISSIONER CAMERON: Thank you.

>> MR. DELANEY: So next up we have MGM Springfield. We're joined by Mike Mathis, President of MGM Springfield, and Mike has quite a crew with him. So I'll step aside here, and he can introduce his folks for their quarterly report.

>> CHAIR JUDD-STEIN: Don't go too far, Joe.

>> MR. DELANEY: No, I'll be right back.

>> COMMISSIONER STEBBINS: Good morning.

>> Good morning.

>> CHAIR JUDD-STEIN: Good morning, Mr. Mathis.

>> MR. MATHIS: Good morning.

>> CHAIR JUDD-STEIN: How was your trip?

Icy or not so icy?

>> MR. MATHIS: Not too bad.

>> CHAIR JUDD-STEIN: Good. Do you want to introduce your team, Mike?

>> MR. MATHIS: Good morning, Madam Chair, Commissioners.

>> COMMISSIONER ZUNIGA: Good morning.

>> MR. MATHIS: Michael Mathis with MGM Springfield. I think it might make sense to let them introduce themselves as they report out on their respective sections. And apologize for the delay and I want to thank the Encore folks for switching up the order. And congratulations to them for a great opening quarter.

It's interesting to hear some of their growing pains, their growing pains that I'm sure are familiar to you because we've reported on the same items. Obviously we had the benefit of a long history of regional operations. So we got ahead of some of those issues just by nature of those operations. But we're learning as well. So I wish them all the luck.

Do I have the clicker?

I do. So I think some of this we touched on last quarter because of the lag effect we're always in. We've got new information even as we're reporting on prior quarters. Just a refresher on our one-year anniversary. I think for us especially in this third quarter, the one-year anniversary is significant because we're lapping ourselves. And as we lap ourselves, we're able to really take a look at the things that we saw in the market in that month and the kinds of changes we made to track our progress against those prior

months. Still, you get a little bit of that opening effect from those first two or three months. So for us, I think the real -- the real year-over-year comparisons will become more meaningful the farther you get away from that new shiny toy opening impact that both us and Encore enjoyed in those first two or three months. But that's it.

Had a great one-year anniversary. We talked about it in the past. Celebrated not just the community but really our employees as well. And just to remind you, one of the great experiences, bottom right photo is our floor supervisor, Mike Davis, in table games. And he had worked the night before until about 4:00 a.m. He is part of a pool of 200 employees. We had made a commitment at our grand opening with our employees that anybody who had perfect attendance at the -- call it the supervisor and below level, the hourly level, would be entered into a pool to win a car. And incredibly, we had 200 individuals that qualified for the raffle. And Mike Davis who had worked until 4:00 a.m. the night before, his boss asked him to come out to volunteer to support the grand opening event. We were a little concerned he was going to tell us to pound sand having worked till 4:00 a.m. which would have been awkward. But he was a trouper. He came out and myself and Jim, our Chairman, awarded him a car. He's a Springfield resident as well. Really great story.

>> COMMISSIONER CAMERON: Good story.

>> MR. MATHIS: Just to highlight a few changes. We continue to tweak and evolve our program. The photo there is our stadium gaming, which we opened right around the anniversary. And it's been a huge success. I think one of the things that we've learned about the market is that you've got to provide different products for our high-frequency customer and give them an opportunity to engage with the product in a different way. With the stadium gaming does for us, a few things. One is it allows us to give them a lower table limit. You heard the Encore folks talking about dropping from 50 to 15. We had the same experience, dropping from 50 and 25 down to 15. We're plow getting ready to request for 10 and 5. And because of the stadium gaming, which is staffed by two dealers who are able to basically serve a 24-seat table if you think about it, we're able to provide a \$5 table limit because of the efficiencies on the labor. And they're able to play multiple games as well. So it's been a great product, very communal, and we continue to expand that, look at expanding those opportunities.

>> COMMISSIONER ZUNIGA: Mike, how is the market -- you know, your customers responding to that stadium gaming?

>> MR. MATHIS: Very well. It's -- it was tracking above, you know, we call it the house average on the machines. And we've got one more game that we've added to the four screens that are available. So, you know, it's always interesting about these machines as well is we track average bet. It's the perception of choice that people want. They want a \$5 minimum. But I think our average on those machines are somewhere in the \$15 per bet. So it's working quite well. It's been very profitable for us, and the customers love it.

>> COMMISSIONER ZUNIGA: Because they're really multitasking, right? They could switch between one game and another.

>> MR. MATHIS: That's right.

>> COMMISSIONER ZUNIGA: Rather quickly.

>> MR. MATHIS: That's right. So yeah, you're able to play Roulette and blackjack at the same time. And there's a customer that wants that opportunity.

>> COMMISSIONER ZUNIGA: That opportunity.

>> MR. MATHIS: This has been a really -- a great opportunity for us. We just this past weekend opened our VIP lounge off the hotel lobby. And in terms of lessons learned, we thought we could get away with not offering a VIP lounge. And our customers told us that they really wanted one. And we converted the old Starbucks base off the hotel, which was underperforming. We're trying to understand a little bit more why. We think a lot of it is location. But into this really beautiful space. And it really gives a chance for our VIP customers to get away from sort of the stimuli of the casino floor and to get some quiet space, especially with a family, their spouses, in a nice, beautiful space. And you can see it's done as well as we've done the rest of the property. And I think some of you have toured it. Very excited about it. We had a grand opening event for this this past weekend and had 600 or so VIP customers in that space and that spilled out into the lobby. But really great feedback -- most of it was directed at me and was, like, about time you gave us this. But great space.

>> COMMISSIONER STEBBINS: I had a chance to be in there the other day for your reception with officials from the surrounding communities. They were impressed. I was impressed. It looked great.

>> MR. MATHIS: Thank you.

>> COMMISSIONER ZUNIGA: It looks great. What are those things that appear to be hanging in that third picture, Mike, from the ceiling?

>> MR. MATHIS: Yeah. They're in keeping with the theme that is throughout our property and especially in our hotel lobby, they're hardbound books that have been opened up and displayed open and the pages have been curled over. It's a very neat installation and we've gotten a lot of comments about that, that particular chandelier.

>> COMMISSIONER STEBBINS: It looks like MGM is having a direct impact on the flea market.

>> MR. MATHIS: That's right. For sure. We will try to track that now that you mentioned it.

[Laughter]

And then, you know, some of the things that are under development. We had our groundbreaking about a month ago for Wahlburgers about a month and a half ago. Construction, permitting is under way with the city. That is a June/July planned opening. That was the last piece of our development on the campus, as you will recall. That will bring between 25 and 50 jobs based on the estimates we've received from the Wahlburger family. It's going to be their first on this side of the state. And I think part of what we're trying to do is obviously bridge the gap between western Mass and eastern Mass. And I think bringing a brand with the Wahlburger name out there, they want to be very active in promoting it. It's an important location for them. And I think they recently announced a Worcester location as well. So they are invested in trying to build a brand across the Commonwealth. We're excited to partner with them.

And then really, this is on the heels, I think, about two weeks ago, Madam Chair was out for an incredibly exciting announcement which is we are bringing the Red Sox Winter Weekend to Springfield. It's been with a Connecticut competitor who also had the Green Monster branding opportunity. When we took over the green monster as MGM, part of that agreement was to also bring winter weekend to Springfield. So Sam Kennedy, the President of the Red Sox, came out, brought the trophies and it's going to

be the third week of January. This is part of a long-term relationship. So tickets went on sale. I get periodic counts on how that event is selling. But they estimate it could be as many as 10,000 rabid Red Sox fans coming to downtown Springfield in the third week of January. Incredibly exciting. It is going to be a game changer for the region. And if you talk about economic impact, you know, that is more people than we can feed. Certainly more people than we can lodge. And the hotel blocks reach all the way out to Worcester. The restaurants are gearing up. We've met with our CVB to get ready for this group of folks to come out. It's a two, three-day experience. We're going to have a bunch of activation around it. Interestingly enough, that same weekend is also the Hoop Ball Classic which is one of the nation's top amateur high school basketball showcases. It happens to be the same weekend. It's sponsored by the Basketball Hall of Fame. Dwyane Wade and LeBron James's sons are playing in that showcase. So there's the opportunity potentially for those folks to be in town at the same time as the Red Sox. So it's going to be one of the bigger events that side of the state's seen since probably our opening. So we're very excited about it and all the opportunities that that will bring.

>> COMMISSIONER ZUNIGA: Is that a three-day weekend?

Is that Martin Luther King weekend?

>> MR. MATHIS: It is.

>> COMMISSIONER ZUNIGA: That's wonderful.

>> MR. MATHIS: Yeah. It's a great weekend, and we meet weekly with the Red Sox to make sure that the whole city is ready. You know, we call this the citywide inspect in Vegas you have citywides. This is going to be more than a citywide. This is more a regionwide because of the impact.

>> CHAIR JUDD-STEIN: It's a great opportunity to showcase your facility, to showcase Springfield and all the area. So we know that it's very much a joint regional effort, and I think we were guessing when eight years ago when the expanded gaming act was put into place, they were imagining exactly that for the region. So good luck.

>> MR. MATHIS: Absolutely. In that sort of regard, in that vein, we've got another really exciting opportunity later in the year. It's the Basketball Hall of Fame enshrinement. We hold it every year at Symphony Hall. This particular year the class included Kobe Bryant, Tim Duncan, Kevin Garnett. This is going to be a tremendous year, probably the biggest year since the Dream Team went in. So, again, imagine both of these events in downtown Springfield in the same year. And it will be the same type of preparation, and it will be really more than a citywide. It will be a regionwide. We're very excited about 2020 and exposing a lot of new visitors, customers to downtown Springfield. The MGM resort is obviously a product, but really the region. So very excited about that.

I'm just going to close on this section, Madam Chair. You asked the Encore folks about local tax impact. I know I mentioned the impact and what was a great business development event that Commissioner Stebbins put on a week ago and introducing all the licensees to different businesses which I thought was great. I'm getting a lot of e-mails from that and a lot of activity, so I appreciate the introductions. But I did a deeper dive, and at this point we can compare fiscal year '18 to fiscal year '19. So July of 2017 to June of 2018, what the City collected in meals and occupancy tax compared to the period of July of '18 to June of '19. And very proud of the results.

I think for many -- for the few naysayers that talked about our licensees being cannibalistic of the local economy, if they were right, then you would expect to see our MGM revenues offset by declines in the other, and those numbers would be flat, right, if that were to prove their case. That is not the case. We said that, you know, a rising tide lifts all boats. We believe that. We size our campus such that visitors would spill out of our four corners and go into local restaurants and go into the local hotels.

So here are the numbers. From fiscal year '18, the City tracked \$2.9 million in combined occupancy and meals tax. In fiscal year '19, that number jumped -- and I only had \$11 months of our impact, right, because that started in July -- \$3.8 million is what that number. That is a 30% increase. \$887,000 of increased economic activity. You hear anecdotes about our businesses -- you know, our local business is feeling the impact of MGM. It's been great. Our business is down. It's hard to sort of siphon through some of that anecdotal information. To me the data speaks volumes. We estimate we're probably 50% of that increase because we're obviously pushing a lot of meals through. We're pushing a lot of occupancy through at a higher ADR, which impacts that tax rate. But the other 50% is pure lift to the remaining businesses in the community. And that's something we'll continue to track, but we're incredibly proud of that as well as you should be.

>> COMMISSIONER STEBBINS: That's great.

>> CHAIR JUDD-STEIN: Thank you for that, Mike. Appreciate it.

>> MR. MATHIS: Thanks for urging me to track it down. I know that was something that you reached out about.

At this point talk about refuse new, taxes and lottery. And then we'll switch over to compliance. So you can see our quarterly gaming revenue. You know, we are settling in. We're not certainly not -- not satisfied with it, but we're settling in in that low 20 million sort of monthly gaming revenue. For me I think what's meaningful about this is these are the first three months with Encore in the market, a very formidable competitor certainly, and they've done a wonderful job. And in terms of a month-over-month comparison, I don't have the Q2 numbers, but I know these numbers represent flat or flat to up over the Q2 period. And that substantiates for us that we have a very strong local market. We have a market that appreciates the MGM product. We certainly have some great Boston customers. And we've seen them come back after trialing Encore, and they've told us that it's a great experience, but it's a different experience, and we like the MGM experience just as much as we like the Encore experience but for different reasons. So we're going to share some of those great customers -- certainly some of the great Springfield customers in western Mass we're going to share with Encore as well. We've been able to absorb that -- the introduction of that strong competitor. In fact, as we're sitting here today, October numbers have been -- already been released. We're in the middle of November. We're seeing a very strong fourth quarter, and I think that speaks to us getting into our database, making the improvements like the VIP lounge and some of our marketing changes. So I think the future is bright. And we can co-exist in a hopefully vibrant Commonwealth market.

>> COMMISSIONER ZUNIGA: Mike, just in general, the same comment that I had for the people from Encore. As we move forward and we do more of this research, I'd be interested in just how much you think you're growing collectively the market and how much might be your success in trying to recapture some of that play that was leaving

the state before you came in.

>> MR. MATHIS: Sure. We're always a little sensitive about some of the proprietary analytics that we do. I think one way as you think about the size of the market is what we look at is if you define the market as the Commonwealth licensees, certainly the Connecticut, the two Connecticut operators, depending on how you feel about upstate New York, we sometimes include Schenectady, the river folks in there. And then you look at Rhode Island, the Twin River and Tiverton operations. All their numbers are public. You put that all into a table. And whatever the increased revenue you look at, you look at the decline of the other competitors. When we came on board, certainly you saw a little bit of decline in some of our competitors. But our new revenue far outweighed the declines. I think you're seeing with the introduction of Encore that we're not only not down, but we're up. So you can see what maybe the declines are in some of the other competitors maybe outside of the Commonwealth. But the introduction of MGM, the introduction of Encore is growing the market in a whole. There's a little bit of cannibalization, but there's new customers coming, and they're spending -- and there's existing customers that are coming that are spending more time and more money in these facilities. So we believe -- we believe we are growing the market significantly.

>> COMMISSIONER ZUNIGA: Thank you.

>> MR. MATHIS: Yep.

The lottery performance. I think, you know, these look in some ways similar to what you saw in Encore. Obviously they had a very large August, as did we. I think, you know, we're excited about the lottery opportunity. Part of it really goes to how we incent our customers with different promotions. And some of our better promotions have been around lottery ticket giveaways. So what these numbers don't speak to are the lottery tickets we actually buy ourselves as a customer. I think these are just the terminals. But we believe we've got a robust business. We are going to continue to promote the lottery and our different customer promotions to drive a little more awareness to the terminals, but it's a pretty healthy business, and I think it's performing quite well.

>> CHAIR JUDD-STEIN: Do you have a question?

>> COMMISSIONER ZUNIGA: For whatever it's worth, you know, whether they do or don't, I believe Plainridge does include in their lottery reports whatever they might purchase for giveaway.

>> MR. MATHIS: Okay. We'll look at that. I didn't believe we were, but perhaps we are tracking them in these numbers.

>> CHAIR JUDD-STEIN: And I think that's why I asked last -- at our last Commission meeting whether or not they had Keno because there's a suggestion here that it's the lottery tickets -- see, I see Keno. Is it just from the machines that you think, or would this reflect Keno as well?

>> MR. MATHIS: It would. It would include Keno which I think we generally provide in the Tap sports bar.

>> CHAIR JUDD-STEIN: Okay. So this definitely is not just the PADs.

>> MR. MATHIS: Yeah, but I'll make sure, and then our own purchases. I'll verify it for the next report.

>> CHAIR JUDD-STEIN: And Joe, if we could just make sure that, you know, PPC

and Encore, everyone's measuring the same way.

>> COMMISSIONER ZUNIGA: I mean, to me, it's an impact, right, a positive impact. If you're purchasing them to give away, the lottery still sold that ticket.

>> CHAIR JUDD-STEIN: That's right. That's right. And then the good news is that the numbers show great sales for the lottery. Thank you.

>> MR. MATHIS: At this point I'm going to turn it over to Daniel Miller, our Director of Compliance to talk through our Q3 numbers for -- on the client side.

>> MR. MILLER: Thank you, Mike. Good morning, Lady Chair and Commissioners. As you said, Daniel Miller. I know we met briefly in the last quarter meeting. So I'm the new compliance director, took over from Karen McRae. Yeah, I'll happily walk you through our numbers regarding the underage participants, either on the casino floor, gaming or consuming any alcohol. I like July, even though the first number seems pretty high. Again, it speaks to how we're detecting and quickly removing these people from the gaming floor. And if you remember from last quarter's responses, June was pretty high. July appears high and August appears high. We interpret those being directly related to school being out, college being out and opportunities as it were probably between the ages of 18 to 21 trying to get onto the gaming floor, and we are finding them. But in the month of July, we had no table games -- gaming, and we had no alcohol consumption by any minors either. So that we felt that was some very good numbers there.

Regarding August and September, there were a little bit of both on that front. There was one table game player in August and then the three consumptions of alcohol. One of them was the table game player as well. And then there were two and two in September. In all but one of those cases, they were, to your point earlier, Commissioner Cameron, fake IDs were used in that case. One particular situation in August was someone in the poker room. They were questioned. The ID was shown to GEU, and even they couldn't tell at first whether it was or was not a fake ID to its degree.

>> COMMISSIONER CAMERON: Are you using some of the technology, the verification technology?

>> MR. MILLER: Next.

>> COMMISSIONER CAMERON: Okay. Sorry.

>> MR. MILLER: As of September, late September, in this particular slide, you can see the security officer standing behind that podium. We have three brand-new podiums at the main entrances to the gaming area, and each one of them now has a Veridocs system where they're scanning at the very least anyone that they feel is under the age of 30. So it might be questionable. And then when we go into our checkpoint program where we shut down to just one entrance at night, they're checking everybody for ID at that point. And I either can or cannot give because it's actually Q4 is as of October, we managed to prevent six people from getting on the casino floor because of going through that checkpoint, and their IDs running as being fake or bad which were then turned over to GEU and they confiscated those fake IDs. It's sometimes difficult to see through the numbers themselves. But I think we're doing pretty good overall.

>> COMMISSIONER O'BRIEN: So I'm going to ask you the same question that I asked Encore earlier which is do you have either the shortest and longest period of time before interception on the floor and/or a median before?

You said you quickly removed them but I'm just curious what the timing is.

>> MR. MILLER: I don't have specifically with me now, but what we're seeing when it comes to, say, someone that sneaks between two slot machines and gets into a slot machine-type area is a range somewhere between three and ten minutes is the average that they are found, picked up and removed from the gaming floor.

>> COMMISSIONER O'BRIEN: Do you know what the longest was?
Did you have anybody who managed to evade for an extended period?

>> MR. MILLER: I think there might have been one in there from memory, it was maybe 35, 40 minutes, something like that. That's about all I can think of. They didn't have fake IDs, you know. So some of them were able to stay out a bit longer because they offered these up and people checked thinking they were good because they were already on the floor. But, yeah, I think that's probably the number that sticks out in my memory right now. We could get that for you.

>> COMMISSIONER O'BRIEN: Okay.

>> MR. MATHIS: Yeah, Commissioner O'Brien, I look at the same number because, you know, we have such a porous floor, as you know. On the slot machine side, there's going to be incidents, but it's how long were they able to stay there. I marvel -- we'll get you the numbers -- but I marvel at how many of them are three, four, five minutes. You do once in a while see a 30-minute and you try to figure out what corner was that that evaded our rovers. The one thing I'll say about these numbers is they come as a result of an incredible focus by our team, and I want to recognize the 130 security officers that second to making the place safe, this is their 1A priority. We have really focused on this. The one table game incident -- and we're shooting for zero tolerance. We had one in this quarter -- was unfortunately a parent who bought in on our big wheel and allowed their daughter to bet. I mean, it's really unfortunate, the kind of behavior we're seeing from parents. And we're seeing that even on the slot machines. So just know that the one is unacceptable. But that was the circumstances around the one. Otherwise we would have had a flawless quarter in terms of the table game piece.

>> COMMISSIONER STEBBINS: Mike, some of the changes that you made to the floor, the new bar, the stadium gaming kind of was in that back corner where it might have been a better place to hide?

>> MR. MATHIS: That's right.

>> COMMISSIONER STEBBINS: Do you think clearing out that space, making it more visible is going to maybe drive some of these numbers down a little bit?

>> MR. MILLER: I think it has. And the other point there is that's one of the areas that we've installed one of these podiums. So we now have dedicated security on the entrance from the salon area that's there on Main Street. There's one as you come in from the hotel lobby, 24 hours a day, and then ultimately the one from the valet which is where we get most of our entrance and exit foot traffic.

>> COMMISSIONER STEBBINS: Thank you.

>> MR. MATHIS: And it's a redesign of the podium which we introduced to you in a prior quarter. I think it's made a big difference. No one can walk by and not recognize that this is a perimeter. And it's made a big difference, and we continue to try to tweak it. The Veridocs is another great change to those podiums.

>> MR. MILLER: And that's everything I have for you unless you have any other

questions, Commissioners. Thank you very much for your time.

>> MR. MATHIS: At this point we're going to hand it over to Ryan Geary, our Director of Financial Operations to talk about our spend.

>> MR. GEARY: Thanks, Mike. Good morning, Madam Chair and Commissioners. Nice to see you again. I'll briefly go over our diversity spend for Q3, and then I'll get into local. A couple of highlights this quarter. Biddable spend is up \$3.1 million, quarter over quarter. You can see we have \$12.5 million in biddable spend for the quarter. And we're beginning to kind of climb that ladder for the WBE spend, we have a slight uptick quarter over quarter. As well as with MBE, which has been one of our, you know, areas that have been a challenge historically so far. So we have a slight uptick there as well. With an increase of just about \$75,000 quarter over quarter in that category.

VBE, slight downtick, although that downtick is really in terms of spend, very insignificant. It's about \$1,000. There's really only two vendors in that category right now. Again, we're trying to grow that. But the main supplier in that category is supplying all of our disposable for food and beverage, for our inventory. So that kind of ebbs and flows with that business. Any questions on diversity spend before I move forward?

>> COMMISSIONER STEBBINS: I mean, I would just note -- and I think you hit on it, and I'm happy to see that you're focused on it and aware of it, but, you know, the MBE numbers, they're pretty disappointing.

>> MR. GEARY: Right.

>> COMMISSIONER STEBBINS: So whatever we can do to reengage our stakeholders to see how we can help you out.

>> MR. GEARY: Most definitely. We continue to sponsor the GNE and MSDC. We hosted their expo this quarter which I'm going to cover in a later slide at MGM Springfield. It was a great event. I think you guys attended. We actually ended up meeting some MBE suppliers there that we're now doing business with. So it's an area we can continue to focus on. We're really, you know, continuing to do outreach every quarter and, you know, we're just -- it's challenging to find, you know, suppliers that are in the pipeline that are registered right now. So as we find them, you know, we're certainly giving them opportunities, and we're just -- we're partnering with our certification partners to really try and build that pipeline.

>> COMMISSIONER STEBBINS: If you haven't met him, Nader Acevedo is here from the institute. You might want to introduce yourself before you leave.

>> MR. GEARY: Definitely.

>> COMMISSIONER ZUNIGA: On that note, this is a part that, you know, shifting between licensees would be a positive. Do we have a list, Jill, of everybody that is licensed or has done business with any of the licensees that is also a certified MBE/WBE to share with others, you know, if they're doing business on any side of the state, they could potentially do it elsewhere. Maybe we can hold off on that.

>> MR. GEARY: Thank you.

>> COMMISSIONER ZUNIGA: Thank you.

>> MR. GEARY: Moving on to local spend. So a couple of highlights this quarter. We did have an increase of \$3.2 million quarter over quarter for our total spend. And we continue to maintain our commitment to local spend more than 50%. That's a

1.25% increase quarter over quarter of spend with Massachusetts suppliers. So that's that \$9.4 million you see at the bottom. And which I'm even more excited about is the next number, which is the western Mass spend. So \$7.7 million in payments to western Mass, which is a major uptick of 9.6% quarter over quarter in western Mass. And that is largely driven by Springfield spend and largely driven by suppliers that we are doing business with for capital improvements across the property. So as you hear Mike talk about the new VIP lounge, I think we've already talked about the new casino bar. Those are projects that we're leveraging and continuing to leverage local suppliers to execute on.

All right. I have a special guest speaker with me today to talk a little bit more about the supplier diversity program with MGM International and also with MGM Springfield. Her name is Rebeca Merigian. She is the owner and President of Park Cleaners, one of the oldest full-service dry-cleaning companies in the state. And she currently supports our dry-cleaning at the property, and she's been with us since preopening, I believe. And she is one of the suppliers enrolled in our corporate supplier mentorship program. So she's been working with some people not only in our supplier diversity office, but with some of the partners that we have through that program. So I brought her here today to talk a little bit about her experience, give some history on her company, and kind of how it's going with MGM Springfield.

>> MS. MERIGIAN: Good morning to the committee. Thank you for having me.

>> CHAIR JUDD-STEIN: Welcome.

>> MS. MERIGIAN: My name is Rebeca, and I'm from Park Cleaners in Springfield, Massachusetts. We've been around since 1935. It's been in my family the entire time. The more recent history of my company, it has been a struggle. And basically it was just a dream to be sitting here right now today about four years ago. So we're very proud to be part of this project.

>> COMMISSIONER CAMERON: Could you just tell us a little bit how business has improved with this -- working with MGM?

>> MS. MERIGIAN: Our sales have doubled.

>> COMMISSIONER CAMERON: Doubled.

>> MS. MERIGIAN: Yeah. I have been able to hire ten employees from our Forest Park neighborhood, which has been great. I think that's my favorite part, actually, has been working with the community. The mentorship program that I have been introduced to has been an incredible help for the process of growing the company. We've always been, you know, just kind of sustaining. So now to be growing is kind of a new thing for me. So to have the support of MGM is -- I think will ensure the success of my company hopefully for another 84 years.

>> COMMISSIONER CAMERON: Great.

>> CHAIR JUDD-STEIN: Can you say the total number of your employees?

>> MS. MERIGIAN: I have 14.

>> CHAIR JUDD-STEIN: So you went from 4 to 14?

>> MS. MERIGIAN: Yeah.

>> CHAIR JUDD-STEIN: I can't do that math that quickly.

[Laughter]

It's significant. So that's excellent. And are you a WBE?

>> MS. MERIGIAN: I am registering. I'm in the process right now of the certification

for the state.

>> CHAIR JUDD-STEIN: That's what I was going to ask.

>> MS. MERIGIAN: On a federal level, I think I did it accidentally in the beginning, and I registered on a federal level, which, in turn, gave me a Department of Defense contract, which is also very helpful to the company. So the accident actually worked in my favor, which was good.

>> CHAIR JUDD-STEIN: So maybe -- this is actually really helpful because one of our questions often is how does a company become certified. So you're going through the process with OSD right now?

Is that right?

And the state?

>> MS. MERIGIAN: The WBE to the state, yeah.

>> CHAIR JUDD-STEIN: WBE. And you're just starting?

>> MS. MERIGIAN: I finished the application process. It was actually easier the second time around. So I was able to complete the process in about 30 days. So right now I'm just waiting for the response. Yeah.

>> CHAIR JUDD-STEIN: So the good news is that you've gone through the process. It's a little bit easier than you may have expected, and you're waiting. Good.

>> MS. MERIGIAN: Yeah.

>> CHAIR JUDD-STEIN: There are partners in the state we want to make sure that there's not too much friction there so that we don't ever discourage the company --

>> MS. MERIGIAN: Actually, I was very impressed with the process, yeah.

>> CHAIR JUDD-STEIN: Excellent. That's good to know. I know that there's been a lot of work done on it. So you're finding it to be not overwhelming.

>> MS. MERIGIAN: Not at all. I was very nervous about it in the beginning because it took me a long time to get certified in the beginning. You know, running the business and trying to meet the requirements was a challenge for me. It took me almost a year to get certified. So --

>> CHAIR JUDD-STEIN: For the federal.

>> MS. MERIGIAN: For the federal, yeah.

>> CHAIR JUDD-STEIN: Yeah.

>> MS. MERIGIAN: And then it -- when I started the process, I was amazed on how quickly it took me. It was very simple. Yeah.

>> COMMISSIONER ZUNIGA: Rebeca, can you just talk a little bit more -- or people from MGM -- about the mentorship program that you quickly mentioned?

>> MS. MERIGIAN: The mentorship program is wonderful. It provides me a pathway to get questions answered, you know, for the growth of my business. You know, I don't want to make the wrong decisions. I could easily, you know, go out of business by buying, you know, the wrong equipment or making a bad decision. So to have the support of this company is assuring to me to be able to make the proper steps.

>> COMMISSIONER ZUNIGA: So it's MGM who provides that mentorship?

>> MR. GEARY: Yeah. So Rebeca and Park have been in the program, I think, since January of this year started?

I think the first step, we connected them with Cycle of Success Institute and they did a full analysis. And through that process they did -- they mapped out business processes. They identified -- I believe it was up to 50 items and categorized them and

did an analysis on that to really prioritize what the team wanted to focus on to grow the business. I think one of the things was, like, SOPs. What else did you guys focus on?

>> MS. MERIGIAN: The training for the people, really, because it's such an employee-based industry that I have. So getting everyone to work to the proper standards every single day, seven days a week, was my biggest challenge. And we were able to get that under control with the Cycle of Success Institute. So it impressed me 100%.

>> MR. GEARY: And since then we've got her partnered with an executive sponsor in Anthony Caratozzolo our VP of hospitality. You've met once. I think you're meeting again soon. So any time there's any questions or continued support that's needed, Rebeca has a point of contact on our executive committee that she can go directly to. And then there's -- I think you said you mentioned some online courses, too?

>> MS. MERIGIAN: Yes. I'm taking a class right now, thanks to MGM, fundamentals of business management. And what that's doing is teaching me kind of how to structure my business, you know, more of an executive level which is important because, you know, I'm going to be needing help in that area. So it's hard for me to make all the decisions all the time right now. I'm the President and I'm the Vice President and the Treasurer and the Secretary. So how do I split that up? And this is leading me very well. So it's very good. I'm excited about it.

>> COMMISSIONER ZUNIGA: That's great to hear.

>> COMMISSIONER CAMERON: So you're not only much larger than you were before, but you're also more efficient, more effective, it sounds like?

>> MS. MERIGIAN: Much more, yeah.

>> COMMISSIONER CAMERON: Great.

>> MR. GEARY: All right. Any other questions for Rebeca?

All right. I'm going to move forward.

>> COMMISSIONER CAMERON: Thank you for coming in and talking to us.

>> MS. MERIGIAN: Thank you for having me.

>> MR. GEARY: All right. Last but not least, just a recap of our outreach for Q3. As I mentioned earlier, we hosted the GNE MSDC annual expo at MGM Springfield. It was a two-day event. We had a great event, great turnout. There was a luncheon, supplier expo. There was a bears den competition which is a little bit like a Shark Tank that they did live, which was very interesting. We got to hear from some dynamic companies. They all made pitches. And at the end one of them received the bears den award. And Canela Lewis was also on hand to host a speaking engagement about how to implement the supplier diversity program and also sustainability at your company. So a lot of the attendees went to that and listened to her speak on that point.

And then while she was in town, also visited with Rebeca at Park Cleaners, a little check-in and got to see all the great things that she's doing and the things that she's implemented and her operation. And then finally, the local team went to an art craft vendor fair in Hadley, Mass. I believe it was a matchmaking event. So we met some new suppliers in the region and really, you know, tried to continue to build our pipeline out here. That's all I have for today. Any questions?

>> COMMISSIONER CAMERON: No. Thank you.

>> MR. GEARY: Thank you, Commissioners.

>> COMMISSIONER STEBBINS: Thank you.

>> MR. MATHIS: So at this time we'll move on to our employment readout with Jason Randall, our Director of Human Resources.

>> MR. RANDALL: Good morning. We continued to expand for our Springfield residents and veterans and our staffing numbers with continued focus on growing the number of women in our workplace as well. As discussed with the folks from Encore earlier, you know, we identify similarities as they are seeing now in the security realm where we could see increased participation. We've been able to focus some of our recruiting efforts by attending focused job fairs particularly with criminal justice students. Most recently at Westfield State University where they hosted a criminal justice job fair, and we were able to meet their students and share our story with them.

On our next slide here, we have our quarter-over-quarter numbers. So our total employment number as the end of Q3 is 2040. 73.3% of which were full time. And the total number of employees of vendors that we saw on property, we saw 108 in Q3, in large part, an increase quarter over quarter due to the increased programming we were able to put on our plaza to support the events that were going on in there. But you see the changes quarter over quarter on this slide.

>> COMMISSIONER ZUNIGA: Jason, are those vendors -- you know, the food trucks and others, what you have in the armory?
I'm just --

>> MR. RANDALL: A little bit, the yoga that we were able to bring in, the vendors we'd have on a weekly basis on the plaza.

>> MR. MATHIS: Commissioners, I think the landscapers and some of the outdoor cleaning and security are included in that as well. Yeah.

>> MR. RANDALL: Our Q3 recruitment efforts. We love hosting students on our facility and showing them kind of really what it looks like to work in an environment like ours. We were fortunate to have 45 students from the University of Massachusetts, their hospitality and tourism program come and tour the campus as well as students in HCC's culinary English as a second language program. Where they do to see front-of-house operations, back-of-house operations with our culinary students to see what they look like and meet some of our cooks and chefs and hear their story a little bit about what they could anticipate in a workplace like ours. We've been able to translate that into interest in positions immediately following tours or following the programs as they graduate or complete interest in joining our team.

We supported HCC's ESOL culinary program with mock interviews, providing those candidates are feedback. It was a great opportunity to give them exposure to how our company conducts interviews and giving them feedback on their resumes, you know, in a true fashion and letting them know if they wouldn't have ordinarily gone past the first stage of interviewing with us, what they could do to improve. So those students were able to embrace it. And one who actually came back and was hired by our company, you know, following the program. So it was good to kind of see her journey and give her the feedback that she needed when she was in front of the hiring manager to get the position that she wanted.

A bunch of initiatives we did in Q3. I want to highlight two that we're really proud of. We hosted a veterans resource fair in July on our campus. We partnered with Veterans Inc. And brought in a variety of resources. We saw just about 50 veterans

that came on campus to either explore career opportunities with MGM or to gain support through resources that are available in the region to them. So we saw positive comments from members who -- of veterans who left the event really with no interest in maybe joining MGM Springfield but did get the connections that they needed to perhaps support some medical needs that they had -- that they would get and found resources available to them that they otherwise weren't aware of. So positive impact by hosting this event.

Internally we launched an English as a second language program for our employees. We partnered with the Springfield Public Schools who provided with us a teacher and our students, we made it available to all of our employees to come in. And it was a really interact program where the students could kind of learn at their own pace and engage with the instructor to meet the needs that they experienced in the workplace to be able to support our guests. Very positive feedback and great partnership with the public schools on that program, and we'll be launching our next session with that group following the new year, again, partnering with Springfield Public Schools.

On our work force development initiatives, many of these kind of bleed into the -- in Q4 for us, but I do want to highlight a couple that we found great positive reaction to. We've reengaged with Westfield Technical Academy, a high school in Westfield, Massachusetts, focusing with their culinary program. They'll be on campus with us for a student tour to see our facilities shortly. But our food and beverage team made a donation of hardware to their culinary training program that the students were very appreciative for. Their school put a Facebook post up that got a lot of traction. A lot of their alumni to the school that liked seeing that MGM was interested in their students, knowing that quality students are coming out of that program to either enter the workforce or transition into continuing education. So it's a great partnership that we are able to reengage and reinvigorate, and we've already had our executive chef on campus with the students since our initial kind of re-kickoff with the school to talk to the students, so it's exciting to relaunch that.

Internally, we -- we launched an employee network group called Inspiring Leaders for our employees who are interested in networking and growing themselves. They wanted one of their meetings focused solely on resume review and interviewing skills. So a few of our leaders came in, and we did just that where we could help our employees, where they could improve their resume, but coach them in how they could interview for that next position in the brand with us. So it's a great way for them to hear from the hiring managers themselves of what they look for and how they could best approach an interview that they may be nervous for or may think they're not as well prepared for, so great feedback for our existing employees to hear that.

>> COMMISSIONER CAMERON: Are you tracking those internal promotions?

>> MR. RANDALL: We do track our internal promotions.

>> COMMISSIONER CAMERON: So they understand that they have opportunities?

>> MR. RANDALL: Absolutely, absolutely. It's great stories that we could share with them of, you know, individuals that we're reviewing their resume and how they came along through our company and have promoted in various instances along their journey that they could share the message, you know, that you're at the level that you're in now and to prepare yourself for that next opportunity. It could come around the corner

tomorrow and having your resume and your skill set prepared for you to take that journey. It was a great story for them to hear. We did this resume review last month. So we know a couple of them that are very eager to explore their next step with the company and we're kind of watching them through that application process in that journey now.

>> COMMISSIONER CAMERON: Thanks.

>> MR. RANDALL: Pleasure. We do want to spotlight a couple of employees that we had. We hosted three interns in our hospitality internship program which is a corporate MGM internship program primarily housed in Las Vegas, but we wanted to house our own interns here in Springfield. So we had three students that we accepted into the program and hosted this summer. One student from Cornell, one from Westfield State and one from UMass Amherst. All three completed and graduated the program, and they were situated in disciplines like food and beverage, finance and casino marketing. The feedback we received from them was their experience was fantastic. We have one who has already applied to our management associate program. So she may be heading to Las Vegas upon her graduation from college to do a year-long rotational program to expand her career with MGM.

And lastly, I just wanted to share the opportunities that still exist at MGM Springfield. If you went to our careers page today, we have 50 active postings listed on there. In total, they would equate to about 150 total heads that we're looking to fill. Like Encore shared, we do see a continued need of table game dealers as well. So that's probably our heavier single posting position that has a lot of head count that we're still looking to fill for those roles.

>> COMMISSIONER STEBBINS: Jason, the same question I asked your counterparts at Encore. Tight labor market, you know, we hear a lot of the kind of conditions out there that make hiring a challenge. But as we think about uses of our workforce pilot grants and the next round on Community Mitigation Funds, what kind of obstacles are you hearing from potential candidates, or what are some of the hurdles to get over in trying to find the right people?

>> MR. RANDALL: Certainly. And I think as was mentioned before, the tuition for the gaming school is an obstacle in our region and certainly MCCTI is aware of that. They do have scholarship programs that are very focused right now, and I believe they're looking to, you know, expand the scope of whom would be scholarship eligible, so we could see increased attendance into the program. I think overall with the gaming school, there's a lot of marketing and awareness of the school, but I don't think our region has quite grasped onto the career opportunities that exist within that pipeline of work, of being a table games dealer and kind of where your career can go from there. MCCTI has recently launched an initiative with STCC and HCC and other community partners to share that message further, so we joined them earlier this month. We're able to kind of share the journey of a table games dealer careerwise to about 80 participants that they brought in through various community partner programs to hear the message and then be able to see what training opportunities would be available to them.

>> MR. MATHIS: Great. Well, thank you, Jason. I know we're running a little long, so I'll breeze through some of the other sections, because you've seen some of this material before.

On the marketing side, you can see our quarter was heavy car-driven, same sort of model that Encore has seen as well. But I think it's important to keep these promotions fresh and unique. So we're doing a cash vault promotion where you get to punch in a code and potentially open a door for a million dollars, which has been wildly successful. So we continue to mix it up.

We're starting to make sure that to the extent that there's a perception that there's not enough winners on the floor, I can guarantee you there are many winners on the floor, and for customers that are willing to let us promote them, we are getting more active about making sure that people recognize that there's big jackpots on the casino floor. So just a little bit of our marketing effort there with largely locals.

And then on the entertainment side, unfortunately with the onset of winter, we had to close down our wonderful outdoor plaza music venue. We did 40 shows as part of the MGM Live. The good news is that's an annual series, so we're going to bring it back again next spring/summer. The tent is now -- the covering is now off the armory and is now open, getting prepared for our skating rink. So with one season going out, there's another fun activation out there, and we'll be opening that up I think this weekend, soft opening of the skating rink. But continue to program entertainment, now looking to the 2020 calendar. But very successful outdoor summer series.

>> CHAIR JUDD-STEIN: Mike, are you going to be able to activate the plaza for the winter weekend somehow?

Am I asking --

>> MICHAEL: No, no. We're literally in those conversations with our team and with the Red Sox. So I think we're going to leave the skating rink open longer than we normally would have for that very reason because we expect to see a lot of families that winter weekend.

>> CHAIR JUDD-STEIN: At that event, yeah.

>> MR. MATHIS: So we're in active discussions internally about that.

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

>> MR. MATHIS: You're welcome. And then just a little bit more of the plaza activation. We did our first outdoor boxing. It sort of reminds me of the old Caesar's Palace days. That predates me, but when boxing was very active and we tried to return that to downtown Springfield. So we had outdoor boxing on our plaza. The food trucks have been successful. We had food truck Fridays. Our first three Fridays got rained out which was incredibly depressing. But we persevered, and it was really wonderful, and I think it's becoming -- we're getting a nice little following. And then our comedy show and some of the outdoor activation you can see in the photos.

And then on the entertainment side, just more of the same. We've got obviously the wonderful Aerosmith shows. You can see the photo of the NBA Basketball Hall of Fame Enshrinement looks like on the top left. And then really tapping into our relationships in Vegas. We had Boyz II Men come out. Boyz II Men are part of our residency out in Vegas. Aerosmith is part of our residency out in Las Vegas. So we leveraged those relationships. And then a really fun event we had was Steve Martin and Martin Short, and that spoke to a whole different group of people, people that we sort of polled that were new to the resort. A really wonderful night showcasing Symphony Hall and just trying to keep diverse, fresh entertainment going through the

different venues.

And then just to give you a sense of the upcoming calendar through the end of the year, very robust. And what this doesn't show are all the Thunderbird hockey games that are kicked off across the street at MassMutual Center. And those are some of our biggest Friday nights/Saturday nights. The team is doing wonderfully, which has increased attendance. And we are working with the Thunderbirds. We've now got their jerseys for game nights on Friday where we put -- try to put a lot of our employees in the jerseys to really create an experience. So really branding the whole facility of Thunderbirds on their big game nights. And then going into the first quarter. And more to come. Certainly Red Sox weekend will dominate the month of January for sure.

And then, I think, close it out with community engagement with Jose Delgado, who is our Director of Government Affairs.

>> MR. DELGADO: Good morning, Commissioners. So as Mike said, I'm Jose Delgado, the Director of Government Affairs at MGM Springfield. I'm also a lifelong Springfield resident and proud to be working with the company. One of the things that I wanted to mention is that MGM Resorts strongly believes that the success of any business starts with the community that we operate in. And for us, from the beginning we've tried to integrate ourselves into the Springfield region, western Mass. and throughout the whole state. I think we've done a good job of doing that to date.

And so one of the things I'm privileged to highlight some of that today is community involvement in Q3. It starts with the employees. Without the employees, their energy, their excitement, their willingness to get involved, we don't have as much of a robust impact in the community. So I wanted to highlight some of the opportunities that we had in Q3. The first picture you see on the left is some of our folks volunteering in the Springfield Jazz & Roots Festival. It's an annual event that happens right in downtown Springfield, Springfield's historic Court Square. A great event. A lot of folks coming from around the region. We were happy to have some of our employees get involved in that.

The middle picture you see is some of our employees, including myself -- I'm the person on the right with the hat on and glasses, although the picture makes me look a little more buff than I think I am -- but we were happy to partake and kind of celebrate in the heritage of the Puerto Rican community in Springfield in that parade, which was a great event. And then the third picture you see on the right is a picture of our folks volunteering on the Connecticut River. As many of you know, the resort is located just a stone's throw away from the Connecticut River, which the city was founded on back in 1636. So we're super excited to support the Connecticut River Conservancy and their efforts to keep the river clean and hopefully keep it nice for future generations to come.

The last photo you see on the bottom is The Big E. We're happy to support The Big E, the annual big New England Fair that happens every September. We actually offered a free shuttle service from the property to The Big E that folks were able to take part in and actually park in our garage. As you know, our garage parking is free, so we were able to hopefully help some of the load of traffic going through Springfield in those few weeks that The Big E is on.

>> COMMISSIONER ZUNIGA: Jose or Mike, are you happy with that sort of volume? Do you think you saw increased volume out of that Big E shuttle in terms of

patronage of the casino?

>> MR. MATHIS: The short answer is no. We saw good volume, but we just believe with the million and a half people coming through there, that there's more opportunities across market. This was a great first step, and we tracked the participation of these free shuttle riders. And if you had a stroller, you were peeling off and going to the garage, which obviously makes a ton of sense. But if you're an adult, you went into the food market and you went into the casino. So we want to up our shuttle runs but really just figure out how to engage those customers in a different way. The challenge, I think, in September is sort of the last days of summer, and I don't blame folks that want to spend it outdoors versus indoors. But that's really the mission is try to figure out how to create a little bit more activation out of that group.

>> MR. DELGADO: And the last piece I wanted to highlight on the volunteer side of things is I've been to several of these volunteer events. And one thing I do like about it is that every time I go, we're able to identify some of our team members, some of our employees who actually showing leadership skills by, you know, stepping up and wanting to be the point person for each one of these volunteer events. And so we're seeing a number of our folks really just showing their leadership skills through these volunteer events, which is great to see. Any more questions on that piece?

So this next slide here, we're super excited to support the Thank An Artist event. This was put on by the Springfield Cultural Project. It's a mixture of the City of Springfield, Springfield Cultural Council, Mass. Cultural Council, and the Springfield Central Cultural District. And this event -- we hosted it right on our plaza, and it was able to highlight and celebrate many of the local artists in the Springfield region and the creative community in Springfield. And as you guys know, our CEO, Jim Murray, is a huge fan of the arts. He's actually an art history major himself, and that's evident through our whole property in terms of some of the collections that we have on display from the Springfield Museum. So we're happy to continue that kind of theme there with this event. And some of the pictures that you'll see have students from the community music school kind of showing off, you know, the skills that they've learned at the community music school right across the street.

And another great event that we had back in September right on the plaza, we were sort of able to kind of engage that community, so we're super proud to support that.

And then the last slide here -- I might be getting a little ahead of ourselves. This technically didn't happen in Q3. It actually happened a few weeks ago. But since we're kind of coming into the holiday season, I thought I'd throw it in and give everybody some holiday cheer. We hosted the Bright Nights Ball a couple weeks back. And for many of you guys, I know this is kind of like the premier event for the City of Springfield -- or in the city of Springfield. This goes to support the spirit of Springfield that has their annual calendar of events that they do throughout the year which includes Bright Nights through Forest Park, includes the big balloon parade -- excuse me, parade of big balloons and the world's largest pancake just to name a few. This event was chaired by Congressman Richard Neal, who is the Chair of Ways and Means, and CEO of MassMutual, Roger Crandall. So they were able to raise funds that night to support a lot of those events that many folks in the region get to enjoy. So another event that we were proud to host on property. It's actually the second year that we hosted it. I wanted to throw that out there. I know my kids have been begging me to put up the

Christmas tree and I try to at least wait until Thanksgiving is over. So super excited about this and getting into the holiday season.

>> MR. MATHIS: And Jose, I'll just point out, if you go back to the bottom right photo, you see the two neon lions. Those are now relocated to Forest Park, but they'll be part of a new MGM installation on the Bright Nights Tour through Forest Park where tens of thousands of people annually come through as part of the bus tour. It's a part of the leaping lion installation that we're going to be present. It will be, in my humble opinion, one of the cooler installations out at the park. Great branding and talking to a great audience.

>> MR. DELGADO: Thank you. That's all I have.

>> MR. MATHIS: Thanks, Jose. And just to close it out -- if you could click it for me, Jose -- just on development update. 31 Elm which obviously has taken some time to progress along, I was with the folks from Mass Housing in the last couple of weeks. We've been distributing a master agreement between a bunch of parties who are involved in this agreement. And I think there's a call scheduled for the next week or two to confirm that we're all done and start coordinating signing the document. So hoping I'm not jinxing it because it's been a work in progress. But we feel very good about progress along those lines. I know that the City has done some work to keep the building -- spend some money in the building, given the winter's come in to make sure that we're ready to move forward with construction. So short of a formal announcement, but we're getting very, very close. So that's the update. Wahlburgers, we're in the middle of permitting with the city. Again, we expect the summer of 2020 opening of that facility. Armory, we're pretty happy right now given the different developments going on to keep it as that flex space. We've got weddings booked in there, the comedy series. It continues to be a great space to show off to the community. Solar panels are being erected up on the top floor of the garage. I think we are going to be ready to turn those on in the next 30 days. In fact, we're looking at a potential event around that. So that project is well under way. If right now if you went to our garage, you would see a ton of activity in the valet area because we are expanding free valet and expanding paid valet and free valet for some of our customers up to our second floor. So it involves putting in some infrastructure with swing arm gates, et cetera. A lot of activity in the garage. And then sports wagering, I can say we've had -- we continue to have good meetings with the legislature. I know your staff has been in some of those conversations. And we feel like hopefully it's a matter of when and not if the legislation is passed to allow us to move forward with sports betting. There's a consensus with the leagues and with some of the fantasy sport operators as well. So some of this has been consensus building, but I was in a meeting where we were all represented. And we're able to say that we've got alignment on 90, 95% on what we believe are the issues. We're continuing to push forward. But we think there's good progress and momentum there as well.

And with that, that concludes our Q3 report. But thank you for all of your support. And it's been a wonderful year, and we're looking forward to delivering yet another wonderful year.

>> COMMISSIONER CAMERON: Great. Thank you.

>> COMMISSIONER ZUNIGA: Thank you.

>> COMMISSIONER STEBBINS: Thank you.

>> CHAIR JUDD-STEIN: Thank you, Joe, and thank you, MGM.

>> MR. MATHIS: Good job, Rebekah.

>> CHAIR JUDD-STEIN: And yes. Safe travels back.

I think at this time it might -- would everyone like a five-minute break? And I'm anticipating for the agenda now would be -- we'll take a five-minute break for my fellow Commissioners and me. And then we will look at trying to get through items 5, 6 and 7 before we break for lunch at approximately 1:00 P.M. Well, I'm hoping that we could get through 7 as well before lunch. It's legal. It's the regulations. Okay. We'll see if we have five minutes. Thank you, Mr. Mathis. Thank you so much. We'll see. Thank you.

[A break was taken at 12:07 P.M.]

>> CHAIR JUDD-STEIN: Okay, we're reconvening today's meeting. And we'll start now with item number 5. Director Wells, please.

>>MS. WELLS: Good afternoon, Madam Chair and Commissioners. The item before you now came about because we just got an inquiry from investigators. This is not something where we've had a case or there was a particular specific instance we were asking for. But given that we've done a lot of investigations now, one of the questions that came up was from investigators. Well, what are we supposed to do if we get information about conduct that resulted in a criminal conviction that was sealed? Are we supposed to disregard the conduct or information about the conduct, whether it's through open source or media articles or any kind of law enforcement connections, law enforcement database. Their question is are we supposed to disregard that, and because the record had been sealed, or is there a way to use that? And there was no particular position in the inquiry. So given that I was asked that question, it seemed appropriate to get guidance from the Commission on the interpretation of regulation 205 CMR 134.09(1). I do want to point out this whole issue would not apply to exempt positions. So we have -- I think it's something like 2700 employees right now, so those positions, if they turn over, there's additional registration requirements or licensing requirements -- or pardon me. It would only be registration requirements -- that would not be an issue for those employees because if they're exempt, they don't go through our background process. But for the positions that are nonexempt registrants and for licensees, these are the GEL key standard or key executive level. The question was, what is the Commission's policy directive to investigators with respect to information about conduct.

So we have presented, you know, some hypotheticals. We don't necessarily need specific answers as to the hypotheticals. We just put them out there because it helps with the thought process and makes sure that the investigators are following the direction of the Commission. You know, one thing we are suggesting is that we just sort of lay the issue out for the Commissioners at this meeting just so you're aware of the issue. We've been in contact with not only the legal department but also Jill Griffin because she has contacts in the community. The issue of getting people to work who may have some criminal history was a big issue earlier in the Commission's history. And a lot of those community groups had a lot of interest in what the Commission's position was on that.

So one of our recommendations is that we give it some time after this meeting for Jill to contact those groups to let them know what the issue is and see if there's any

feedback. There may be information that I'm not aware of or the Commission may not be aware of that we may want to consider. So for right now, I just wanted to alert the Commission that we had this question. Just want to make sure that investigators are following the directive and just to clarify what the intent was behind the regulation. So that's where we are right now.

>> CHAIR JUDD-STEIN: Before we start comments, Loretta, are you going to be addressing this in any more detail?

>> MS. LILLIOS: I had not planned to offer anything, but certainly I'm here if questions come up from any Commissioners, and I would try to be helpful.

>> CHAIR JUDD-STEIN: Okay. Commissioner Cameron?

>> COMMISSIONER CAMERON: Is this the -- are you asking that we talk about each of these scenarios now? Are you asking for our thoughts on risk and the analysis of risk? Or I'm just not sure the timing of this, if that's --

>>MS. WELLS: We intentionally did not put it on for a vote today, so it's not as if we need an answer to these hypotheticals. We put the hypotheticals in the memo because without understanding the scenarios, it's hard to speak about it in the abstract. So I think generally, what the IEB is looking for, more than anything, is clear direction that we can apply during investigations both fairly and consistently, because we want to make sure that similarly situated individuals are treated the same during the process. You know, ultimately, it could be an answer of we, as the Commission, our intent is that anything that's sealed should be out similar to a motion to suppress, even the conduct itself, don't consider it, or you could say hypothetically that on the other extreme, that while the records are out, if there's information -- other information about the conduct that they potentially be used. Although I will point out without the record of the conviction, if it was what would have been an automatic disqualifier because the record was sealed, it would no longer be an automatic disqualifier because we're not entering that information into the evidence at a hearing. So it would be discretionary whether it would potentially tip the scales in --

>> COMMISSIONER ZUNIGA: But isn't that discretion -- wouldn't that be considering that information?

>>MS. WELLS: Correct. So that's what I want to make sure. Well, it's a tricky distinction. You would not enter information about the conviction. So hypothetically, someone stole something. You wouldn't enter into the fact -- enter into the record at a hearing the criminal conviction for stealing. But you might have information through an open source where the individual might have made a statement, or there could be an information that there's an admission, yes, I stole. I stole from my prior employer, and this is what happened, and then I got fired. Which you -- so it's a tricky distinction. I just want to make sure that the investigators are following what the Commission's directive is because you have the discretion to tell us how you want us to handle that.

>> CHAIR JUDD-STEIN: And just to extend that, if the employee said during an interview, I stole something, I was then terminated, but then doesn't go on to say and I was actually convicted of theft.

>>MS. WELLS: Mm-hmm.

>> CHAIR JUDD-STEIN: Then you're saying that there would possibly be an option to consider that, but it would not be -- could no longer be a disqualifier.

>>MS. WELLS: Correct. So we want to know, do you want us to consider that, or

do you want us to put that information to the side and then use whatever other information we had to make a licensing or a registration determination.

>> CHAIR JUDD-STEIN: One other really just a clarifier on sealing records. If you could just explain the process about sealed records. I know many people believe it's in the context of juvenile records only. Could you explain sealed records generally?

>> MS. LILLIOS: Generally there are statutory provisions that allow individuals who have been charged and/or convicted of criminal offenses to have their records sealed. Convictions may be sealed in an administrative process that does not go to a court. And there are time constraints and measures set out within the administrative sealing statute. So, for instance, misdemeanors that occurred in a three-year lookback window, felonies that occurred in a seven-year lookback window without any open cases at the time of the sealing request or intervening cases with certain exceptions for certain crimes that the legislature determined should not be subject to the sealing statute. If the individual satisfies those time eligibility requirements, the individual is entitled to this administrative sealing. There is another provision of the sealing statute that relates to court-ordered sealing, and that allows individuals in nonconviction cases who have had their cases, for instance, dismissed or null proessed or no billed with a grand jury not to indict allows the individual to go to court to have -- try to have those cases sealed. And in those instances, a court must make specific findings on the record that sealing is necessary to effectuate a compelling government interest. This Commission is not involved in actual sealing efforts. That falls to other state agencies. Sealed records are not destroyed. They do remain available to law enforcement agencies and also, for instance, courts can and do look at sealed records in sentencing instances. For subsequent cases. So that is a very general overview of the sealing statutes.

>> COMMISSIONER STEBBINS: Just -- and that's helpful. It's helpful for me to understand. Can you just give a rundown or any kind of list you would think of as to why a person would make an application to have their records?

>> MS. LILLIOS: Well, I think if not the main purpose behind promulgating the sealing statute was the notion of second chances. So I do think that individuals go through that process for employment purposes, for employers. Also the sealing statutes themselves address licensing agencies and direct that licensing agencies, like ours, may not consider the sealed records themselves and that individuals who have sealed records can answer no on applications for licensing purposes as to whether they have a criminal history, they may lawfully answer no if their record is sealed.

Housing may be another type of situation where an individual might seek to have a record sealed.

>> COMMISSIONER STEBBINS: So you're talking about in the context of a second chance? If I was an individual, I went and got a record sealed, if I continued to be a bad actor or continued to have some incidents pop up, it's not -- do you get second, third, fourth chances to kind of keep going back and resealing additional information, or is it some point those administrative bodies say, you know, that's enough?

>> MS. LILLIOS: I think you can keep going back and on the administrative sealing, they look back on the years and they have to look at whether there were intervening crimes.

>> COMMISSIONER STEBBINS: Okay.

>> MS. LILLIOS: You can keep going back and they do it almost like a mathematical equation is my understanding.

>> COMMISSIONER STEBBINS: Okay.

>> COMMISSIONER ZUNIGA: You know, I -- if I may just start a little bit, I'd like to home in on the regulation on two key words that I see here. And that is the considered and the shall not. Everything else is really good background for the purposes, et cetera. And the scenarios are pretty helpful that you put in, but I think they speak to other things. They speak to means of investigation and requirements of disclosure. If we had wanted to write something to the effect in which applicants shall not be required to disclose and then you come up with that information some other way, then I would see that there was room to consider that information because they weren't required, but you are able to consider it. There's also, I would argue in this regulation, I think there's an assumption that you actually may come into these records. You may, but you shall not consider them.

>>MS. WELLS: Well, we're trying to differentiate between the court records, so the records of criminal appearance in criminal dispositions. But for lack of a better understanding, the documents at the courthouse versus other information about what happened that led to that incident.

>> CHAIR JUDD-STEIN: For example, because of our world, it would be if something came up on social media.

>>MS. WELLS: Correct.

>> CHAIR JUDD-STEIN: If it was documented in a newspaper article, it's all this open-source information that will address a conviction that really is not sealed off. The documents at the court are sealed. That information is out there. We all know there's a lot of information out there. And what could happen, as I understand it, is that inadvertently or purposefully, in a license review, information could come out about a sealed case that we didn't anticipate. And what you're looking for is guidance as to -- because I think as I understand it, the word "information" seems to be connected to the delinquency.

>>MS. WELLS: Correct.

>> CHAIR JUDD-STEIN: But not necessarily with respect to the records of criminal appearances or criminal depositions. Is that right?

>>MS. WELLS: Right, right. So we're just looking for clarity on that.

>> COMMISSIONER ZUNIGA: That just feels to me -- and I know this could be written in many different ways --

>>MS. WELLS: Right.

>> COMMISSIONER ZUNIGA: -- and I know there could be -- we could have put any at the very beginning of this, and I know the qualifier. But as I read the regulation, the active verb here really is shall not be considered. We're making these sort of determinations.

>> CHAIR JUDD-STEIN: I think it's the noun that we're struggling with, though.

>> COMMISSIONER ZUNIGA: What?

>> CHAIR JUDD-STEIN: It's the nouns. The records -- is it records of criminal appearances, criminal dispositions and information concerning acts of delinquency? I think -- and maybe you -- I don't want to be preaching to you, but I think that the issue is if there is -- it doesn't say information in front of records of delinquency. So if one of

our researchers or investigators finds some information outside of the record, the sealed record, what do they do with that? Is that --

>>MS. WELLS: And I don't think we need to, you know, be particular onto the reg because you have the authority to change the reg and tell us what you want to do. So this is more just sort of a policy understanding. What do you want us to do under the circumstances that we have presented. Where there may be information that's not part of the court record, that is not technically sealed as part of this sealing process, what do you want us to do with that information? We can disregard it. We can --

>> COMMISSIONER ZUNIGA: How do you know -- how do you know that it's tied to the record, the criminal record?

>>MS. WELLS: Investigators will know that a record's sealed. So hypothetically, you may have something where there's a news article about an individual was involved in a series of break-ins in houses. And that individual may have been actually convicted of that. But if the investigator looks at the media article, it may take a little digging to figure out oh, wait a minute. This is tied to the record that's sealed. So then what does that investigator do with that information about the break-ins? Does the investigator disregard it because it's been sealed and that's the policy of the Commission? Or is there -- you know, if they make a statement about it, is that part of the analysis? So that's all we're asking.

>> COMMISSIONER ZUNIGA: Yeah. And my position, if I'm not already making it clear, I think that as it says here, it should not be considered. It's not a may. It's a shall. There's a strength in the shall.

>> COMMISSIONER O'BRIEN: If I could just -- it doesn't say that. It has to do with the records of the court. Not the facts surrounding it. And this comes up not infrequently in investigations and prosecutions, where even in the motion to suppress example that Director Wells gave, the information that underlies a motion to suppress that it's allowed isn't gone forever and is not usable in any circumstance. Someone testifies and basically testifies in contradiction to those facts, I could, as prosecutor, cross-examine that individual with that suppressed statement. There are other vehicles in which that information and facts is, in fact, allowable and proper. So when I look at this -- first of all, I disagree that it's written as you're interpreting it. But moving on to the fact that we're moving toward guidance to them, there is another layer to the purpose of what they're doing in terms of background checks. And in terms of patterns of conduct.

So in the scenario of -- yeah, I stole, I got terminated and whatever. That may, in fact, help someone talk about what happened in terms of their employment history that gets them to suitability. So there are reasons that it may come in, and there are reasons that we may direct them -- these are the narrow circumstances in which I want you to be able to use this or not. But there is a distinction as a matter of law and fact, sealing is court records. It is not expunging where it never happened. So we are in a circumstance where the facts are out there, whether you get it from news source, Facebook, the person themselves, it would then be in the possession of the investigators. And it is not simply because it's sealed. You shall not. That is not what is happening there.

>> Right.

>> CHAIR JUDD-STEIN: But with that said, for right now, you're looking for guidance

because, one, how to interpret what is written.

>>MS. WELLS: Right.

>> CHAIR JUDD-STEIN: And then the policy.

>>MS. WELLS: Correct. Because we didn't bring up this scenario when the regulation was developed because we hadn't been doing these investigations and nobody flagged the issue. So you have the -- regardless of how you interpret this particular language, you may have a policy matter on how you'd like to do this, and we just would like that to be clarified for us so we're following the direction of the Commission.

>> CHAIR JUDD-STEIN: To be fair to Commissioner Zuniga, obviously if we're not all seeing it the same way, then that points out that the regulation needs clarification, at least as to the -- what we want the underlying policy to be.

>>MS. WELLS: Right. That's a good point.

>> COMMISSIONER CAMERON: And I would love to speak to the policy and how I see this issue. So, you know, obviously to me the type of license matters. If we're talking about a registrant, you know, without a lot of ability to control and much less risk, you know, I see this issue differently. And if there is just what I am always concerned about are the patterns, right? So if we have one sealed record even though we find information about that sealed record, you know, I would certainly tend to say, okay. That's sealed. So we learned about it this other way. But the whole purpose is to give people employment opportunities. I don't see a risk. I see, okay, this person is going to move forward. They did what they had to do. So, you know. But when I see a pattern, which is very different, meaning they have one sealed record and we found out -- we found out the circumstances through another source. But then there are several other issues involved, maybe misdemeanors, you know, just a number of other -- the record is something that we really do feel like, wow. There's some risk here with this individual through this investigation. So that's where I see, you know, a pattern in using all of that information in the appropriate way.

>> COMMISSIONER ZUNIGA: Commissioner, in that scenario, shouldn't all the other misdemeanors establish a pattern by themselves? Without, you know, without this record? Couldn't we -- I mean, the suitability standard is high. And so if you have even a couple of fill in the blank, you could establish the pattern in your scenario without even needing to consider the sealed record.

>> COMMISSIONER CAMERON: Well, I -- I am --

>> COMMISSIONER ZUNIGA: Or are you talking about only one more to establish a pattern?

>> COMMISSIONER CAMERON: No, it's not that simple when you're an investigator. It is nuanced. It is -- it is -- I don't think itself a good idea, you know, that you say, okay. You have one. You're good. If you have two, you're not.

>> COMMISSIONER ZUNIGA: I agree.

>> COMMISSIONER CAMERON: I don't agree with those -- I think when you're looking at an individual, you need to look at the whole, which is what I believe they do. And I know that's not answering your question exactly, but what I don't like to do is take a tool away from someone when it does lead to something else. But I don't want the one thing to be used, okay, so we found out a different way. It's almost like, you know, you live in -- you live in a big city, and so they're not going to publicize the burglary, but

you're in a small town, and guess what? Everybody reads about the burglary. So I don't want that to be a case where we're treating people differently based on -- based on one incident.

But I do think if, you know, you get something that's sealed but you find out about it, got a lot of -- but then there's a whole history of other things, I believe they should be able to consider the totality of the situation and assessing risk.

>> COMMISSIONER ZUNIGA: And I think that is possible without the sealed record, if you are looking at other things.

>> COMMISSIONER CAMERON: It's not the sealed record we're talking about.

>> COMMISSIONER ZUNIGA: I understand that. No, it just -- sorry.

>> CHAIR JUDD-STEIN: I think that that's a really key point is that what I think is before us is this consideration of there is information that comes -- and I don't think it happens frequently.

>>MS. WELLS: No, and I would like that emphasize that. When we're talking about the universe of investigations that we're doing, and we've done for licensing of employees, well over 8,000 of these. So I think once you start narrowing the funnel, I would expect the situation where you're going to have this would be very, very few and far between. And the situation where it would potentially impact a decision on licensing even fewer. So we're talking about probably a handful of cases. We just -- you know, these are people that we're dealing with in their lives and their livelihood, so we want to make sure that we're doing what the Commission's directive is so that we don't have to get up to an appeal before we understand what we should have been doing. So that's why --

>> COMMISSIONER ZUNIGA: And I appreciate that.

>> CHAIR JUDD-STEIN: I think just to emphasize, again, what we are looking for today is perhaps you would like some direction not necessarily to resolve the underlying policy question --

>>MS. WELLS: Right.

>> CHAIR JUDD-STEIN: -- but some direction as to next steps. And I'm not cutting off the discussion, but I do want to emphasize that rather than the sealed record, there is this dilemma that we have such an open market on information now. You know, it's in our headlines every day. And I think Commissioner Cameron's example is very real. The small-town police log could have information about the arrest and not the conviction. It would have been sealed.

>>MS. WELLS: So we'd prefer it be consistent, that people are treated the same. So based on what I'm hearing, what my suggestion would be now is that this isn't necessarily an easy answer. And we've been thinking about this for months as we prepared the memo and did research. You know, given this is the first time you've had an opportunity to think about it my suggestion is, you know, look at the hypos, you know, individually, come and talk to either Todd, Loretta, you know, Jill or myself. And we should also listen to the comments from the public and see what their input is on that. And in the meantime, staff can see if we can come up with any other -- other options besides the two extremes if there's any intermediary options. And then we can circle back at probably the next meeting and then sort of narrow in on the issue and see if there's -- if we can get some more clarity, if that seems like a good plan.

>> COMMISSIONER ZUNIGA: So does the distinction seem to be here the

difference between information and records?

>> MS. LILLIOS: If I can jump in, it might be helpful to think about it as the agency that seals the records only has the authority to seal the court records. The agency can't tell the media there's an article, you know, addressing that, take that off the Internet.

>> COMMISSIONER ZUNIGA: Right.

>> MS. LILLIOS: So it's, you know, the reg talks for adults talks about may not consider the sealed records. So the question is out there, what happens when there's information that we get outside of the record. And to just clarify one point with respect to the conviction, even if we had information from the media, an applicant, a witness that there was a, quote, conviction, we would not consider the conviction because there really is no way to fully establish that without the court record. So we're not talking about an automatic disqualifier for a conviction in any regard.

>> COMMISSIONER ZUNIGA: But you would be considering it, which is what this regulation attempted to do.

>>MS. WELLS: I would differentiate it between the fact that someone was convicted of a crime versus the actual underlying conduct. So -- and they are -- they are different. Now, they're obviously interrelated. So because of that, you may have a policy perspective on that. But that's the distinction, you know?

>> COMMISSIONER ZUNIGA: Well --

>> CHAIR JUDD-STEIN: And to clarify, because I'm hearing Commissioner Zuniga's angst, because you're interpreting it a certain way, that doesn't mean that in our next few Commission meetings, it might not end up being just clarified that we would keep out not only the sealed record conviction but also the information because it may just seem almost unrealistic if you're thinking about the arrest for shoplifting, and that has been sealed because there was a conviction, how can you actually consider the article that said they were arrested? And feel that we haven't achieved the underlying policy. But I'm also hearing that it may be an assessment of risk that we might want to engage in. And perhaps as the licensing goes higher up. And so that might be -- there might be room because we're looking at this to maybe clarify. But the reality is is right now we're not saying we don't agree on any particular policy position. I think we're saying we'd like to explore this further. That's what you're looking for today?

>>MS. WELLS: Yeah, which I think is reasonable. We've been thinking for a long time -- and it's a tricky issue -- but we need a clearer answer.

>> CHAIR JUDD-STEIN: And in terms of today's discussion -- I'm sorry, I didn't mean to cut you off -- one thing that we wouldn't have if we really fleshed out all of our positions, I just want to be clear, we have not started to collect any of the public input.

>>MS. WELLS: Right.

>> CHAIR JUDD-STEIN: And that's another piece I'd love clarification on how you plan to do that.

>>MS. WELLS: And I think that's important. We should understand how this affects people.

>> COMMISSIONER ZUNIGA: Absolutely. By the way, I should mention that I fully recognize the scenario in which this consideration could be positive for the applicant.

>>MS. WELLS: Exactly.

>> COMMISSIONER ZUNIGA: If you come into ways -- into additional information,

maybe from the applicant themselves.

>>MS. WELLS: And that's actually a good point because these suitability investigations are a predictive analysis. And sometimes when, you know, we see -- even if someone's got some baggage or something that they have in their past, says investigators, when people are forthright and honest and talk to investigators truthfully, that's a win in their column. So it's not necessarily because we found this out. Oh, that's necessarily bad for you. It can actually be good, to Commissioner Zuniga's point.

>> COMMISSIONER STEBBINS: I think -- I'm sorry.

>> COMMISSIONER ZUNIGA: Go ahead.

>> COMMISSIONER STEBBINS: I think that's an important point. You know, going back to the early days, even before opening of these casinos, right, we were constantly trying to address the issue of how can people who have maybe not found themselves suitable to get into some of these positions take proactive steps to position themselves better for a job. We, obviously, made the changes in the law for the SER exemptions. I know a number of them who have been communicating with Jill have gone about getting their records sealed. I know probably Jill can take some of this information, share now this public memo to get feedback from those appropriate groups. But I continue to think in the bigger context of how do we, again, kind of communicate this out in terms of, you know, I think to the point Commissioner Zuniga and Karen, you were just making, you have a sealed record, but your honesty and kind of forthrightness with an investigator to share that information, you know, helps in the suitability process or helps in the licensing process. So, you know, getting a policy answer on this, I think, is helpful, and I appreciate the comments of my colleagues who have been in the law enforcement field, but kind of thinking through all of the ancillary issues that might come with that. IEB's approach, helpful suggestions, again, as we always try to refine them through FAQs or something for the actual applicant. So I think it's bigger than just making this issue -- you know, solving this question for your investigators. But let's look at it in kind of its entirety and figure out how we can come up with a solution.

>> COMMISSIONER O'BRIEN: I do think it would be helpful moving forward to have a little bit more of an explanation for everyone on the Commission that there is a distinction between substance and process, expungement versus sealing. This deals with sealing and I do think it would inform everybody's views and information on this to understand that there's a distinction. There's a different process and standard that needs to be reached to expunge versus sealing.

And I do think that that would help clarify the discussion.

>> CHAIR JUDD-STEIN: There is a good note on page 3, which is helpful.

>> COMMISSIONER O'BRIEN: The consequences but not the actual process.

>> CHAIR JUDD-STEIN: Process.

>> COMMISSIONER O'BRIEN: That are distinct.

>> COMMISSIONER ZUNIGA: Well, I would like to hear from, you know, the workforce development world. I know we had, in the state, a big, recent CORI reform and some of the discussions were all around -- you know, some of the reasons for that reform were about also second chances for people.

>>MS. WELLS: Right.

>> COMMISSIONER ZUNIGA: I think that ultimately factors in here. I know that the

licensing of an employee at a casino perhaps is a bigger threshold in, you know, compared to other employment. And I also would like us to think about maybe this is something that we could tier because it affects -- it could potentially affect, you know, different people in different ways. You know, being a porter at a casino might be very different -- because you touch the casino floor, it still requires registration.

>>MS. WELLS: Right.

>> COMMISSIONER ZUNIGA: Maybe very different from somebody who is extending credit, let's say, and information about them goes directly to that. There's this other piece of our regs that I think we're going to bring in a little bit here and, you know, that is those tiered assumptions. But also how some of this information is to be viewed. I remember one that was recent -- the subject of a recent appeal, and that is relative to how matters should be viewed in the most favorable way to the applicant. You know, and I think that also factors in.

So I'm okay with, you know, hearing more and maybe, you know, thinking of ways in which maybe we need to clarify.

>>MS. WELLS: Yeah.

>> COMMISSIONER ZUNIGA: This regulation if that's what's required or continue that policy for now.

>> COMMISSIONER STEBBINS: Yeah.

I would add on to that, I don't want us to wait too long. I mean, I think we've been lucky that we haven't had it.

>>MS. WELLS: Right, right.

>> COMMISSIONER STEBBINS: Pop up, but let's not run the risk of that happening.

>>MS. WELLS: Right.

>> COMMISSIONER STEBBINS: And also encourage, you know, the groups that, you know, Jill will be reaching out to, again, remind somebody who thinks their record may be sealed and it is not. And that could trip that individual up as they get into the licensing and registration process.

>>MS. WELLS: Right. And the law is, if they do not have to put it on their application if it's sealed. We will be following the law. So we can reiterate that. So people aren't doing something wrong if they don't speak about it. That's the law is that they are not required to disclose it.

>> COMMISSIONER ZUNIGA: And that's part of what I would like to understand from what maybe those discussions on CORI reform were. It just feels that, you know, there's now so much more social media, you know, the opportunity -- maybe that's the wrong word -- the occasion for a lot of information to be just simply out there and never go away.

>>MS. WELLS: Right.

>> COMMISSIONER ZUNIGA: Given the recent -- you know, the world that we live in now should also be factored in. I think there's a real reality in, you know, which is what I would go back to considering rather than the means of obtaining the information. But let's see what we can hear.

>>MS. WELLS: Okay. We'll move forward with that plan and move forward on the next agenda hopefully.

>> CHAIR JUDD-STEIN: What I'm hearing from all of us as I think you're anticipating, once we get input from the public in light of some of the things we've

touched on just, you know, really low level, to give us perhaps options to help --

>>MS. WELLS: Okay.

>> CHAIR JUDD-STEIN: -- does that make sense, to give us options to further clarify our discussion, again, without necessarily making a formal recommendation. But one of the options is definitely, if this is less than clear, we could amend the regulation. Okay.

>>MS. WELLS: Okay. Thank you very much.

>> COMMISSIONER CAMERON: Thank you.

>> CHAIR JUDD-STEIN: Thanks for bringing it to our attention. Moving on to item number 6. Derek and Agnes and Doug, please. Good afternoon.

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

>> COMMISSIONER CAMERON: Good afternoon.

>> COMMISSIONER STEBBINS: Good afternoon.

>> MR. LENNON: We realize we're separating everyone between their lunches. So we'll try to get through this rather quickly. It is somewhat noncontroversial --

>> CHAIR JUDD-STEIN: We have all the time in the world.

>> MR. LENNON: I look forward to it. I am joined by Agnes and Doug, and we're here to provide you with the first quarterly budget update for fiscal year 2020, and then Agnes will give an update on our vendor diversity spend. Massachusetts Gaming Commission approved an FY20 budget for the gaming control fund of \$34.2 million composed of both regulatory costs and statutorily required costs. For the first time the entire Research and Responsible Gaming budget is funded from the public health trust fund. And licensees were assessed a combined \$34.8 million for both the gaming control fund and the public health trust fund. That assessment for the public health trust fund being for the first half.

The initial FY20 budget contained two possible spending exposures. First, the minimum required for the MGC's insurance policy was funded in the litigation budget. And that was about 400,000. Second, the FY20 funding level included a 25% increase for public safety overtime to account for the opening of Encore Boston Harbor. However, I want to note that it was half of the amount that was requested by the IEB. And in my opinion, when we funded it at half of that amount, it was a bit of an aspirational goal. So I'm here to report to you that through the first three months of FY20, the overtime for the Gaming Enforcement Unit has spent approximately 47% of its total budget. And additionally, the legal department has spent 72% of its litigation budget. So both of those areas that were exposures continue to be an exposure.

The FY20 revenue for the gaming control fund relies on fees from licensing and slot machines and an assessment on licensees. Licensee fees appear to be on pace -- as is shown in attachment A -- to exceed initial projections for FY20. In addition, in late October, the MGC received approximately 449,000 in final payments related to the ongoing Wynn suitability investigation that was completed last fiscal year. An important distinction, the Commonwealth works on a modified cash basis of accounting. So while those fees were incurred last year, the revenue for when we billed them was actually recognized in this year. So we are up \$449,000 in revenue from our initial projections based on that. The MGC also had a surplus of \$1.44 million in FY19 revenue which will be used based on our regulations to offset the licensee's FY20 assessments as shown on page 2 of the memorandum.

In summary, staff will continue to monitor all spending and revenue activity with attention specifically to litigation in the GEU overtime costs. And then the balance forward of \$1.44 million in FY19 excess revenues result in a decrease to licensees, assessments. Staff is not recommending any changes at this time to the budget due to the fact that it's only the first quarter. And with the \$449,000 coming through, the timing of it for the Wynn suitability, it's in place to offset any additional costs that we may see prior to our midyear update. With that, if you have any questions?

>> COMMISSIONER CAMERON: Yeah, I would really like to understand better those overtime costs with the Gaming Enforcement Unit. So I think I'll be -- it sounds like you've had some -- a lot of direct conversations about that or?

>> MR. LENNON: We've had some direct conversations with the Gaming Enforcement Unit about this. As you knew, they asked for a \$500,000 increase to the budget for FY15 -- FY20. We gave \$250,000 -- the overtime alone at Encore Boston Harbor has already exceeded that \$250,000. There is a piece of it that has to do with discussion of the nightclub. So there's some costs directly --

>> COMMISSIONER CAMERON: Those are the things I want to understand because it could be that we ask the nightclub to do things differently rather than --

>> MR. LENNON: Correct.

>> COMMISSIONER CAMERON: -- just continually --

>> MR. LENNON: That's not going to make up the difference.

>> COMMISSIONER CAMERON: I understand that's one component but I just want to understand better. Are their staffing levels at the right level? Because, you know, if you're constantly giving overtime, you may not be staffing properly, which is a cost saver.

>> MR. LENNON: Correct. Because the amount you'd pay -- what we've charged out right now in overtime could have paid for three -- at least three staff.

>> COMMISSIONER CAMERON: That's what I need to understand and what the policy considerations are around granting overtime. So I'll be taking a closer look at that.

>> CHAIR JUDD-STEIN: And I was going to turn to treasurer -- in your treasurer capacity and the executive director. Could we do some kind of a subset, further deeper dive into this issue and get a report back?

>> MR. BEDROSIAN: So I think, Commissioner, the details, you know, it distinguishes from overtime.

>> COMMISSIONER CAMERON: Yes.

>> MR. BEDROSIAN: At Memoir might be a big driver. We'd probably need to look a little closer at that, which sort of prohibit additional person because it's such a targeted need, I guess, and I think that's another subject.

>> COMMISSIONER CAMERON: It is.

>> MR. BEDROSIAN: You raised the issue about the licensee or sublicensee. I think that's an actual conversation we need to have.

>> CHAIR JUDD-STEIN: And I actually would like clarity on that point because I've heard varying reports as to whether the nightclub is assuming full responsibility or sharing it. And so --

>> MR. BEDROSIAN: Or not.

>> CHAIR JUDD-STEIN: Or not sharing. I've heard varying reports. So how would you --

>> COMMISSIONER ZUNIGA: That's certainly something that we can look at, you know. We should -- I suggest we don't form a subcommittee.

>> CHAIR JUDD-STEIN: No, no, not a subcommittee. No, no. Meaning a sub -- a subreport.

>> COMMISSIONER ZUNIGA: Yes.

>> CHAIR JUDD-STEIN: And get a deeper dive on this issue.

>> COMMISSIONER ZUNIGA: Absolutely.

>> CHAIR JUDD-STEIN: And have Derek come back.

>> MR. LENNON: So we've done a pretty deep dive on this. Agnes keeps track of these regularly. I can tell you I think through October, it was about 345 -- no, through September, it was about 345,000 in overtime spending out there of which \$72,000 was related to the details. That's state police only. We get billed separately for the City of Everett piece of it that goes into it. So, you know, you're looking at about \$72,000. But what we are looking at is a similar situation that we face in Springfield where you set into a staffing number that was approved at the beginning. And is that staffing number right? If you remember last year we came back at the Mid-Year review and we added two troopers as well as one Springfield police officer to help cut down on the overtime. We've seen overtime at Encore -- at MGM stay pretty consistent. They actually cut it down to where we hoped it would be. So there is that idea of do they need extra bodies and the staffing level wasn't right? If you'll remember, we drilled them hard on getting those staffing levels down at the beginning for these MOUs.

>> COMMISSIONER CAMERON: Well, and a big part of that is data driven.

>> MR. LENNON: Correct.

>> COMMISSIONER CAMERON: Your deployments don't have to all be the same. You don't want the same number of people Tuesday daytime as you want Friday night.

>> MR. LENNON: Correct.

>> COMMISSIONER CAMERON: We have to understand that better, how they're doing that, and so I'll take a closer look. Thank you.

>> MR. LENNON: Yeah.

>> COMMISSIONER ZUNIGA: Yeah, there's a factor, just maybe perhaps to summarize your prior point, there's a factor of just finding the right balance or, you know, maybe another way to think about it is the growing pain of, you know, arriving at a steady state like what we saw in MGM is now happening at Encore. But I do also -- the flip side of that is, I think, you know, we're going to perhaps find that their operations are different by its nature, by its geography or because there's a bigger -- yeah, by the licensees that we have, you know, a Memoir versus, you know, the Commonwealth bar are not quite, you know, the same level of security and overtime.

>> CHAIR JUDD-STEIN: And I think I want to make sure that my position is clear is that I was asking for clarity around overtime as opposed to our licensee's judgment on the number of -- the amount of the security that they're providing. In other words, I wouldn't want the message to be we're concerned about costs that we want them to do less. I want to understand how they're paying. And I think that Commissioner Cameron, I think that was really what you're wondering about, the overtime, correct?

>> COMMISSIONER CAMERON: Yes.

>> CHAIR JUDD-STEIN: Yeah.

>> COMMISSIONER CAMERON: But overtime leads to staffing, which leads to what drives the overtime, what occurrences, the data. What does the data show us? So it is -- it's all of those things lead to the overtime. So we just have to understand the balance better.

>> MR. LENNON: Correct. Same conversation we had last time.

>> COMMISSIONER CAMERON: Yes.

>> MR. LENNON: About the same deep dive going to, do you need everyone there Tuesday at 4:00 P.M.

>> COMMISSIONER CAMERON: Yes.

>> MR. LENNON: Yeah.

>> CHAIR JUDD-STEIN: And ask that be reported back to the Commission as a whole is what I'm asking.

>> MR. LENNON: Yes, we'll put that on the calendar.

>> CHAIR JUDD-STEIN: Thank you.

>> COMMISSIONER ZUNIGA: Can I speak briefly to the other point about the legal costs. I think we are just doing what we've been doing in the past, keeping with the past practice. This was something we discussed with you, staff, discussed with licensees, and they agreed on the approach. Because there's so much variability or it's so hard to predict amount of legal fees, we budget one amount and, you know, come back and correct as the year goes by. As for budget revisions, as the year goes by. So I think it's prudent. There's, you know, some recent decisions about some of this litigation, some other cases well continue, and we'll just continue in the same way that we've been doing, budgeting and revising as needed.

>> MR. LENNON: And I just want to say thank you to the team up here for making it easy as well as all the directors and staff who continue to have their monthly meetings with Agnes so that when we come up and do these reports, they can be as clear and concise as possible.

>> COMMISSIONER ZUNIGA: Thank you.

>> COMMISSIONER CAMERON: Thank you.

>> CHAIR JUDD-STEIN: Excellent job.

>> MS. BEAULIEU: Good afternoon, chair and Commissioners. In your packets today you have the supplier diversity benchmarks for the Massachusetts Gaming Commission's total spending for FY19. And for the first quarter of FY20. In FY19 we surfaced our benchmark for the small businesses and the minority-owned business totals. We did that substantially in both categories. We attained an 85% total of our women-owned benchmark, and once again, only 5% of the disabled veterans benchmark. Once again, we are working diligently on disabled veterans with our office supplies to get that up this year as well as our women-owned businesses. These categories remain a challenge for us.

For the first quarter of FY20, we have already reached the goal for the small business benchmark. We've currently committed 54% of the women-owned business benchmark and 27% for the minority-owned businesses. We do have several upcoming contracts that will increase these commitments, and many of those contracts are vendor commitments for indirect spending that we will be counting in our numbers as well.

While these categories remain a challenge, we have engaged the services of a vendor VeriCloud who you'll be hearing from at the next Commission meeting to review our procurements and to reaching out to potential vendors for responses. Thank you.

>> COMMISSIONER ZUNIGA: This is great work. And I know VeriCloud that you mentioned has been really helpful in this effort. Did we talk about an agenda setting whether we would come and showcase them in some way or sort of explain what they do in further detail?

>> MR. LENNON: Yes. There was supposed to be at this meeting to kind of help -- because we never let -- just like our licensees, we don't like missing benchmarks. We take it very seriously. We don't like missing goals. When we set our goals, while they may be aspirational, we still work hard to get there. So we wanted them to give a presentation on what we've engaged them to do. Some of the things we've done on our procurements as far as subcontracting, the vendor spend, the requirements by putting the percentage up in the scoring categories for. Because we put our best efforts forward, we keep missing benchmarks. So it's not okay to keep doing that, so we've engaged people who are better at this than we are to try and come in and help us meet these and figure out maybe they're just not a world of vendors out there. And if there aren't, how do we get them in? How do we engage them more? And one of their big goals is inclusion, right. Even though we may not win the bid or that person may not win the bid, we want everyone to be included. We want to know the full marketplace when we're making our decisions. It's with the idea of have we reached out to everyone and do we have the best foot forward. And can we then sit with these vendors and help them. What Agnes is talking about with the office supplies, that person's not even on a statewide contract. We found them through the licensees bringing them forward, and we have gradually hopefully helped them no get established in the marketplace by giving them opportunities where we even spend a little extra on their supplies to build a pipeline. So if we bought from W.B. Mason, we'd be spending less on our vendor. We'd be spending less on office supplies. But by going this route, we're hoping to help grow the pipeline. And we're looking for that in other areas. Where it might not be obvious, and that's where VeriCloud teaming with our licensing division and teaming with our licensees have helped us. So we've got that to look forward to at the next meeting.

>> CHAIR JUDD-STEIN: Yeah. So they will be coming in.

>> MR. LENNON: Yes. They had a conflict today, a personal conflict, so they couldn't make it.

>> CHAIR JUDD-STEIN: Just at the last minute.

>> COMMISSIONER ZUNIGA: Yep. Thanks for that.

>> COMMISSIONER CAMERON: Thank you.

>> MR. LENNON: Thank you.

>> MS. BEAULIEU: Thank you.

>> CHAIR JUDD-STEIN: Thank you.

>> COMMISSIONER STEBBINS: Are you all set, Doug?

>> MR. O'DONNELL: I guess so. I will add something. We did change the methodology of payments over the course of the past few months. So it made things much easier for our accounting side. We were using a third party to work with us on receivables where they have been working on licensing payments. And that was

running fine. But then we started working with the taxes, we ran into a little glitch, and it was -- it turned into somewhat of an accounting nightmare. So we went back to wiring and working directly with the licensees where they were paying on a regular basis. They're paying within the statute. They're paying within 24 hours. So that has certainly helped. And it's running very smooth. We keep it light in financing.

>> COMMISSIONER CAMERON: Thank you.

>> CHAIR JUDD-STEIN: Thanks, Doug.

>> MR. LENNON: Our licensees might not be as happy about that change because they have to pay the \$7 per wire fee versus a 40 cent per transaction for an ACH transaction. However, the vendor we had engaged with can't handle our business. So they came back to us and said, if we are going to continue going down this path, you can no longer charge 40 cents. It's going to be \$27.

>> MR. O'DONNELL: Per transaction. That was quite a jump.

>> MR. LENNON: So we went back to the fed wire process of \$7, but we continued to work with our bank and with the state comptroller's office to try and find a solution where we can get back to ACH transactions. The problem with ACH transactions are I think there's a ten-day window where you can reverse it. So they were holding on to the payments for ten days. Then it would have to clear through bank account, then get to our bank account which takes another two business days. And by the end of the month, the comptroller was looking at us saying where's all the money that we need to transfer? So that was kind of, as Doug said, a pure accounting nightmare. But with the sophistication of banking and the new processes that are coming out, I'm sure you use them on your own personal side, Zelle where you can do thousands of dollars overnight through ACH transactions, we're hopeful that within the next 24 to 48 months, we'll be able to get rid of that \$7 per transaction and get back down to closer to the 40 or 34 cent transaction of an ACH. But it is an added cost that you are on licensees have had to pick up. But when we looked at the difference of 27 or 7, it was kind of an easy decision. Go back to fed wire. Don't use a third-party vendor that kind of gives you -- hand-holds everyone through the process. But that was a long discussion that Doug has worked through, thank God, once again, I don't have to get involved in these. I have a great team up here that does this for me, so I just have to make the decision, 27 or 7.

>> MR. O'DONNELL: That was an easy decision. We're still in the process of working with the bank to try to formulate a lower price on that.

>> MR. LENNON: Yeah.

>> MR. O'DONNELL: It's a work in progress.

>> COMMISSIONER CAMERON: Okay. Yeah, it is. All right. Thank you.

>> MR. LENNON: Thank you.

>> COMMISSIONER ZUNIGA: Thank you.

>> CHAIR JUDD-STEIN: Excellent.

>> COMMISSIONER STEBBINS: Thank you.

>> CHAIR JUDD-STEIN: Thank you so much. So it is now 1:10. I guess I'd hoped maybe we could get through the regulations, but we probably need to take our lunch break. And then we'll start in with legal and then move to Commissioner Zuniga. Okay? So for those who -- yeah. That's the only --

>> COMMISSIONER O'BRIEN: Can we take them out of order right after the break?

>> CHAIR JUDD-STEIN: I will need to speak with Janice. Thanks. Okay? Thank you.

>> MR. BEDROSIAN: What time are we coming back?

>> CHAIR JUDD-STEIN: So sorry. We'll reconvene at 1:40. Thank you.

[A break was taken at 1:12 P.M.]

>> CHAIR JUDD-STEIN: We're reconvening meeting number 282 of the Massachusetts Gaming Commission. Thank you for those who have patiently waited. We will start now with our legal team on regulations number 8.

>> MR. GROSSMAN: Thank you, Madam Chair.

>> CHAIR JUDD-STEIN: Number 7, my apologies.

>> Mr. GROSSMAN: Good afternoon. Ms. Torrissi has been lead counsel on this particular matter. I'd like to turn the presentation over to her if I may.

>> MS. TORRISI: Good afternoon, Madam Chair and Commissioners. You have several regulations on the agenda today for a vote. We're at the final stage of the promulgation process. So following vote today, we'll go ahead and file these with the secretary of state. We did not receive any comments on any of these. So there is one comment that I'll address that came from the IEB, but otherwise these are exactly what you've seen before. So I just want to address item D first. That's section 138.05. We've found that -- we're not going to have you vote on this one today. We found that when we were getting ready for today, that this one had been left off of the notice of hearing, so we just want to make sure that before we go on that this is properly noticed for a future hearing. So we'll push this off to the next meeting. But it was purely an administrative change. It's not substantive.

>> COMMISSIONER ZUNIGA: Which one was that?

>> MS. TORRISI: It's item D, 138.05.

>> COMMISSIONER ZUNIGA: Oh, okay. It's not in the motion. That explains it.

>> COMMISSIONER STEBBINS: There you go.

>> MS. TORRISI: So item A relates to junkets. This one includes Sections 134.01 which is the licensing regulation. This change requires self-employed junket representatives to be licensed as gaming vendors. And 134.06 which is our junket regulation that includes licensing and other requirements for junkets. This is the only reg that includes one change from the last time you've seen it. So the IEB recommended the one red line in there which requires that license applications include proof that the junket operator has a business relationship with the gaming licensee, and this is standard for all vendor applications.

>> COMMISSIONER STEBBINS: Is it necessary to have that language? I mean, it is a stipulation if you're going to go through our registration and licensing process, you have to have that letter of business relationship.

>> MS. LILLIOS: That's what this would refer to.

>> COMMISSIONER STEBBINS: Okay.

>> MS. LILLIOS: This would require that so that we don't go through a background review if the licensee has no intention of having the arrangement with them, but that essentially codifies in the regulation that letter of intent.

>> COMMISSIONER STEBBINS: Okay. Okay.

>> COMMISSIONER ZUNIGA: And the first one just clarifies that the junket representative is not employed by the gaming licensee? Is that just the definition?

>> MS. TORRISI: It just creates that other classification of license for the self-employed junket representatives which was the group that wasn't already accounted for in the regulations.

>> COMMISSIONER ZUNIGA: Because the employees of a junket enterprise are --

>> MS. TORRISI: They -- I don't have that sheet with me, but they're already covered in that licensing reg, and so on the enterprises, and so are the reps that would work for a gaming licensee. So this was the only group that wasn't included.

>> COMMISSIONER ZUNIGA: Yes. Great.

>> CHAIR JUDD-STEIN: Good catch.

>> MS. TORRISI: So if you don't have any other questions on those two, we'd be looking for motions on the amended small business impact statement and then the regulations to move forward with the process.

>> COMMISSIONER STEBBINS: Madam Chair, I move that the Commission approve the amended small business impact statement for 205 CMR 134.01, key gaming employee licensees, and 205 CMR 134.06, junket enterprises and junket representatives as included in the Commissioners' packet.

>> COMMISSIONER CAMERON: Second.

>> CHAIR JUDD-STEIN: Any discussion? Questions? Edits? All those in favor.

[Vote taken]

Opposed? 5-0. Thank you, Todd.

>> COMMISSIONER STEBBINS: Madam Chair, I'd further move that the Commission approve the version of 205 CMR 134.01, key gaming employee licensees, and 205 CMR 134.06, junket enterprises, and junket representatives as included in the Commissioners' packet and authorize the staff to take all steps necessary to finalize the regulation promulgation process.

>> COMMISSIONER ZUNIGA: Second.

>> CHAIR JUDD-STEIN: Any questions? Any questions? Okay. All those in favor.

[Vote taken]

Opposed? 5-0.

>> MS. TORRISI: All right. So item B is Section 133.05, the voluntary self-exclusion list regulation. This was a companion change to the junket regulations. This is really just to notify people involved in the VSE program that their information would be given out on this aggregated no-marketing list by the licensees.

And we're also updating the SE application, so it will be on there as well, so they're acknowledging that they know that their information will be given out in that context.

>> COMMISSIONER ZUNIGA: And this red line is what we've discussed in the past, right?

>> MS. TORRISI: Right.

>> COMMISSIONER ZUNIGA: This didn't come because of additional comments or consideration.

>> MS. TORRISI: No. It's the same.

>> CHAIR JUDD-STEIN: Any further questions for Carrie? Do I have a motion?

>> COMMISSIONER O'BRIEN: Madam Chair, I move the Commission approve the amended small business impact statement for 205 CMR 133.05, maintenance and custody of the list as included in the Commissioners' packet.

>> COMMISSIONER STEBBINS: Second.

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

[Vote taken]

Opposed? 5-0, Todd. Thank you.

>> COMMISSIONER O'BRIEN: I further move the Commission approve the version 205 CMR 133.05, maintenance and custody of the list as included in the Commissioners' packet and authorize staff to take all steps necessary to finalize the regulation promulgation process.

>> COMMISSIONER STEBBINS: Second.

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

[Vote taken]

Opposed? 5-0.

>> MS. TORRISI: And then finally item C, this is various sections of Section 134, and these are all administrative changes. None of these have changed since the last time that you saw them. There is one thing I just want to point out. The amended small business impact statement does reference Section 138.05 which we've pulled out of the vote today. So your vote would be contingent on removing the reference to Section 138.05 that's in that amended small business impact statement. That's the section -- the item D on the agenda that I spoke about first.

>> COMMISSIONER O'BRIEN: So the 205 CMR 138 that's in here?

>> MS. TORRISI: Yes.

>> COMMISSIONER CAMERON: It's just 00? That one?

>> MS. TORRISI: Yeah.

>> CHAIR JUDD-STEIN: The small business.

>> COMMISSIONER O'BRIEN: Yeah. 138 has been stricken.

>> COMMISSIONER ZUNIGA: 138.05 is stricken out, right?

>> COMMISSIONER O'BRIEN: Right. The reference to small business impact says 138. It doesn't have the 05.

>> MS. TORRISI: Any reference to 138 in that one will come out, and we'll bring it back in a future meeting. So it will just be for 134.

>> COMMISSIONER ZUNIGA: 134 only, okay. Okay.

>> CHAIR JUDD-STEIN: Thank you. Any questions for Carrie? Okay. Do I have a motion?

>> COMMISSIONER O'BRIEN: Madam Chair, I move the Commission approve the amended small business impact statement for 205 CMR 134, specifically Sections 134.07, 134.09, 134.10, 134.11, 134.13, and 134.14. Licensing and registration of employees, vendors, junket enterprises and representatives and labor organizations as included in the Commissioners' packet.

>> COMMISSIONER STEBBINS: Second.

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

[Vote taken]

Opposed? 5-0.

>> COMMISSIONER O'BRIEN: Madam Chair, I further move the Commission approve the version of 205 CMR 134, specifically Sections 134.07, 134.09, 134.10, 134.11, 134.13, 134.14, licensing and registration of employees, vendors, junket enterprises and representatives and labor organizations as included in the

Commissioners' packet and authorize staff to take all steps necessary to finalize the regulation promulgation process.

>> COMMISSIONER STEBBINS: Second.

>> CHAIR JUDD-STEIN: Further discussion? Hearing none, all those in favor.

[Vote taken]

Opposed? 5-0.

>> MS. TORRISI: Thank you.

>> CHAIR JUDD-STEIN: Thank you. Excellent process. Thank you.

>> COMMISSIONER STEBBINS: Thank you.

>> CHAIR JUDD-STEIN: Moving on to number 8. This is a report from Commissioner Zuniga on the GameSense procurement. There is a memo in our materials.

>> COMMISSIONER ZUNIGA: Yes. Thank you, Madam Chair. I can get started, although I know Agnes Beaulieu was going to join us. She was having her lunch. And Marlene Warner might be able to come up after my update and Agnes be available for some remarks and questions.

As the memo shows or tries to summarize, we have undertaken in the process of reprocurring our GameSense program manager who was -- who is in prior -- has been the counsel since we started and is the apparent successful bidder that we will be describing upon to my colleagues for hopefully the ratification of their contract. We started this process, it seems like four or five months ago.

>> MS. WARNER: In July.

>> COMMISSIONER ZUNIGA: In July? Yeah. We issued an RFR as described here with the notice of intent to show with a lot of anticipation and quite a bit of, you know, good timeframe for responses. We received a number of questions as part of the -- during the question and answer period that led us to believe that we might have more than one respondent to the RFR. We tried to make the RFR flexible enough to allow for that, and including the option of maybe having these spaces be managed by different program managers. In fact, one of the questions was relative to that. Somebody who was, it seemed from their questions, interested in perhaps managing the southeastern part.

However, we ended up receiving one response from the council. We had, in our procurement team, we enlisted the help of four people that have been providing us with a lot of help in the research review efforts that we do. They also provided Mark with a lot of help in the procurement that is also ongoing of the research effort. Those people are Paul Smith who is formerly of the British Columbia Lottery Corporation. So this is where the -- they implemented GameSense or the concept of GameSense to begin with. He's retired from BCLC and is now a gaming consultant. We also had the help of Bruce Goen who is another former retired DPH investigator who has been part of our gaming research Advisory Committee since inception as well as Tom Land who, like Bruce, has been instrumental in our advisory -- research Advisory Committee, and Tony Roman, who as well has been part of these efforts.

Myself -- I was the fifth person in this committee, and we're helped by Teresa Fiore and Agnes Beaulieu in terms of the actual management of the procurement.

>> CHAIR JUDD-STEIN: Commissioner, before we continue, we all became aware that there was only one respondent and that it was the council. It is my understanding,

and legal, Todd, you can weigh in here, that the five of us have made a disclosure. I know that four of us filed most recently to indicate that we could proceed fairly and objectively. We filed those with reporting officials, and we complied with the enhanced ethics code. We wanted the public to know and our appointing officials to understand that we thought we could proceed objectively and fairly, but we wanted to note that the former chair, my predecessor, Steven Crosby, is a member of the board of directors of the respondent counsel. I've added that I also learned that Paul Sternberg, the former executive director of the lottery for whom I worked is also on that board of directors. So we disclosed those facts. Those documents are public documents and available through Elaine Driscoll, our Communications Director, but they're also on file with our appointing officials.

>> COMMISSIONER ZUNIGA: Thank you for that. And I should further clarify that I submitted that disclosure at the beginning of this process when it was first identified with my appointing authority. And I should further clarify that Mr. Crosby had no -- and I or anybody -- had any kind of conversation on these matters, neither the procurement nor the negotiations that I will later explain as we come forward today.

So in general -- and maybe later Marlene could speak a little bit more to that -- we wrote the RFP with a real sense of looking forward for the next few years and a real goal of improving the program. We know quite a bit about an evaluation that we did in the past. And so we wrote it to include things like reaching out to disadvantaged communities, communities that may be -- that we know from research may be in a position to be more impacted from gambling harm, which is, again, a focus of this program. It is for everybody, it has different approaches, but it also takes into consideration that nonwhite communities and other groups are perhaps -- not perhaps -- are at times at a higher risk of experiencing gambling harm.

There was another principle that we embedded when we wrote the RFP, and that was more presence and more outreach out in the community. In general terms. The initial response back from the council identified a number of activities in that regard, in response to those enhancements, if you will, or those additional aspects, and they identified them as -- many of them as additional costs to the program.

As part of the negotiations that ensued after the review with the review committee, we arrived at including as much as possible of those additional features, community outreach. There is a culture that I'll let you speak more about. There's some data collection which they are, in fact, doing as well as outreach to those communities, nonwhite groups and other communities of color that are essentially within the current budget that we have for the program. That's in a nutshell the subject of the negotiations. We come with what I believe to be an enhancement to the program for the price that we were paying before. I should clarify that they are -- we are allowing for the next two years a cost of living adjustment because this is mostly a program that has a large percentage of their costs being staffing. They are, because some of these employees are already in their first or second years, they are contemplating some additional costs of living adjustments and the like that we are also contemplating for the second and the third year.

So at this point I can let Agnes expound if you think that I missed anything.

>> MS. BEAULIEU: Sorry. I think you got the timetable accurate and the process.

>> COMMISSIONER ZUNIGA: Thank you.

>> CHAIR JUDD-STEIN: Agnes, could you just clarify -- I see in the memo that there's the balance for fiscal year '20. So that's 1.826 plus some change million. And then as I understand it, funded from before or level funded from before? So what would the amount be annually?

>> MS. BEAULIEU: The grand total annually is \$2.99 million. Just 2 --

>> MS. BEAULIEU: 2.999.

>> CHAIR JUDD-STEIN: Million.

>> COMMISSIONER ZUNIGA: Almost \$3 million the first year.

>> CHAIR JUDD-STEIN: That's the first year.

>> MS. BEAULIEU: Yeah.

>> CHAIR JUDD-STEIN: And so the balance all adds up to 2 -- and then it continues to be that on an annual basis plus the potential for the increase for cost of living.

>> MS. BEAULIEU: Correct.

>> COMMISSIONER ZUNIGA: Yes, yes. The program essentially costs around \$3 million for us to run it. That's what we budgeted last time.

>> CHAIR JUDD-STEIN: And that's annually?

>> COMMISSIONER ZUNIGA: Yes.

>> CHAIR JUDD-STEIN: So the overall contract is -- is a --

>> MS. BEAULIEU: Is close to \$9 million.

>> CHAIR JUDD-STEIN: About a \$9 million with the option of renewal.

>> MS. BEAULIEU: For the additional three years, yes.

>> COMMISSIONER CAMERON: So it's -- it's the same cost plus cost of living adjustments.

>> MS. BEAULIEU: Correct.

>> COMMISSIONER ZUNIGA: I should perhaps clarify for background, we arrived at this number progressively because we were asking other counsel to staff one casino after another as they were coming online. The prior numbers included, you know, the first year has included only Plainridge Park. As MGM came in, we had an addition to that contract. And when Encore came in, which is the largest operation of course that's how and when we arrived to the \$3 million benchmark.

>> COMMISSIONER CAMERON: Have we done any staffing analysis, meaning have you been able to determine advisers and their staffing based on the need, meaning busier times when -- and other times -- I always use the term a Tuesday morning where you may not need the same staffing requirements?

>> MS. WARNER: Good afternoon.

>> COMMISSIONER CAMERON: Good afternoon.

>> MS. WARNER: Yes. We have been looking at that. I think it's something we're still trying to suss out a little bit more at Encore. And, again, our largest team is at Encore, but we have a pretty small team at PPC because we know that the need is just not as great there in terms of the population, and then we ramp up during the busier hours there. At MGM, I think we are at a pretty steady state at this point as well and do know the busier times, so we are able to flex that. I think we're still figuring things out at Encore.

>> COMMISSIONER ZUNIGA: I should add that there was, among the review team, there were discussions prior to those negotiations to think about and consider, you know, whether a difference in schedule or a difference in resources would bring cost

savings. As part of the negotiations, we are leading the ability to the council and the staff, in this case going forward, Mark, Teresa, but myself to some degree, determine where those -- that timing might be better. For example, I -- we don't have any preconceived notion that every GameSense center should open at 10:00 a.m. That's when they open right now? 10:00 a.m.? It's easy to get down the path of, says you know, anecdotal instances in which, you know, maybe here we should be opening earlier or later or double -- increasing doubling efforts, let's say, in the evenings or the weekends. All of that is to be analyzed for the efficiencies of the program including the fact that we are now asking the council to think about how that community outreach and that presence in other places, not just the casino, can be enhancing the program.

It may be that as they are continuing to manage the program, that they decide that they need certain flex time from certain people or it works better to do outreach in such and such dates, et cetera, et cetera.

>> COMMISSIONER O'BRIEN: Can I ask a question about the terms of the contract? When it says three years with an option to renew up to three, is that done in one-year increments or is it up to the contract manager to say we'll give you three, two or one? How is that going to work?

>> MS. BEAULIEU: It can be done either way, whichever you feel most comfortable with. We'll do the initial contract for the three years with the budgets appropriately set aside. Then at the end of the three years, you can step back and say, we only want to do it for one at a time. Or you can do it all three at once.

>> COMMISSIONER O'BRIEN: And back to the Commission or to the contract manager who's designated?

>> MS. BEAULIEU: That's something we can designate. We can write in --

>> COMMISSIONER O'BRIEN: I didn't know if you had contemplated one way versus or the other, had a recommendation one way versus the other.

>> COMMISSIONER ZUNIGA: What I contemplated is maximum flexibility for us. We can come back and say in exchange -- and I'm just putting out a scenario -- in exchange of extending the assurances of a three-year renewal, we get some cost savings, for example, or no we're only going to do the fourth year -- a one-year extension and see how it goes. Again, just to give ourselves the flexibility. If you want, we could come back for those instances, you know, just given the size of the program -- of the contract.

>> MS. BEAULIEU: It is a clause that we can put in the contract however you wish. We can, at the end of, you know, six months prior to the end of the contract, we can look at it again to see whether or not we renew for one, two or three years at that time. And it can come before the Commission and require a vote if that's what you want. We can do it any way you see fit.

>> COMMISSIONER CAMERON: I actually think that makes sense, three years, the appropriate time to evaluate, meaning give us an update on how it's working, you know, what the status is, and then I think the Commission can decide or whoever will be members of the Commission three years from now. You know, can really take a look and decide what the appropriate extension, if there should be an extension, A, B, what the appropriate length of time is.

>> COMMISSIONER STEBBINS: And if you need time for some corrective action or to improve the overall performance to give them a trial basis to correct those things

within a year. Makes sense.

>> MS. BEAULIEU: I would recommend that you look at it, like, six months before.

>> COMMISSIONER ZUNIGA: Yes.

>> MS. BEAULIEU: It's due just because that way if there should be a decision for reprourement, you've got the six months in which to reprocur if you need to.

>> COMMISSIONER O'BRIEN: That makes sense.

>> COMMISSIONER STEBBINS: Note that in your calendar.

>> MS. BEAULIEU: Hmm?

>> COMMISSIONER STEBBINS: Put that on your calendar.

>> MS. BEAULIEU: I will not be here.

>> COMMISSIONER ZUNIGA: I'm sorry. She's not the only one who won't be here.

>> COMMISSIONER O'BRIEN: The master calendar.

>> COMMISSIONER STEBBINS: I'm assuming we also need to take action, steps to designate a Commissioner. I think the gentleman to my right would be perfect and Agnes for the time that you're still with us, can we designate you as the contract manager for the time being?

>> MS. BEAULIEU: I can do that.

>> CHAIR JUDD-STEIN: I just wanted to clarify a couple things in terms of as I've thought about this contract. I understand under the enabling act, which is eight years old tomorrow, that our licensees must allow for a complimentary on-site counseling services, and those are both substance abuse and mental health services. I know that that's been fleshed out in earlier Commission meetings. But they must be on-site. They are to be services, and they must be administered by an independent entity. And that's where the council's expertise comes in as the service provider. Did the procurement team see the number of FTEs? Or how much of this is salary versus administrative costs? Did you have a sense of that in terms of the overall costs, the breakdown?

>> COMMISSIONER ZUNIGA: Yeah.

>> CHAIR JUDD-STEIN: I know that's on -- it's probably online if I went and looked at it. I saw that link late. So my apologies.

>> COMMISSIONER ZUNIGA: Well, let me try to answer that question, you know, the following way. There was a lot of discuss relative to data measurement, eventual evaluation, and I'll come back to this in a few minutes. And number and quality of interactions. A big metric for the program is just how much and how many times the GameSense advisers are interacting with patrons, patrons who, at different levels, patrons who are occasional players and more intensive players, all the way to and including either referring somebody for additional help or signing them up in the voluntary self-exclusion program, which is a big part of what actually happens with this program. So the reality is that it's -- there's some challenges in how to measure and how to drive additional interactions.

Let me make a small parentheses here, which is the reporting and the data collection. The council has done, since the last evaluation that we did on the program, the council has done a lot of data collection relative to those interactions. And they have submitted reports now to that effect as part of their contract with us. We have not brought them to this Commission because we were going -- undergoing the procurement process. But there is a new format of reporting that you will see soon.

And you will soon see periodically that speaks a lot to how they're driving interactions and how they're measuring, you know, the different interactions and how they're driving quality of those interactions.

This is a program that we intend to evaluate soon. You know, now that they're -- in the next couple of years, at least, now that they are going to be operating with some years in the experience side in all three casinos. Let me come back to the initial point I made or the parentheses about data collection. As part of the initial evaluation, the people that we asked to do that evaluation came in and put a lot of onus on data collection for that evaluation on the council. And that was just the approach. The council is now doing a lot of data collection that includes what that evaluator thought was going to be important. But we agreed that any future evaluation is going to be done, including the data collection will be done by that evaluator, not the council. So they can concentrate on the data collection for management of the program. And that gives them a little certainty that, you know, that is not going to add to the burden of what they already do.

>> CHAIR JUDD-STEIN: So I guess my question was in terms of their budget.

>> COMMISSIONER ZUNIGA: Yep.

>> CHAIR JUDD-STEIN: How much of the budget was allocated -- what percentage was allocated to FTEs and part-time employees, employees, Human Resources versus administrative costs? Were you able to see that breakdown?

>> COMMISSIONER ZUNIGA: Yeah. You might have -- I don't want to -- you may have a better number than off the top of my head. It's a 70 plus percent labor cost. Do you get that somewhat okay or --

>> MS. WARNER: Well, it's funny because I just said to Agnes earlier, they're not going to ask me any questions about numbers, right? The indirect costs -- so I don't know, Chairwoman, if you're asking specific to administrative staffing or if you're asking to an indirect rate.

>> CHAIR JUDD-STEIN: Well, the indirect rate is always interesting. I was just thinking when you presented your budget to the procurement team, really, how do we get to \$3 million, kind of?

>> MS. WARNER: Yes. I think it's upwards of 75 to 80% are staff, and the remainder is other -- other things. I wouldn't say that's just administrative. I would say that there's, you know, program supply costs. There's costs associated with trainings and conference things like that. I'm not sure that I --

>> CHAIR JUDD-STEIN: Well, that's actually helpful.

>> MS. WARNER: Okay.

>> CHAIR JUDD-STEIN: So those additional costs are important in terms of understanding the overall budget. So you're saying 70% --

>> MS. WARNER: Upwards of that, yeah.

>> CHAIR JUDD-STEIN: -- go on-site and provide on-site services.

>> MS. WARNER: Correct.

>> CHAIR JUDD-STEIN: And do we have -- so that we can be completely transparent, did you do any comparison in terms of -- I know British Columbia would be different, but we know that they run a GameSense program, do we have any comparisons in terms of salary or did we look at other social workers to know that they're being paid, you know, in the right vicinity? Did we look at the salaries at all?

>> COMMISSIONER ZUNIGA: We did not look at benchmark in salaries. That is something that the council must have arrived, you know, to attract the people that they feel are qualified for the job.

>> CHAIR JUDD-STEIN: Do you know on the average what it is?

>> MS. WARNER: On the average, I'm sorry?

>> CHAIR JUDD-STEIN: A -- let's say entry-level adviser, GameSense adviser.

>> MS. WARNER: What a GameSense adviser is typically making? Is that what you're asking me? The GameSense advisers, when they come in, are making in the low -- like, I think, \$60,000, \$61,000.

>> CHAIR JUDD-STEIN: Okay. And they get benefits on top of that.

>> MS. WARNER: And they get benefits, yes.

>> COMMISSIONER CAMERON: Is there a minimum requirement you're expecting for those advisers?

>> MS. WARNER: So most of our advisers come from the gaming industry. And we need to have time within the gaming industry. I don't know that we have a set amount. I'd have to go back and assess that, but I'd say most of them have five-plus years. What we look for when they come in to work as a GameSense adviser, that they've taken some leadership roles. So most of them have been a supervisor, a manager of some type. They have -- a number of them have done training opportunities. And a number of the folks who work in the training -- in the gaming industry have other jobs. So we also took that into account as well. But I wouldn't say --

>> CHAIR JUDD-STEIN: Language capacity?

>> MS. WARNER: Language capacity is another key piece, yes. We have a number of, you know, 11 or 12 different languages beyond English, and that is certainly a strong consideration when we're hiring as well.

>> CHAIR JUDD-STEIN: So these are -- we've been well informed in terms of these are professionals who have gaming expertise. They often have social service or mental health expertise and language expertise. I think did I hear eight different languages, if I remember correctly.

>> MS. WARNER: I think it's more at this point, yes.

>> CHAIR JUDD-STEIN: Spread out. And then they make up about 70% of your budget.

>> MS. WARNER: Correct.

>> CHAIR JUDD-STEIN: So that's about a workforce of how many, Marlene?

>> MS. WARNER: So for our GameSense advisers, we have -- I think there's 27 of them in total.

>> COMMISSIONER CAMERON: So I know early on you were not looking for gaming experience, correct?

>> MS. WARNER: Correct.

>> COMMISSIONER CAMERON: And that was a lesson learned from this program?

>> MS. WARNER: Absolutely. So when we first reached out to BCLC, British Columbia Lottery Corporation, Walt was one of the people that helped us at BCLC, and he swore up and down and sideways that we should only take people from the gaming industry, to which I was sure he was totally wrong. And what we've come to find out is individuals who have worked in the gaming industry are incredibly well trained. I liken them to, although I've never worked in, you know, in a police setting, but I essential

think that they have eyes in the back of their head. They always are assessing what's going on on the floor. They know what patrons -- their affect has changed. They're really able to always be checking. They also know the games inside out and backwards as well and can explain -- they can explain the rules of the most difficult, most complicated games, they really can simplify them. So having all that has been an immense value. I can't really kind of explain how important it has been to have those folks. I will also say they're comfortable in a casino. And so when we have brought folks who had come from a social service background or who had, you know, a more clinical background, it's a hard adjustment, right, to go from a clinical setting into working in a casino. That is not a comfortable transition for a lot of folks. It takes people a while and oftentimes people are not interested in doing that long term. So we have found that the strength comes from people who have had that -- those leadership roles, who have had that gaming experience, but who have honestly have felt held back from helping patrons and customers in their previous positions and want to do something more have struggled with being on that side of the table or being in the, you know, slot banks and not being able to help patrons more. They come to GameSense and feel like they have a new lease on the gaming industry.

>> COMMISSIONER ZUNIGA: And I would add -- only add to that that, you know, it's really this customer service type of hospitality training that comes with the gaming industry that is really also very valuable for the program. They engage with customers well. They're friendly. It's all about attracting and eliciting conversations, and that's also very much an asset of the program.

Let me mention something else that I just thought of on a prior question, Madam Chair, and that is we should still and continue to think about the cost benefit of the program, and this is what we are, you know, what we will continue to do. I liken it to, you know, really establishing, figuring out the steady state when it comes to hours and workload. There is an assumption embedded here, which is that, you know, more GameSense advisers, slightly more GameSense advisers are required for Encore because it's a much larger operation. It has double the station or perhaps more. It has double the employees than MGM, for example, and that is also a key area of interactions, just training employees and engaging with them. But it may be that maybe a 2-1 ratio doesn't hold as we continue to think of hours and workload. The 70% figure that we sort of put out there in terms of labor does include, you know, manager level that do both manage advisers, do some interactions, engage with patrons, but also think about, you know, ways to improve the program. And to me, there's this real balance just programmatically between staffing it for so long that it becomes for too long in the day, let's say, that it becomes really expensive, and staffing it -- the skeleton crew, that it becomes not noticeable to people who are there regularly. You know, if people come in at different times and there is never an adviser, let's say because they come at whatever times we don't want to be there or think it's not as cost effective, the program and the visibility of the program begins to suffer. And that is the balance that I think will continue to try to strike. The good news is that just because of years, PPC gives us a bit of a comfort level that, you know, we will arrive at what we will begin to see as steady state. And they will arrive at what may be the right mix of part-time versus full-time, who they also sort of manage with so that they can respond to, you know, more intense periods in the day or the week as opposed to, you know,

and manage the program effectively. Do you want to expound on that, Marlene?

>> MS. WARNER: I think one of the other things we're starting to learn -- we have once a month where we attend a GameSense strategy meeting where MGC staff -- it's Mass Council staff and then the licensee staff who interface with GameSense in some way to quickly compliance some internal marketing and sometimes external marketing folks, security, sometimes surveillance is there.

So just yesterday we had a meeting at MGM, and similar to some of the events you heard about today, we heard about kind of all of the events, but we really go over those events to say, you know, for the winter weekend, you know, with the Red Sox which, by the way, I have to get my tickets before they're all sold out, but the winter weekend, what does that actually mean for GameSense, right? So that means that there's people who are probably thinking about gaming and gambling when they're around for the winter weekend. That means there's kids in and around the casino and the casino area. How can GameSense be useful with that? That means that there are opportunities for GameSense to be milling about and talking about how you keep this fun and entertaining, whether they're inside the casino or outside the casino. So those are the type of things that we're going to put extra staff on, that Friday and Saturday in January, and need to kind of be thinking about. Those are the things we can't always anticipate. We don't always know. Both Encore and MGM talked about events specific to the Asian population and bringing in specific concerts and entertainment acts. Those are opportunities where we would have our staff who speak various Asian languages coming in and making sure they're interfacing with the guests. We're bringing in specific brochures. We're thinking about a specific game to engage those customers. So we're really trying to have a ready state while also responding to some of these events, and we're not always obviously aware of -- we're not -- unfortunately we're not in the conversations with MGM and the Red Sox. They haven't invited us yet. But those are the type of things that we would love to know and continue to respond to. I think GameSense, as effective as the inclusion we're allowed on site, and I think we have to continue to figure that out. Listen, the licensees have been amazing. And I'll tell you, having been here from the beginning, they were pretty resistant and concerned about who these, you know, nonpaying residents were going to be on site at their casino. You know, I'm hoping on December 19th when Mark gets to present some of his programs and you see the licensees come back, you'll hear from them how they feel just the opposite at this point, that this is a real value to their casino operation.

So we are still figuring this out, even though -- and I can't believe it, that it's been eight years since the announcement came down that we were going to have casinos in Massachusetts -- that we are in a different spot than we were, and I think we'll -- in three years, hopefully when we're here talking to you about why we should continue to be the GameSense operator, we will have learned a lot.

>> COMMISSIONER CAMERON: Are you -- do you feel like you are tracking appropriately, which is so important for evaluation? Meaning all of your interactions are tracked? The numbers that move on to further recommendations, whether it be counseling or self-exclusion? I mean, I think that's a really important piece that a lot of new programs struggle to understand how important that is.

>> MS. WARNER: Yes. I think that our director of responsible gambling and our

senior GSAs have done a fabulous job of really putting that into place and with the guidance of Dr. -- Dr. -- I just gave him an increase -- Director Vander Linden -- could be a doctor someday -- and Teresa -- and making sure that we're asking the right questions and they're not frivolous in terms of our data collection but they actually mean something. So we have a pretty extensive checklist that has been revised a number of times that the GameSense advisors need to track every interaction. Can we get better at that? Absolutely. Are some people much more reliable in terms of entering -- because they're having a conversation. Then they have to remember to not just immediately jump to the next conversation but list it, and they're doing this via iPads most of the time. I think some of the GameSense staff are so friendly with the licensee staff that I think sometimes they forget that those are interactions they should be listing.

So I think there's certainly more we could be doing in terms of the integrity of that data, but I think that it's gotten dramatically better. You know, the Commissioner had mentioned earlier when there was a third-party evaluator who came in and how difficult that was. And the practice was good because I think it really helped the GameSense advisors at that point. It was just at PPC to understand why we were asking these questions but the difficulty was that they were handing us survey versus having a conversation and noting it themselves. They were handing a survey to someone and they had to kind of walk away so that the person didn't feel pressured to answer the survey. I mean, the space is not very large, right? So it was awkward, kind of socially awkward to do that. So I think that was hard, but I think the actual data collection is good.

I still think right now in the VSE checklist -- I mean on the VSE application, there is an opt-in to having one of our staff members call them back a week later. And we do up to ten tries to try and reach that person at their request. I think there's more we could be noting about those conversations, about why we're not getting to that person. I think there's a lot more we still can learn. I think the reinstatement sessions or the exit sessions, when people are coming off of their term for VSE and coming back into presumably coming back to gamble because they're coming off this list, there's a lot more we can learn about that.

I think one of the things that this program has had to figure out is, this is it in the U.S., right? So we are the only program in the U.S. We are the only state doing in-person exit reinstatement sessions. We are the only state doing a number of these things. And so we've been while really well guided, there's a lot of things that are very different about this program than even BCLC so we've been kind of finding our way. Again, I think we're very confident about where we are, but I still think there's ways to improve and certainly data collection is one of them.

The other thing that we've talked about is putting into place a positive play scale survey, and that is going to be, I think, crucial. One of the things we have learned from our partners in Canada is that player segmentation is important. So right now one of the things we do is that if my GameSense advisors, which they do know all of you, but if you were all to walk in plainclothes, they would treat each of you exactly the same way. Even though maybe Bruce wants to have a longer experience at the casino, you want to have a short experience, maybe you've gone with friends, it doesn't matter who you are. They're going to listen to you, and they're going to talk to you. But they're going to have basically the same set of tools. We hope that with the data that comes out of this

positive play scale that better assesses what -- what is the knowledge people have, what is the precommitment to gambling safely, a number of measures. There's 14 questions in this tool. We will be able to better segment the player interaction. So one of the things that they're starting to do up in British Columbia is say there's typically between five to six types of players, which is kind of remarkable given how many people walk in a casino a day. But they're able to better segment their responsible gambling interventions and tools to those various types of players. So we still have a lot more to learn here in Massachusetts so we can better gear what we're doing. That was a long answer to your short question.

>> COMMISSIONER ZUNIGA: No, thanks for --

>> COMMISSIONER CAMERON: But it was a good one.

>> COMMISSIONER ZUNIGA: That was something I failed to mention at the beginning, and I had written down that we should mention, and that is as part of the program that we are now hoping to do in addition to what we were doing before is these players segmentation via the positive play survey. I think that's really where the opportunities sort of come in in terms of engaging in a different but targeted way. And we'll continue to have research and data collection feedback. As I mentioned, I think we, you know, within the next couple of years, should be thinking about a program evaluation with the lessons learned from the first effort.

They are doing a lot of data collection that will help them, by definition, improve their management of the program. I suspect you already noticed that who is really good at engaging in terms of having conversations, at what times, or maybe, you know, who can be paired up whether it's mentoring or who is better at engaging with employees, and those are all things that through the data collection and now managing three sites, we hope that the program will improve.

>> CHAIR JUDD-STEIN: I just want to add that while I've only been here really since February, my impression has been that there has been data -- rich data collected. I have been able to learn so much about really the success of GameSense because of what you have been collecting and the idea that it will only get richer is, of course, better. I also know, again, with my limited timeframe, that Massachusetts is the envy of many other jurisdictions because, one, the legislators had the foresight to include this probably very ominous requirement for any licensee here. And then my predecessor and fellow Commissioners who were part of the decision to hire your council to implement GameSense saw something special because GameSense is so highly regarded really around the world. And, you know, we can credit Mark and Teresa in many ways for really guiding that and Enrique and my predecessor, Steve Crosby.

With that said, all the accolades in the world, we do have a responsibility, and I think that what I understand is that there was vigilance over costs and that there were negotiations over costs. We are getting something more than what we got before. And so that seems to be all fiscally very sound. The services -- I don't know if any of my fellow Commissioners have any questions about that in terms of what has been going on. Any further questions, but I can just say that when you enter any of our licensees' facilities, you have folks there who love what they do, and they want to keep on doing it well. So thank you.

>> MS. WARNER: Thank you. I really appreciate that.

>> COMMISSIONER CAMERON: I would concur. I always enjoy stopping by and

listening and learning and watching their enthusiasm, and I know that it makes a difference with those relationships that they end up having with patrons. So from that standpoint, I know that's anecdotal, but it is part of observing what we do and understanding, and I just think you've put together an amazing team.

>> MS. WARNER: Thank you. Thank you. They are amazing. I'm very blessed to have them. Thank you.

>> COMMISSIONER STEBBINS: Madam Chair, I'd move that the Commission award a three-year contract to manage the GameSense program with an option to renew for up to three years as discussed here today to the Massachusetts Council on Compulsive Gambling.

>> COMMISSIONER O'BRIEN: We also want to designate --

>> COMMISSIONER STEBBINS: That's the second.

>> COMMISSIONER O'BRIEN: Okay.

>> CHAIR JUDD-STEIN: Any further questions for Marlene or for Enrique -- Commissioner Zuniga?

>> COMMISSIONER CAMERON: I would second that.

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

[Vote taken]

Opposed? 5-0. Thank you. Excellent work. And thank you, Agnes.

>> COMMISSIONER ZUNIGA: Thank you.

>> CHAIR JUDD-STEIN: I was glad to see you at the table.

>> MS. WARNER: Thank you very much.

>> COMMISSIONER CAMERON: Thank you.

>> CHAIR JUDD-STEIN: Now we do have the extra motion.

>> COMMISSIONER STEBBINS: Madam Chair, I'd move -- I'd further move to designate Agnes Beaulieu as the contract manager on behalf of the Commission and that Commissioner Zuniga be authorized to execute the contract on behalf of the Commission after consultation with the office of our General Counsel.

>> COMMISSIONER O'BRIEN: Second.

>> CHAIR JUDD-STEIN: And then the only additional clarification would be with respect to how we line up the renewal provision. Okay. So that's noted. Any further discussion?

>> COMMISSIONER O'BRIEN: I think he referenced that.

>> COMMISSIONER ZUNIGA: In the first motion.

>> CHAIR JUDD-STEIN: Oh, I'm sorry.

>> COMMISSIONER ZUNIGA: We would come back after three years.

>> CHAIR JUDD-STEIN: I was looking at the other -- my apologies. All right. So we should be all set on that. Any further discussion or clarification? All those in favor?

[Vote taken]

Opposed? 5-0. Thank you.

>> COMMISSIONER ZUNIGA: Thank you.

>> COMMISSIONER CAMERON: Thank you.

>> CHAIR JUDD-STEIN: I was -- excellent. Now we can go to Commissioner Stebbins, please, on your recent forum.

>> COMMISSIONER STEBBINS: Sure. Thank you, Madam Chair. I'll keep it brief because I'm anxious to get to cake and our friends from NCTE who are here. But

included in your packet, you have just an update, a memo from myself regarding our fostering partnerships event here last week. Just, again, a simple background, kind of throughout this eight-year period since the passage of the gaming bill, we've heard from a number of stakeholders who were excited about the inclusion of language focusing on minority women and veteran-owned businesses as part of the project. But the question was raised, okay, if I'm not a contractor, I'm not an architect, I don't offer supplies to one of our gaming licensees, what other opportunities are available? And I think now with the opening of our three licensees and their close work with our host communities they are all beginning to think what comes next? What are the additional development opportunities as host communities begin to think about what's the benefit of having this casino in our community? What are the development opportunities available? I know our Community Mitigation Fund is actually funded some strategy making for communities to figure out how they can leverage the presence of the casino.

So, again, taking in all of the voices and comments we heard from stakeholders all across the state, you know, some prominent folks like Darrell Suttles and others asking us to explore this a little bit further. Our gaming licensees were on board. Our host communities were on board. So last week we had a gathering in this room. We had about 50 guests who represented MBEs, WBEs, VBEs, other state agencies, potential developers, potential financing resources, some of our partner organizations like the Center for Women in Enterprise and Initiative for a Competitive Inner City. They all got to hear firsthand from our licensees what their project has been. They got to hear from the host communities as to what the development opportunities are. And we hope we have started a conversation. So everybody who registered or everybody who attended got a list of all the other attendees. They got copies of all the presentations that were made. And, again, we hope this sparks a conversation as things move ahead and that there's some good business opportunities and business partnerships that are formed. So it was very -- seemed to be well received and, you know, we hope these conversations continue. But that's the thrust of my report which was in the packet.

>> COMMISSIONER CAMERON: I'd actually like to thank Commissioner Stebbins for this initiative, having had the opportunity to attend the event. It was excellent. I met some interesting people. And to listen to them and watch them interact and think about possibilities as well as President Mathis saying this morning that he's already received several e-mails about some of the opportunities that he talked about. That's really encouraging. So I commend you for your initiative.

>> COMMISSIONER STEBBINS: Yeah. Thank you. I'd credit Jill and Crystal and Janice and Austin for all their help in organizing the meeting. I know that's not my strong suit, so I count on the --

>> COMMISSIONER CAMERON: It always helps to have a strong team.

>> COMMISSIONER ZUNIGA: Yeah. It's really great to hear. I'm sorry I missed it, but I heard through John who's not here that it was a great success, that there was a lot of great conversations, not just as part of the presentations but afterwards, and it appears as though it will continue, so it's really great to hear.

>> CHAIR JUDD-STEIN: It truly became a networking event, but the presentations were very special to see the licensee teaming up with their host communities. And that just made for a very special presentation. It would be great to be duplicated. So thank

you, Bruce. Thank you very much.

>> COMMISSIONER STEBBINS: Thank you.

>> CHAIR JUDD-STEIN: Before we move on to our special guests, I just wanted to add, under Commission matters, that I did attend the gaming policy Advisory Committee, and it was a very substantive discussion. Our legislator colleagues on the committee had an opportunity to share their views, but I wanted to take time just this moment to recognize the Chair, Karen Sawyer Conrad, who is stepping down. She has done a great job in that committee, and her leadership will be missed. I know that we'll be looking for the governor's office to help in attempting to replace her. But she has a superb opportunity. She will be the city manager of Portsmouth, New Hampshire. As we say how special it is, we do know that but that's a great job for her. I think John Ziemba would have been thanking her today, but he's not here, so we thank her very much.

So any further questions for Commissioner Stebbins? Okay. So we'll move on to item number 9 on our agenda. Director Griffin.

>> MS. GRIFFIN: Good afternoon.

>> CHAIR JUDD-STEIN: Good afternoon.

>> COMMISSIONER STEBBINS: Good afternoon.

>> COMMISSIONER CAMERON: Good afternoon.

>> MS. GRIFFIN: Today we celebrate the two-year anniversary and the successes of the Northeast Center for Tradeswomen's Equity and the build a life that works campaign. With me today are Mary Vogel, to my right, executive director of building Pathways and also representing NCTE. Kate Leon, also of the northeast center for tradeswomen's equity, she's the pipeline navigator, and Savy Francis who is now a journey-level pipefitter from Local 537?

>> MS. FRANCIS: Yeah.

>> MS. GRIFFIN: 537. And she worked building Encore Boston Harbor with other pipefitters.

So the campaign, just to give you a little bit of brief background, resulted from recommendations of a six-month focus group of access and opportunity committee members that I pulled together in the year 2016 to respond to the challenge that our licensees were -- and all large developers were facing regarding the supply of tradeswomen. So since 2017, MGC has awarded more than \$200,000 in grant funding to launch and sustain this partnership, including the development of the website, branding, advertising, collateral, and the support of staff.

So with that brief background, I'm going to turn it over -- turn the presentation over to Mary Vogel.

>> MS. VOGEL: Thank you, Jill. And thank you, Commissioners, for inviting us here today. Again, my name is Mary Vogel. I'm executive director of Building Pathways as well as a board member and treasurer of the northeast center for tradeswomen's equity and sort of the ex-officio administrator of NCTE. And Commissioner Stebbins referred to the requirements in the gaming legislation around having a diverse supplier group perform work on that project. But the gaming legislation also set goals for women, people of color, and veterans. And women in particular are vastly underrepresented in the building trades. And so NCTE was created to target increasing the participation of women in the building trades. NCTE

was actually officially created in 2016, and then we began our partnership with the Mass Gaming Commission to launch the first-ever statewide campaign to outreach and educate women about career opportunities in the building trades.

And we did this through a collaboration of our founding organizations for NCTE, so that would be Building Pathways, the policy group on tradeswomen's issues, the building and construction trades of the metropolitan district which is basically greater Boston building trades, the New England carpenters regional council, and the Mass AFL-CIO. So this was a consortium of organizations that have been working on this issue for quite some time. And with that leadership and experience, we worked with the Gaming Commission to launch this campaign, which was funded largely by the Gaming Commission but also several other partners, the Mass Convention Center, the building trades employers association, the Mass construction advancement program, A.G.'s office. We've had funding from U.S. DOL, the Boston Foundation and some other partners. So this has been truly a collaborative effort to increase the participation of women in the building trades.

And we have approached this throughout as an integrated supply demand strategy. So the demand is created by public agencies such as the Mass Gaming Commission creating these workforce hiring goals for women, people of color, and in this case veterans. There are other state agencies that have these goals. The City of Boston has them. So we understand that in order to increase participation and retention of a diverse workforce, you have to have that demand side of the equation.

NCTE and Building Pathways and similar preapprenticeship programs come in to make sure we have a supply of diverse workers to fill those demands. So NCTE, through this marketing campaign, which Kate will really focus on this afternoon and Savy, was really focused on making sure that we have that supply, making sure that women understood that these career opportunities are available and that women can do this work, have done this work, and will continue to do this work. So I think, you know, the real crux of this was to create that visibility because, frankly, if women don't see other women on the jobsite, they don't know these career opportunities are available to them. So that was the real thrust of this campaign.

You had your supplier diversity meeting last week, I think you said Commissioner Stebbins. We also had a diversity summit at Smith College at UMass -- in the western part of the state really trying to create a legacy of the work that was done with the Mass Gaming Commission to talk with other developers, owners and users, about how you can create a diverse workforce on the projects that you're funding. So we had academic institutions at that summit. We had healthcare institutions, other anchor institutions that can really make a difference in making sure that the legacy here continues across the state. So I'd like to actually, you know, thank the Commission for its work in hosting that summit. And also in particular, Jill Griffin, Elaine Driscoll, Crystal Howard, Commissioner Stebbins who we've been working with all along on this project and their input and support has been invaluable and really necessary. And so thank you. And with that, I'm going to turn it over to Kate who will talk more particularly about the components of our Build a Life Campaign.

>> MS. LEON: Sure. Thank you, Mary, Jill and Commissioners. We're also excited to be here today to celebrate our two-year anniversary with cake. And so let's get to it. So as Mary mentioned, the build a life that works campaign is -- was founded

by a coalition of partners which she listed, but the mass gaming Commission has been a major partner along with the Boston building trades, the AFL-CIO and the north Atlantic states council of carpenters which is a new name for the New England carpenters.

And this is important work that we're doing because it is getting women into great careers. The building trades offer great careers for anyone, regardless of gender. We know they have great wages. They have great benefits, paid training. But women don't always have access. So Savy, could you tell us a little bit about your career and kind of how joining the building trades affected your life?

>> MS. FRANCIS: Good afternoon. I was working in a nonprofit organization in Roxbury back in 2012. I've always knew I wanted to get into the building trades as a young child playing with my grandfather's tools. He was in the D.C. 35 painters union. And as I was working making just \$12 an hour, I needed something better. So the director of the company I was at ended up sending an e-mail blast for Building Pathways. So I looked at that as being my golden ticket to go through what I had to go through for paperwork, the testing, math and everything to get my foot in the door.

In 2012 I remember going down to the info session on Temple Street at ABCD at the time. And I sat through the info session, brought all the paperwork, made sure I made copies of it just in case if I forgot anything, studied the math packet that was given to us. And I remember going to the carpenters training center in Dorchester. There were so many women in that room going for the same goal as I was going for. And I just kept telling myself, I'm -- I have this in the bag. Then I remember September receiving the letter that I was in -- I got accepted into Building Pathways. And from there I was just so happy because I just knew from there, that's the start of everything for me.

Went through it, the seven-week program at the time. We went to different training facilities to decide which one we wanted to go into. And I remember at the time when I interviewed with Mary, I picked ironworkers, electricians, and the bricklayers on the application for the interview part. And I just remember Mary saying, this is everywhere. Because it wasn't, like, with the pipefitters, it's a pipe trade. So I had picked the sprinkler fitters and the plumbers so I could see where it all related to, but it was just all over the place because I was just so excited. And I knew people. I have uncles that are retired, electricians and everything. And I knew people that are ironworkers and bricklayers. That's the only reason why I picked those three. But being able to get hands on at the different training facilities, that's when I decided I want to be a pipefitter instead.

So I graduated in December 2012. And I remember them letting us know that the pipefitters are accepting applications in the month of January. 2013, I walked down there because I went back to my old job for some sort of income. Thankfully I was living in an apartment. My father owns a house in Dorchester. So I walked down there, filled out the application, brought everything with me. And I just remember waiting at the -- at my mailbox every day for the letter. Had an interview in April. Got the phone call from the assistant business manager in June to start working the very next day, which was a Wednesday. So ever since then I've been with the pipefitters Local 537, the same company also Ann Duggen, going into my seventh year, I actually bought a house right after I graduated from my apprenticeship in May 2018, got married

in May 2019, and just had a baby a month ago.

>> MS. LEON: Yeah.

>> COMMISSIONER CAMERON: Wow!

[Applause]

>> MS. LEON: So as you can hear, these are really life-changing family-sustaining careers. And it takes programs like Building Pathways that Savy went through and campaigns and initiative like build a life that works to make the pathways to these careers clear for women and for people of color and other groups that were traditionally underrepresented in the field.

>> COMMISSIONER ZUNIGA: Can I just ask, I think I just realized a few minutes ago, are you the face of the -- one of the faces of the campaign?

>> MS. FRANCIS: Yes.

>> COMMISSIONER CAMERON: Of course.

>> COMMISSIONER ZUNIGA: One of the faces.

>> COMMISSIONER STEBBINS: Right up there.

>> COMMISSIONER ZUNIGA: I should say I look at your face every day because I go through Forest Hills.

>> MS. FRANCIS: Yep, I was at that jobsite.

>> She's right around the corner, too.

>> COMMISSIONER ZUNIGA: You look different without your helmet.

>> MS. FRANCIS: My husband has to look at that every day at work. They have a poster at his office.

>> COMMISSIONER ZUNIGA: That's great.

>> COMMISSIONER STEBBINS: That's awesome. Going proud.

>> MS. GRIFFIN: And she has autographed one of those posters.

>> COMMISSIONER CAMERON: Is that right? Could I ask a question as well?

Ms. Francis, so you're a journeywoman now.

>> MS. FRANCIS: Yes.

>> COMMISSIONER CAMERON: Could you please explain the difference?

>> MS. FRANCIS: Sure. As an apprentice I went through school and with the union. So my first year I went two nights a week and then 537 changed it for the first and second years. Now you have to go during the week. You work for six weeks, and then you go to school for a week. Then third, fourth and fifth year, you end up going at night, and you go through tests -- you have to get certified for your med gas, you can get certification for welding. I did all five years. I studied for the state exam. Then I became a journey-level September of 2008, even though I graduated in April, I got my license in September 2018, so you get a pay increase also each year from an apprentice. And then once you get a license, you get the big bucks, as you say, as a journey-level person.

>> COMMISSIONER CAMERON: So it doesn't sound like it was easy, but you persevered.

>> MS. FRANCIS: Yes. I went to school nights the first year and then third, fourth and fifth year, I went nights also. Depending on what year you are, it could be three nights a week. And then the nights were hard because if you had a family, which my husband has a son prior -- from a prior relationship, so they depended on me to make dinner after I came home from school, from working from 6:00 -- to 2:00 in the afternoon

and then going to school from 5:00 to 8:00 and then going home, having to have homework that needed to be done for class, studying also, and then sometimes you'd catch -- like, when I was working at Encore, that's when I was in my fifth year apprenticeship, so I actually had to drive while they were rebuilding our school, I had to drive to Norwood. So I'd sleep in my class for three hours before class started or sometimes I would just listen to myself because I was studying for the test. So I had my phone going with my voice saying the questions and answers for the state exam.

>> COMMISSIONER CAMERON: Wow! Great technique to study.

>> MS. FRANCIS: Yes.

>> MS. LEON: Yeah. Savy actually told us just earlier today that she had turned off her Facebook during her apprenticeship because these are great careers, but they're also pretty rigorous and elite careers. Back on Facebook now that she's a journeywoman.

>> MS. FRANCIS: And I don't have to study for anything.

>> MS. LEON: So in addition to helping women like Savy connect with great careers, this initiative also helps the Massachusetts economy because the construction industry over and over you hear people expressing a labor shortage. Projects get delayed, et cetera. But there's a pretty -- say, 50% of the population that isn't always tapped into with women. So there's a group over here saying we need workers. And then there's a group over here which is women, folks of color, saying we need work. So we're working to correct those two. Makes sense.

So how we do the connecting is through a couple ways. The main barriers for women and getting into the building trades are exposure and access. So exposure means if you've never seen something, if you've never seen a woman in a hard hat, you may never think of putting one on. And then access, the Pathways to trade careers are not always clear or people don't -- it takes knowledge of where to go, when. And so the ways that we address that -- the visibility piece is creating branded marketing assets featuring real tradeswomen like Savy which we'll go over in detail.

And the way that we address the access piece was I worked as a pipeline navigator, telling women exactly where to go and the steps they needed to take in order to enter these careers. So the advertising that we did -- you can see it up here. But it includes ads, billboards, brochures and fliers all with the same branding, featuring real tradeswomen from Massachusetts. And each of these things had a really clear direction for women who actually wanted to take the next step to go to our website. And that's where all the rich information was.

>> CHAIR JUDD-STEIN: Savy, you may never change your glasses.

>> MS. LEON: Yeah. They're cool. So our website is buildalifema.org, and it has tons of great information for women seeking careers. There's FAQs about women in construction. There's real tradeswomen stories and tradeswomen who are already in can submit their own story to inspire other women, descriptions of the different trades, and a contact form which has been -- that's the key way that women connect with us, is they go to our website, fill out that contact form. Once they fill out that form, we're able to guide them from there.

We have their communication info.

>> MS. GRIFFIN: Can I just add before Kate goes on? Prior to this campaign, the way people found out about the opportunities, one way was going to the Department of

Labor website where there was -- I think it was a 36-page PDF that lists all the different union programs, the times and days that they show up and the different varying requirements. And so this is streamlined. It's easy. You can see --

>> MS. LEON: Yeah. So the idea of this website is that someone just has -- they put their contact info in and they have a single point of contact, which is me. That's going to guide them through. It makes it -- for any of the union trades, someone can come to me, and I'm their go-to for any questions.

So a key way that we reach women in the community is through tradeswomen Tuesdays which have been a big hit. Savy, can you tell a bit about Tradeswomen Tuesday and how it works?

>> MS. FRANCIS: Yes. It's a panel of different tradeswomen that come together to speak to a group of women from various areas of the city of Boston and just outside of the city. And they can ask a question to anybody on the panel if they're interested for an electrician to be an electrician, to be a plumber. There's somebody on the panel. If there is not someone on that panel that they're interest -- like we'll say maybe a sheet metal worker, there's means of ways where somebody can connect that person to contact that person that's in that trade. It's a good networking system, especially for other tradeswomen -- like, say you need a carpenter. Usually we meet right before the meetings and we exchange information. We've all become good friends where one hand washes the other as well. And some of the women actually that come to the meeting will ask us for our contact information, too, to find out, like, how do we go about on applying for the local you're in or more questions if they're scared to ask in the group at the time. So we usually stay a little bit later so they can be comfortable to pull us to the side to ask us how have we been treated since we've gotten in? Like the child care for you, like what plans do you go through, As, Bs and Cs for that? How do you end up saving money as you're working as a tradesperson, letting them know make sure you pack your lunch or whatever the case may be. Just little bits of information for the women to help them get their foot through the door and just applying.

>> COMMISSIONER STEBBINS: I had the privilege of attending one of your tradeswomen Tuesdays out in Springfield. And one, it was so -- it was inspiring to see women already in the trades talking with women considering the trades. It wasn't a big group that night. I mean, it was a healthy group. And one of the women had to bring her young child along, and obviously the child was not really interested in the conversations Mom was having, but it was amazing because all the other moms and women kind of, like, pitched in entertaining this kid while the conversation was going on. And it just -- it showed how serious they all were but how they were almost de facto feeling a part of a system as they got ready to consider a job in the trades. It was an incredible evening.

>> MS. VOGEL: As Savy mentioned, one of the outcomes of conducting these Tradeswomen Tuesdays in addition to informing women about the career opportunities in the building trades is this creation of a speakers bureau. So the tradeswomen that come to these meetings that Savy said meet before the actual open house gives them an opportunity to build stronger relations across the trades. But then these women also -- we count on them to speak at various events. For example, our Massachusetts Girls in Trades conferences. Kate has them come to career fairs with her and other events. So it's a real opportunity to build leadership skills, actually, with these -- the

tradeswomen that participate. So we've had this unexpected but very valuable outcome as a result of this event.

>> COMMISSIONER ZUNIGA: Mary, do you -- or anybody -- do you hear concerns from women about, you know, heavily still, heavily dominated male industry about what might be encountered, you know, acceptance? Do you see more acceptance, you know, in the last few years?

>> MS. VOGEL: We certainly see more acceptance. I think if you talk to tradeswomen who have been in the industry for some time, they've seen a sea change. There's still a long way to go. And so in addition to working on increasing the participation of women in the construction, which in itself is making that difference, we're also working on retaining women. And that comes with training. So we've done some respectful workplace training for contractors, and we're going to continue to roll out more training to make sure that all workers understand the importance of establishing and sustaining a respectful workplace that recognizes the dignity of all workers and the contributions that a diverse workforce can bring to changing the culture of the industry. So that work is being done as well.

>> COMMISSIONER ZUNIGA: Thank you.

>> MS. LEON: So in regard to Tradeswomen Tuesdays, yeah, they're really great for visibility of tradeswomen, for retention of existing tradeswomen, and we plan to continue them across the state into the next year. We've held 45 of them so far over our first two years. Savy participated in the Boston area ones almost every month, we'd see you come out. And we also hold them -- various regions, we had one last week in Worcester and next week is going to be Springfield Tradeswomen Tuesday next Tuesday.

And two years in, we're starting to see an impact. We've had, to date, 1,608 women connect with us who are now added to our pipeline and receive communications from me and guidance. And we have new women reaching out over Facebook and e-mail and all the different ways we connect every day. And they say, Kate, I'm so glad that I found Build a Life. I'm glad that I found you because I tried to get in and I wasn't sure of the steps or I tried to get in but I didn't have the confidence to do this on my own and I need to do meet with other women, or I never thought to do this before, but I read your website and it seems like there's plenty of benefits to going this way, so that's pretty rewarding.

>> MS. VOGEL: Over 1600 women have either connected with us through the website alone or attending the Tradeswomen Tuesday and then when they come in, they actually sign into the website, so we are tracking all of the women that we're interacting with. When you talked about data collection, that's our forte right now.

>> MS. LEON: Yeah.

>> CHAIR JUDD-STEIN: Kate, before you go on, because I'm afraid that I won't get a chance to ask this question because of the culminating surprise, you and I think Savy would agree have been so instrumental in the success of these women, and you see that -- just that picture alone of color, and I'm suspecting that you were the point of contact for each of them. Can you just say a little bit of your background and how you came to this position?

>> MS. LEON: Sure. So prior to this position, I started a preapprenticeship program, training program for construction in Washington, D.C. And that program

actually used running as a tool for job readiness. So the idea was that by getting people up early in the morning to run, it would give them work ethic and physical fitness. And so having that background of actually running a preapprenticeship program let me really see that construction can be great careers. That was a nonunion program, I will say, I'll plug the union here because working now with union partners, I see that the level of training -- like the training that unions provide, that I can direct folks towards, and then the job opportunities are really top-notch with the union. So that's a big difference, and it makes me really proud of being here and working in Mass right now.

>> CHAIR JUDD-STEIN: Thank you.

>> MS. LEON: Sure. In Massachusetts right now, just took the top spot for the percentage of women in apprenticeship. So we edged ahead of Oregon where they're also doing a lot of work, great work, to get women into the trades and retain them in the trades. And we can say it's due in part to the Build a Life Campaign, in large part to the demand that was created by having goals on the casino projects here in Mass, which drove the industry to bring in more workers.

And we actually made history through our work with Mass Gaming. The Encore Boston Harbor build employed 491 tradeswomen. And that's the most ever on a single project. And both of the projects, the MGM Springfield and the Encore Boston Harbor, exceeded their workforce diversity goals.

So we talked about the women that we've helped. Here's some photos of women who have come through the pipeline and are now working in the field. And we'll spotlight a few. This is Terelle Brown. She's now working as an ironworker. An ironworker's apprentice. And she came to a Tradeswomen Tuesday, heard the presentation, put in her application, went through the pipeline, and got her start that way. And then Kim McIntosh is a driver. She found us through the Build a Life That Works website. And she is such a rock star in her apprenticeship program right now that the president of the Teamsters Local 25 actually wrote us a short note about Kim and how well she's doing. So I'm going to share it with you guys.

So he said, "thank you for pointing Kim McIntosh in our direction. Your assistance with recruitment through build a life that works helped Kim navigate our training program. Kim was successfully able to balance her home, work and training responsibilities and complete the training. Upon completing her road test, Kim went to work right away in a Teamsters job and the 12,500 members of Teamsters Local 25 will be proud to call her sister. Sean O'Brien, President of the Teamsters.

>> COMMISSIONER CAMERON: Great.

>> MS. LEON: Way to go, Kim. And the pipeline is growing. Every month we meet new women like Kim and Terelle who are interested in these jobs. They want to do this work. It puts down any naysayers who say women don't want to do this work. And we're going to continue to do Tradeswomen Tuesdays throughout the next year in different parts of the state. And you can go to our website to see what the schedule is, if anyone's interested, like Bruce, in attending and see what's up.

And one final note, and then open -- we're all open to questions -- is that we are growing as an organization. So as we make more and more contacts, we need more staff, so we're hiring a new pipeline navigator. I'll be working as a program director. And if you're interested in seeing the job posting, you can contact us. So thank you.

>> MS. VOGEL: You may know Susan Moyer who has worked -- she's worked in

this area for, oh, 20 years. And she's semiretired and due to retire at the end of March 2020. So Kate's going to assume a lot of the work that Susan had done, and we're hiring a person to replace Kate as the pipeline navigator.

>> COMMISSIONER ZUNIGA: Those are big shoes but I'm sure you're up to that task.

>> MS. VOGEL: We're growing to a staff of two.

[Laughter]

But a lot of volunteer, hands-on work.

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

>> COMMISSIONER ZUNIGA: Savy, you worked at Encore?

>> MS. FRANCIS: Yes.

>> COMMISSIONER ZUNIGA: Have you been back to the finished product?

>> MS. FRANCIS: Not yet.

>> COMMISSIONER ZUNIGA: You'll probably have to check it out.

>> MS. FRANCIS: And actually, where I moved, I told my husband there's actually a shuttle bus that leaves from the park and ride in Rockland every 30 minutes that goes there so that way we don't have to drive.

>> COMMISSIONER ZUNIGA: Were you a pipefitter there already? You were an apprentice, you said?

>> MS. FRANCIS: I was in my fifth year, yes. I was studying to get out of my time to become journey -- journeyman, journey level, journeywoman.

>> MS. VOGEL: I just wanted to relate another comment that Savy made earlier this afternoon. She said her stepson was, you know, he's in high school. I guess a senior in high school and looking at, you know, what he was going to do in his future. And he was considering pipefitter, college, or the Air Force. And he said, you know, my dad kept telling me, you've got to go to college. You've got to go to college. And then we're realizing that the highest breadwinner in the house is a pipefitter. So maybe that's the way to go. He ended up enlisting in the Air Force, but certainly it just goes to show how these, you know, how wonderful these careers can be in terms of wages and benefits and just frankly, not just, you know, inuring to the benefit of the fit but to the community in which they live and work.

>> COMMISSIONER CAMERON: Great. Great stories, obviously.

>> MS. GRIFFIN: Thank you.

>> COMMISSIONER CAMERON: So interesting, Ms. Francis, that you're studying, your whole personal life is expanding, you are an apprentice at the same time, so you're working, studying, balancing family life, and you have the time to show up on Tuesdays to mentor. So you are -- you're to be commended, and I'm sure you've encouraged a lot of other women to say I can do this, too.

>> MS. FRANCIS: Thank you.

>> MS. VOGEL: Savy is a rock star, literally.

>> MS. LEON: She is.

>> COMMISSIONER CAMERON: Good work. Great work.

>> MS. GRIFFIN: And Commissioners, when we break, I'll invite you for a brief photo op with our cake back there.

>> COMMISSIONER ZUNIGA: Great.

>> COMMISSIONER CAMERON: Great. All of you, great work.

>> MS. LEON: Thank you.

>> COMMISSIONER CAMERON: Tremendous. Making a difference.

>> COMMISSIONER STEBBINS: Thank, Mary.

>> CHAIR JUDD-STEIN: So Director Griffin, we're all set. Do we have any other business?

>> COMMISSIONER CAMERON: I don't have an update.

>> COMMISSIONER STEBBINS: Motion to adjourn.

>> CHAIR JUDD-STEIN: We have cake.

>> COMMISSIONER CAMERON: I know. That's the update here. That's the update.

>> CHAIR JUDD-STEIN: Then I think we need a motion.

>> COMMISSIONER ZUNIGA: I move to adjourn.

>> COMMISSIONER CAMERON: Second.

>> CHAIR JUDD-STEIN: Those in favor.

[Vote taken]

Opposed? 5-0. Thank you.

[The meeting adjourned at 3:22 P.M.]