

1 COMMONWEALTH OF MASSACHUSETTS
2 MASSACHUSETTS GAMING COMMISSION
3 PUBLIC MEETING #241
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6 CHAIRMAN

7 Stephen P. Crosby
8

9 COMMISSIONERS

10 Eileen O'Brien

11 Enrique Zuniga

12 Bruce Stebbins

13 Gayle Cameron
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17 MASSMUTUAL CENTER

18 1277 Main Street

19 Springfield, Massachusetts

20 April 26, 2018

21 1:00 p.m. - 4:09 p.m.
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P R O C E E D I N G

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CHAIRMAN CROSBY: Good afternoon.
I'm calling to order the 241st meeting of
the Massachusetts Gaming Commission at our
western Mass. headquarters, the MassMutual
Center. Today is Thursday, April 26th, and
we're starting at about 1:00. First item
on the agenda as always is the approval of
minutes. Commissioner Stebbins.

COMMISSIONER STEBBINS: Sure.
Mr. Chairman, I move the Commission approve
the minutes of the meeting of April 12,
2018 subject to correction for
typographical errors and some other
nonmaterial changes. I went through and
spotted a few just in terms of reference to
organizations and a typo on page seven.
But other than that, I move that they be
approved.

COMMISSIONER CAMERON: Second.

CHAIRMAN CROSBY: Any other
discussion? All in favor? Aye.

COMMISSIONER CAMERON: Aye.

1 COMMISSIONER STEBBINS: Aye.

2 COMMISSIONER ZUNIGA: Aye.

3 COMMISSIONER O'BRIEN: Aye.

4 CHAIRMAN CROSBY: Opposed? The ayes
5 have it unanimously. Next up is Item No.
6 3, the administrative update, Executive
7 Director Bedrosian.

8 MR. BEDROSIAN: Good morning.

9 COMMISSIONER CAMERON: Afternoon.

10 COMMISSIONER ZUNIGA: Good
11 afternoon.

12 MR. BEDROSIAN: Good afternoon,
13 Commissioners. I'm going to combine Items
14 3A and 3B. I think the big news I have,
15 and we're all aware of it, is that there is
16 an official opening date for the MGM
17 property, which is August 24th. That may
18 seem like a long time away, but indeed it
19 is not a long time away. So as we prepare
20 for the opening, there's a bunch of things
21 that I'm very fortunate to have great staff
22 our preparing for. And you all had a tour
23 of the property today so you got to see,
24 you know, where the property is and its

1 preparation.

2 In terms of the regulatory side on
3 the gaming establishment, Director Band and
4 Burke Cain are in charge. They've been
5 doing a great job, and you saw that they
6 have agents on property. And, I think,
7 I've said this before and I hope you got a
8 feel for it, that actually having our
9 office there ready and being on property is
10 a huge advantage. We get to see as the
11 machines come in and be proactive on any
12 problems. The things they will be
13 responsible for in the short run with their
14 gaming agents are inspections of the slot
15 machines, inspections of the tables.

16 The other big thing for us to be
17 ready to not only give a gaming operation's
18 certificate but to be ready to regulate is
19 that we have a sufficient number of trained
20 gaming agents. Believe it or not, that's
21 happening in about three weeks. We're
22 starting a training session about the third
23 week of May. I call it the equivalent of
24 a, Commissioner Cameron would know, but the

1 equivalent of a police academy. We're
2 going to have a gaming academy for the
3 folks, our new agents and also our new
4 gaming enforcement unit. The accommodation
5 of state police and Springfield police will
6 come and get trained on the gaming floor
7 and games and stuff like that. So Director
8 Band and Burke Cain are in charge of that.

9 The Gaming Enforcement Unit I'm
10 pleased to say, I think, is in the final
11 stages of the agreement being signed and
12 the inspection of officers for the state
13 police and Springfield police, as I said,
14 there will be a training session starting
15 about the third week of May. Part of it
16 will be here. Part of it will be in our
17 offices in Boston.

18 Hiring and licensing obviously is
19 being more important, more real. Director
20 Connelly and Director Griffin from our side
21 are on top of that, and they'll be working
22 with vice president Marikate Murren to make
23 sure that we will monitor each week the
24 numbers of people who are applying and be

1 hired and being licensed, try and make sure
2 there are no problems and proactively spot
3 any trends.

4 Responsible gaming, Director Vander
5 Linden will work with the Mass. Council.
6 You saw our space there. We want to make
7 sure our GameSense space is ready, and the
8 GameSense agents are hired and trained. On
9 our construction commitments, Ombudsman
10 Ziemba and construction manager Delaney
11 have been and continue to be responsible
12 and all over those items, and part of which
13 you will see the designation of the gaming
14 establishment today is part of that.

15 Once of the last things is working
16 with the City of Springfield. We come out
17 monthly. It will probably be -- that clip
18 will get a little more advanced as we get
19 closer. We have mutual interest and
20 concerns about construction being ready,
21 about the overall readiness of the police
22 and gaming agents and revenue accounting
23 that we're sharing an interest in. And, I
24 think, we have a very good working

1 relationship with the host community
2 Springfield.

3 Finally, I would say upcoming issues
4 today you will see there is a gaming
5 establishment and gaming floor designation.
6 The next issue I would say would come up in
7 the next month or so will be an issue
8 allowing the liquor licenses. You will
9 have to approve an overall gaming liquor
10 license for the property, and the city also
11 has companion retail liquor licenses that
12 they will be responsible for.

13 So, overall, I'm happy to say I
14 think we are in a good place. My directors
15 are working hard. We have people on staff.
16 Right now I think, Mr. Chairman, you always
17 ask me, do you see any trends, do you see
18 any problems, do see any roadblocks? I
19 really don't at this point. I think we're
20 working very well with both the property
21 and the host city. That's not to say there
22 won't be road bumps, but I'm happy with
23 where we are, and I'm happy with where the
24 property is. Although, you know, boy,

1 there is a lot done and a lot to do.

2 CHAIRMAN CROSBY: It dawned on me,
3 if I'm not mistaken, that it's literally
4 120 days from today before it opens. That
5 doesn't seem like a lot of time, but more
6 power to you folks. We got the tour with
7 all the people who are doing the work, and
8 everybody seemed quite cool and relaxed and
9 comfortable they were going to make those
10 deadlines, so it was very exciting.

11 MR. BEDROSIAN: So with that, I
12 mean, I don't know if you have questions.
13 You were at the property. Is everyone all
14 set with that update? With that, I would
15 like to introduce Kevin Kennedy, Chief
16 Development Officer, City of Springfield.
17 John Ziemba and I probably came out a month
18 ago and saw a presentation Kevin did on
19 behalf of the city, which was an economic
20 development presentation that obviously had
21 a portion about the casino.

22 But what really struck, I think,
23 both John and I was all the other things
24 that were happening around the city that

1 were really impressive and just the general
2 overall economic development and the
3 investment in the city since, and he will
4 tell you how they measure ground zero or
5 date zero, but it was really impressive.

6 And I thought, that was a longer
7 presentation, if he could come and give the
8 Commission an abbreviated presentation, you
9 all will be equally impressed and
10 understand how the MGM property and
11 development sort of fits into Springfield's
12 overall picture. So with that, I'll turn
13 it over to Kevin.

14 MR. KENNEDY: Thank you, Ed. I'm
15 also joined by my deputy director of
16 economic development Brian Connors. And
17 every time I appear before you,
18 Commissioners, I think back to that day at
19 Springfield Technical Community College six
20 years ago where I was urging you to go
21 faster, and you were urging me to go
22 slower. I'm not sure how that worked out.

23 CHAIRMAN CROSBY: I think we won.

24 MR. KENNEDY: I think you did six

1 years later. I guess you did, but thank
2 you. And, so, Springfield's story is
3 really about recovery and resilience since
4 the tornado of June of 2011. And I'm
5 reminded of my former boss, Congressman
6 Neal, always spoke about the national
7 principal. And that was when one area of
8 the country had a disaster or suffered a
9 disaster, the rest of the country came to
10 their aid. And really that's what happened
11 here in Springfield.

12 The federal government was wonderful
13 to us. Two successive governors, Governor
14 Deval Patrick and Governor Charlie Baker
15 have also been wonderful to us. And,
16 frankly, without their help, we wouldn't be
17 where we are today. And then add what you
18 folks did with granting a license to MGM
19 Springfield, it really put us on the road
20 to recovery.

21 Today, our intermodal complex at
22 Union Station has a \$95 million rehab.
23 It's open. It has 67 percent leased in
24 less than a year, which is a remarkable

1 achievement. On June 16th, the Hartford
2 line will be opening into Springfield.
3 That will bring an additional 2,000
4 commuters a day, and that will be the first
5 time that we have had true commuter rail up
6 and down the Connecticut River Valley.

7 The track on the Massachusetts side
8 all the way up to Vermont has been
9 rehabbed, and Governor Baker has spoke
10 about a July announcement of additional
11 cars and engines, which will service to the
12 north where new depots have been built in
13 Holyoke, Northampton and Greenfield. That
14 will also be a big boom to us and allow
15 those to the north to access the
16 entertainment options that MGM is going to
17 be bringing to us. CRRC, China Railway
18 Rolling Stock Corporation is currently
19 producing the cars that will provide some
20 needed relief to the Red and Orange line in
21 Boston, and those cars will start to be
22 delivered to the MBTA this year.

23 And I'm also very proud to say that
24 Springfield is host to Ever Source's

1 largest solar installation in
2 Massachusetts. We have over 12 megawatts
3 of solar power here in Massachusetts.

4 Before I go into the presentation,
5 let me just say about the opening date of
6 August 24th that MGM announced this morning
7 or yesterday actually, this morning, that
8 is very good for Springfield. The previous
9 September 8th date was going to be
10 logistically pretty difficult for us,
11 because that's also Basketball Hall of Fame
12 enshrinement weekend. It's also the
13 weekend where we have a major jazzfest in
14 downtown Springfield. Schools would have
15 been opened, and it's only a week before
16 the Big E fairgrounds was in operation.

17 So by moving it back to the latter
18 part of August and before schools are open,
19 it will help with some of the logistical
20 challenges that we've been talking with Ed
21 and the rest of the staff about, so we're
22 very, very pleased about that. So with
23 that, let me ask you now to join us as we
24 take a brief walk-through the new

1 Springfield. There's supposed to be a
2 video with this.

3
4 (Video being played)

5
6 MR. KENNEDY: That's a brief video
7 that we put to kind of promo the thing and
8 you saw quite a few pictures of Mayor Sarno
9 who, as you know, has been very supportive
10 of your efforts and all the efforts here in
11 Springfield.

12 So let me take a quick walk through
13 some of the what we call transformative
14 projects. Union Station I mentioned,
15 94 million-dollar project. It's 67 percent
16 leased. It will be the hub of a commuter
17 rail that will go back and forth to
18 Hartford and beyond. You will also be able
19 to buy a metro north ticket here to go on
20 to New York City. It's a very critical
21 component of what we're doing here in
22 Springfield.

23 Our Springfield museums, and
24 specifically the Dr. Seuss Museum, which

1 opened in June of 2017, we are home to Ted
2 Geisel. Ted Geisel's father was a member
3 of our Springfield planning board going
4 back to 1926. It is a very, very
5 impressive museum if you haven't been
6 there. They are setting attendance
7 records. All 48 lower states, 19 countries
8 internationally, and it has been written up
9 in many, many publications, Boston Globe,
10 Reader's Digest, Washington Post, free
11 admission for Springfield residents. It
12 has made a major impact to the tune of
13 16 million-dollars a year to here in
14 Springfield.

15 Our International Basketball Hall of
16 Fame is currently going through a
17 30 million-dollar renovation. The
18 renovation project started this year. You
19 can see from that picture that was up there
20 what it looks like now, and then the next
21 picture is what it's going to look like.
22 It is a very interactive non-museum type of
23 a place. And, I think, everybody is going
24 to really enjoy that. And, again, we have

1 two things that nobody else in the world
2 has, which is the Seuss museum and the
3 International Basketball Hall of Fame.

4 In addition, there has been a number
5 of downtown enhancements that have come
6 along our way. Along with Union Station
7 and MGM, you're going to have 19,000 people
8 a day coming through Union Station. MGM
9 will be bringing in at least 10,000 people
10 a day. And when you do the math on that,
11 that's over 10 million people a year coming
12 through Springfield, which is the
13 equivalent of the population of Springfield
14 each week or three times the number of
15 people who attended last year's Super Bowl.
16 So that's an awful lot of people in the
17 tourism area.

18 One of the things that we did
19 working with MGM, we were going through a
20 downtown refresh. I think you may have
21 seen it when you came through here. The
22 roads have been milled, and a number of the
23 downtown streets are all being redone.
24 It's a 7 million-dollar project. We're

1 fixing tree wells, new trash receptacles,
2 everything that you might want to think.
3 We did not want to have a brand-new MGM
4 complex and not have the rest of downtown
5 looking good.

6 In addition to that, as part of our
7 host community agreement with MGM, we are
8 going to have a completely new policing
9 situation in the downtown. There will be
10 two police kiosks on the ends of Main
11 Street. One at Taylor and Main, one at
12 Morris and Main. There'll also be a new
13 kiosk on the riverfront. We will have a
14 new police substation almost directly
15 behind where you're sitting. So there'll
16 be a completely new police setting in
17 downtown.

18 And the good news for all of
19 Springfield, frankly, is that no longer if
20 a call is made in the downtown where we'll
21 have to take police from our neighborhoods
22 and send them to the call in downtown,
23 because they'll be 43 officers assigned to
24 downtown with cruisers, equipment and

1 surveillance camera thankfully all paid by
2 our friends at MGM.

3 This is a picture of what the police
4 kiosks will look like. They're pretty
5 attractive, and we've gone through a
6 procurement procedure. So they're looking
7 at being installed by July. This is where
8 the -- right behind this where the new
9 police station will be, 2,000 square feet
10 fully functional substation that will
11 service all of downtown.

12 In addition to that, we're
13 implementing a pedestrian way-finding
14 system for downtown. It's paid for with a
15 grant from the -- public health grant from
16 the Springfield Department of Health and
17 Human Services. And to give you an idea of
18 the scale of the way-finding system, on the
19 left is Chloe Kim, who won a gold medal in
20 snowboarding in the last winter Olympics.
21 And on the right is 2016 Basketball Hall of
22 Fame inductee Yao Ming, who's 7-foot-6. So
23 that kind of gives you an idea of the scale
24 of the way-finding signs.

1 There'll be, I believe, 52 of them
2 in the downtown. So all these new
3 pedestrians and tourists that are going to
4 be coming through here we're taking great
5 care. A few pictures of where they will be
6 and what they will look like.

7 Something new, Valley Bike is coming
8 to Springfield. It's a regional bike share
9 program with Springfield, Holyoke,
10 Northampton, Amherst and South Hadley.
11 There'll be 14 stations here in
12 Springfield. Sponsorships have been
13 bought. There will be no cost to us here
14 in Springfield. Each bike will have GPS
15 technology, and they will be in place this
16 July.

17 Our downtown dining district, many
18 years ago when we first started negotiating
19 with MGM what we said to them is we wanted
20 you to be the anchor in the south end and
21 Union Station will be the anchor in the
22 north end, and we will fill in the middle.
23 And part of what we're filling in the
24 middle with is an innovation district and

1 also a downtown dining district. So there
2 will be many, many opportunities for people
3 besides the MGM resort area.

4 The Paramount Theater is a
5 41 million-dollar project that we just
6 financed a new roof for the building. We
7 expect that that will be in construction
8 later this year. It is right next to Union
9 Station. So they'll be able to utilize 377
10 car parking garage almost adjacent to the
11 Paramount.

12 31 Elm, which you're very interested
13 in, MGM is participating in this project
14 with us. It's a 45 million-dollar project
15 with 60 residential units and also 35,000
16 square feet of commercial space. It's a
17 partnership between Opal and WYNN, and we
18 recently at the SRA decided to put some new
19 lighting on the front of the building that
20 borders Court Square, and it's become very
21 attractive and at night it's looking pretty
22 good, so we're progressing, I guess, will
23 be the way I'll say about that.

24 One of the other parts of our host

1 community agreement working with MGM, we're
2 about to embark on an implementation
3 blueprint. And what that is is a
4 development around the casino so that we,
5 again, just don't have a casino. We have
6 to make sure that the rest of downtown is
7 developed and monitored, and we don't want
8 to have the wrong type of development in
9 certain areas.

10 So we're working with our
11 consultants from Chicago, the Chicago
12 Consulting Group. MGM has put up \$100,000.
13 The City of Springfield has put up \$100,000
14 to develop this, and we will be reaching
15 out to shareholders in the very near future
16 to go through the whole plan. But, again,
17 the idea is that we don't want to just have
18 MGM's facility shined up and constructed.
19 We want to have the rest of downtown taken
20 care of.

21 In addition, there will be three
22 downtown parks that are in renovation right
23 now. Riverfront Park is partially paid for
24 by MGM in our host community agreement with

1 a million-dollar grant. The city put an
2 additional million-and-a-half dollars into
3 it. We also got an additional half a
4 million-dollar grant from another source.
5 It's currently in construction.

6 We will also be putting a piece of
7 World Trade Center steel that the Spirit of
8 Springfield acquired, and we have hired
9 Steam Point from Northampton to be our
10 metallurgical artist in this particular
11 process. It will be very attractive. It's
12 a separate fundraising project that a
13 committee is raising \$300,000, and it will
14 be a tribute to those that have passed away
15 in that very tragic September 11th event.

16 Pynchon park, which is right behind
17 you and immediately adjacent to the new
18 substation, will be our connection from the
19 downtown up to the Seuss museum and the
20 Quadrangle. We have a Mass. Works grant
21 for three-and-a-half million-dollars, and
22 this is something that downtown Springfield
23 has been looking forward to for many, many
24 years.

1 Also, Sterns Square in the middle of
2 our innovation center and our dining
3 district is going through an almost
4 2 million-dollar renovation right now.
5 It's a full renovation of Stern Square and
6 Jury a Way, which also connects over to
7 Union Station. Our downtown is very, very
8 walkable, and we have to make all these
9 connections to make the whole piece work.
10 The project has already started.

11 In addition, there are different
12 pieces in the innovation cultural economy.
13 The arts and culture are thriving and
14 growing here at an economic engine for the
15 Springfield represents 15 million-dollars
16 of an economic impact with over 1,800 jobs.
17 It's something that has flown below the
18 radar screen here in Springfield. We want
19 to start to really emphasize it.

20 The one in that picture that you're
21 looking at right there is the side of
22 Gifford Lock. It's something that we hired
23 an artist by the name of Kim Carlino to do
24 that mural, and we think it's very

1 attractive, and we had other meetings with
2 the artist and others, and we expect to go
3 through a mural week here in Springfield in
4 the next year or so.

5 Springfield Thunderbirds in this
6 building here. What an amazing
7 accomplishment by local investors that all
8 pitched in and kept them here. We have now
9 attracted the 2019 AHL All Star game, which
10 will be here in January of 2019. They also
11 enjoyed nine sellouts this year, which is
12 an amazing accomplishment, and their
13 average attendance is up substantially.

14 The Innovation Center is finally
15 going back on track. It's a
16 6 million-dollar project. It's going to be
17 home to Valley Venture Mentors, and it's a
18 partnership between Mass. Development and
19 MassMutual. Our transformative development
20 initiative, luckily, we just got approved
21 for an extension of another year by
22 Secretary Ashe, and it's a very, very
23 important partnership with us. Mass.
24 Development has been wonderful to us here

1 in Springfield and they are very, very much
2 a big part of our future.

3 Other housing initiatives in
4 downtown that we never thought would happen
5 in many ways. This year you're going to
6 see Chestnut Park Towers, which is also
7 right behind us, a 489 unit complex. It's
8 going to go through a 40 million-dollar
9 renovation. All new windows and different
10 amenities, and you can see these pictures
11 as Brian is scrolling through them with a
12 little bit of before and after.

13 Also, Indian Motorcycle will be in
14 construction this year. It's 60 new units
15 in addition to the existing 99 units. It
16 will also be renovating our historic Mason
17 Square Fire Station. Silver Brick Square
18 is another project that it's in our old
19 YMCA building. It's 99 existing units and
20 15 new units. And, again, that gives us a
21 good head start on more market-rate housing
22 for downtown. As MGM is bringing all these
23 jobs to downtown Springfield, they have to
24 have a place to live. So the market is

1 certainly moving along pretty well.

2 The Willy's Overland building has a
3 twin in Detroit that has been developed
4 into luxury housing, and this project is a
5 9 million-dollar project. The owners of
6 this just submitted a bid for some parking
7 lots that are around the Willy's Overland
8 building, which will add potentially an
9 additional 90 units to it, so that will be
10 a total of 150 in this one area.

11 Our total investments since, that we
12 know of, since the tornado of 2011 is just
13 short of 4 billion-dollars,
14 3.76 billion-dollars, so it's been an
15 amazing accomplishment. It's something
16 that the citizens of Springfield just got
17 together and said enough is enough. I
18 don't need to remind you that we are under
19 the control of a state finance control
20 board back ten years ago, and today we are
21 more than holding our own and moving
22 forward. So your efforts and everybody
23 else's efforts, thank you.

24 CHAIRMAN CROSBY: Thank you. It's

1 great. Any questions or comments? It was
2 Ed Logue was the name you were thinking of,
3 right?

4 MR. KENNEDY: Yes.

5 CHAIRMAN CROSBY: Kevin Kennedy is
6 the Ed Logue of Springfield if anybody from
7 Boston remembers Ed Logue. It's a big
8 compliment. It's great. We're really
9 excited, and we're glad to be part of it.
10 Let's keep our fingers crossed that
11 everything keeps going the way it's going.

12 COMMISSIONER CAMERON: Very
13 impressive. All the other projects not
14 just the casino.

15 MR. KENNEDY: Thank you. Well,
16 again, MGM really kind of put us on the map
17 and gave a number of investors to look at
18 us and kind of kick the tires type thing,
19 and it's worked pretty well.

20 CHAIRMAN CROSBY: Great.

21 MR. KENNEDY: Thank you.

22 COMMISSIONER CAMERON: Thank you.

23 CHAIRMAN CROSBY: Thank you very
24 much. Is that it for you, Director

1 Bedrosian?

2 MR. BEDROSIAN: It is. Thank you,
3 Mr. Chairman.

4 CHAIRMAN CROSBY: Okay. Next is
5 Item No. 4, Ombudsman Ziemba.

6 MR. ZIEMBA: Good afternoon, Mr.
7 Chairman and Commissioners.

8 CHAIRMAN CROSBY: Good afternoon.

9 COMMISSIONER CAMERON: Good
10 afternoon.

11 MR. ZIEMBA: Up for consideration
12 today are two matters, the Commission's
13 designation of the MGM Springfield gaming
14 floor and the Commission's designation of
15 the MGM gaming establishment. On the first
16 matter pursuant to our internal controls
17 regulation, 205 CMR 138, MGM Springfield is
18 required to submit a floor plan for the
19 Commission's approval.

20 We're joined here today by Seth
21 Stratton, MGM Springfield vice president
22 and legal counsel and Alex Dixon, MGM
23 Springfield general manager. So let me
24 turn it over to Seth and Alex for a

1 discussion of the gaming floor designation.

2 MR. DIXON: Good afternoon,
3 Commissioners, and welcome back to
4 Springfield. It was great seeing one-third
5 of you on our tour today, and it's a
6 pleasure to be here. Mike sends his
7 regrets. He's in Las Vegas working with a
8 lot of our counterparts who's going to help
9 us once we open our doors. Exciting day
10 for us, an exciting day for the Commission,
11 long time coming. But we announced our
12 opening on August 24th and working closely
13 with the entire commission staff. We look
14 forward to that opening day. Seth has a
15 couple of exciting elements in lawyer world
16 to be able to walk us through. With that,
17 I'll turn it over to Seth.

18 MR. STRATTON: Thanks. And it looks
19 like we're fast-forwarding to slide that
20 has our gaming area on it, which I think is
21 the next slide perhaps, one more or a
22 couple of more. We are doing gaming area
23 first, right, John?

24 MR. ZIEMBA: Gaming area first,

1 that's right.

2 MR. STRATTON: There we go. So the
3 plan in front of you, Commissioners, we've
4 gone back and forth through several
5 iterations of this working collaboratively
6 with staff, in particular Bruce Burke
7 sitting to my right, and talking about what
8 does the actual gaming area regulatory
9 defined look like now that we have our
10 plans finalized.

11 So what you see in front of you is
12 what with proposed and comments back and
13 forth through staff and, I believe, we're
14 on the same page on what should be the
15 gaming area. And that is the area shaded
16 in red on the map in front of you, and it's
17 effectively four quadrants within which
18 gaming will occur on property.

19 And you saw those today walking
20 through, and the machines coming on board
21 and how those were separated. And then the
22 green areas are effectively the circulation
23 pathways between those areas. And the
24 fundamental difference between

1 everything -- anything that's red and
2 anything that's not red is that gaming can
3 only occur in the red areas. Minors are
4 not allowed to be within the red area, and
5 there are other ramifications regulatory
6 for the definition of the gaming area,
7 including alcohol service and the ability
8 to comp drinks.

9 So when we think about the gaming
10 area, we think about really three things,
11 gaming activity, minor access and alcohol
12 service, and that's why it's a really
13 important boundary. We feel comfortable,
14 as it's laid operationally, we will be able
15 to secure that gaming area in those three
16 areas, and that it makes sense functionally
17 and operationally. I guess one further
18 comment that, just for edification, the red
19 areas, the gaming areas is approximately
20 88,000 square feet.

21 CHAIRMAN CROSBY: Questions?

22 COMMISSIONER ZUNIGA: So as
23 represented here, Seth, the minors might be
24 able to get through the casino floor using

1 the green corridors shaded here?

2 MR. STRATTON: Yes. So one of
3 the -- Alex, you know, made the comment
4 about -- the lawyer comment but there's
5 really three -- you mentioned gaming floor.
6 And, so, there is two areas within the reg.
7 and the statute that are important, gaming
8 establishment, capitalized term, and gaming
9 area.

10 When the average person thinks about
11 the casino floor or a casino, they're
12 thinking about really everything within
13 that envelope. And, so, what we are --
14 when you're thinking about the casino
15 building, yes. Minors would be able to
16 flow through on the green paths that are
17 not part of the gaming area, and that's why
18 we're trying to segregate out those
19 circulation paths from what is the
20 footprint within which the gaming
21 activities are conducted so that folks
22 could traverse on those marked paths but,
23 one, we wouldn't let them linger; and, two,
24 we wouldn't allow folks to veer off the

1 path into the red gaming area.

2 CHAIRMAN CROSBY: When you say
3 "folks," you mean underage folks. Anybody
4 else can.

5 MR. STRATTON: Fair point, yes,
6 underage minors.

7 COMMISSIONER ZUNIGA: We did notice
8 in the tour there is already some signage
9 to that effect. But can you speak a little
10 bit more about what operationally you might
11 do to prevent that from happening?

12 MR. DIXON: Sure. As we
13 particularly announced since we announced
14 our opening date and as we get closer to
15 our opening, we will be able to communicate
16 whether it's through social, through press
17 releases, through the media about where
18 minors are able to go and not able to go.
19 So, first, is really just a big education
20 for our customers.

21 Physically above your head our
22 directional signage will direct everyone to
23 get to places where folks who are under 21,
24 you would be directed along the green paths

1 along the outside as opposed to cutting
2 through. So one is communication, two is
3 overhead signage and three, and really the
4 most effective, our are 3,000 employees.

5 So everyone on property is educated
6 about two things. One is, always card
7 someone who is really under the age of 35
8 in an area who is not supposed to be. But
9 then second is that we're all human arrows
10 to point people of how they can traverse in
11 and around the property.

12 And then another subset of that is
13 our security team, who is placed throughout
14 the building but specifically in this
15 gaming area with the trained eye of looking
16 for folks who are on that borderline or, in
17 fact, minors. They can stay along the
18 green paths, but they need to keep moving,
19 and they need to make sure that they're
20 getting from one place to another in a
21 judicious manner.

22 MR. STRATTON: If I could add one
23 point. When we were discussing this
24 functionally and we're thinking about our

1 operations, the family that comes here,
2 there really are three main attractions
3 that a family of minors would go to. If
4 you're coming in, if you look in the bottom
5 right-hand corner, the green box there,
6 that's the main entrance from the garage.

7 And, so, really it's the South End
8 market, which is off to your left, the
9 hotel, which is up in the right corner, and
10 then to the far right the movie theater and
11 entertainment district. Naturally people
12 are going to go follow the green paths and
13 go away from the gaming floor for any of
14 those activities.

15 The only time we think where it's
16 important to have some flexibility around
17 circulation through is really the
18 activation of the MassMutual Center and
19 large events, hockey games, concerts, et
20 cetera, because that's really a natural
21 kind of desire path to cross diagonally
22 through the building to get to the
23 MassMutual Center. So we think that that
24 circulation flexibility would be important.

1 But it's nine out of ten times, it's
2 natural to be on the edges of the floor.

3 COMMISSIONER CAMERON: And I know
4 there has been a move to make this more
5 user friendly, and there has been
6 throughout the country. But, I think, I'm
7 not as concerned about the families as I am
8 about the, you know, 17, 18, 19 year olds
9 who will maybe see this as an opportunity,
10 and I'd just like to hear from our team a
11 little bit about this evolution, meaning
12 you know, what has happened in other places
13 and how successful have these transitions
14 been.

15 MR. BAND: Well, when we started in
16 New Jersey, it was very strict. We
17 actually set up a perimeter around the
18 floor, nobody could come on. It's
19 eventually evolved to today they let people
20 transverse the floor by just keeping them
21 moving. The Bogota is probably the best
22 example. It was the first place to allow
23 it. They have a very similar setup where
24 people can cross the floor with non-gaming

1 space. It's worked very successfully
2 there.

3 So, I think, it's worth giving this
4 a try with the understanding that maybe you
5 give the executive director the ability to
6 stop it if it becomes problematic and they
7 can't control it.

8 COMMISSIONER CAMERON: So you're
9 suggesting that the request is not
10 unreasonable and with the appropriate
11 mechanisms and personnel in place, it could
12 be successful in your --

13 MR. BAND: Correct.

14 COMMISSIONER O'BRIEN: Can I ask who
15 would determine whether it's problematic or
16 not?

17 MR. BAND: It would be by the number
18 of reports that we have of juveniles on the
19 casino floor. We get security reports,
20 surveillance reports, all that, so we would
21 monitor it very closely with our staff.

22 COMMISSIONER O'BRIEN: And then you
23 would make a determination that's it's
24 problematic or not.

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MR. BAND: Yes.

COMMISSIONER CAMERON: So I'm hearing that the onus would be on the MGM folks to really pay attention to this issue knowing it's something that's important to us, and we really want to -- we want to have casinos that are safe and juveniles are not -- it's not a problem here.

MR. DIXON: Absolutely. We take this issue very seriously. And coming from other highly regulated jurisdictions, this is top of mine. So this is something where immediately as we work with Bruce and his team and the Gaming Enforcement Unit that we self-report immediately. We save the coverage. We review that and study that not only for the submission to the gaming commission but for us to figure out how we can learn and what, if any, discipline is needed for any of our team members.

COMMISSIONER STEBBINS: Alex, part of the floor kind of the crisscross is a bar. How do you guys plan to make sure that -- never mind they're straggling

1 into the gaming area. But how can you
2 design it so that bar is also off limits
3 for various reasons?

4 MR. DIXON: Really, I think it's
5 critical on peak times. So once we get
6 past kind of our mass opening where there's
7 a lot of people and in many cases we have a
8 lot more staff, once we get to that normal
9 every day kind of weekend business when
10 that bar is, let's say, really humming,
11 that's when you're 17 or your 21ish type
12 person, and so that is where we have to be
13 extra vigilant. And so as such, we would
14 position our security team in those places
15 where we know is a very likely target where
16 people want to be able to get into.

17 So as we think of that Commonwealth,
18 which is that center bar area, it is an
19 area of focus, but we also provide extra,
20 extra staffing in those areas to make sure
21 that we are able to account for that type
22 of issue.

23 MR. STRATTON: And if I could add on
24 that, the Commonwealth Bar, it does have

1 separate entrances. It is slightly raised,
2 so there is an ability to control access as
3 a specific bar space. If you look to the
4 back of that, you see how the green is a U
5 rather than an O, there's another bar in
6 the back, which is a walkup bar. And, so,
7 when we worked with staff, we said there
8 would be no reason to be at that walkup bar
9 or near gaming for any minor so let's cut
10 that off. You shouldn't be able to walk by
11 that, because that is easily accessible.

12 The Commonwealth bar has access
13 control, and so we feel more comfortable
14 about controlling access to that space.

15 COMMISSIONER STEBBINS: You know,
16 when I looked at this, you know, I kind of
17 go back to where the Commission found
18 itself really on, that we wanted casinos to
19 be outward facing. And we knew from, I
20 think, day one that yours had lots of
21 access points, lots of openness to the
22 public. It isn't a typical fortress casino
23 style layout. So, I think, to that degree,
24 we can, you know, rely on our team to make

1 sure that we will monitor it and see -- for
2 me, monitor it and see how it goes. But,
3 you know, as you talk about getting off in
4 the garage, wanting to go to something at
5 MassMutual, you're not going to want to
6 walk all the way around the edge. So it's
7 somewhat of a convenience for the patron.
8 This is a different type of layout,
9 different type of architecture, different
10 type of project that we're working with you
11 on.

12 COMMISSIONER ZUNIGA: Yes. I'm just
13 going a little bit to our experience in
14 Plainridge where with its proximity to
15 Rhode Island where the minor age is 18.
16 Some people were accustomed to thinking,
17 well, I only need to be 18 to be at a
18 casino, which was not the case here in
19 Massachusetts. Over there there was a very
20 easy control and even the layout there, you
21 know, they have security guard on access
22 points.

23 As I understand here, you are not
24 envisioning velvet type rope designated

1 around these areas which
2 counterintuitively, Bruce, I understand
3 actually is a better result because then
4 people are really monitoring.

5 MR. BAND: We always found in New
6 Jersey when we had that fortress type setup
7 that the underage person would wait until
8 the guard turned his back on the floor, and
9 then nobody would find him at that point,
10 because there wasn't anybody really looking
11 in that one. With the rover set up, person
12 is supposed to be looking all the time.
13 Likelihood of running into somebody becomes
14 better.

15 COMMISSIONER ZUNIGA: But,
16 importantly, it relies on what Alex and
17 Seth were talking about how everybody is
18 monitoring and pointing people in the right
19 direction.

20 MR. BAND: And that's a key factor
21 here is everybody has to be involved in it.
22 They are telling us that they are, so let's
23 see.

24 COMMISSIONER ZUNIGA: Now, on the

1 beverage component, obviously an adult is
2 able to freely move around all the area,
3 all the corridors, if you will, with their
4 drink if they so choose. How is that going
5 to work?

6 MR. BEDROSIAN: I think that's, and
7 I probably wasn't clear in my introduction,
8 the liquor license portion and designation
9 of what that means for sort of flow I might
10 call it, it's something we need to talk a
11 little more deeper about to bring in front
12 of the Commission.

13 COMMISSIONER CAMERON: Separate
14 issue.

15 CHAIRMAN CROSBY: I agree with
16 Commissioner Stebbins that we have asked
17 for you to come up with a very creative,
18 very unusual kind of style here at some
19 calculated risk. It's not -- usually it's
20 hard to get out and because of the reasons
21 we all know, and we asked you to have a
22 place that is open to the public, multiple
23 access points and, I think, it's incumbent
24 upon us to be flexible a little bit in our

1 regulation to try to accommodate what we
2 have asked you to do on our behalf.

3 I'm puzzled about one thing. You
4 typically card -- for alcohol you can be
5 pretty good if your people are trained to
6 card. I mean, you're occasionally going to
7 have a fake ID that gets through, but
8 pretty often you're going to pretty much
9 get everybody. But do you card people when
10 they go to the slot machines and play; is
11 it the same kind of culture that you can go
12 up to people who are sitting if they look
13 kind of middle-aged you card them in
14 effect?

15 MR. DIXON: Absolutely.

16 CHAIRMAN CROSBY: I didn't know
17 that.

18 MR. DIXON: Absolutely. Because it
19 literally whenever someone does let's say
20 make it onto the floor and we have an
21 issue, we go back and we run our
22 surveillance tapes to be able to say, what
23 was every person that they interacted with
24 on our property before there was an

1 intervention so that you could go and say,
2 you know, if they sat down at a slot
3 machine at a bar, we would look to say
4 okay, what bartender touched them, what
5 cocktail server touched them, who did they
6 pass as they walked by? And that's a
7 coaching opportunity for every person who
8 interacted with someone who you should have
9 kind of been a trigger to be able to say,
10 hey, can I take a look at some form of an
11 ID?

12 CHAIRMAN CROSBY: Even if they're
13 not drinking, if they are just sitting and
14 playing and they look young, it's routine,
15 your people are trained to ask for IDs.

16 MR. STRATTON: Alex will correct me
17 if I'm wrong but, I believe, both security
18 and surveillance the threshold is 35 -- if
19 anyone looks 35 or under, you card them on
20 the floor.

21 CHAIRMAN CROSBY: Drinking or not.

22 MR. STRATTON: If they are on the
23 floor, and they look 35 and under.

24 CHAIRMAN CROSBY: Good. I didn't

1 know that.

2 MR. DIXON: There are some folks
3 let's say who look under 35 and every time
4 if they are a frequent customer, there has
5 been experience where you're able to give
6 someone a wristband so that it let's the
7 employee know that, hey, this person has
8 been asked for their ID multiple times, so
9 they're good. So there's ways that
10 operationally you can make this happen such
11 that it's easier for the customer.

12 But to your point with, I believe,
13 seven different entrances throughout this
14 resort, it's important that we have this
15 free flow, but at the same time having a
16 controlled environment within the casino
17 footprint.

18 COMMISSIONER CAMERON: Well, I have
19 a comfort level it's working effectively at
20 the Bogota. That is an MGM property. So
21 there is some evidence here that the team
22 takes this issue seriously.

23 COMMISSIONER O'BRIEN: I know
24 there's been a lot of talk about people 18

1 to 21 and the concerns on there. I
2 actually -- you're talking about families
3 cutting through, and I actually was trying
4 to think about younger children walking
5 through with their parents and having these
6 machines on either side of them and the
7 exposure to that.

8 I realize this floor isn't a free
9 flow, but I don't know that there is any
10 way to visually break it up in terms of
11 younger children so that you're walking
12 through, when you're talking about the bar
13 is raised, it's separated, there's a
14 differentiation, whether there is any way
15 to do that kind of thing that still allows
16 for the flow but also takes in mind that
17 you're dragging, you know, you're bringing
18 younger patrons through this pathway also
19 who may not be even close to trying to
20 attempt to use a slot machine or a gaming
21 thing, but there's still an impact to
22 walking through the floor.

23 MR. DIXON: I think it's an
24 important point. I think in terms of

1 educating let's say our consumer, for
2 someone who is concerned about that fact
3 and if they are coming from our parking
4 garage let's say to the MassMutual Center,
5 there is a way through to go to the casino,
6 but there is also another way to go around
7 the casino so that they would never have to
8 step foot.

9 So, I think, some making sure that
10 we educate the consumer about what are the
11 different ways that you can get from
12 whether it's our garage or from the plaza
13 to where you want to go that if you do not
14 choose to go by those machines, there is a
15 way to do that. And, again, that's the
16 benefit of having the somewhat purist
17 nature of our floor.

18 CHAIRMAN CROSBY: I think the
19 sign -- we'd like to see the signage at
20 some point. But, I think, if there's good
21 signage there, then the responsible parent
22 isn't going to walk through. They'll
23 follow the signs that says 21, go that way.
24 At some point the parent has a

1 responsibility here as well. But I would
2 like to see at some point -- I guess you
3 don't have it or I didn't see any of this
4 up. But how do you see that? It's a lot
5 of extra messages to carry.

6 MR. DIXON: So when we were on the
7 tour, as you walked in from the valet area,
8 there was a board up that kind of had this
9 depiction. And right to the right, there
10 was sign, not quite as large as the one
11 Kevin Kennedy showed on Main, but it was
12 good 6-foot sign with a giant 21 plus on
13 top of it that rings this green area. So
14 there's a constant visual reminder.

15 And even our competitors in
16 Connecticut have somewhat something
17 similar. Our's is a little bit brighter
18 and more prominent, but it's another visual
19 aid in addition to the overhead signage in
20 addition to the people and specifically
21 security.

22 COMMISSIONER ZUNIGA: I think for,
23 as one Commissioner, I think that layout
24 makes sense. If we were to try to limit

1 the diagonal crossing, it would only end up
2 potentially having more fails in the
3 system, because people intuitively if they
4 know if they need to cut across, they
5 probably would and we may find ourselves
6 with more situations that have to be, you
7 know, addressed one way or another. But I
8 really look forward to how you
9 operationalized this piece with signage and
10 communications.

11 COMMISSIONER CAMERON: This may be
12 an issue that we want to monitor from
13 opening for several months, and then report
14 back so we have a level of okay. Hopefully
15 it's working well, but we'd like to hear, I
16 think, one way or the other how this is
17 working.

18 MR. STRATTON: We're happy to do
19 that. We will be closely tracking any
20 violations, any issues and be reporting out
21 and working closely with staff to ensure
22 that everyone is comfortable.

23 CHAIRMAN CROSBY: Ready for a
24 motion?

1 MR. BEDROSIAN: So I would just ask,
2 just to be clear, I think the request is
3 that green is fine as long as they are
4 traversing.

5 MR. DIXON: Correct.

6 MR. BEDROSIAN: This is not anywhere
7 to dillydally.

8 MR. DIXON: Correct.

9 COMMISSIONER O'BRIEN: Can I just
10 ask a procedural question in terms of the
11 authority of the executive director
12 potentially to terminate this if there are
13 problems, how does that work logistically?

14 MR. BEDROSIAN: I think that would
15 be up to you. You would have to delegate
16 to me --

17 COMMISSIONER O'BRIEN: In this
18 motion or separately?

19 MS. BLUE: In this motion.

20 CHAIRMAN CROSBY: Or we can do it
21 either way. We could have it come back to
22 us if we want, or we can decide right now
23 to give the responsibility to Ed.

24 MR. BEDROSIAN: If I got the

1 responsibility, I would only want it
2 temporarily until the next public meeting
3 so I can report to the commission or
4 something like that.

5 CHAIRMAN CROSBY: Right. I think
6 we'd want to know about it, so that makes
7 sense. So does somebody want to frame
8 that?

9 COMMISSIONER ZUNIGA: Sure. I'd be
10 happy to move that the Commission approve
11 the gaming area as depicted here in the
12 collateral here with a traverse --
13 accepting the traverse areas designated in
14 green and designate red -- the gaming area
15 as the areas designated in red and delegate
16 to the Executive Director the ability to
17 make any modifications after opening day
18 and bring back to the Commission if needed.

19 CHAIRMAN CROSBY: Second?

20 COMMISSIONER CAMERON: Second.

21 CHAIRMAN CROSBY: Any further
22 discussion? All in favor? Aye.

23 COMMISSIONER STEBBINS: Aye.

24 COMMISSIONER ZUNIGA: Aye.

1 COMMISSIONER CAMERON: Aye.

2 COMMISSIONER O'BRIEN: Aye.

3 CHAIRMAN CROSBY: Opposed? The ayes
4 have it unanimously. Next up?

5 MR. ZIEMBA: Commissioners, next up
6 for consideration is the designation of the
7 MGM Gaming Establishment. At the
8 commission's March 15th meeting, MGM
9 Springfield requested an update of the
10 boundary of the MGM Springfield Gaming
11 Establishment that's included in your
12 packet. This boundary has not been updated
13 since MGM Springfield was issued it's
14 Category 1 license in 2014.

15 Since that time, there have been
16 significant changes to the MGM Springfield
17 project, including but not limited to the
18 elimination of the hotel tower on State
19 Street, the move of the hotel to Main
20 Street and a determination that resident
21 units may be placed off-site. Commission
22 staff agreed that the gaming establishment
23 boundary should be updated to reflect the
24 current project.

1 In your packets. We have attached a
2 site plan that depicts a proposed new
3 gaming establishment border for the
4 project. This new proposed boundary
5 resulted from conversations between
6 commission staff and project
7 representatives since the March 15th
8 meeting.

9 Commission staff and MGM Springfield
10 representatives recommended the Commission
11 approve this new proposed boundary for the
12 gaming establishment provided that the
13 Commission agrees to review the boundary
14 again within the first two quarters after
15 the project opens.

16 With the approved opening date --
17 with the now new announcement of the
18 opening date for August 24, 2018,
19 commission staff and MGM Springfield
20 representatives recommend that we review
21 that new proposed boundary no later than
22 the end of that first quarter of 2019,
23 which will be March 31, 2019.

24 By that date, it's likely that the

1 Commission will have significant new
2 information about MGM Springfield's plans
3 for the facility, including but not limited
4 to its plans for 101 State Street. The
5 memo in your packet includes a much more
6 detailed summary of the importance of the
7 gaming jurisdiction, a gaming establishment
8 jurisdiction.

9 However, in short it's important to
10 many aspects of the commission's
11 regulations, including police jurisdiction,
12 alcohol license provisions, live
13 entertainment provisions, mitigation
14 applications and other important
15 provisions.

16 The attached gaming establishment
17 boundary updates the prior gaming
18 establishment boundary to reflect changes
19 to the project and simplifies the current
20 version that includes multiple levels with
21 different boundaries. With the exception
22 of 101 State Street, the proposed new
23 version includes all that is above or below
24 the indicated boundary.

1 In regard to 101 State Street, the
2 jointly recommended gaming establishment
3 excludes floors two through eight of 101
4 State Street, which no longer are planned
5 to be used for gaming-related purposes, but
6 we recommend that we keep the first floor,
7 which is planned for the retail space.

8 The first floor corner is important
9 to both the City of Springfield and the
10 Commission. As such, we recommend that the
11 Commission keep this floor in the gaming
12 establishment. However, as noted, we do
13 ask the Commission agree to review this
14 gaming establishment boundary when more
15 will be known about the first floor of 101
16 State.

17 Similarly, we ask the Commission to
18 keep the small lot that is across from MGM
19 Way and the gaming establishment subject to
20 future review. Can we go to the other site
21 map, the blue version? One more back.

22 You will see there down in the lower
23 left corner there is a little rectangle
24 there. For now, we recommend that we keep

1 that in the gaming establishment boundary
2 after we open. Prior to that March 31st
3 date, we will know significantly more about
4 the needs of the operations that is
5 designated for the taxi dropoff.

6 So we will learn a little more about
7 the need for that to become a part of the
8 gaming establishment by that outside date
9 of March 31st. So we recommend that we
10 keep that in for now, but that's something
11 that we would continue to consider.

12 COMMISSIONER ZUNIGA: John, can you
13 repeat that? Is that the little square
14 that stands by itself?

15 MR. ZIEMBA: Yes, the little
16 rectangle on the bottom left.

17 COMMISSIONER ZUNIGA: And that's
18 taxi dropoff?

19 MR. ZIEMBA: Yup.

20 COMMISSIONER ZUNIGA: But it's not
21 the building that's existing.

22 MR. ZIEMBA: No, it's a parking lot.

23 COMMISSIONER ZUNIGA: Okay.

24 MR. ZIEMBA: Right joining MGM Way,

1 the new MGM Way. I will ask MGM
2 Springfield to just provide a little
3 further information about one other item in
4 the packet. It's 99 Union, which was not
5 included in our original gaming
6 establishment, and it's not included in the
7 newly proposed gaming establishment
8 boundary.

9 MR. STRATTON: Sure. Before I get
10 to 99 Union, if I could, John, I just want
11 to say we work closely again with staff and
12 while this reflects some -- we had
13 suggested carving things out. We agree
14 with this proposal and think it makes sense
15 and think it makes sense to revisit it
16 shortly after the change of the year.

17 This map does two things. One,
18 effectively it goes from what was a really
19 fancy looking cartoon to a set of drawings
20 that can overlay that boundary and make it
21 really official for the purposes of
22 jurisdiction.

23 So we think it, while the footprint
24 really hasn't changed, it gives that

1 precision that, I think, is important for a
2 lot of the jurisdictional questions,
3 especially the MOE between the state police
4 and the local police, and it also just
5 reflects the current programming. So while
6 the footprint really hasn't changed, it
7 moves it forward to present day.

8 As to 99 Union, it's not shown on
9 this map. If you were to -- if you --
10 based on the tour today if you recall where
11 the church is and then look at the church
12 spot on the map, which is to the far right
13 right in the middle -- if we can go back to
14 the map. There we go.

15 So where the church is, which is
16 basically to the far right halfway down,
17 directly across Union Street, Union Street
18 is the street to the right, directly
19 across, and it's blank white space on this
20 map, but there is a partial property called
21 99 Union Street which MGM Springfield owns,
22 has owned since we got the license.

23 It used to be a car wash, and we
24 purchased at the time thinking that it may

1 be incorporated to the project at some
2 point. It never was. It's not part of the
3 project as defined under the host community
4 agreement, and we're not proposing that it
5 be part of the gaming establishment.

6 We are, however, going to be using
7 that for a support function for the
8 project. The existing building is in the
9 process of it being retrofitted to be used
10 for two purposes. One is an engineering
11 workshop for an engineering team. So if
12 they need to make repairs, store equipment,
13 et cetera, that will be roughly two-thirds
14 of the building.

15 The other roughly third of the
16 building will actually be converted to be
17 dog kennels for four K9s. That will be
18 part of our security force on the property,
19 and they need to live somewhere. So rather
20 than have them live off-site, we've
21 explored other options, including an animal
22 shelter nearby, but those types of dogs
23 it's important that they not be distracted
24 by an environment with animals that aren't

1 trained in the same way. So we think that
2 having them near the property accessible
3 and to be able to carry on the training
4 will be important.

5 So we've decided to use that
6 building for that purpose. We don't,
7 however, think that it needs to be included
8 in the gaming establishment pursuant to the
9 analysis set forth in the memo on what's
10 needed to be in the gaming establishment.

11 MR. ZIEMBA: Thank you, Seth.

12 COMMISSIONER ZUNIGA: Those members
13 will have a short commute then.

14 MR. STRATTON: They will.

15 COMMISSIONER CAMERON: Could I --
16 this is the first that I'm hearing about
17 the K9 as part of the security. Can I ask
18 what they are trained to do, these dogs?

19 MR. DIXON: Absolutely. And at a
20 future commission meeting, we will love to
21 kind of bring our security leader, Jason
22 Rucker, to kind of give you further
23 details. But the highlights are this is an
24 important part of our not only security

1 prevention but then our investigative team,
2 and so being able to sniff not only bombs
3 but any type of narcotics, any other types
4 of issues but really the most important
5 it's a significant deterrent.

6 So if you are in a place that has
7 this level of presence of K9s, the bad guys
8 think differently about, one, hanging
9 around a place but, two, just doing
10 something negative. So they're a highly
11 visible part of our security team, and we
12 use this and employed it not only in
13 National Harbor but all of our Las Vegas
14 properties.

15 COMMISSIONER CAMERON: Will they be
16 primarily outside unless there's a threat?

17 MR. DIXON: No, all throughout.

18 COMMISSIONER CAMERON: So they will
19 be moving throughout the facility with
20 their handler.

21 MR. DIXON: Yes.

22 COMMISSIONER CAMERON: Interesting.

23 MR. STRATTON: And the building --
24 by the way, I was waiting for an e-mail.

1 The building is 2,600 square feet, so it's
2 not a very large building. But that's the
3 size of the space we're talking about.

4 COMMISSIONER ZUNIGA: Can I go back
5 a little bit to 101? So the proposal is to
6 exclude or, yes, exclude the upper floors
7 from 101 from the gaming establishment but
8 include the first floor. Can you speak a
9 little bit about that inclusion again; did
10 you speak already?

11 MR. ZIEMBA: Sure. I think the use
12 on the first floor has been an important
13 one to both the Commission and to the City
14 of Springfield. It's now planned for a
15 retail space. It potentially could even be
16 a food and beverage at some point. But
17 right now it's currently occupied by Focus
18 Springfield. Focus Springfield has a lease
19 that extends through November of '19 with
20 an early termination date -- no, excuse me,
21 September of '19 with an early termination
22 date mutual option of this year,
23 November 2018.

24 We have focused on -- sorry to use

1 that word. We have paid attention to that
2 corner, because it potentially could be a
3 very important one from a visual. If you
4 have folks coming over from this building
5 over to the facility, that's sort of a
6 premier corner for the facility. And we
7 expressed some questions about whether or
8 not we should remove that corner and,
9 specifically, that first floor from the
10 gaming establishment.

11 There are provisions in the host
12 community agreement that got retail on Main
13 Street and State Street. There have been
14 some site plan approvals by the City of
15 Springfield that indicate that space is
16 retail space. We subsequently approved our
17 design review, which incorporated retail at
18 that space.

19 But given the importance and a lot
20 of the conversations that we had with the
21 City of Springfield, we did not yet believe
22 that we should remove that additional --
23 that additional measure for our oversight
24 of the use of that corner.

1 But, indeed, we expressed to MGM
2 Springfield that we could certainly take a
3 look at that as we go forward, because
4 there indeed are a number of other tools at
5 our disposal and the city's disposal to
6 make sure that that corner is developed in
7 a way that we all want it to.

8 COMMISSIONER ZUNIGA: So accepting
9 those upper floors have another affect.
10 From a construction standpoint, they don't
11 count towards the minium capital investment
12 but also from an operation's standpoint,
13 any improvements to that building would
14 also not count towards the capital, minimum
15 capital investment on an ongoing basis
16 after opening, the three percent. Is that
17 a fair statement?

18 MR. STRATTON: That's likely is a
19 fair statement. But our desire initially
20 to carve out the entire building and those
21 floors more has to do with functionality
22 that right now, at least the third parties
23 for commercial space, there really is no
24 functional connection to gaming nor is

1 there now any physical connection to the
2 rest when the initial plan that was going
3 to be tied into the building and the gaming
4 commission had offices on the bottom floor.

5 COMMISSIONER ZUNIGA: When the tower
6 was envisioned.

7 MR. STRATTON: Correct. Even after
8 we changed the tower, we thought until more
9 recently that the gaming commission offices
10 would be on the first floor and connected.
11 It's subsequently evolved that that
12 building is completely freestanding. And,
13 so, the only real connection now with that
14 building is the programming of retail on
15 the first floor that's always been part of
16 our proposal. So we thought it could be
17 carved out.

18 However, we're fine with keeping the
19 first floor in and the wait and see and see
20 what happens on the first floor, and then
21 with that programming in place make a
22 better determination around whether it
23 really needs to be within the gaming
24 establishment. I think that's a logical

1 approach.

2 COMMISSIONER ZUNIGA: That's of
3 course something we could come back and
4 revisit at any time, any given time
5 afterwards?

6 MR. ZIEMBA: That's right.

7 COMMISSIONER ZUNIGA: If they decide
8 you're managing that retail or you're
9 selling that piece or leasing it all out.

10 MR. STRATTON: And one final piece
11 on that, which we originally had -- when
12 the residential units were on Main Street,
13 the initial gaming establishment excluded
14 residential because of the police
15 jurisdiction issue. We wouldn't want state
16 place to have to -- the gaming enforcement
17 unit have original exclusive jurisdiction
18 over commercial office space or
19 residential. So that's one of the, I
20 think, good reasons for carving those
21 floors out of the gaming establishment.

22 COMMISSIONER ZUNIGA: That makes
23 sense.

24 CHAIRMAN CROSBY: It looks to me

1 like the gaming establishment cuts the MGM
2 Way in sections. Part of the bus
3 turnaround area is in the gaming
4 establishment, and part of it isn't. Is
5 that intentional?

6 MR. STRATTON: The area in white is
7 we are in the process of dedicating that
8 real estate to the city to become a public
9 way.

10 CHAIRMAN CROSBY: MGM Way will
11 become a public way.

12 MR. STRATTON: MGM will be a public
13 way, and the city will own the property.
14 The area in blue will remain our property,
15 so the bus turnaround will be a private
16 way. So the line really follows the
17 property line.

18 CHAIRMAN CROSBY: Okay.

19 COMMISSIONER STEBBINS: John, just
20 quick clarification. Even after our
21 approval today, is there still flexibility
22 on both party's ability to come back,
23 change it, plans change, new properties
24 purchased, expand, do we still have the

1 flexibility to revisit?

2 MR. ZIEMBA: Yes. I think that's
3 the approach that we have been taking
4 jointly that we can come back and be
5 flexible. MGM Springfield has business
6 needs. We have regulatory needs, and we'll
7 continue to have these conversations.

8 Along those lines, I also wanted to
9 mention in terms of coming back, there's
10 one thing that we specifically did not
11 include in here is that at the March 15th
12 meeting, we referenced the fact that there
13 is a lead gold standard. So for anything
14 that needs to be constructed as part of the
15 project, it's constructed in the lead gold
16 fashion.

17 But as there will be no major
18 construction either on the first floor or
19 for the remainder of the building by
20 opening date at the March 15th meeting, Joe
21 and I indicated that the Commission would
22 have to take action at some point regarding
23 that in the future. We anticipate that
24 that would be part of any Section 61

1 changes or revisions that we would have to
2 bring back to the commission.

3 So we jointly decided that we would
4 just leave that out of what you're
5 determining today, and then we're going to
6 come back to you regarding the lead gold
7 standard and its applicability when you're
8 dealing with any Section 61 standings.

9 COMMISSIONER ZUNIGA: So what are we
10 leaving out, the first floor of 101 from
11 the designation or from the lead standard?

12 MR. ZIEMBA: So from the lead
13 standard, we will come back to you with a
14 recommendation regarding how to treat the
15 lead gold standard for both the first floor
16 as it relates to the rest of the building.
17 But for the construction relating to the
18 facility would be really primarily on that
19 first floor.

20 COMMISSIONER ZUNIGA: Fair enough.

21 MR. ZIEMBA: One other clarification
22 I wanted to make, so Seth had mentioned
23 that the residential units were not part of
24 the gaming establishment when we first

1 constructed the boundary, and they will not
2 be part of the boundary as the new proposed
3 boundary. But the Commission just recently
4 when it approved the schedule for the
5 residential units, it approved a schedule
6 pursuant to our construction regulation.

7 Our construction regulation, the
8 definition of a project in our construction
9 regulation is roughly the gaming
10 establishment and other infrastructure.
11 And, so, what we are recommending is that
12 you clarify what we intended is that we
13 would keep that gaming establishment within
14 the definition of project for the purposes
15 of the construction regulation so that,
16 therefore, our schedule requirements
17 pursuant to that regulation just remain
18 intact.

19 This is just sort of a belt and
20 suspenders clarification, but we just
21 wanted to make sure that we made that
22 notation because neither before or now or
23 thereafter the residential units will be
24 included in the gaming establishment.

1 COMMISSIONER ZUNIGA: And under that
2 thought process we could allow,
3 conceivably, the investment of MGM into the
4 residential units as part of the capital
5 requirements. I'm trying to get them
6 further ahead. You know what I mean?
7 Maybe if that could make it happen.

8 MS. BLUE: I think what we're asking
9 the Commission to do on this today is just
10 to roll the residential units into the
11 definition of project as that's defined in
12 205 CMR 135. They are not part of the
13 gaming establishment per se. But for the
14 project purposes because we put them in the
15 schedule, we want to make it clear that
16 they are there. If they are not in the
17 gaming establishment, probably not under
18 that, but that's a little ways down the
19 road and we have a lot to consider before
20 we get there. So, you know, that's a whole
21 separate topic.

22 MR. STRATTON: And that certainly
23 will not impact our ability to hit the
24 minimum capital investment of 500 million,

1 because we're well in excess.

2 COMMISSIONER ZUNIGA: Yeah, I'm
3 thinking of the percent.

4 MR. STRATTON: I appreciate that
5 very much.

6 COMMISSIONER ZUNIGA: Because your
7 first year is going to be all new. Anyway,
8 but plenty of time for us to come back to
9 that topic. It's a good distinction,
10 project versus gaming establishment.

11 CHAIRMAN CROSBY: Anybody else? Do
12 we have a motion?

13 MS. BLUE: We've prepared one there
14 for you if you'd like to use it.

15 CHAIRMAN CROSBY: Somebody?

16 COMMISSIONER CAMERON: Mr. Chair, I
17 move that the Commission approve Blue Tarp
18 Redevelopment's proposed gaming
19 establishment boundary as presented to the
20 Commission today and that the Commission's
21 decision awarding a license to operate a
22 Category 1 gaming establishment in Region B
23 dated November 7, 2014 be amended by
24 striking Exhibit B in its entirety and

1 replacing with the new Exhibit B consisting
2 of a revised gaming establishment boundary
3 included in the commission packet and
4 presented at today's meeting provided that
5 the Commission will review the gaming
6 establishment boundary by the end of the
7 first quarter of 2019 to determine what, if
8 any, additional adjustments may be needed,
9 including the status of the first floor of
10 101 State Street and provided further that
11 this approval shall not amend any
12 Commission Section 61 finding in the
13 amendment of which will require separate
14 action by the Commission to the extent
15 necessary. That may be the longest
16 sentence I've ever read.

17 MS. BLUE: Sorry.

18 COMMISSIONER CAMERON: I further
19 move that the Commission find that for
20 purposes of 205 CMR 135, the residential
21 units included in the construction schedule
22 approved by the Commission at the April 12,
23 2018 commission meeting are included in the
24 definition of project under 205 CMR 135.

1 COMMISSIONER STEBBINS: I'll second
2 what she said.

3 CHAIRMAN CROSBY: Any other
4 discussion? All in favor? Aye.

5 COMMISSIONER CAMERON: Aye.

6 COMMISSIONER O'BRIEN: Aye.

7 COMMISSIONER STEBBINS: Aye.

8 COMMISSIONER ZUNIGA: Aye.

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

11 MR. STRATTON: Thank you very much,
12 Commissioners.

13 CHAIRMAN CROSBY: Okay. Thank you,
14 folks. Alex, Seth, thank you. Item No. 5,
15 Director Griffin. Ready to go?
16 Commissioner Cameron is just getting a
17 glass of water. She can hear.

18 MS. GRIFFIN: We're ready.
19 Commissioners, included in your packet is
20 MGM Springfield Procurement Diversity and
21 Local Business Plan and a memo from me with
22 background and context regarding the
23 requirements. License condition 17 of the
24 Massachusetts Gaming Commission's agreement

1 to award a Category 1 license to Blue Tarp
2 Redevelopment states that MGM Springfield
3 is required to submit this plan to identify
4 local vendors.

5 And, specifically, the condition
6 states, in conjunction with the
7 Massachusetts Gaming commission's Vender
8 Advisory Team and any local grant awardee
9 create a plan within 90 days of the
10 Commission's request after the effective
11 date for the Commission's review and
12 approve to assess the designated licensee's
13 requirements and to identify potential
14 local vendors, mouthful.

15 The local vender plan was due to the
16 Commission on March 15th, and the
17 commission staff received the MGM plan via
18 e-mail on that day. MGM presented the plan
19 to our Vender Advisory Team on April 11th,
20 and the group appreciated the presentation
21 and had no negative feedback.

22 Here to present the MGM Procurement
23 Diversity and Local Business Plan is Ryan
24 Geary, operations controller of MGM

1 Springfield, and I'm going to let him
2 introduce his team.

3 MR. GEARY: Thank you, Jill. Good
4 afternoon, Commissioners. It's a pleasure
5 to be here today. As Jill mentioned, my
6 name is Ryan Geary. I'm the operations
7 controller for the MGM Springfield
8 property. I currently oversee all
9 procurement operations as well as supply
10 chain operations. I report directly to our
11 the CFO, but my team and I also have a
12 dotted line to our procurement team out in
13 Las Vegas. With that, I'd like to let you
14 guys meet the rest of my team or two-thirds
15 of my team today. Go ahead and introduce
16 yourselves.

17 MR. ESTRELLA: Good afternoon,
18 everyone. My name is Eddie Estrella. I'm
19 the assistant manger for sourcing. One of
20 my main roles is going out to the community
21 and meeting with potential venders and just
22 kind of introducing them to the MGM Way and
23 seeing if we can find a way to do business
24 with them.

1 MS. BROWN: Good afternoon. My name
2 is Chelan Brown. I'm currently serving as
3 manager of diversify for MGM Springfield.
4 I've been with the company for a little
5 over three years. I was one of the first
6 employees hired as part of the project
7 team, so very excited about that. I always
8 like to tell people that I was born and
9 raised in the City of Springfield. Very
10 excited about the project.

11 And for the last two years, I've
12 been managing the construction diversity
13 program for Workforce and Supplier
14 Diversity initiatives on the construction
15 side. Excited to be joining the
16 operational procurement team to continue
17 that work to make sure that local and
18 diverse business have access to longterm
19 MGM operational bid opportunities.

20 MR. GEARY: Thanks guys. And with
21 that, we also -- one of our team members
22 isn't here today. His name is Jeffrey
23 Lyons. He's our procurement operations
24 manager. He is actually off site doing

1 site visits with some of our corporate
2 sourcing managers today.

3 My whole team here, lucky to have
4 them. They are all natives to Springfield.
5 They know the community. The community
6 knows them and, I think, we're just having
7 a great year so far. Everybody kind of got
8 on board early first quarter. So we've
9 kind of just been building traction,
10 getting connected with not only the
11 community but what has already been
12 established with the corporate team since
13 2016, so that's us. And I'm going to
14 actually back the presentation up now.

15 So as Jill mentioned, this is our
16 procurement diversity and local business
17 plan as submitted on March 15th as required
18 by our gaming license, and we will cover
19 the contents of the plan today. We're
20 going to go through the goals and our
21 strategies as well as some of the sample
22 reporting that we'll be providing quarterly
23 as we move forward. And then at the end, I
24 would like you guys to actually hear from

1 one of our suppliers who is here today, a
2 local WB supplier about her experience with
3 the MGM procurement team and our process.

4 I think everybody is pretty familiar
5 with this. This is our previously agreed
6 upon goals for diversity and local spend
7 outlined in our host community agreement.

8 The next slide depicts the project
9 team and how we've kind of structured
10 ourselves, not only as a local team, but,
11 again, connectivity with our corporate
12 partners. And you can see we have a great
13 deal of leadership and support around
14 meeting these goals. Our steering
15 committee is comprised of both local and
16 corporate executive support, and we meet on
17 a biweekly basis to review how we're
18 trending.

19 The project team is really comprised
20 of this team here along with the
21 gatekeepers of -- we are the gatekeepers of
22 this project, but the gatekeepers from the
23 corporate standpoint, our OSNE procurement
24 team, Kenyata (phonetic) Louis, our

1 executive director of diversity, and all of
2 our other project managers that work out of
3 that office in Las Vegas.

4 Finally, the functional leaders are
5 comprised of, again, some of my team and
6 then the remainder is some of our corporate
7 sourcing managers who are actually, you
8 know, boots on the ground issuing the RFPs,
9 soliciting bids, going out to meet with
10 suppliers and doing site visits. These
11 guys are actually the ones who are
12 executing and operationalizing this
13 strategy.

14 You guys have already met us. The
15 next diagram depicts some of the activities
16 that we are doing on a monthly basis for
17 community outreach. We have monthly
18 community partner meetings. We also are
19 having business meetings on site and off
20 site with suppliers as I've mentioned.
21 We're hosting and attending community
22 outreach events, and we're partnering with
23 local community lenders on capacity
24 building activities.

1 Main thing to focus on here is our
2 local team is in the center of all that.
3 We're the ones that are organizing that,
4 putting the agendas together, coordinating
5 with Commissioner Stebbins and Jill and
6 really partnering to make the most out of
7 these events and driving the attendance to
8 really be targeted to what we're looking
9 for in that specific time frame.

10 All of the outreach activities that
11 we're doing are also we're going to be
12 reporting on and had been reporting out on
13 as part of our ongoing commitments.

14 Next I'd like to just talk through
15 our advertising plan. So we already had an
16 advertising plan ongoing. What we decided
17 to do is enhance that. As we started
18 meeting with the Commissioner and Jill as
19 part of our monthly supplier task force
20 advisory team, we really kind of tried to
21 dial in what kind of mechanism do we use to
22 operationalize this strategy, and how do we
23 get that out into the public via
24 advertising.

1 And, so, this is an example of one
2 of our ads. And as you can see up there,
3 there's a call to action, but there's also
4 some specific areas of opportunities that
5 are laid out that tie directly back to that
6 mechanism, that matrix of the opportunities
7 we're looking for.

8 We also translate these into the
9 language of the minority market that we're
10 running the ads in, and these ads are
11 running on a weekly, daily basis in local
12 and minority newspapers and actually on the
13 radio as well all the way through the end
14 of July. So right now what I'd like to do
15 is give you guys a little taste of the
16 radio ad that we actually put out. And I
17 think, Commissioner Zuniga, you're going to
18 translate for us, right?

19 COMMISSIONER ZUNIGA: I think I
20 might.

21 MR. GEARY: Thank you so much.

22
23 (Video being played)

24

1 CHAIRMAN CROSBY: How would you
2 translate that?

3 COMMISSIONER ZUNIGA: The tagline is
4 roar with us New England, and then the roar
5 comes in. It's very clever.

6 MR. GEARY: We've gotten a lot of
7 great feedback from the advisory task
8 force. That ad is actually running right
9 now on WTCC radio.

10 CHAIRMAN CROSBY: What is the basis
11 of --

12 COMMISSIONER ZUNIGA: It's
13 essentially calling out minority owners and
14 suppliers for opportunities saying, you
15 know, if you are a minority business, you
16 should reach out to stay in good contact.

17 MR. GEARY: I can give a shot of my
18 radio voice, if you'd like. I have the
19 translation. It's very catchy. Like I
20 said, we've had a lot of great feedback on
21 it and that will continue to run through
22 the end of July.

23 COMMISSIONER ZUNIGA: Have you seen
24 any kind of results as a result of that or

1 any kind of inquiries or connections or
2 referrals so far? You just started.

3 MR. GEARY: Yes. We've already
4 started to get either people reach out
5 directly, suppliers reach out directly to
6 myself or my team, or they're connecting to
7 us via the task force or through our
8 certification partners.

9 COMMISSIONER CAMERON: Do you ask
10 when they reach out how they heard about
11 you?

12 MR. GEARY: Of course.

13 COMMISSIONER CAMERON: So you're
14 tracking those results.

15 MR. GEARY: Yes. And you'll see an
16 example later in the presentation of how we
17 will display those outreach activities and
18 kind of you can give us your feedback on
19 it. Again, ongoing outreach activities, we
20 are out there in these meetings. We're, A,
21 communicating information about ourselves,
22 the team, the company, our initiatives, our
23 goals, doing meet-and-greets. We're also
24 educating our local and diverse suppliers

1 on the process and how to do business with
2 us and what kind of resources they have
3 available to them in the community if they
4 do meet a challenge or find a challenge in
5 ramping up.

6 A lot of suppliers we find, you
7 know, aren't ready to take on that big, you
8 know, big volume and they don't know how
9 to. So we do a lot of coaching in that
10 regard, and we really try and tailor and
11 rightsize the opportunity for the supplier,
12 and I'll talk a little bit more about that
13 in a minute.

14 I think Chelan is going to cover the
15 Community Partners Network.

16 MS. BROWN: So two important points
17 about the Community Partners --

18 CHAIRMAN CROSBY: Chelan, can you
19 take the mic?

20 COMMISSIONER ZUNIGA: She's got one.

21 CHAIRMAN CROSBY: Oh, is that a mic?
22 Oh, okay. It was working fine. I didn't
23 realize you had one.

24 MS. BROWN: I think there are two

1 important points about the Community
2 Partners Network that I think is important
3 to mention. If you remember, the Community
4 Partners Network was created from the
5 construction side of the house. So what we
6 sought to do is replicate the successes of
7 working with the community and partnering
8 with the community on the operational side
9 of the house for opportunities for local
10 and diverse vendors.

11 So we built off the success and
12 leveraged the success of the Community
13 Partners Network on the construction side
14 of the house and replicated it on this
15 side. And then the other important point
16 is to remember that we consolidated the
17 entities listed below and others and to one
18 network that's convened and led by MGM
19 Springfield in order to broaden our
20 outreach impact and encourage partnerships
21 and collaboration to better serve the local
22 diverse business community.

23 So we did this not only to help us
24 reach our diversity goals but to have a

1 longterm impact on workforce and supplier
2 diversity in the region long after our
3 project is open and running. And we don't
4 coordinate our outreach and our diversity
5 and our supplier diversity work in a style.
6 We do that as a true partner with the
7 community development entities that exist
8 in the region.

9 So a couple of the goals for the
10 Community Partners Network right now is to
11 increase awareness in education on the MGM
12 Springfield procurement process and
13 timeline, what's coming up and what's
14 available for bid. Networking and
15 engagement opportunities for business
16 development entities and local and diverse
17 businesses. We want to foster those kind
18 of activities under the CPN.

19 Like Ryan talked about earlier, we
20 are going to be seeking to provide
21 assistance in capacity building and
22 technical assistance for local and diverse
23 businesses so that those businesses who may
24 be struggling with an identified capacity

1 challenge can be provided with resources
2 within a community such as access to
3 capital to grill their business.

4 And then the local business
5 mentorship program is a component that we
6 have launched in Las Vegas at our corporate
7 properties and our other regional
8 properties where, like Ryan talked about
9 earlier, will match smaller businesses with
10 a larger corporate partner or a larger
11 business in the area so that they can work
12 together, mentor -- the larger business can
13 mentor the smaller business, and they can
14 grow partnerships and collaborations again
15 and work together in business opportunities
16 after they finish working on our project.

17 So for the CPN, these are some of
18 the invited entities that will be
19 including, of course the Springfield Region
20 Chamber of Commerce, all the minority,
21 Latino business development entities in the
22 city, the newly launched minority business
23 alliance and the Hispanic American
24 Institute, and then others as identified

1 such as those lenders who are accessed --
2 offer access to capital and are all of our
3 diversity certification partners as well.

4 MR. GEARY: Thank you, Chelan. And,
5 I think, one other point to make on this
6 slide, I have to take a moment and give
7 kudos to our construction team and Brian
8 Packer for all the successes he's had on
9 that side. What we really tried to do here
10 is take some of those practices and
11 replicate them in our plan and really, you
12 know, leverage them and just plug them
13 right into our operations channels.

14 This picture actually here is from
15 one of our commercial lenders network
16 events in March. And, so, this is myself,
17 my team as well as our CPO and corporate
18 executive director of diversity and
19 sourcing team along with Commissioner
20 Stebbins and Jill here.

21 So we all came together, did
22 introductions, got to know the community
23 lenders network and really generate a lot
24 of conversation around, you know, A, who

1 they thought would be a good match to our
2 current opportunities. And, also, you
3 know, different ways that we think we could
4 help those businesses that needed the
5 capacity building type efforts that we
6 spoke about.

7 COMMISSIONER ZUNIGA: Ryan, from
8 that type of convening, what you hear is
9 the most important need, is it working
10 capital from a sort of finance perspective?

11 MR. GEARY: Sure. I think, yes,
12 it's working capital. Sometimes it's -- a
13 lot of time it's really it's knowledge,
14 right. How to scale their business out,
15 what do you do first? Maybe you got the
16 capital, but now how do you use it, right.
17 How do you really leverage that to get your
18 business ready to take on an account like
19 MGM.

20 MR. ESTRELLA: So in all honesty, I
21 think I have the best job out there because
22 I get to go out to the community I grew up
23 in and really get to see how these venders
24 do what they do. Once they reach out to us

1 via our website, I make an initial phone
2 call, and then I either offer them to come
3 in or what I would prefer is to get to go
4 see what they do so they can really
5 showcase what abilities they have and what
6 they do.

7 As you can see here, the middle of
8 picture there is Bea with our executive
9 sous chef, and I'm one of the owners of a
10 local bakery where they took us into their
11 warehouse. And one of the most surprising
12 thing was that from the outside, the bakery
13 doesn't look that big. When you go inside,
14 you really see the nature of their business
15 and how much they can actually do and the
16 fact that they can meet capacity.

17 We went in there not really thinking
18 they would be able to do it. And once we
19 got in there and we saw their operation and
20 we found out all the different customers
21 they serviced, which were big kind of like
22 MGM, we were really excited because we
23 really wanted to do business with them and
24 also based on the fact that the product

1 they made was phenomenal. They had these
2 onion bagels that were out of this world.

3 To the right there, that's actually
4 a local business, AC Produce. That is by
5 self, our procurement -- our sourcing
6 manager from Las Vegas, David Tally, and
7 our executive chef, Nate Lugman, along with
8 Tony, so there he is. He's showing us the
9 beautiful tomatoes that he gets in on a
10 daily basis as we're taking a tour of his
11 facility.

12 And one of the cool things is that
13 his specifically is that he is ready to
14 expend to meet our needs, and I find that
15 was one of the biggest things a lot of the
16 companies showcased was that they are
17 ready. They want this, you know. Once we
18 explain the process and really get an
19 understanding of where they are, we can
20 really expand upon how the relationship can
21 work and how the partnership can work.

22 The picture on the left was during
23 a -- it was the across the river committee
24 meeting, and that was Bunky's Natural Food.

1 And she was just explaining to me that what
2 she really does is she is trying to bring
3 natural food selections to urban areas. So
4 instead of like having to go to Stop and
5 Shop or Big Y and everything is processed,
6 heavily processed food, you can actually go
7 around the corner and get all natural food
8 if you'd like at a reasonable price. It
9 was a very good conversation. And a lot of
10 that really just entails gathering
11 information, and then bringing it over back
12 to the home base to see if there's a way we
13 could fit some of these venders in.

14 MR. GEARY: Thanks, Eddie. So I
15 think I don't know if you know this, but we
16 kind of call Eddie Mr. Springfield in the
17 office and it's great. Because, you know,
18 whenever I'm walking down Main Street or
19 wherever we are with my team, whether it's
20 him or Chelan, I feel like everybody knows
21 these guys and it's just a great feeling.

22 And, I think, it just speaks to the
23 level of engagement and everything that we
24 have going on with our procurement team.

1 We really are quickly becoming and have
2 become that connective tissue between our
3 broader strategy and our corporate entity
4 in this project, so it's great.

5 CHAIRMAN CROSBY: Eddie, are you
6 able to say yes enough? I would think
7 there'd be an awful lot of people that
8 would get stars in their eyes and think, oh
9 my God, I'm finally going to get rich and
10 there's been no real fit. You would be
11 saying no much more frequently, and that
12 would be kind of depressing.

13 MR. ESTRELLA: Yeah. During the
14 conversations, I'm realistic with them. I
15 don't make any promises that we're
16 definitely going to do business with you.
17 I kind of explain the process that after we
18 meet, I'm going to go to the head of the
19 specific operations, like specifically food
20 and beverage, and I'd bring the information
21 that they had. And, technically, usually
22 I'll set up like another meeting with that
23 person, like vender and then like the head
24 of food and beverage or the head of hotels.

1 And then from there, we can expand
2 the conversation so that they can get a
3 good feel of where they want to go with the
4 business and see maybe, okay, I can't give
5 you everything that the hotel has to offer
6 but I can give you a piece that so that you
7 can make some money. So we try to keep it
8 very realistic and not overpromise things
9 we can't commit to.

10 MR. GEARY: I think that's actually
11 a good segway into our next slide. This is
12 our vender advisory task force meeting that
13 we partner with the MGC and also with our
14 local certification partners that you see
15 across the bottom there. And when we're
16 talking about the matrix that we're
17 utilizing to identify opportunities and
18 match suppliers, there is a lot of times --
19 so a large company like MGM and another
20 industry might look at what we call their
21 tail spend, and they might try and manage
22 that in a way that consolidates that into
23 larger agreement, larger account to
24 leverage that spend and save money.

1 With MGM, we don't really look at
2 the tail spend as much. There's obviously
3 some relationships and some things that
4 really aren't opportunities. Maybe we have
5 a relationship directly with the
6 manufacturer that probably comes into play
7 most in the gaming realm, but then there is
8 other national distribution relationships
9 where we have the ability to match a local
10 diverse supplier with those national
11 distributors. And many times we are paying
12 a markup to do that, but we want to support
13 the local community and diverse supplier
14 community. And, so, not only do we do that
15 but we also will break up those
16 opportunities so that we get the most
17 impact economically in that market.

18 So when Eddie is talking about, you
19 know, these conversations that he's having,
20 we may identify a subset of a larger
21 opportunity for that specific vender in a
22 lot of these cases.

23 This is just the timeline that we
24 submitted as part of the plan. Again, a

1 lot of work was done up front beginning in
2 2016 with our corporate procurement team
3 coming out on a quarterly basis. And then
4 what we did right before the end of last
5 year was do a deep dive and really start to
6 think about knowing the success the
7 construction is having and what we wanted
8 to accomplish this year in post-opening
9 with our plan, we really started developing
10 this and getting best practices from Brian
11 Packer and team. We were able to get
12 Chelan on our team, which is a great asset
13 to have. And then from there, just enhance
14 what we already been doing with the
15 marketing campaign, advertising and these
16 activities that we've been discussing with
17 our task force.

18 These last couple of slides are some
19 sample reporting that we submitted. So we
20 have the advantage of having some pretty
21 strong analytics both at the corporate
22 level and the local level. I'd like to
23 just walk you guys through some of the
24 metrics and reports that we plan on

1 providing for ongoing reporting.

2 So for outreach events, this is an
3 example of some of the events we did in
4 March, a flier that we put out and really
5 just depicts all the different things we
6 did. This time frame we actually were is
7 one of those instances where our corporate
8 team was with us. So a lot of the pictures
9 that you just saw were from these events in
10 March.

11 And then drilling down to the
12 specific local and diverse suppliers that
13 we've done outreach with, this is really,
14 again, another example of how we're
15 leveraging what construction is already
16 providing. It's the same format, and we
17 thought if it ain't broke don't fix it.

18 This is kind of one of my favorite
19 slides. This is the analytics I was
20 talking about. You know, this is sample
21 data, but this is kind of an example of how
22 we can report out on nationwide actuals,
23 that some of the spend begins to actualize,
24 and it gives us a heat map of the whole

1 country, and you can see where our spend is
2 being spent.

3 CHAIRMAN CROSBY: This doesn't
4 include the gaming equipment, does it?

5 MR. GEARY: No, this would just
6 include biddable spend. So gaming supplies
7 and equipment would be excluded.

8 COMMISSIONER STEBBINS: Ryan, on
9 this point, and we talked about this as it
10 relates to Plainridge, you may have a
11 national contract the check gets cut and
12 goes someplace else but the work is being
13 done locally, are you going to be able to
14 segment out that information?

15 MR. GEARY: Yes. So we will
16 count -- we will only count spend locally
17 if it's build into a local business. That
18 address has to be within the counties that
19 we agree upon. Again, this is a sample of
20 how we can report or how we will report on
21 our diversity actuals versus the goals.

22 Aside from the chart at the top,
23 this is exactly how the construction team
24 is reporting. We will also provide the

1 footnotes that you guys are all accustomed
2 to seeing to explain what is included
3 versus excluded and things of that nature.
4 And, finally, our local supplier payments,
5 same concept here with the addition of the
6 graphic.

7 COMMISSIONER STEBBINS: Ryan, is it
8 also safe to say that your goals are
9 floors, not ceilings, you're hoping to not
10 only hit them but blow through them as much
11 as you can?

12 MR. GEARY: Correct. Just because
13 we're meeting a goal doesn't mean we
14 stopped doing these activities. We want to
15 exceed the goals. That's what we aim to
16 do. With that, I'd like to invite Tiffany
17 Cutting from C&D Electronics up to tell you
18 a little about her experience with MGM and
19 our procurement process.

20 MS. CUTTING: Good afternoon,
21 Commissioners. How are you?

22 CHAIRMAN CROSBY: Good afternoon.

23 MS. CUTTING: Thank you for having
24 us today. I'm Tiffany Cutting. I'm from

1 C&D Electronics. We are located about
2 7-miles down the road in Holyoke. And like
3 Eddie was saying earlier, western Mass. has
4 been waiting for something. We have been
5 waiting for MGM for a very long time. I
6 have to say that we have had the
7 opportunity on both the construction side
8 and now on to the operations side.

9 I will go back to just tell you a
10 little bit about who we are. So we are in
11 our second generation family-owned
12 business, traditionally distribution
13 company servicing the aerospace and defense
14 industry with electronic components,
15 electrical products, lighting, cable,
16 wires, camera surveillance, things of that
17 nature. So we have been shipping worldwide
18 nationally and working with a lot of big
19 companies over, you know, the past 30
20 years, but a lot of the companies that
21 we're working with haven't been local.

22 And, so, as much as we've had a
23 successful business here in western
24 Massachusetts, not a lot people in western

1 Massachusetts knew who we were. And we
2 were kind of waiting for that opportunity
3 where we could get involved locally with
4 our communities. How can we develop and
5 grow on a local level? And MGM came into
6 Springfield. And I tell you, we couldn't
7 get our finger printed soon enough to get
8 our non-vender gaming licensing and to
9 approach these guys. And, luckily, I had
10 the opportunity to meet Chelan in the very,
11 very beginning.

12 And as a small business, we were
13 able to team up with a large electrical
14 contractor on the construction side
15 providing products into the garage and all
16 the, you know, different things that were
17 going on on the construction side.

18 And as that started to come to a
19 close, we had the opportunity to work with
20 Kenyata Louis out of Las Vegas, who is
21 their executive director of diversity. And
22 she said, you know what, she said, I want
23 you to talk to Granger Products because
24 we're looking for another relationship with

1 a small business.

2 So we talked to Granger Products,
3 and we had to go through a process of
4 competition with other small businesses
5 fully vetted, and we proved ourselves to
6 Granger and we were able to bring a
7 partnership into MGM on the operational
8 side.

9 So here we were working on the --
10 with the electrical contractors on the
11 construction side and now moving into the
12 operational side of MGM. And they have
13 been wonderful to work with. They are
14 committed to their spending goals and
15 pushing through them. Monthly reporting, I
16 can tell you since we did work on the
17 construction side, you have to get your
18 reports in.

19 So they have been super committed,
20 and there has been a ton of outreach just
21 being here in the community and working in
22 the community every day. You hear it, you
23 see it, you learn about it. And, you know,
24 C&D Electronics couldn't be happier to be a

1 part of this development and now working on
2 the operational side. We're just thrilled
3 to have them here in Springfield.

4 COMMISSIONER ZUNIGA: So what kind
5 of work are you doing on the operational
6 side with Granger?

7 MS. CUTTING: What we're going to be
8 doing is we're going to be buying products
9 from Granger and supporting MGM. So what
10 it is is Granger offers a program for small
11 minority, if you're a veteran woman, you
12 know, small business and it's called a
13 distributor realliance program. So our
14 relationship with Granger became a part of
15 that.

16 So we are now a distributor alliance
17 member, and this allowed us to be a partner
18 and come into MGM and help MGM meet their
19 goals and also help Granger meet their
20 goals. And to Chelan's point, and I think
21 Ryan had mentioned it too, it doesn't just
22 stop there. The Granger relationship that
23 was, you know, instrumental and created
24 with Chelan and Kenyata, we are now able to

1 go to other customers with this program.

2 So, you know, kudos to them for
3 saying, you know what, here, maybe this
4 will work for you and it's not going to
5 just work for MGM, but it will help you
6 work with other customers. So we have been
7 able to now go out to other customers and
8 offer a similar program, so it's been
9 wonderful.

10 COMMISSIONER ZUNIGA: And you've
11 been successful.

12 MS. CUTTING: Yes, it's been great.

13 CHAIRMAN CROSBY: What is your role
14 at C&D?

15 MS. CUTTING: I'm the VP of business
16 development.

17 CHAIRMAN CROSBY: Perfect.

18 MS. CUTTING: And my dad is watching
19 from home. I know he's watching.

20 CHAIRMAN CROSBY: She did well, dad.
21 That's a great story.

22 MS. CUTTING: I can answer any
23 questions.

24 MR. GEARY: Thanks, Tiffany.

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COMMISSIONER CAMERON: It's a good story.

MR. GEARY: With that, that wraps up our presentation for today. I'd like to open it up if you guys have questions for us.

COMMISSIONER STEBBINS: I would like to say, Ryan, to your team, I can attest to the good work that you guys have been doing, you know. We've watched you in action and also the team from Vegas come in, talk to potential local suppliers, certainly appreciate your willingness, I think, to overcome that fear factor to try to break up bids so small companies don't feel a little bit overwhelmed.

Couple of suggestions. First of all, I would suggest that as you have been working with our Vender Advisory Team to maybe help you identify potential venders, think about working with that group as we mature here and move ahead to opening and beyond that that same team, which are also stakeholders when it comes to lending and

1 capacity building, that maybe they move
2 from identification to supporting your
3 vender network to make sure the case of AC
4 Produce and some of the others they have
5 the ability to expand, access programs, you
6 know, through groups like Common Capital
7 and some of the others. So maybe look at
8 the Vender Advisory Team in a little bit of
9 a different role.

10 There's a great business guide that
11 the Commonwealth of Massachusetts offers
12 that lays out all of the programs. We can
13 get you hundreds of copies of that. It's a
14 great kind of lead behind for everybody
15 you're doing business with to give them,
16 again, the tools to kind of grow and meet
17 your needs.

18 The last thing I would say is, you
19 know, there's two economic impacts that are
20 coming out of the opening of MGM. There's
21 the employment side, and the employment
22 side kind of only goes so far
23 geographically. Because at some point, you
24 don't want to make the drive to a job in

1 Springfield. But, I think, where you guys
2 have certainly demonstrated where the
3 impact can be felt is in purchase.

4 Your team has been down in the docks
5 in Gloucester and New Bedford looking to
6 buy fish. I mean, that is spreading your
7 dollars really Commonwealth-wise, and I
8 think that is where the impact is being,
9 you know, can be felt broader than just
10 within the four western Mass. counties or
11 within the greater Springfield area.

12 So, you know, kudos to your team.
13 They have been out. Like I said, they have
14 been on the docks of New Bedford. You've
15 been up to Gloucester looking at lovely
16 monk fish. You know, it's kudos to you and
17 the team and the team from Vegas to want to
18 make this extra effort to spend as much as
19 you can locally with good local suppliers,
20 and we're excited to see it and great to
21 have an example. I was kind of hoping for
22 the biscotti company you're talking about,
23 but it's a great story on the electronic
24 side as well.

1 MR. GEARY: Absolutely. Thank you,
2 Commissioner. We appreciate your support,
3 too.

4 COMMISSIONER CAMERON: I just had a
5 comment. Two things I heard that were
6 really important. One is the biweekly
7 trending meetings. That means nobody
8 forgets about this. Nobody takes their
9 foot off the gas for awhile, because
10 something else is important. This is
11 really important. And the other thing I
12 thought was impressive is the support from
13 the top, your steering committee. The top
14 folks in this organization are supporting
15 your efforts. That always makes for better
16 results, so impressive.

17 MR. GEARY: We thank you. We live
18 and breathe this every day.

19 COMMISSIONER CAMERON: It's
20 apparent. I love your enthusiasm as well.

21 MR. GEARY: Thank you.

22 CHAIRMAN CROSBY: Great, thank you.

23 COMMISSIONER STEBBINS: We have a
24 vote? We do need to approve the plan.

1 MS. GRIFFIN: Yes, Commissioners, a
2 vote is required or suggested. Staff
3 believes that this plan satisfies license
4 condition 17 and, therefore, recommend that
5 the Commission vote to approve the plan.

6 COMMISSIONER STEBBINS: Mr.
7 Chairman, I'd move the Commission approve
8 the MGM Springfield Procurement Diversity
9 and Local Business Plan as provided in the
10 packet.

11 CHAIRMAN CROSBY: Second?

12 COMMISSIONER ZUNIGA: Second.

13 CHAIRMAN CROSBY: Any further
14 discussion? All in favor? Aye.

15 COMMISSIONER CAMERON: Aye.

16 COMMISSIONER O'BRIEN: Aye.

17 COMMISSIONER STEBBINS: Aye.

18 COMMISSIONER ZUNIGA: Aye.

19 CHAIRMAN CROSBY: Opposed? The ayes
20 have it unanimously.

21 MR. GEARY: Thank you,
22 Commissioners.

23 CHAIRMAN CROSBY: Thank you, folks.

24 COMMISSIONER CAMERON: Thank you

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all.

CHAIRMAN CROSBY: Jill, we'll take a quick break before we get your next agenda.

(A recess was taken)

CHAIRMAN CROSBY: We are reconvening our 241st public meeting, and we're back to Director Griffin.

MS. GRIFFIN: Good afternoon, Chairman Crosby, Commissioners. We have some special guests here today to help us announce our grants for expanding economic access in the Commonwealth's casino industry. I have with me Sheriff Nick Cocchi of the Hampden County Sheriff and his team, and I also have Sheila Cuddy with the Quaboag Valley Community Development Corporation. I'm going to give a few introductory remarks. I'm going to have my colleague, Crystal Howard, talk about the context of the grants, and then I'll turn it directly over to the Sheriff.

So today we're here to announce our

1 grants. As you remember, Mass. Gaming's
2 Workforce Supplier and Diversity
3 Development department has as part of our
4 budget offered a modest grant program
5 intended to ensure that grass roots,
6 diverse and community and business groups
7 are part of the outreach effort.

8 In March we sought proposals to aid
9 in -- we sought proposals in March 2018 in
10 the advancement of economic development
11 with a goal of maximizing equity and
12 inclusion for licensees, employees and
13 venders. So the RFP sought to inspire
14 collaborations, coalitions, partnerships,
15 grass root organizations and nonprofits to
16 aid in providing programs in outreach and
17 resources to achieve at least one of the
18 following goals.

19 We aim to ensure an adequate pool of
20 available qualified diverse and prepared
21 applicants for the gaming and hospitality
22 casino careers and business opportunities.
23 We aim to promote awareness of the job
24 opportunities and assist with interview

1 skill preparation in the host and
2 surrounding communities of one of the
3 casino properties. And we also sought to
4 remove roadblocks for unemployed and
5 underemployed or with candidates with
6 employment challenges.

7 So we have invited the two western
8 Mass. grantees to highlight their programs
9 for us. But before I wanted to turn the
10 mic over to Crystal Howard to briefly
11 review the grant selection process.

12 MS. HOWARD: Good afternoon,
13 Commissioners. Can you hear me?

14 CHAIRMAN CROSBY: Good afternoon.

15 MS. HOWARD: So we released our
16 expanding economic access grant. The RFP
17 went out on COMMBUYS by March 6th with
18 submissions due on the 26th. The RFP
19 resulted in 17 different proposals. The
20 request for funding came in at \$7,800 to
21 \$20,000 each. Our division development
22 team here organized a committee for review
23 of the proposals, which included chief
24 financial and accounting officer Derek

1 Lennon, human resource manager Trupti Banda
2 and Commissioner Stebbins as well as
3 Director Griffin and myself.

4 The proposals were reviewed,
5 deliberated and scored over four different
6 sessions with six of the 17 proposals
7 scoring a 90 or higher out of 100 on our
8 rubric.

9 These organizations included the
10 Hampden Count Sheriff Department and
11 Quaboag Valley Community Development
12 Corporation, both of which are here today.
13 We have these up here. The Asian American
14 Civic Association, best hospitality
15 training, Chelsea Collaborative and
16 partnership with La Communida and the
17 Hispanic American Institute.

18 The committee determined that each
19 of the six could be funded appropriating
20 grant amounts by taken into consideration,
21 the initiatives proposed, the outcomes
22 projected, the budgets provided and the
23 amount of funding available for our RFP
24 cycle resulting in awards totaling

1 \$74,697.99.

2 MS. GRIFFIN: We will turn it over
3 to the Sheriff.

4 MR. COCCHI: Thank you. My name
5 again is Nick Cocchi. I'm the sheriff of
6 Hampden County. I'm here to extend my
7 deepest gratitude and thank you to the
8 Massachusetts Gaming Commission, to
9 Ombudsman John Ziembra and all of your staff
10 for the work you've done in helping the
11 Hampden County Sheriff's Office on the
12 applications and understanding our unique
13 needs of a department.

14 When MGM came we had a treatment
15 facility on Howard Street. And to be quite
16 frank, it was a time in not only our state
17 but in our nation's time where the opioid
18 crisis was running ramped. We didn't know
19 if that building was going to be able to,
20 one, be relocated; and, two, if we were
21 going to be able to afford it.

22 And I'm here to look each of you in
23 the eye to say thank you. Because what
24 you've allowed us to continue to do is

1 going to impact the community around this
2 casino but, more importantly, around
3 Hampden County and I'm very, very grateful.

4 Your initial and continued support
5 through your approval of mitigation funds
6 allowed us to move this facility, and we
7 moved it. It's state of the art. It's 149
8 beds, and I promise you this and I proudly
9 report out to you, that we are affecting
10 lives in a very positive way there each and
11 everyday.

12 We were awarded the grant for
13 expanded economic access which will allow
14 us to bring Springfield Technical Community
15 College and Holyoke Community College
16 instructors through a SMART board into our
17 main facility institution to deal and teach
18 and instruct our offender population.

19 These instructors will be teaching
20 the hotel hospitality program created by
21 the American Hotel and Lodging Institute.
22 It will be a nationally certified program
23 for our male and female inmate populations.

24 We hope to have upwards of 60

1 offenders complete this program through
2 this coming June 21st. It is my hope that
3 the Commission will see the value of this
4 program and continue with its future
5 support.

6 And, lastly, and probably most
7 impactfully for our facility and our
8 office, your insight and foresight to
9 reevaluate the CORI exemption is
10 monumental. And I look up and I see
11 Commissioner Stebbins and I just know
12 through conversations, through some
13 community events that when we were talking
14 about it, it wasn't falling on deaf ears,
15 and I know it came back to the entire
16 Commission.

17 And when you look at taking that
18 step and walking with us and taking a look
19 at how could we look at specific jobs and
20 give people opportunities, you did it in
21 taking a risk, a very calculated risk
22 because we're going to walk with you side
23 by side.

24 And we have a history, a very good

1 history of making good classification
2 referrals but, most importantly, taking
3 people from their darkest times, which is
4 the day they walk into incarceration, they
5 walk through that intake door and working
6 and programming and educating and getting
7 them ready for their step back into the
8 community, and you're allowing us to do
9 that.

10 The positions you have ultimately
11 created were 824 possible positions for the
12 men and women who have made the decision to
13 change their lives and to be more
14 productive members of our community. And
15 when you have offered that opportunity for
16 them, you have given them hope. And you've
17 allowed our staff to have the ability to
18 dig into a bag of tricks, a bag of tools, a
19 bag of opportunity to say if you listen, if
20 you try to do the right thing, if you try
21 to put your life back on track and put one
22 foot in front of the other, do things
23 law-abidingly, not illegally. You don't
24 have to look over your shoulder. We can

1 give you an opportunity to provide for your
2 family.

3 And I would like to just again in
4 closing, I'd like to thank each and every
5 one of you for your vision, for your
6 willingness to walk with us and take
7 chances with us, which is what we do in the
8 sheriff's office every day, and I'd like to
9 thank everybody for the process in allowing
10 us the opportunity to be part in a
11 partnership with you in moving forward in
12 this great endeavor that is coming to the
13 City of Springfield and Hampden County in
14 general. Thank you very much.

15 This is our director of educational
16 services, Mr. Doctor Dan O'Malley and I
17 will now turn it over to him.

18 MR. O'MALLEY: Thank you, Sheriff.
19 Just very quickly I'll reiterate what the
20 Sheriff did, what this grant will allow us
21 to do. It will allow us to provide
22 training to over 60 male and female
23 inmates, to provide training in guest
24 services and hospitality. We will be using

1 a program from the American Hotel and
2 Lodging Institute. And at the completion
3 of the training, everyone will take an
4 exam. And if they pass the exam will
5 become certified by a national organization
6 and guest services and hospitality. And
7 we'll be using the SMART board to enhance
8 the training and to enhance the
9 instructions.

10 And our expectation is that we will
11 have at least 50 of the 60 people pass the
12 exam and become certified in guest service
13 and hospitality, which MGM has said at some
14 of the meetings that I've gone to, one of
15 the most important factors that are looked
16 for in people and their employees is good
17 guest service and good hospitality, and
18 that's what we hope to accomplish with this
19 grant.

20 So I'd like to extend my thanks to
21 the Commission for their support in funding
22 this grant, and I think we will be able to
23 fulfill all of the conditions of the grant,
24 thank you.

1 CHAIRMAN CROSBY: Great.

2 MR. DEVINE: Good afternoon,
3 Commissioners and MGM staff. I'd just like
4 to say that it's been a real pleasure
5 working with --

6 CHAIRMAN CROSBY: Excuse me, want to
7 introduce yourself?

8 MR. DEVINE: What am I? I'm Rich
9 Devine. I work with the Hampden County
10 Sheriff's Department. I'm the director of
11 employment. I assist people with getting
12 jobs and getting people job ready and
13 vocational training and things like that.
14 I know that the work that you've done with
15 MGM and on the CORI exemptions was arduous
16 and it took a while, and we certainly do
17 appreciate that.

18 This is giving a lot of hope to a
19 lot of people. It's offering seeds of hope
20 to people that pretty much like the Sheriff
21 was saying, but these positions are living
22 wage jobs with benefits. And we know that
23 it affects the recidivism and public safety
24 very positively.

1 The national level of returns after
2 three years for people coming out of jail
3 is 67 percent will return. Partnerships
4 that we've had with the Hampden County
5 Sheriff's Department and all the different
6 entities we worked with, last year are
7 recidivism rate was 35 percent, and that's
8 where I think it's going to be very
9 important with the partnership that we have
10 with MGM, because this is going to give
11 those people an opportunity.

12 An example of that is we have a
13 great relationship with Holyoke Community
14 College, Jeff Hayden and his staff, with
15 the culinary program. We just had our
16 first co-hertz graduate from the new MGM
17 facility on Ray Street in Holyoke. We had
18 13 students graduate.

19 Of those 13, that was a month ago,
20 six have returned to the community, four of
21 the six are employed in culinary and two
22 have made the decision to go to college.
23 The other seven are still incarcerated but
24 we're anxious -- they are very close to

1 release, and we will work in tandem with
2 them to get positions also.

3 So with the announcement yesterday
4 about the CORI disqualifiers and
5 everything, I think we're going to have a
6 great partnership with MGM, because we're
7 going to train our folks for the needs of
8 the casino, so this is very exciting. And
9 it's offering people a second chance, which
10 is all of us could have needed a second
11 chance one time or another.

12 And then in closing, I think we have
13 a shared ground with MGM. The Sheriff
14 mentioned our Howard Street facility.
15 Well, I just learned that on the corner of
16 Main and Bliss Street during the 1700s was
17 where the jail was after the Indians burned
18 the first one. So it's we've got a lot of
19 similarities there with MGM, and we're
20 excited about this partnership. And,
21 again, thank you to all of you.

22 CHAIRMAN CROSBY: Did I understand
23 you to say that some of the students that
24 took the program at the culinary school are

1 incarcerated?

2 MR. DEVINE: Seven are still in.

3 CHAIRMAN CROSBY: But they were
4 taking the released people.

5 MR. DEVINE: People would be at our
6 pre-release and on electronic monitoring.

7 MR. COCCHI: They are very close to
8 release, so it's a step down process. We
9 put them in the van, and we bring them over
10 to the program. They are very, very
11 successful, and they are a very low risk to
12 the community because of the time left on
13 their sentence. So when you start to
14 provide them with these opportunities, you
15 see a behavior modification in the
16 positive, because there is a lot at the end
17 of the road.

18 CHAIRMAN CROSBY: That's really
19 interesting.

20 COMMISSIONER CAMERON: So just a
21 comment. You came here to thank us. I
22 think I should be thanking you. I have
23 interacted with many, many, many sheriffs
24 over the years and I don't know that I met

1 a group from a sheriff's department this
2 enthusiastic about the back end of criminal
3 justice, meaning really paying attention to
4 recidivism and rehabilitation. So I think
5 your office is -- you know, it's apparent
6 by listening to you how enthusiastic you
7 are about this and how hopeful you are for
8 the folks that you interact with. So just
9 it's refreshing, and I want to thank you.

10 MR. COCCHI: Thank you.

11 CHAIRMAN CROSBY: Great.

12 COMMISSIONER ZUNIGA: Can I just
13 make a comment? You mentioned 800 or so
14 positions that will be available and I hope
15 that many of the population you serve could
16 take advantage of that opportunity. I, for
17 one, wanted to get that number a little
18 higher, but that will be under discussion
19 as we go along and get the opening of this
20 facility.

21 And there's enough of turnover in
22 the gaming industry that these
23 opportunities will continue to exist even
24 past the opening date. So I really also

1 want to congratulate you on your efforts as
2 they continue. And even we go beyond
3 opening date, I hope that those
4 opportunities will continue to be there.

5 MR. COCCHI: Thank you.

6 MS. GRIFFIN: Great. So I'd like to
7 now introduce Sheila Cuddy, executive
8 director of the Quaboag Valley CDC.

9 MS. CUDDY: Thank you, Jill. And
10 thank you so much, Commissioners, and thank
11 you for coming to Springfield to have a
12 meeting. We always appreciate that in
13 western Mass. We are very excited at
14 Quaboag Valley CBC for this opportunity to
15 provide additional training, workforce
16 training to folks in our region who are
17 seeking employment, and also to increase
18 vender participation for the small
19 businesses in our region who are looking to
20 participate in some of the activities of
21 MGM.

22 We have a variety of businesses in
23 the Quaboag region. We cover 15 towns
24 starting at Belchertown going out to

1 Spencer, so we're the next eastern most
2 tier of the Pioneer Valley. We have farms.
3 We have service industries. We have
4 businesses who do framing and artwork, and
5 we have worked with several of them already
6 to acquaint them with opportunities, but
7 we're looking to further that work.

8 Also, the training that we're going
9 to be offering, we're offering two types of
10 training to individuals, primarily low to
11 moderate income individuals from our
12 region. One is ServSafe training, which is
13 the first step to a job in the culinary
14 industry and the hospitality industry, and
15 we will train people to get that ServSafe
16 certificate. Because of the generosity of
17 the Mass. Gaming Commission, there will be
18 books and tests and training provided for
19 free to these individuals to remove a
20 barrier to access a living wage job.

21 We have, frankly, already without
22 even making a formal announcement a waiting
23 list for the first class. So we're quite
24 enthusiastic about this option for folks in

1 our region.

2 The other piece we're doing, and we
3 assume that this would be a need for MGM as
4 it's certainly something we're hearing from
5 employees in our region, is that training
6 for job readiness skills, what we call soft
7 skills. So we are doing another -- a
8 nine-hour training on soft skills, I think,
9 similar to the sheriff's department. These
10 are the things like unless your employer
11 allows it, that cell phone needs to be put
12 away. When you come to work and you go to
13 break, you need to return. And my personal
14 favorite, sometimes there are more
15 important things than being right.

16 So we're very much looking forward
17 to this opportunity, and we truly
18 appreciate this grant award from the Mass.
19 Gaming Commission and the assistance of the
20 Mass. Gaming Commission staff in our
21 application process. Please let me know if
22 you have some questions.

23 CHAIRMAN CROSBY: Anybody? Sounds
24 great.

1 COMMISSIONER CAMERON: Tremendous
2 opportunities and keep up the good work.
3 Thank you for letting us know about it.

4 MS. CUDDY: Thank you.

5 CHAIRMAN CROSBY: Commissioner
6 Stebbins often talks about the
7 communication's problem that we need to
8 convey to people there is this wrinkle in
9 the CORI situation, and a lot of people we
10 understand have been sort of put off or
11 afraid of the casino jobs for fear of the
12 CORI checks and the automatic
13 disqualification. We know it's a little
14 complicated. You all obviously understand
15 it.

16 But anything you all and anybody
17 else here, anybody watching can do to try
18 to get the word out. There's plenty of
19 information on our website. There's a
20 frequently asked questions thing that says,
21 I have a criminal record. Can I work at
22 the casino, and there's an answer. So the
23 more we can get that word out, the better
24 off we will be and anybody who can pitch in

1 on that will be really appreciated, posting
2 information and so forth.

3 MS. GRIFFIN: Thank you,
4 Commissioners.

5 COMMISSIONER CAMERON: Thank you
6 all.

7 COMMISSIONER STEBBINS: Thank you
8 all very much.

9 CHAIRMAN CROSBY: Thank you. I
10 think we'll make a slight schedule change.
11 We have a lot of folks from the horse world
12 who have come to visit a long way.
13 Catherine, we'll move you and do the racing
14 issues next. Director Lightbown.

15 MS. LIGHTBOWN: Good afternoon,
16 Commissioners.

17 COMMISSIONER CAMERON: Good
18 afternoon.

19 MS. LIGHTBOWN: Today we're
20 revisiting the Suffolk Downs' request for
21 the purse money in the Racehorse
22 Development Fund purse account. Today I
23 have Chip Tuttle, COO of Suffolk Downs and
24 Bruce Barnett, legal counsel for Suffolk

1 Downs. In your packet, there's several new
2 letters and some of the groups that sent
3 those letters in are represented here
4 today. Now I'll turn it over to Catherine
5 Blue if she has any comments to make.

6 MS. BLUE: I know, Commissioners,
7 you have in your packets additional
8 letters. You had this before you a couple
9 of weeks before. The letters in your
10 packet are new. I would say that I have
11 reviewed all the letters in the packet. I
12 do believe after reviewing the letters the
13 issue that really is before the commission
14 today is, what does the commission do in a
15 situation where a statute requires that
16 money be used for a particular purpose and
17 that purpose doesn't entirely exist. I
18 think we've talked a lot about how it gets
19 paid and, you know, whether you can escrow
20 it or whether you can't and different views
21 on our regulation.

22 But, I think, the ultimate issue is
23 how the commission feels it should proceed
24 because it is in the position where we've

1 been told the money by the legislature is
2 for purses, and there are not sufficient
3 purses to meet the amount of money that's
4 available.

5 CHAIRMAN CROSBY: Anyone want to
6 kick it off?

7 COMMISSIONER CAMERON: Well, General
8 Counsel Blue, after reviewing all the
9 letters, I know you've given us your legal
10 opinion that you believe that the
11 appropriate place for the moneys are
12 exactly where they are now. You haven't
13 changed your opinion after reviewing the
14 letters submitted by the various groups?

15 MS. BLUE: I have not. I believe
16 that in a situation like this, the
17 commission has really two choices, to
18 either leave the money where it is until
19 the need arises or to go to the legislature
20 for guidance, which, in fact, the
21 commission has done now three times and
22 that's filing legislation.

23 There's a couple of examples where
24 the racing statute has some similar

1 situations. So, for example, the statute
2 requires that \$80,000 a year be paid to an
3 organization to provide services to people
4 who live in the backstretch. There are no
5 people living on the backstretch in Suffolk
6 County. There is no organization providing
7 services, so the commission can't pay that
8 money out but you are, in fact, required to
9 do it, but there is no place to pay it.

10 Similarly, in the Greyhound
11 stabilization fund, the commission is
12 required to collect certain moneys but the
13 legislature determined that you couldn't
14 pay them out after June of 2014. So while
15 the money is collected and it cannot go
16 anyplace else, it needs to stay there until
17 the legislature advises us that something
18 else should be done with it.

19 So, I think, the commission has, in
20 fact, done both things a commission would
21 do in this situation, which is you have the
22 money. It is in the fund. It's supposed
23 to be -- and you have also asked the
24 legislature for guidance.

1 COMMISSIONER ZUNIGA: I want to just
2 underscore that that notion the letters
3 from Mr. Raphael and Mr. Bennett tend to
4 focus only on one part of the requirement
5 of the disbursement but leave out another
6 important piece, which is the proviso that
7 this money be advanced and paid for the
8 purposes of purses. They're to be combined
9 with moneys that also come from the track
10 or from the operator, and they are for live
11 racing that is supposed to be taking place
12 in a predetermined date or dates according
13 to the purse agreement.

14 And that's a key factor, not here.
15 We've traditionally done that in the prior
16 years. There's even been partial
17 legislation that has been renewed year
18 after year for the last three years, but
19 we've also have been administering the
20 funds like we are supposed to in accordance
21 with all those requirements provided that
22 there are a set number of dates, we
23 understand how much money is going to go
24 into these purses and we approve those

1 races.

2 What we have in front of us is
3 totally does away with that notion. What
4 Suffolk Downs or the NEHPPA is requesting
5 that we move those funds for days to be
6 raced on an undetermined date after, you
7 know, sometime in the future. And, I
8 think, that is hugely, hugely inconvenient
9 in terms of what's actually going to
10 happen, is prone to happen, when the
11 current law expires on July 1st.

12 MS. BLUE: 31st.

13 COMMISSIONER ZUNIGA: So by that I
14 mean, there are all these external factors
15 that are very, very important and in my
16 opinion really require us to be as
17 conservative as possible and see what
18 happens. And that is the act of the
19 legislature, which we've been saying now
20 for a couple of years, you need to address
21 this in some fashion. They've done it year
22 by year, and that's their prerogative. But
23 maybe they do it this year, maybe they
24 don't. That's up to them. But, more

1 importantly, there's this potential for
2 another operator who's interested in
3 looking at operating thoroughbred racing,
4 and that's also a very important factor for
5 us to consider.

6 So I am a total proponent of being
7 continuing to do what we have been doing,
8 which is funding purses when they are
9 requested, funding days -- funding purses
10 for days when they are requested. Suffolk
11 Downs has the ability to run any number of
12 days this year. They were allowed to,
13 according to the legislation, to run
14 anywhere between 1 and 50. You went for 8.
15 There's another 42 days that you can run
16 this year. If you have any, we'll look at
17 them.

18 We can fund if by some account, I
19 think we funded about \$350,000 per day on
20 prior purses. If you ran the other 42 days
21 this year, that's about \$14 million. I
22 think there's a balance there.

23 I think the request that is being
24 made goes entirely against what we have

1 been doing in the past, and it's especially
2 problematic with what we have in front of
3 us in terms of what may take place in July,
4 so I will be really opposed to the request.

5 CHAIRMAN CROSBY: Let's all just see
6 if we have any opening comments and then --
7 did you --

8 COMMISSIONER CAMERON: I wanted to
9 make sure that we didn't have a difference
10 of opinion. Our legal opinion has not or
11 our team legal's opinion has not changed on
12 the matter. As sometimes happens, lawyers
13 disagree on how to read a statute or
14 implement a law and we have to determine
15 what we want to do here. So I certainly
16 am, as I have, you know, relying on the
17 good opinions of our team, and I will do
18 that again today.

19 CHAIRMAN CROSBY: I have a couple of
20 questions. I think we all agree that we're
21 trying to figure out how to work around a
22 statute that didn't anticipate the
23 situation we're in. I think that's fair.
24 And we've been in this situation many times

1 before, and we've frequently used our
2 discretion to try to figure out the best
3 work around we can come up.

4 We can't put the money into the use
5 of purses for the time being but there are
6 two other elements, I think, that we can
7 accommodate. One is, the statute does say
8 it's supposed to be an interest bearing
9 account on behalf of purses, and we are not
10 doing that at the moment and we could. It
11 is within our power, I think, to put it
12 someplace where there could be -- where the
13 interest that it accrues could go to
14 subsequent purse accounts or to the purse
15 account for subsequent purses. And the
16 second one is a little fuzzier, but we also
17 have construed our job as to take whatever
18 steps we think are constructive to protect
19 and enhance and hopefully resuscitate the
20 thoroughbred industry.

21 So we did send a letter, which we
22 were copied on, but we wrote it to the
23 legislature saying we would suggest this is
24 not the time to take the money from the

1 Racehorse Development Fund for another
2 purpose because for the moment we are
3 operating under a statutory structure that
4 encourages us to take our best efforts to
5 save the industry, and that includes
6 protecting the Racehorse Development Fund
7 unless and until the legislature changes
8 its mind on what it wants to do with the
9 Racehorse Development Fund.

10 So if that's right, if we do have a
11 mandate to have their interest be paid and
12 paid to the purse account and we are --
13 it's appropriate for us to take whatever
14 actions we can within, you know, the law
15 and reason and so forth to protect the
16 Racehorse Development Fund, it leaves me to
17 a couple of questions.

18 First of all, if we did do what the
19 horsemen are requesting and move the money
20 into the purse account, what, if any,
21 control do we then exercise; could we take
22 it back; can we limit the amount that goes
23 out for purses or other uses; what's our
24 legal control over the money if we did put

1 it into that purse account?

2 MS. BLUE: So I just want to address
3 the issue of the interest bearing account.
4 The interest bearing account is not our
5 account. It's the purse account. It's the
6 purse account bears interest. So we do not
7 have an obligation to put it into an
8 interest bearing account. It has to go
9 into the purse account, which is interest
10 bearing, and then the interest accrues
11 with -- it goes within all the other money,
12 and it's there for additional purses.

13 So when you look at the statute,
14 that's where the obligation is. It's not
15 on the Commonwealth. This money is held by
16 the Commonwealth in the same way the
17 Commonwealth holds other moneys. In terms
18 of --

19 CHAIRMAN CROSBY: Just back one
20 second, Catherine. Run that by me again.

21 MS. BLUE: So if you look at the
22 statute and the regulation, the language
23 syncs up the same. It goes into an account
24 by and for the benefit of the horsemen that

1 bears interest. That account is a purse --
2 is the purse account. It's not the account
3 that we hold the money in before we give it
4 out.

5 CHAIRMAN CROSBY: No, I understand.
6 But we are directed to deposit weekly into
7 a separate interest bearing purse account.

8 MS. BLUE: And that's the one to the
9 track.

10 COMMISSIONER ZUNIGA: That's the
11 purse account.

12 MS. BLUE: Yes, that's right.

13 CHAIRMAN CROSBY: But the point is
14 that the statute anticipates that there
15 will be interest earned and the interest
16 earned will accrue to the purses.

17 MS. BLUE: If it's in the purse
18 account, yes. It does not contemplate
19 interest. The Commonwealth holds it.

20 CHAIRMAN CROSBY: No, there's
21 nothing about the Commonwealth holding.
22 That is --

23 COMMISSIONER ZUNIGA: There is,
24 there is. There's a separate section that

1 creates the Racehorse Development Fund that
2 is in the books of the Commonwealth where
3 it does earn interest, and it earns
4 interest for the Commonwealth.

5 CHAIRMAN CROSBY: But we move it out
6 every week.

7 COMMISSIONER ZUNIGA: Subject to all
8 the proviso that follows that language,
9 which is subject to purses and race dates
10 that we also approve. The problem with
11 just looking at that sentence is that it
12 misses the purpose, which is to fund the
13 purses.

14 CHAIRMAN CROSBY: I understand that.

15 COMMISSIONER ZUNIGA: If there is no
16 race days, what is the point of moving it
17 there? They are also supposed to combine
18 it with moneys that come from the licensee.
19 What money are they putting up?

20 CHAIRMAN CROSBY: I understand that.
21 But you can't -- there are no purses to
22 build. We know that's a problem. But I'm
23 just saying we are trying to figure out
24 what intent remains that we can fulfill.

1 We can't put it into the purse account for
2 the use of purses, because there are no
3 purses. But we could, if we wanted, maybe
4 we don't but we could make sure that
5 whatever interest there was accrued to the
6 purse accounts so it was there later on.

7 COMMISSIONER ZUNIGA: That was one
8 question that I thought of asking the
9 controller, but they did not --

10 CHAIRMAN CROSBY: They left it to
11 us.

12 COMMISSIONER ZUNIGA: Well, because
13 the Commonwealth is taking advantage of
14 that interest. We would be shorting the
15 Commonwealth if we ever created a separate
16 interest bearing account, because they are
17 currently taking that interest. It is
18 money that's in their books, and it's their
19 money.

20 CHAIRMAN CROSBY: So we have a
21 difference of opinion on that part of the
22 issue. I'll get to you guys again.

23 MR. TUTTLE: Commissioner Zuniga, we
24 do fulfill our statutory obligation to put

1 those other funds toward the purse account.
2 You've asked that question --

3 COMMISSIONER ZUNIGA: What about
4 2019?

5 MR. TUTTLE: We will -- we have for
6 the last since 1992, and we will continue
7 to fulfill our statutory obligations.

8 CHAIRMAN CROSBY: Hang on a second.

9 COMMISSIONER ZUNIGA: For how many
10 days; how many race days are you going to
11 race in 2019?

12 MR. TUTTLE: Respectfully,
13 Commissioner, there is no -- the law
14 requires you to deposit the money weekly
15 into the purse account irrespective of the
16 number of race days or the purses for those
17 days. It's pretty black and white the way
18 we see it, which is why we made the
19 request. And if you want to debate the
20 public policy of the 23K and its various
21 provisions, you're welcome to do that. We
22 just think --

23 COMMISSIONER ZUNIGA: That's what
24 I'm doing.

1 MR. TUTTLE: Yes. But we feel the
2 commission has a very direct obligation to
3 deposit that money into this account, and
4 the commission has not because we have not
5 requested it up until now. And now we have
6 requested it, and we think the commission
7 has a legal obligation to make that deposit
8 into the purse account.

9 COMMISSIONER CAMERON: Mr. Tuttle,
10 we've read all the letters. We understand
11 the issue. Thank you for adding that
12 point, but we also have a legal team that
13 disagrees with your assertion. So as
14 happens many times, different lawyers have
15 different opinions. So we did read the
16 letters, all of us, so we understand the
17 perspective.

18 CHAIRMAN CROSBY: I got sort of
19 sideswiped here. Let me just figure out --
20 finish my chain of thought. If we were to
21 put the money into the purse account, what,
22 if any, controls do we have over it?

23 MS. BLUE: So Director Lightbown
24 audits the purse account at the end of

1 every year in terms of determining whether
2 the purses that we were told were paid out
3 were actually paid out. We don't have any
4 other jurisdiction over the purse accounts.
5 So if we put the money in there, we would
6 have to ask for it to come back and
7 hopefully they would return it, as they
8 have the said that they would. But we only
9 audit it to maintain that purses are paid
10 out in accordance with the number of purses
11 and the types of races that have been
12 ridden and run over the course of a meet.

13 CHAIRMAN CROSBY: So we lose
14 control, so to speak, of it. So the other
15 line of suggestion from the letters is if
16 we don't agree with them on the obligation
17 to put the money into the purse accounts
18 that there is a second clause, which
19 effectively says if we take notice -- are
20 notified of or take notice of the fact that
21 the circumstances that the purse account
22 was constructed for don't occur, like there
23 aren't going to be any races, the racetrack
24 is going to close, that series of A through

1 F, that then our own regs. we wrote -- this
2 isn't in the law -- but our own reg. says
3 that we should consider having, forget we
4 said should have it or should consider
5 having, a public hearing where we talk
6 about what to do with it, and one of the
7 possibilities we have proposed is to set up
8 a separate interest bearing account to save
9 the money until some future time. And, I
10 think, we gave ourselves three years where
11 we could save up the money.

12 COMMISSIONER CAMERON: The escrow
13 fund.

14 CHAIRMAN CROSBY: Right, the escrow
15 fund. Sorry, thank you. The fallback
16 position is the escrow fund, but it seems
17 to me like we anticipated wisely this
18 possibility. And if we can't agree -- come
19 to an agreement -- collectively if the
20 commission can't come to an agreement on
21 the first option, then we get the fallback
22 option, which seemed like one pretty good
23 idea to me, which seemed to me that would
24 be an appropriate next step. Because then

1 the money does collect interest which maybe
2 I, guess, we don't know. We don't have an
3 unanimous opinion where that interest ought
4 to go. But under our language, under our
5 regs., we have this option of the escrow
6 which does accrue interest and it would
7 accrue it to the benefit of the purses.
8 That seems to me to be a pretty good
9 compromise.

10 COMMISSIONER ZUNIGA: Well, so long
11 as we had full control of that account, I
12 would be persuaded to go along. It's the
13 notion --

14 CHAIRMAN CROSBY: That would be an
15 absolute precondition from my standpoint.
16 The whole point would be to get the
17 interest, which I happen to think was the
18 intention but I'm not going to debate the
19 point, but save it up in order that if the
20 horsemen get a track or there's another
21 track somewhere else or somebody comes to
22 us with a possibility, then we've got that
23 money and we've got whatever interest gets
24 accrued, and we're in a position to

1 strategically use it under our control
2 hopefully within the construct of a new
3 statute, but this is under the existing
4 statute. That seems to be a pretty fair
5 compromise.

6 MS. BLUE: So as long as one of the
7 triggering events in our regulation
8 occurred, you could certainly do that.
9 What you see from the letters we received
10 there are some parties that say that
11 triggering event has occurred because
12 racing won't occur next year, and other
13 parties who say that certainly hasn't
14 occurred because there's racing now.

15 So definitely our regulation is set
16 up with a number of triggering events. One
17 is a track closes, one is if the track
18 announces it's going to close, if there is
19 going to be a transfer from one track to
20 another, so there are triggering events.
21 None of those events have occurred at this
22 point in time.

23 CHAIRMAN CROSBY: I think that is
24 very much a matter of opinion, and you said

1 that before. You said that, too. But it
2 seems to me like what we were trying to say
3 here was exactly what's happening. That
4 we're stuck in this conundrum where we've
5 got this money building up, and we can't
6 use it as anticipated.

7 We clearly know what the problem is
8 here. The problem here is Suffolk Downs is
9 closing and whether it's next year or this
10 year, we don't know. But I would certainly
11 say that we would perfectly reasonably
12 construe that a triggering event has
13 happened, and that we ought to have the
14 hearing and maybe --

15 COMMISSIONER ZUNIGA: And all have
16 to happen or just any one of them?

17 MS. BLUE: They don't all have to
18 happen. If we're going to go on the basis
19 that the track is closing, then Suffolk
20 Downs would have to tell us that they are
21 not going to race next year. We would have
22 to get notice of a triggering event.

23 CHAIRMAN CROSBY: Well, it doesn't
24 say next year. It just says to close a

1 racetrack used for harness races or horse
2 racing.

3 MS. BLUE: So they're racing this
4 year. So this year we have a need in place
5 that we would expect to occur.

6 COMMISSIONER CAMERON: And one of
7 the proposals that we read about that they
8 are proposing to race as soon as '19, next
9 year.

10 MS. BLUE: That's right.

11 CHAIRMAN CROSBY: But Suffolk Downs
12 is closing. We may open up someplace else.
13 That would be --

14 COMMISSIONER ZUNIGA: Is that what's
15 happening? I don't know we got notice.

16 MR. TUTTLE: We have not notified
17 anyone formally that we're closing. We are
18 racing this year, and we have a lease
19 beyond this year. Some of that is
20 dependent on the progress of the
21 development of the property. So we would
22 agree with your counsel that we have not
23 triggered any event that would allow the
24 money to be escrowed.

1 We also have under agreement another
2 property in the Commonwealth. We're
3 planning an announcement in the next week
4 or two where we will be able to race in the
5 future when we are not able to race at
6 Suffolk Downs. We actually have land under
7 agreement for this as opposed to what I've
8 read about the other proposal.

9 So it's our intent to use this money
10 for purses, which is explicitly what the
11 legislature intended and what the law
12 intended. To your point, Commissioner
13 Zuniga, I can't tell you that we would use
14 it all for purses this year, but we would
15 use it for purses according to statute and
16 with the agreement of the horsemen's -- the
17 recognized horsemen's group, the New
18 England HPPA.

19 And as I said in our letter or
20 Counsel Barnett said in his letter that
21 where we are not to use it for purses, we
22 certainly could return it because we don't
23 believe there's any lawful use of that
24 money right now.

1 COMMISSIONER ZUNIGA: I would say
2 just when you have that plan or when that
3 plan is actually coming to the fruition,
4 you can always come back and we can
5 disburse according to when you have a purse
6 agreement and days that are specific.

7 MR. TUTTLE: I appreciate that.
8 Sequentially, we had to make the request.
9 Unfortunately, these things don't always
10 line up the way you like them to.

11 MR. BARNETT: I of course agree with
12 both General Counsel Blue and Mr. Tuttle
13 that none of the triggering events under
14 the regulation has happened. But I also
15 want to point out, as we said in the
16 letter, that regulation, as you said,
17 Mr. Chairman, is not in the statute and it
18 is as invalid an implementation as is the
19 regulation that purports to give the
20 commission the authority to withhold the
21 money in the first place. Shall deposit
22 weakly means just that, and I want to make
23 sure that there is no doubt that that
24 remains our position.

1 Commissioner Zuniga, I disagree with
2 your interpretation that the proviso with
3 respect to the combination of the Racehorse
4 Development Fund money with other moneys
5 pursuant to the purse contract puts any
6 sort of precondition on the obligation of
7 the Commonwealth to deposit the money into
8 the purse account at the track where it
9 gathers interest for the benefit of the
10 horsemen.

11 It just makes clear that the intent
12 is that that money will be supplemented
13 with money according to the purse account
14 and the purse -- with the purse agreement
15 and every purse agreement that Suffolk
16 Downs has had with its horsemen, as long
17 I've involved, allocate certain portions of
18 the revenue outside of the Racehorse
19 Development Fund to go into purses and it's
20 always happened, and that will continue to
21 happen.

22 COMMISSIONER ZUNIGA: Well, let me
23 say I disagree with you on the notion that
24 we're withholding money. It's where it's

1 been -- the money is sitting where the
2 statute directs us to put it.

3 MR. BARNETT: With respect it's not
4 because the statute says, shall deposit
5 weekly into the purse account, so you
6 cannot -- I just don't understand how you
7 can say --

8 CHAIRMAN CROSBY: There are two
9 providers.

10 COMMISSIONER ZUNIGA: There's two
11 provisos that you conveniently not
12 mentioned. Now, there's also another
13 important history and context to all of
14 this. Before this partial legislation that
15 allowed you to do between 1 and 50 days of
16 racing, there is the tradition of the
17 legislature setting the number of race
18 dates as a minimum for however many years,
19 since you were given a license probably.

20 In that context, there is a date
21 certain of number of dates that days that
22 you're going to run through the year. And
23 in that context, it's important to deposit
24 whatever money is going to come through

1 weekly or however often.

2 The problem that we all find
3 ourselves in is when this Chapter 128A and
4 C were set to expire after the Gaming Act,
5 the legislature has enacted on its renewal,
6 and we have been operating under this patch
7 of a legislation that gives you tremendous
8 flexibility to determine the number of days
9 between 1 and 50.

10 And in that context, we have been
11 operating, okay, we'll approve the number
12 of days and we'll disburse according to
13 what we think is reasonable. That would be
14 going against what we have been doing --
15 what you're asking us to do now would be
16 going exactly against that that we've been
17 doing.

18 MR. BARNETT: I certainly agree with
19 you that what we're asking for now is
20 different than what has happened in the
21 last three years, right. But the fact that
22 it's different doesn't mean that what has
23 been happening for the last three years was
24 consistent with the statute.

1 MR. TUTTLE: And we presume that the
2 legislature while it hasn't addressed 128A
3 and 128C, as some people presumed would
4 happen with the passage of the gaming law,
5 it has acted on an annual basis to renew
6 the laws so that we presume the legislature
7 has acted affirmatively and is okay with
8 this and is okay with 1 to 50 days or else
9 that wouldn't be in the law, so we continue
10 to follow the statute. And, you know, I
11 don't want to belabor the point.

12 MR. BARNETT: Section 60 says, you
13 must deposit weekly with the racing
14 licensee. And three times since that was
15 adopted, the legislature has said Sterling
16 Suffolk Racecourse is the racing licensee.
17 When you put those together, I don't see
18 how there's a question that they're
19 directing the money --

20 COMMISSIONER ZUNIGA: So why didn't
21 you ask for this three years ago?

22 MR. BARNETT: We weren't as
23 concerned about the fact that the money was
24 going to disappear, right. We saw the

1 numerous attempts to raid the fund last
2 year. They were successfully beaten back,
3 thankfully. We are in budget season again
4 this year. I do not know, for example,
5 whether the escrow fund that you have been
6 discussing would be immune from a similar
7 legislative grant.

8 MR. TUTTLE: We also in November
9 announced our plan to develop a new racing
10 facility in the Commonwealth. And as I
11 said the last time we met here, having that
12 money in the purse account checks off a
13 box. It's a pretty important step to being
14 confident about the ability to develop that
15 new racing facility. Because if we know we
16 have that money in the purse account
17 already, based on the law as it stands now,
18 that we have great confidence that we'll be
19 able to pay purses with that money in the
20 future.

21 COMMISSIONER CAMERON: Mr. Tuttle,
22 we have been hearing about this plan for
23 three years now and, frankly, we haven't
24 seen a plan. And now that there is another

1 plan on the table, it seems like your
2 strategy has changed. Frankly, we would
3 love multiple proposals as we do with
4 gaming as well. That would be -- the
5 competition would be welcomed by this
6 commission. So I think for one we have,
7 you know, we have a two legal opinions here
8 and we have to make a decision on that.

9 MR. TUTTLE: Commissioner, I'd be
10 very happy to share our plan with you,
11 especially since we are an existing
12 licensee and have property under agreement,
13 which I think puts it a couple of steps
14 ahead of the other one.

15 COMMISSIONER CAMERON: Whenever you
16 choose to do that, we will listen to all
17 proposals.

18 MR. TUTTLE: Thank you.

19 CHAIRMAN CROSBY: Why would you not
20 give us notice that Suffolk Downs is going
21 to close?

22 MR. TUTTLE: Because I can't tell
23 you --

24 CHAIRMAN CROSBY: It doesn't say

1 when. There's nothing that says you have
2 to tell us when. It just says that it's
3 going to happen.

4 MR. BARNETT: I'm sure Plainridge is
5 going to close, too, someday.

6 CHAIRMAN CROSBY: I mean, you
7 know -- if it's a triggering --

8 COMMISSIONER ZUNIGA: The property
9 has been sold.

10 CHAIRMAN CROSBY: It's a triggering
11 event that would put the money --

12 MR. TUTTLE: The property has been
13 sold, but we have a lease to continue
14 racing operations.

15 COMMISSIONER ZUNIGA: When does the
16 least end?

17 MR. TUTTLE: I'd have to look at it
18 to tell you exactly, but I know there are
19 options to continue it as well.

20 CHAIRMAN CROSBY: Anybody else want
21 to jump in? I want to just make clarify.
22 First of all, you obviously disagree with
23 Mr. Raphael who wrote the first letter,
24 right? We thought you guys were on the

1 same team, and it took me awhile to figure
2 out.

3 MR. TUTTLE: It's 28 years of
4 dealing with horsemen, and its always a
5 mystery to me. Thank you.

6 CHAIRMAN CROSBY: So the Section 60C
7 little i, deposit weekly, the first
8 provided is that the earned interest in the
9 account be credited purse account. That's
10 not a problem. The second provided for
11 that licensees shall combine these funds
12 with revenues of existing purses agreement
13 to fund purses for live races consistent
14 with those agreements with the consent of
15 the horsemen. Is that condition being met?

16 MR. TUTTLE: Yes, it is.

17 COMMISSIONER ZUNIGA: What date?
18 Have to be determined on a later date?

19 MR. TUTTLE: Commissioner,
20 respectfully, the number of racing days and
21 the obligation to deposit the money are
22 completely different things.

23 COMMISSIONER ZUNIGA: I see them
24 totally tied.

1 MR. TUTTLE: I know you do, and it's
2 obviously an area of disagreement. But,
3 you know, just there is no quid pro quo
4 here.

5 CHAIRMAN CROSBY: Let me just
6 clarify my -- so the licensees shall
7 combine these funds, the money that comes
8 in weekly with revenues from existing purse
9 agreement. Do you have an existing purse
10 agreement?

11 MR. TUTTLE: Yes, we do and the
12 commission has a copy of it.

13 COMMISSIONER ZUNIGA: Where is that?

14 CHAIRMAN CROSBY: After the racing
15 for 2018?

16 MR. TUTTLE: For 2018 we have a
17 purse agreement.

18 COMMISSIONER ZUNIGA: What about
19 2019?

20 CHAIRMAN CROSBY: Let me just
21 finish, could I, please?

22 COMMISSIONER ZUNIGA: No, no, this
23 is key. They are requesting -- sorry.

24 MR. TUTTLE: Go ahead, Mr. Chairman,

1 I'm sorry.

2 CHAIRMAN CROSBY: So there is an
3 existing purse agreement and what other
4 moneys -- where did the moneys come from to
5 combine these funds to revenue the existing
6 purse agreement?

7 MR. TUTTLE: So on all of the
8 wagering that we process through the
9 various statutes, 128A and 128C, and the
10 statute that renewed our license in 2015,
11 there are amounts that are dedicated to
12 purses, and we have an obligation that we
13 fulfill to make those contributions to
14 purses. And then by way of our agreement
15 with the horsemen, we figure out how the
16 purse account gets spent.

17 COMMISSIONER ZUNIGA: So in the
18 purse agreement, do you agree on the number
19 of race dates, on the number and the race
20 dates?

21 MR. TUTTLE: Yes, sir.

22 COMMISSIONER ZUNIGA: So you're all
23 set for 2018. That's the one we approved.
24 We're going to disburse.

1 MR. TUTTLE: As has happened in
2 year's past the -- in fact, last year when
3 we requested extra race dates,
4 Commissioner, you specifically criticized
5 us for not asking for the money in advance
6 and up front when we came to you last year
7 and added extra race dates. You were very
8 critical that we had not anticipated and
9 asked for money in advance. And there is a
10 chance that we may race more than six days
11 this year.

12 COMMISSIONER ZUNIGA: So what are
13 you planing for 2019?

14 MR. TUTTLE: We are planning to
15 continue racing at Suffolk Downs, if that's
16 possible. And if it's not possible --

17 COMMISSIONER ZUNIGA: Do you have a
18 purse agreement for that year?

19 MR. TUTTLE: We don't. The purse
20 agreement is done an annual basis.

21 COMMISSIONER ZUNIGA: So if we're
22 only operating for this year, for the purse
23 agreement you have this year, what race
24 dates -- how many more days are you going

1 to race this year?

2 MR. TUTTLE: I don't know yet.

3 COMMISSIONER ZUNIGA: Why don't you
4 come and tell us and we will disburse those
5 moneys accordingly like we've done for the
6 past three years.

7 MR. TUTTLE: Because we believe you
8 have an affirmative obligation to put that
9 money in the purse account whether we tell
10 you that or not.

11 COMMISSIONER ZUNIGA: And that's
12 where we disagree.

13 MR. TUTTLE: Yup. And I don't mean
14 to be obtuse about it. It's just --

15 COMMISSIONER ZUNIGA: That's where
16 you and I disagree.

17 CHAIRMAN CROSBY: Can the money --
18 the question I asked you earlier about is
19 there any control if -- we're mandated to
20 put the money into a separate interest
21 bearing purse account. Can the money once
22 it's out of our control, once it's in that
23 account, what if somebody wants to use it
24 for something else?

1 MS. BLUE: So the money that comes
2 for purses from 128 and 128C by statute can
3 be used for operational administrative
4 expenses. The money from the Racehorse
5 Development Fund can only be used for live
6 purses. So that's where the purse
7 agreement kind of comes into the play,
8 because they have to determine how that
9 money in the purse account is going to be
10 used.

11 What we have said in the past is if
12 want to use money for the horsemen, the
13 NEHPPA, you need to use the money that's
14 statutorily is allowed to do that. That's
15 only the purse money that comes through
16 128A and 128C, not through the Racehorse
17 Development Fund.

18 If we put the money in the account
19 now, we would have to go through at the end
20 of the day, we'd have to audit it and we'd
21 have to determine which streams were used
22 for which purpose because our statute says
23 it's purses for live races. And we've been
24 clear over time that that's what it can be

1 used for.

2 CHAIRMAN CROSBY: Did you guys agree
3 with that?

4 MR. BARNETT: With respect to the
5 audit question, the Racehorse Development
6 Fund money that is received is kept
7 separate from other purse account money.
8 And, so, that there would not be a
9 separating out the streams concern.

10 CHAIRMAN CROSBY: Is it only to be
11 used for purses?

12 MR. TUTTLE: Correct. We agree with
13 Catherine's interpretation of that that in
14 23K is very strict about the uses of the
15 Racehorse Development Fund only to be paid
16 to the owners of the horses that race at
17 the facility. So in our prior purse
18 agreements for the last several years, we
19 have used some of the other purse funds to
20 help offset some live racing expenses by
21 agreement with the horsemen, but we have
22 been careful to segregate the Racehorse
23 Development Funds because we agree that
24 they cannot be used for anything other than

1 purses.

2 MR. BARNETT: There is one provision
3 of the statutes 128A I think that says
4 redirect three percent of all purse moneys
5 that are paid out to the breeders. So that
6 is Racehorse Development Fund money to the
7 extent it's been used for purses, and we
8 followed that statutory directly with
9 respect to that 3 percent.

10 CHAIRMAN CROSBY: And are you
11 comfortable giving us something that is --
12 what's the right word -- that's
13 controlling, that assures us that whatever
14 the future holds that money will only be
15 used for purses?

16 MR. TUTTLE: Sure, yes.

17 CHAIRMAN CROSBY: If we did what
18 you're asking, you would somehow give us
19 something which is legally binding that
20 money could only go for purse races in
21 Massachusetts.

22 MR. BARNETT: Yes. I would expect
23 that we would tie it to whatever the
24 legislation says, whatever the statute

1 says. If the new statute says different
2 purposes --

3 CHAIRMAN CROSBY: That's one issue,
4 I think, that everybody is wrestling with
5 is what happens to this money if it doesn't
6 turn into more races or if it turns out
7 more races with another group of horsemen,
8 not your group of horsemen. So if we were
9 to do this, and I don't know whether we
10 will or not, but if we did, it would I, for
11 one, want to make absolutely sure that it
12 was clearly binding, that there was no
13 other use of that money.

14 COMMISSIONER ZUNIGA: I think the
15 real assurance would come from all us
16 taking, you know, not doing an affirmative
17 disbursement until we were assured that
18 there was going to be races and a purse
19 agreement, and those dates have been
20 determined just like what we have been
21 doing for the last numbers of years. If we
22 have no assurances, the safest thing to do
23 is to leave the money in the Racehorse
24 Development Fund and see what happens with

1 the legislation that's now in only a couple
2 of months.

3 CHAIRMAN CROSBY: I certainly
4 understand where you're coming from on
5 that. I was hope -- I thought the
6 triggering event was the way out here, but
7 the statute is pretty clear to me.

8 COMMISSIONER ZUNIGA: But it's been
9 read very narrowly. I think it needs to be
10 read into context as to what was the
11 intention of this. If it's to save
12 thoroughbred racing, which is what I'm
13 trying to accomplish here as well in the
14 Commonwealth, there is a big, big -- there
15 are a number of undetermines here, notably
16 the legislation, the real potential for a
17 permanent fix, not just a one year
18 extension as you've heard from the
19 legislation, and I think it's worthwhile
20 seeing that through.

21 MR. TUTTLE: Commissioner, nothing
22 about what you just said would change with
23 the disbursement of the fund because --

24 COMMISSIONER ZUNIGA: Oh, I believe

1 it would.

2 MR. TUTTLE: -- we can only use it
3 for its legal purpose of purses. And we
4 have said we would treat it according to
5 statute. And if it's not used for purses,
6 we would return it. So what we're asking
7 is that we follow the statute in terms of
8 the treatment of the funds. And then if
9 it's not used expressly as the statute says
10 it needs to be used, we would return it to
11 the commission.

12 MS. BLUE: I think one of the things
13 the commission may want to take into
14 account is under the current statute, and
15 let's assume the current statute didn't
16 change, the determination on the split is
17 up to the horseracing committee. They are
18 the folks who make that determination. I
19 would expect that if the Commonwealth were
20 fortunate enough to have more than one
21 track in either breed, the horseracing
22 committee would ask for input on how to
23 split each part of the split between
24 multiple tracks. There is nothing under

1 the Racehorse Development Fund that says
2 you can only have one track of each breed.

3 So, you know, we have to give some
4 consideration as to what we might do if we
5 had two thoroughbred tracks or two harness
6 racing tracks. If the commission takes all
7 the money and it goes in one track, yes, it
8 would have to come back. But the
9 horseracing committee is still there, and
10 those are some of the things they would
11 want to consider and make some decisions
12 about. So in the larger context, we pay
13 out the money but the horseracing committee
14 is a separate body, and it has some
15 oversight over that particular issue.

16 CHAIRMAN CROSBY: Anybody else want
17 to speak? What, do we want to just
18 summarize where we are all at and get a
19 sense of --

20 COMMISSIONER CAMERON: Or make a
21 motion and see how it goes.

22 CHAIRMAN CROSBY: I just want to
23 clarify my position on this. I think this
24 is a situation which was unanticipated.

1 It's problematic in a number of ways. But
2 I think the statute is pretty clear,
3 particularly with the assurance, the
4 binding assurance that the money will only
5 be used for purses. If it isn't used for
6 purses, it will be returned. Under those
7 circumstances, you know, I think that we
8 are sort of stuck with the statute.

9 COMMISSIONER ZUNIGA: Yes. I happen
10 to disagree on the notion that we can just
11 wait for assurances once we made the
12 disbursement. There is one element about
13 if we really are concerned about the narrow
14 notion of the accrual of interest, so long
15 as we retained control of an account that
16 bears interest, I would be fine completing
17 that part of the statute if we can somehow
18 just operationalize it, set a separate bank
19 account and just deposit the money there.

20 COMMISSIONER CAMERON: We don't have
21 a request to do that, though.

22 COMMISSIONER ZUNIGA: We don't,
23 that's right. But if we were going with
24 that scenario, that's a much easier fix for

1 me.

2 CHAIRMAN CROSBY: I'm with you on
3 that.

4 COMMISSIONER ZUNIGA: It's the
5 disbursing of the money that in my mind
6 presents a whole host of other issues,
7 especially in the context of everything
8 that's going on. There's enough
9 uncertainty, and hopefully certainty just
10 in a number of months, that simply waiting
11 a few months could give us a much better
12 understanding of what context is out there
13 and comfort level as to how we can comply
14 with all the elements of the statute.

15 But I would be in favor of doing
16 essentially what we have been doing up
17 until since this has been in a uncertain
18 way, which is to disburse according to when
19 we get presented the number of days that
20 are dates certain and the level of funding
21 that is, you know, good for the industry as
22 a whole to attract people from outside as
23 well as give opportunity to the local
24 horsemen.

1 If we simply disburse this, I think
2 we will be losing a big piece of what could
3 be an important piece of the puzzle in
4 trying to continue thoroughbred racing. So
5 I think it would be -- I'm a hard no on
6 this request. If the motion is
7 affirmative, I won't make it and I will be
8 voting against if it's made.

9 CHAIRMAN CROSBY: And just for the
10 record, I completely agree. It's not a
11 good thing to do. It's not the best use.
12 It's not necessarily consistent with the
13 longterm best interest, but the legislature
14 has had time after time after time and
15 opportunity to fix this and we've been very
16 explicit about it, and they have left us
17 with this.

18 COMMISSIONER CAMERON: Are we ready
19 for a motion?

20 CHAIRMAN CROSBY: I think so.

21 COMMISSIONER CAMERON: Mr. Chair, I
22 move that this Commission deny the request
23 of Suffolk Down racecourse to transfer the
24 thoroughbred moneys into the strolling

1 Suffolk purse account.

2 COMMISSIONER ZUNIGA: I second that.

3 CHAIRMAN CROSBY: Any further
4 discussion? All in favor, signify by
5 saying aye?

6 COMMISSIONER CAMERON: Aye.

7 COMMISSIONER STEBBINS: Aye.

8 COMMISSIONER ZUNIGA: Aye.

9 COMMISSIONER O'BRIEN: Aye.

10 CHAIRMAN CROSBY: That was
11 Commissioner Cameron, Commissioner Zuniga,
12 Commissioner Stebbins and O'Brien.
13 Opposed? Aye, me, nay. Okay, next item.

14 MR. TUTTLE: Thank you.

15 CHAIRMAN CROSBY: Okay, we are back
16 to Item 6.

17 MS. BLUE: So this is regulation 205
18 CMR 101 and the accompanying 205 CMR 115 et
19 al. This regulation was before the
20 commission a few weeks ago I believe now
21 and we talked about the two open issues,
22 which was the standard of review for the
23 hearing officer of the decision from the
24 IEB or the racing stewards or judges, and

1 then the standard of review for the
2 commission of any decision by the hearing
3 officer as well as the standard of review
4 for the commission when it hears things
5 originally.

6 If you look at page ten, Section 14,
7 those are the changes that define the
8 standard of review for the hearing officer.
9 We put in the standard that we agreed to,
10 which was it's substantial evidence with
11 deference to the decision by either the IEB
12 or the racing judges and stewards.

13 And then if you look at page 13,
14 Section 11, that is the standard of review
15 for the commission, which is substantial
16 evidence. And then we also talked about on
17 page 14, Section 12, that's the language
18 regarding de novo review by the commission
19 and the applicability of leaving the
20 determination of credibility at the hearing
21 officer.

22 So those were the changes that you
23 had requested. Those are the changes that
24 we made. If you are comfortable with

1 those, we would like to start the
2 promulgation process for this regulation
3 and any accompanying pieces. 115 et al.
4 are the changes that need to be made in
5 other regulations, because we're making the
6 changes to 101.

7 So we have a motion there for you to
8 use. The first one is for the amended
9 small business impact statement. That
10 motion goes first for you to vote on that.
11 And then if you would vote on the motion of
12 the amendment to the regs., that would be
13 great.

14 COMMISSIONER CAMERON: So I move
15 that the Commission approve the small
16 business impact statement for 205 CMR 101.
17 This is for the adjudicatory proceedings
18 and 205 CMR 115 et al., which includes the
19 technical updates to various regulations
20 required by the amendments to 205 CMR 101
21 as included in the packet.

22 CHAIRMAN CROSBY: Second?

23 COMMISSIONER O'BRIEN: Second.

24 CHAIRMAN CROSBY: Any discussion?

1 All in favor? Aye.

2 COMMISSIONER STEBBINS: Aye.

3 COMMISSIONER CAMERON: Aye.

4 COMMISSIONER O'BRIEN: Aye.

5 COMMISSIONER ZUNIGA: Aye.

6 CHAIRMAN CROSBY: Opposed? The ayes
7 have it unanimously. Got another one?

8 MS. BLUE: The second one is for the
9 regulation itself.

10 COMMISSIONER CAMERON: So I further
11 move that the Commission approve the
12 version of 205 CMR 101, adjudicatory
13 proceedings, and 205 CMR 115 et al., which
14 includes the technical updates to various
15 regulations required by the amendments 205
16 CMR 101 as included in the packet and
17 authorize the staff to take all steps
18 necessary to begin the regulatory
19 promulgation process.

20 COMMISSIONER ZUNIGA: Second.

21 CHAIRMAN CROSBY: Any discussion?

22 All in favor? Aye.

23 COMMISSIONER CAMERON: Aye.

24 COMMISSIONER O'BRIEN: Aye.

1 COMMISSIONER STEBBINS: Aye.

2 COMMISSIONER ZUNIGA: Aye.

3 CHAIRMAN CROSBY: Opposed? The ayes
4 have it unanimously.

5 MS. BLUE: Thank you.

6 CHAIRMAN CROSBY: Thank you. We are
7 to our final Section 8. Any Commissioner
8 updates?

9 COMMISSIONER ZUNIGA: Just maybe to
10 comment on the progress of MGM, which we
11 heard briefly in the morning. I think the
12 last time I was here was a number of months
13 ago and there was very little on the floor,
14 just a lot of rough and cables and none of
15 the equipment here. The progress is really
16 remarkable in just a number of months. But
17 as Director Bedrosian said, there is a lot
18 that needs to happen and these next few
19 months are going to be clearly busy months.

20 COMMISSIONER CAMERON: I agree. It
21 was a really impressive tour, very
22 dedicated folks trying to make it all come
23 together and, you know, there is a lot to
24 be done, our team, their team. It seems to

1 be coming together nicely.

2 COMMISSIONER STEBBINS: I would add
3 I was out here on Monday and met with the
4 workforce team and the director of the
5 local career center said he was hearing
6 complaints. They are obviously pushing MGM
7 career opportunities but people on Monday
8 were, up until Monday or maybe up until
9 today, were walking in and saying, that's
10 great. I'd love to apply for that job.
11 But who am I going to be working for?
12 Hopefully the news of a new opening date
13 and some of the comments made about the
14 facility in Boston will reassure people
15 that there are career opportunities to be
16 pursued with MGM.

17 I also was impressed by the amount
18 of work that has been done since the last
19 time, but I have to give, you know, special
20 props to MGM. Because as you walk through
21 that facility, they are being respectful
22 and paying considerable amount of attention
23 to paying homage to the past and the
24 history of this city, and you see it

1 reflected in architecture. You see it
2 reflected in carpeting. That truly means
3 to me they are paying attention to the
4 little details and, again, being respectful
5 of the history and the tradition in the
6 City of Springfield.

7 MR. BEDROSIAN: We don't want to
8 give away too many surprises, I think.

9 CHAIRMAN CROSBY: Anybody else? Do
10 I have a motion to adjourn?

11 COMMISSIONER ZUNIGA: So moved.

12 CHAIRMAN CROSBY: Second?

13 COMMISSIONER CAMERON: Second.

14 CHAIRMAN CROSBY: All in favor?

15 Aye.

16 COMMISSIONER CAMERON: Aye.

17 COMMISSIONER O'BRIEN: Aye.

18 COMMISSIONER STEBBINS: Aye.

19 COMMISSIONER ZUNIGA: Aye.

20 CHAIRMAN CROSBY: We are adjourned.

21

22 (Meeting adjourned at 4:09 p.m.)

23

24

1 MASSACHUSETTS GAMING COMMISSION STAFF:

2 Catherine Blue, General Counsel

3 Edward Bedrosian, Executive Director

4 Michael Sangalang, Digital Communications

5 Coordinator

6 Jill Griffin, Director of Workforce, Supplier and

7 Diversity Development

8 John Ziemba, Ombudsman

9 Joseph Delaney, Project Manager

10 Alexandria Lightbown, Director of Chief

11 Veterinarian

12 Bruce Band

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14 CITY OF SPRINGFIELD:

15 Kevin Kennedy, Chief Development Officer

16 Brian Connors, Director of Economic Development

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24 APPEARANCES (Continued)

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MGM SPRINGFIELD:

Seth Stratton, General Counsel, MGM Springfield

Alex Dixon, General Manager

Ryan Geary, Operations Controller

Eddie Estrella, Assistant Manager of Strategic
Sourcing

Chelan Brown, Assistant Procurement Manager

Tiffany Cutting, Business Development and
Marketing

GUEST SPEAKERS:

Nick Cocchi, Hampden County Sheriff's Office

Dan O'Malley, Director of Education

Richard Devine, Director of Employment

Crystal Howard

Sheila Cubby, Executive Director, Quaboag Valley
Community Development Corporation

Bruce Barnett, Attorney representing Suffolk Downs

Chip Tuttle, Chief Executive Officer Suffolk Downs

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I, KRISTEN M. EDWARDS, COURT REPORTER,
do hereby certify that the foregoing is a true and
accurate transcription of my stenographic notes,
to the best of my knowledge and ability.

WITNESS MY HAND, this 4th day of May,
2018.

Kristen M. Edwards