

Applicants are strongly encouraged and expected to consider New York State businesses in the fulfillment of the requirements of the License. Such partnering may be as subcontractors, suppliers or other supporting roles.

Submit as Exhibit VIII.B.6. a description of the Applicant's plans and minimum commitments (expressed in terms of annual biddable spend) for use of New York-based suppliers and materials both in the construction and furniture, fixtures, and equipment furnishing phase of the Applicant's project and in the operational phase of Applicant's project. Provide copies of any contracts, agreements or understandings evidencing such plans or commitments.

## **Montreign Resort Casino**

Montreign Operating Company, LLC is committed to utilizing New York State businesses in the fulfillment of the requirements of the License. In order to utilize New York State contractors, subcontractors and suppliers, Montreign has engaged as its construction manager LPCiminelli ("LPC"). (Attachment VIII.B.6.-1.)<sup>1</sup> LPC brings more than fifty years of construction expertise including work at several existing New York casinos and racetracks. Their history and construction expertise is documented in Exhibit VIII.C.18.a.

As a New York based firm, LPC understands and supports the need to create robust community involvement in the Montreign project. LPC has established strong working relationships throughout New York State with contracting communities. LPC has the ability to request bids primarily from New York State contractors to

<sup>&</sup>lt;sup>1</sup> The Exhibits and AIA "General Conditions of the Contract for Construction" have been omitted for brevity, but can be provided upon request.







effectively market the project within the State, including MBWVE contractors. In addition, Montreign has engaged DACK Consulting Group ("DACK") (Attachment VIII.B.6.-2) to aid in our and LPC's efforts to reach out to the New York MBWVE contracting community (See Exhibit X.B.2.). As evidence of its commitment, Montreign, in cooperation with LPC and DACK, sponsored a contractors' information fair at Monticello Casino & Raceway on June 17, 2014, featuring a focused outreach to the local and regional contractor community, augmented with a targeted outreach to MBWVE contractors.



Montreign expects to spend approximately \$326 million with contractors and suppliers for the construction of Montreign Resort Casino. (Attachment VIII.B.6.-3.) Although Montreign and LPC have not yet entered into any contracts, agreements or understandings, we are committing that 70%, or approximately \$229 million, of the contractor contracts will be with New York based firms. As set forth in Attachment VIII.B.6.-3, we expect to contract for 100% of numerous work divisions with New York based firms. Our location in Sullivan County provides us an excellent opportunity to source our construction work to New York contractors.

Furniture, fixtures and equipment ("FF&E") provides challenges to the use of New York based manufacturers and suppliers. Of the estimated \$80 million of FF&E purchases, approximately \$63 million represents gaming equipment such as table games, slot machines, count room and cage equipment, chairs and stools, surveillance equipment, Ticket In Ticket Out and Automated Jackpot Machines, as well as Information Technology hardware, software and services. While the manufacturers, suppliers and distributers of most of these items are out-of-state, Montreign commits to purchasing 15% of the \$18 million balance of the FF&E items from New York based vendors, suppliers and manufacturers. (Attachment VIII.B.6.-4.) We have already reached out to regional vendors at our Vendor Fair held on May 21, 2014 at Monticello Casino & Raceway and we will continue these outreach efforts going forward. All bids will include a thorough vetting for New York based suppliers and manufacturers.

Monticello Raceway Management, Inc., Montreign's affiliate, has a proven record of buying locally and from New York State vendors and distributors for Monticello Casino & Raceway. In 2013, MRMI purchased 64% of its goods and services from New York State vendors and distributors.

Because Empire and Montreign are New York based entities that are staffed by employees working in New York State, our decisions to acquire goods and services are made in New York and not by employees based in other States. We are committed to procuring, in the operational phase of Montreign (day to day purchases after opening), 65% of our goods and services within New York State with an emphasis on local buying within our Region.



ECONOMIC DEVELOPMENT CORPORATION of SULLIVAN COUNTY • NEW YORK



## **Entertainment Village and Indoor Waterpark Lodge**

All design, architectural and engineering firms working on the Indoor Waterpark Lodge and Entertainment Village are currently based in New York State, and the eventual general contractor(s) working on the Indoor Waterpark Lodge and Entertainment Village are expected to be companies based in New York as well. Further, while plans for these engagements have not advanced to the bid stage, there are several highly-qualified suppliers that will be sourced from Sullivan County and Upstate New York.