

September 10, 2014

Catherine Blue General Counsel Massachusetts Gaming Commission 84 State Street, 10<sup>th</sup> Floor Boston, MA 02109

John S. Ziemba Ombudsman Massachusetts Gaming Commission 84 State Street, 10<sup>th</sup> Floor Boston, MA 02109

## Dear Catherine and John:

The purpose of this letter is to provide clarification with respect to a few material factual errors that arose during the Mitigation presentation on September 9, 2014.

1. The "Mitigation Presentation" and commentary concluded that our proposed improvements for Sullivan Square are inadequate. Following the filing of our FEIR, we have worked diligently to mitigate all traffic in the Sullivan Square Rutherford Avenue area resulting from the Wynn Everett. We are working closely with the MassDOT on an updated plan that will be filed in October 2014 as part of our Supplemental Final Environmental Impact Report ("SFEIR"). We anticipate receiving a Secretary's Certificate with respect to our SFEIR in November 2014.

In particular, the "<u>Mitigation Presentation</u>" provides that approximately 73% of our traffic travels through Sullivan Square. That is incorrect. The 73% figure represents the <u>patron</u> traffic only. When one looks at the blended rate of patron <u>plus employee</u> traffic, the actual portion of our traffic entering through Sullivan Square is 58%. The exiting traffic is 63% and is after the peak period.

Since filing our Final Environmental Impact Report ("FEIR") and after reviewing the comments from MassDOT, DCR, and others, we have spent significant time meeting with the MassDOT traffic experts and refining the modeling and design for Sullivan Square. Based on the dialog at those meetings and further analysis and design, the plan has evolved and will provide a level of service as good as or better than the No Build option, thus mitigating the Wynn Everett traffic.



Specific refinements include:

- Revised Build traffic volumes using Wynn count data, with additions of growth rate (0.5%/year compounded annually) and other background projects, and then reassigned those volumes to account for the new busway connection, open to all traffic. Previous iterations used volumes provided by the City of Boston, which did not account for the proposed conditions as accurately as the project-specific traffic generations.
- Revised the queue analysis using SimTraffic, not Synchro.
- Modified the Conceptual Design as follows:
  - Modified the lane arrangement on Cambridge Street right-turn lane on the right to reflect the origin-destination information (16% turning right from Cambridge onto Rutherford Ave southbound).
  - Added channelization in rotary of right-most lane of Cambridge Street to force traffic in that lane to Rutherford Avenue.
  - Modified the splitter island on Alford Street southbound to accommodate throughmoving traffic from Maffa Way as well as turning traffic from Cambridge Street.
  - Addition of island on busway to protect northbound buses turning left into the station.
  - Change to pavement markings on the west side of the Sullivan Square rotary to reflect tying into Boston's recent restriping of the rotary to include bicycle accommodation.
  - Changed the Maffa Way eastbound approach from four lanes to two lanes, relocating the southern curb to the north to account for closing the right-turn only lane to Cambridge Street. We presumed that right-turning vehicles would use the busway link to access Cambridge Street.
- Modified Synchro and VISSIM analysis to reflect the above-outlined changes to the conceptual designs and optimized signal timings and offsets.

See the attached plan reflecting these refinements. It is our understanding that the MassDOT agrees that this new plan mitigates the issues raise in the "Mitigation Presentation."

- 2. <u>Mitigation Category 1 Recommended Conditions</u>: There is a material error in the calculation of the cost of 10% of a long-term plan for Sullivan Square. Page 3 of this section provides that Wynn's Best and Final Offer ("<u>BAFO</u>") to the City of Boston provides for a "\$250,000 upfront payment and \$1 million annual payment for traffic improvements." Page 5 of this section provides as follows:
  - Wynn to pay 10% of the costs of a long-term Sullivan Square Rutherford Avenue Plan provided that it is designed to accommodate casino traffic;
  - The 10% is the projected amount of traffic from the casino during the Friday peak hour;



- The 10% is capped at \$20 million reflecting that the cost of the long-term solution may grow more than the current estimate of \$100 million;
- The 10% is in addition to the \$1 million annual transportation payment specified in Wynn's BAFO;

<u>Wynn Response</u>: Section 5.2 of Wynn's "Best and Final Offer" to the City of Boston submitted to the Massachusetts Gaming Commission on July 10, 2014, provides as follows:

The purpose of this payment is to enable Boston to address any impacts to local roadways in the Charlestown neighborhood of Boston that may occur as a result of the Project and that Wynn was not required to mitigate through the MEPA process. The Parties acknowledge and agree that Wynn, in accordance with the MEPA process, will be required to mitigate the impact of the Project's transportation demands on Sullivan Square. Notwithstanding, acknowledges the importance of implementing a long-term traffic solution for Sullivan Square (i.e., beyond that which Wynn is required to implement in accordance with the MEPA process) and desires to provide assistance to Boston in funding an agreed upon solution. In recognition of the foregoing, and contingent upon the receipt of an unconditional, non-appealable License, Wynn agrees that Boston may spend all or any portion of the Transportation Infrastructure Payment for design and construction of an agreed upon long-term infrastructure solution for Sullivan Square. The Transportation Infrastructure Payment may be used to make interest payment on any bonds issued with respect to a long-term traffic solution for Sullivan Square.

The "Transportation Infrastructure Payment" is an annual payment of \$1,000,000 per year. Per the mitigation presentation, it was acknowledged that Wynn will adequately mitigate all other transportation issues in the City of Boston. Therefore, per Wynn's BAFO, the Transportation Infrastructure Payment would be utilized for Sullivan Square. In addition, the mitigation proposed by Wynn in its FEIR and to be set forth in our SFEIR filing is not a "short-term mitigation" solution as set forth in the "Mitigation – Category 1 Recommended Conditions" section. Rather, it is a component of the long-term solution and will completely mitigate Wynn's adverse impacts on Sullivan Square.

Based on the Massachusetts Gaming Commission's formula, Wynn's payment towards a long-term solution for Sullivan Square is described as follows:

10% of costs up to \$20 million: \$10 - 20 million

Plus \$15 million (Transportation Infrastructure Payment): \$15 million

Plus \$6 million for Wynn mitigation per MEPA: \$6 million

Total: \$31 - 41 million

This equates to between 21% and 31% of the total costs of a long-term Sullivan Square Rutherford Avenue plan, which far exceeds the 10% set forth in the presentation.



Rather, the formula should be corrected as follows:

10% of costs up to \$20 million: \$10 - 20 million

Less \$6 million for Wynn mitigation per MEPA: \$6 million

Total: \$4 - 14 million

This amount is covered by the "Transportation Infrastructure Payment" set forth in Wynn's BAFO.

Please let me know if you have any questions or concerns regarding the foregoing.

Regards,

Jacqui Krum

Senior Vice President