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THE COMMONWEALTH OF MASSACHUSETTS  
MASSACHUSETTS GAMING COMMISSION  
PUBLIC MEETING #134  
Volume VI

COMMISSIONERS

Gayle Cameron

James F. McHugh

Bruce W. Stebbins (present via telephone)

Enrique Zuniga

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September 17, 2014 9:00 a.m. -10:15 a.m.

BOSTON TEACHERS UNION HALL

180 Mt. Vernon Street

Dorchester, Massachusetts

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

COMMISSIONER MCHUGH: Good morning to all of you. It's nice to be here and I'm sure you feel the same way. We posted the meeting this morning for 10:00 -- for 9:00. I am opening the meeting and then I'm going to immediately call a recess until 10:00. Thank you for that warm welcome. We'll see you at 10:00.

(A recess was taken)

COMMISSIONER MCHUGH: Good morning. I'd like to say good morning, which I've just done and call to order the sixth session of the 134th meeting of the Massachusetts Gaming Commission.

Commissioner Bruce Stebbins is not here with us this morning. He's in Springfield with two sick children and is going to be participating by telephone as is permitted by the open meeting law. Bruce, can you hear us?

COMMISSIONER STEBBINS: I can hear

1 you very clearly.

2 COMMISSIONER MCHUGH: And we can  
3 hear you very clearly. So, that works well.  
4 We will proceed with you being with us in  
5 spirit.

6 I'm going to open the meeting by  
7 focusing on a letter that we received yesterday  
8 from Mohegan Sun MA. We received it at 10:00  
9 last night containing objections to the  
10 process. The letter will be posted on our  
11 website, objections to the process that we used  
12 yesterday and the day before in reaching the  
13 decisions that we reached.

14 There were basically two objections.  
15 That they were not first of all, given an  
16 opportunity to improve their application during  
17 yesterday's backs-and-forths, and that the Wynn  
18 applicant was. And that the Commission offered  
19 to the Wynn applicant more application  
20 improvement opportunities through conditions  
21 than it offered it to them.

22 The responses has several parts.  
23 First of all, we were not talking yesterday  
24 about the application. We were talking about

1 conditions to the application, conditions that  
2 we imposed and conditions that we needed to  
3 hear a response to.

4           The second is that they were given  
5 one condition, a primary concern to improve and  
6 that was the financial structure. And during  
7 the financial piece of the presentation  
8 yesterday, in response to Commissioner Zuniga's  
9 questions about the cost of borrowed money from  
10 Bank of America and the cost of the money that  
11 Brigade would put up as a backstop through  
12 preferred equity bearing a 12 percent interest  
13 rate, they indicated, the Mohegan Sun team  
14 indicated, that they would agree to vary the  
15 mix of debt, and conform and work with the  
16 Commission to conform to the Commission's  
17 wishes with respect to that mix. In that way  
18 changed their response to the condition, which  
19 was the primary condition that they focused on  
20 -- we focused with them.

21           Insofar as the sheer number of  
22 conditions that we imposed on Wynn that was a  
23 product of the fact that there was no  
24 surrounding community agreement.

1           And we said from the outset when the  
2 city of Boston elected not to participate in  
3 the arbitration process that we were  
4 nonetheless going to go forward and fulfill our  
5 statutory obligation to look after the interest  
6 of the city of Boston as a surrounding  
7 community and impose conditions that would  
8 mitigate the impacts, the adverse impacts of  
9 the project on the city.

10           And that's where those conditions  
11 came from. So, yes there were more conditions  
12 imposed on Wynn than there were on Mohegan Sun.

13           And finally, Mohegan Sun made this  
14 objection at 10:00 last night. We had this  
15 discussion yesterday morning beginning 9:00.  
16 We were finished the discussion at about 9:45.  
17 Thereafter, we took a recess. And then we took  
18 a lunch break, and then we didn't resume until  
19 1:30, I believe, thereabouts. And we didn't  
20 finish until 3:00.

21           And at no point during that time  
22 when we at least could have considered it in a  
23 time that mattered and in a timely fashion did  
24 we hear a word about any objection that they

1 had to the process. So, in my view the  
2 objection at 10:00 last night comes far too  
3 late.

4 So, I'm prepared to leave it at  
5 that. I don't know if another Commissioner has  
6 something to say about that or wants to join  
7 in, but as far as I'm concerned that is the  
8 response to that objection.

9 And as I say, the letter itself will  
10 be posted on the website so that everybody can  
11 see it.

12 Does any other Commissioner have  
13 anything to say?

14 COMMISSIONER CAMERON: Just that I  
15 agree with your assessment.

16 COMMISSIONER ZUNIGA: Same here.

17 COMMISSIONER MCHUGH: Commissioner  
18 Stebbins did you hear all of that.

19 COMMISSIONER STEBBINS: I did. And  
20 I also agree with your assessment.

21 COMMISSIONER MCHUGH: All right.  
22 Then that's the way we will leave that piece of  
23 our business and turn then to the main event  
24 today, which is to confirm that Wynn MA, LLC

1 accepts the designation as the Region A  
2 licensee under the conditions that we  
3 promulgated yesterday following the dialogue  
4 that we had.

5 So, I see that Kim Sinatra and  
6 Robert DeSalvio are there in front of us.  
7 Which one of you wishes to respond to that  
8 question?

9 MR. DE SALVIO: I would be happy to  
10 respond. And we do accept with all of the  
11 conditions. Thank you.

12 COMMISSIONER MCHUGH: So, it is  
13 appropriate and it's good to hear that. It's  
14 appropriate now that we each vote to accept the  
15 designation, final designation of Wynn MA, LLC  
16 as the Region A licensee designate.

17 It's important to understand that  
18 they don't become the licensee until sometime  
19 down the road but they are the designated  
20 licensee as we did with MGM.

21 So, I move that we accept -- Well,  
22 somebody else better move.

23 COMMISSIONER CAMERON: I move that  
24 we accept Wynn as the designated licensee due

1 to their acceptance of our conditions.

2 COMMISSIONER MCHUGH: By roll call,  
3 because we are dealing with an absent member,  
4 I'm going to ask if there is a second for that?

5 COMMISSIONER ZUNIGA: Second.

6 COMMISSIONER MCHUGH: And then is  
7 there any discussion of that motion? Hearing  
8 no discussion, I will take the vote.

9 Commissioner Stebbins?

10 COMMISSIONER STEBBINS: Yes.

11 COMMISSIONER MCHUGH: Commissioner  
12 Zuniga.

13 COMMISSIONER ZUNIGA: Yes.

14 COMMISSIONER MCHUGH: Commissioner  
15 Cameron.

16 COMMISSIONER CAMERON: Yes.

17 COMMISSIONER MCHUGH: Yesterday I  
18 voted nay. That was as the judge of an  
19 application process, one of the four judges of  
20 an application process.

21 Today I put on the hat of a  
22 regulator. And the hat of the regulator is a  
23 different one than I wore yesterday. So, I too  
24 vote yes. That confirms the designation of



1 Wynn MA, LLC as the Region A designee.

2 So, I would invite Ms. Sinatra and  
3 Mr. DeSalvio to come join us for a formal  
4 signing of the document.

5 COMMISSIONER MCHUGH: I wanted to  
6 say a few things before the formal signing and  
7 I know I have an audience here I can say them.  
8 The Commission is delighted to welcome Wynn MA,  
9 LLC as the Region A designee. We had two  
10 excellent applications in front of us, two very  
11 thoughtful excellent applications. And we're  
12 delighted with the application of Wynn and the  
13 designation that we've made.

14 The Wynn organization has a proven  
15 track record in a very, very competitive  
16 environment, both in Las Vegas and in the Far  
17 East. They've done an excellent job in the  
18 face of heavy competition and they've done it  
19 over a sustained period of time. This is not  
20 something that they are novices at.

21 They have a track record not only  
22 for gaming revenues but a track record for huge  
23 non-gaming revenues. That's part of the  
24 product that they bring to the scene. They

1 bring a resort of luxury. They bring a resort  
2 with many attractions other than in addition to  
3 the gaming.

4 And they're taking on an enormous  
5 challenge in that site that they picked. The  
6 site in the heart of a heavy industrial area  
7 that has the potential to transform not only  
8 the city of Everett and spark an ambitious  
9 redevelopment plan that the city has put  
10 forward, but to spark redevelopment of a piece  
11 of waterfront that now is heavily industrial.  
12 And that as much of the other Boston shoreline  
13 has done, has the potential to undergo real  
14 transformation over the next years.

15 So, for all of those reasons we are  
16 delighted to have chosen them, delighted that  
17 they are there, delighted that they have  
18 accepted the license that we are offering.

19 Other Commissioners want to say  
20 anything before we get to the actual signing?

21 COMMISSIONER CAMERON: I think  
22 you've said it all pretty well.

23 COMMISSIONER MCHUGH: All right.  
24 Let's do the formal signing. We have two

1 copies I think and the signature page is on  
2 page two.

3 I'm going to give this to  
4 Commissioner Cameron to sign next. I'm going  
5 to give it to you to sign next and then we'll  
6 just pass it right down. All right  
7 congratulations.

8 MS. SINATRA: Thank you so much.

9 MR. DE SALVIO: Thank you.

10 COMMISSIONER MCHUGH: As a  
11 formality, two formalities and then we'll take  
12 a brief break. There is a second copy of this  
13 that I should have brought out. We'll sign the  
14 second copy later.

15 But I want to now adjourn the 134th  
16 meeting of the Massachusetts Gaming Commission.  
17 So, do I hear a motion to adjourn?

18 COMMISSIONER CAMERON: So moved.

19 COMMISSIONER MCHUGH: Is there a  
20 second?

21 COMMISSIONER ZUNIGA: Second.

22 COMMISSIONER MCHUGH: Commissioner  
23 Stebbins.

24 COMMISSIONER STEBBINS: Yes.

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COMMISSIONER MCHUGH: Commissioner

Cameron.

COMMISSIONER CAMERON: Yes.

COMMISSIONER MCHUGH: Commissioner

Zuniga.

COMMISSIONER ZUNIGA: Yes.

COMMISSIONER MCHUGH: Commissioner

McHugh, yes. The meeting is adjourned.

(Meeting adjourned at 10:15 a.m.)

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ATTACHMENTS:

1. Massachusetts Gaming Commission September 8-17, 2014 Notice of Meeting and Agenda

GUEST SPEAKERS:

- Robert DeSalvio, Wynn MA, LLC
- Kim Sinatra, Wynn MA, LLC

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C E R T I F I C A T E

I, Laurie J. Jordan, an Approved Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Laurie J. Jordan, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive on Transcript Format.

I, Laurie J. Jordan, further certify I neither am counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken and further that I am not financially nor otherwise interested in the outcome of this action.

Proceedings recorded by Verbatim means, and transcript produced from computer.

WITNESS MY HAND this 19th day of September, 2014.



LAURIE J. JORDAN  
Notary Public

My Commission expires:  
May 11, 2018