

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

Minutes of the regular meeting of Board of Directors of the Western Regional Off-Track Betting Corporation, held on the 26th day of June 2014, and commencing at 10:15 a.m. in the *Robert J. Kane Board Room*, Corporate Headquarters at 8315 Park Road Batavia, New York.

Participating were:

Cattaraugus	Richard E. Haberer
Cayuga	Paul W. Lattimore, Jr.
Chautauqua	Roger E. Ruckman
Erie	Beverly A. Mazur
Genesee	Richard E. Siebert
Livingston	Thomas P. Wamp
Niagara	Scott Kiedrowski
Monroe	Richard D. Bianchi
Orleans	Marcia B. Tuohey
Oswego	Ronald B. Darrow
Rochester	Dennis Bassett
Seneca	Richard L. Ricci
Steuben	John E. Clifford
Wayne	Kenneth Lauderdale
Wyoming	James A. Foley

Absent:

P. Smith

constituting the Directors of all participating municipalities.

Also participating were: Michael D. Kane, President & Chief Executive Officer; Michael P. Nolan, Executive Vice President/COO; Henry F. Wojtaszek, General Counsel; William R. White, Vice President – Administration; Jacquelyne A. Leach, Comptroller; Barbara Mruczek, Deputy Comptroller; Mark Wolf, Director of Video Gaming; Steven J. Haigh, Internal Auditor; Edward Merriman, Manager of Branch Operations; Sean Schiano, Director of Branch Operations; Todd Haight, Director/General Manager of Live Racing/Branch Specialist; Cindy DeCarlo, Controller; Gayle Ashbery, Director of Purchasing; James Haas, Communications/Mutuels Manager

A roll of the membership of the Board having been called, Mr. Wojtaszek declared a quorum present.

Chairman Richard Bianchi proceeded to conduct the meeting following the published Agenda for this regular meeting.

Chairman Bianchi then asked Director Kiedrowski to lead the assemblage in the Pledge of Allegiance.

1. Approval of Previous Minutes:

Chairman Bianchi called for amendments, additions, deletions, or corrections to the minutes of the previous meeting of May 22, 2014. There being none, a motion was made by Mr. Garner and seconded by Mr. Darrow to approve the May minutes as submitted. The minutes were approved unanimously by a voice vote.

2. Communications:

There were no communications.

3. Officers' Reports:

There were no Officer's Reports.

4. Finance Committee Report:

Committee Chairman Ken Lauderdale reported that the Finance Committee meeting was held on Wednesday, June 25, 2014 at 3:03 p.m. and the following business was considered.

Mrs. Gayle Ashbery presented the Monroe County Branch Cleaning bid to the Board. Six bids were received. Staff reviewed the bids and it is recommended the award of the bid be made to Frank's Detail Cleaning Service in the amount of \$62,520 per year. The vendor currently holds the cleaning contract for our Monroe County branches and is the lowest, responsible bidder. The contract period is July1, 2014 through June 30, 2015.

A motion was made to waive the rules for the resolution pertaining to the Monroe County Cleaning bid by Mr. Lauderdale and seconded by Mr. Ruckman, a voice vote was taken Ayes: 16, Nays: 0, Absent:1, Smith. The motion was approved. (**See Resolution #32-2014**).

Mrs. Leach presented the May 2014 Comptroller's Report to the Committee. This was provided for informational purposes only.

The Finance Committee meeting adjourned.

5. Personnel Committee Report:

Committee Chairman Thomas Wamp reported the Personnel Committee meeting was held on Wednesday, June 25, 2014 at 1:15p.m.

Mr. Kane informed the committee that a Drug Testing Policy be added to the Personnel Policy.

Upon motion by Mr. Wamp seconded by Mr. Ruckman that the Drug Testing Policy be added to the Personnel Policy. A voice vote was taken. Ayes: 16, Nays: 0, Absent: 1, Smith. The motion was approved.

Mr. White informed the Board of the changes in the Personnel policies related to the language in the Dental and Vision Policy.

Upon motion by Mr. Wamp seconded by Mr. Foley, a voice vote was taken. Ayes: 16, Nays: 0, Absent: 1, Smith. The motion was approved.

Mr. Kane informed the Board of the plan of re-organizing the Food Service Department, due to the resignation of Chef Craig Moore. This is provided for informational purposes only.

Mr. Wamp informed the Board that Mr. Tom Fox, Director of Surveillance who was on a leave is now back to work full time.

Mr. White informed the Board the GCC training for customer service is wrapping up and the response has been great. This training was approved by a grant through GCC.

Mr. Wamp informed the Board that the committee along with staff recommended the Cage Manager position to Donna Braun at a salary of \$49,200 effective June 30, 2014.

Upon motion by Mr. Wamp seconded by Mr. Lattimore, a voice vote was taken. Ayes: 16, Nays: 0, Absent: 1, Smith. The motion was approved.

The Personnel Committee adjourned at 2:25 p.m.

6. Legislative Committee:

Committee Chairman Mr. Kiedrowski reported the Legislative Committee met on Wednesday, June 25, 2014. Ms. Lisa Marrello and Nicholas Antenucci from Wilson Elser Moskowitz Edelman & Dicker, LLP and Mr. Paul Tokasz from Patricia Lynch Associates, and Mr. Rick Winter from Richardson Management were available via telephone conference.

Various issues were discussed with our consultants. Mr. Kiedrowski also reported the Committee discussed the Senate Bill 7615.

Mr. Kane informed the Committee that the agreement with Patricia Lynch Associates would expire on June 30, 2014. A new agreement has been proposed with no changes at a monthly rate of \$3,000 for representation in Albany and locally. (**See Resolution #28-2014**).

Upon motion by Mr. Kiedrowski seconded by Mr. Siebert, a roll call vote was taken. Ayes: 12, Nays: 3, Bianchi, Clifford, Foley, Absent: 1, Smith. The motion passed.

Mr. Kane informed the Committee that the agreement with Richardson Management would expire on June 30, 2014. A new agreement has been proposed with no changes at a monthly rate of \$3,000 for representation of legislative matters. (**See Resolution #31-2014**).

Upon motion by Mr. Kiedrowski seconded by Mr. Siebert, a roll call vote was taken. Ayes: 14, Nays: 1, Clifford, Abstain: 1, Garner, Absent: 1, Smith. The motion passed.

Mr. Kane informed the board the legislative session passed the increase in Free Play from 10% to 15%.

The Legislative Committee adjourned at 4:20 p.m.

7. Insurance Committee:

Committee Chairman Mr. Lattimore reported the Insurance Committee met on Wednesday, June 25, 2014 at 4:00 p.m.

Mr. Lattimore informed the Board of the status of the Worker's Compensation update.

7. Insurance Committee Continued:

Mr. Lattimore informed the Board of the Approval of the Commercial Insurance Consultants renewal for 2014-2015. (**See Resolution 30-2014**).

Upon motion by Mr. Lattimore seconded by Mr. Ruckman, a roll call vote was taken. Ayes: 16, Nays: 0, Absent: 1, Smith. The motion was approved unanimously.

8. Advertising Committee:

Committee Chairman John Clifford reported the Advertising and Promotions Committee met on Wednesday, June 25, 2014 at 1:45 p.m.

Todd Haight, Director /General Manager of Live Racing presented the OTB and EZ Bet events for the Belmont. Mr. Haight reported that opening night of Live Racing is July 23, 2014. The annual Breast Cancer Coalition of Rochester fundraiser will be honored on July 30, 2014.

The Advertising and Promotions Committee adjourned at 2:45 p.m.

9. Audit Committee:

The Audit Committee did not meet.

10. Batavia Downs Committee:

Chairman Paul Lattimore reported the Batavia Downs Committee met on Wednesday, June 25, 2014 at approximately 2:45p.m.

Mr. Lattimore reported the figures and monthly Status Report with gaming statistics was provided to the committee by Mr. Mark Wolf.

Mr. Haight presented the Days Inn Grooms Lease to the Committee. A bid to accommodate the maximum of 16 groomsmen during the 2014 Live Racing season at a price o \$25,750.

Upon motion by Mr. Lattimore seconded by Ms. Tuohey, a roll call vote was taken. Ayes: 16, Nays: 0, Absent: 1, Smith. The motion passed. (**See Resolution #23-2014**).

10. Batavia Downs Committee:

Mr. Haight presented to the Committee the contract renewal with Virginia Rosenfeld as the Assistant Race Secretary.

Upon motion by Mr. Ruckman seconded by Mr. Lattimore, to accept the contract for Virginia Rosenfeld as Assistant Race Secretary, a roll call vote was taken. Ayes: 16, Nays: 0, Absent: 1, Smith. The motion passed. **(See Resolution #23-2014).**

Mr. Kane informed the Committee of the Preferred Source vendor AlSCO for the cost of laundering articles in a three-year contract ending June 27, 2017.

Upon motion by Mr. Lattimore seconded by Ms. Tuohey, to accept the three year contract for Preferred Source Vendor AlSCO. A roll call vote was taken. Ayes: 16, Nays: 0, Absent: 1, Smith. The motion passed. **(See Resolution #25-2014).**

Mr. Kane informed the Committee of the Sewer project change order accommodating the needs of the Western New York Harness Horseman Association to the contractor Greg Post General Services in the amount of \$38,275 recommended by Mr. Thomas Fraser.

Upon motion by Mr. Lattimore seconded by Mr. Ruckman, to accept the change order to the sewer installation contractor, Greg Post General Services in the amount of \$38,275. A roll call vote was taken. Ayes: 16, Nays: 0, Absent: 1, Smith. The motion passed. **(See Resolution #26-2014).**

Mr. Kane informed the Committee of the additional fire stepping work for the Capital Award Project in the amount of \$15,000 to Steve General Contractor.

Upon motion by Mr. Lattimore seconded by Mr. Foley, to accept the change additional fire stepping work installation to contractor, Steve General Contractor not to exceed \$15,000. A roll call vote was taken. Ayes: 16, Nays: 0, Absent: 1, Smith. The motion passed. **(See Resolution #27-2014).**

10. Batavia Downs Committee Continued:

Mrs. Ashbery advised the Committee of the purchase of supplies for various paper products. The lowest bidder was submitted in an itemized cost structure from Hill & Markes with a two-year contract.

Upon motion by Mr. Lattimore seconded by Mr. Foley, for the lowest bidder, Hill & Markes with a two-year contract a roll call vote was taken. Ayes: 16, Nays: 0, Absent: 1, Smith. The motion was approved. **(See Resolution #29-2014).**

Mr. Lattimore informed the Board of a change in the current policy regarding the 30% discount currently to an employee to be changed to a 30% discount to the employee and one guest that is present.

Upon motion by Mr. Lattimore seconded by Mr. Ruckman, a voice vote was taken. Ayes: 16, Nays: 0, Absent: 1, Smith. The motion passed.

Upon motion to waive the rules for the resolutions pertaining to the Batavia Downs Committee by Mr. Lattimore and a second by Mr. Lauderdale, a voice vote was taken. Ayes: 15; Nays: 0; Absent: Kiedrowski, Smith. The motion was approved.

Upon motion by Mr. Lattimore seconded by Ms. Tuohey, a roll call vote was taken. Ayes: 15, Nays: 0, Absent: 1, Smith. The motion was approved.

11. Branch Operations Committee:

Chairperson Maurice Garner reported that the Committee met on Thursday, June 26, 2014 at 9:44 a.m.

Mr. Merriman informed the Committee that the Oaks in Corning, Steuben County is still in Albany waiting for approval. The Wadsworth Grill in Livingston County will be resubmitted. There are currently 27 EZ Bets.

Mr. Haas informed the Committee that Batavia Bets handle in May was \$814,000, up \$284,000 from 2013. June of 2014 is already \$40,000 ahead of 2013 with five days remaining.

Mr. Schiano informed the Committee of the situation with the Marina Bar and Grill. Jessalyn Gates and Ryan Hasenauer have researched areas in Western New York where an EZ Bet facility could be beneficial and Ms. Gates will be targeting these areas, specifically Pulaski, Ellicottville and Brockport.

11. Branch Operations Committee Continued:

Mr. Schiano informed the Committee that it was the best Triple Crown ever with three (3) million dollar race days.

The Branch Operations Committee meeting adjourned at 10:01 a.m.

12. Resolutions:

23-2014	June 26, 2014	Days Inn Grooms Quarters
24-2014	June 26, 2014	Virginia Rosenfeld Contract
25-2014	June 26, 2014	Preferred Source
26-2014	June 26, 2014	Sewer Project change
27-2014	June 26, 2014	Capital Awards Fire Stopping
28-2014	June 26, 2014	Contract Renewal Patricia Lynch Associates
29-2014	June 26, 2014	Hill & Markes
30-2014	June 26, 2014	Commercial Insurance Property
31-2014	June 26, 2014	Contract Renewal Richardson Mgmt.
32-2014	June 26, 2014	Monroe Co. Franks Detail Cleaning Service

13. Unfinished Business:

No unfinished business.

14. New Business:

The next Committee and Board meetings will be held on July 23 and 24, 2014 respectively.

15. Adjournment:

Mr. Ruckman made a motion to adjourn which Mr. Haberer seconded. The meeting was adjourned at 10:35 a.m.

Respectfully submitted,

Secretary to the Board

