

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 22nd day of May 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:

M. Garner
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; Ryan Hasenauer, Director of Marketing-WROTB & 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 April 24, 2014. There being none, a motion was made by Mr. Haberer and seconded by Mr. Ruckman to approve the April minutes as submitted. The minutes were approved unanimously by a voice vote.

2. Communications:

Mr. Wojtaszek read a thank you note from a customer, thanking Cindy DeCarlo for her customer service at our Clinton St. OTB Branch on Kentucky Derby Day.

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, May 21, 2014 at 2:25 p.m. and the following business was considered.

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

The Finance Committee meeting adjourned at 2:59p.m.

5. Personnel Committee Report:

Committee Chairman Thomas Wamp reported the Personnel Committee meeting was held on Wednesday, May 21, 2014 at 2:00p.m.

Mr. White informed the committee the Gaming Commission has alerted a title change for the General Manager of Live Racing to include Director/General Manager of Live Racing for the purpose of having a key license employee to witness larger drawings at Batavia Downs.

5. Personnel Committee Report Continued:

Upon motion by Mr. Wamp seconded by Mr. Ricci, a voice vote was taken. Ayes: 15, Nays: 0, Absent: 2, Garner, Smith. The motion was approved.

Mr. Kane informed the Board that Chef Craig Moore has resigned effective in June. Mr. Kane briefed the Committee on the plan of re-organizing the Food Service Department. This was provided for informational purposes.

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

6. Legislative Committee:

Committee Chairman Mr. Kiedrowski reported the Legislative Committee met on Wednesday, May 21, 2014 at approximately 4:00 p.m.

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

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

7. Insurance Committee:

No meeting was held.

8. Advertising Committee:

Committee Chairman John Clifford reported the Advertising and Promotions Committee met on Wednesday, May 21, 2014 at 1:33 p.m.

Mr. Hasenauer, Director of Marketing informed the Committee that record days were record for the Kentucky Derby and Preakness. An extra radio remote has been added to the Belmont plans. He will be spreading Triple Crown information using new media partners. Mr. Hasenauer recapped May's promotions. He previewed June's RV promotion and the Collect and Win promotion in July.

8. Advertising Committee Continued:

Mr. Haight informed the Committee that the DEC requested Batavia Downs to install wash stalls in the paddock and stable area for the upcoming racing season. He informed the Committee that Wanda Polisseni owner of Purple Haze Stable gave a generous donation for the plans of a new winners circle "Purple Haze Winners Circle". He informed the Committee of the annual Breast Cancer Coalition of Rochester fundraiser to be held on July 30, 2014 and plans are being made for the annual Patrick Murphy and Russ DiBella Memorial race.

The Advertising and Promotions Committee adjourned at 1:45 p.m.

9. Audit Committee:

Committee Chairman Dennis Bassett reported the Audit Committee met on Wednesday, May 21, 2014 at approximately 5:30 p.m.

Mr. Bassett reported the Committee discussed the Emergency Evacuation Plan.

The Audit Committee adjourned at 5:45p.m.

10. Batavia Downs Committee:

Chairman Paul Lattimore reported the Batavia Downs Committee met on Wednesday, May 21, 2014 at approximately 3:00p.m.

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

Mr. Kane advised the Board that staff recommended approving the purchase of required equipment for timely repair and maintenance for the Surveillance system from IK Systems, Inc. of Victor, NY in the amount of \$25,679. (**See Resolution # 18-2014**).

Upon motion by Mr. Lattimore seconded by Mr. Siebert, a roll call vote was taken. Ayes: 15, Nays: 0, Absent: 2, Garner, Smith. The motion was approved

10. Batavia Downs Committee Continued:

Mr. Kane advised the Board that staff recommends approving the additional purchase of painting material from Sherwin Williams in the amount of \$45,000. **(See Resolution # 19-2014).**

Upon motion by Mr. Lattimore seconded by Mr. Siebert, a roll call vote was taken. Ayes: 14, Nays: 0, Abstain: 1 Darrow, Absent: 2, Garner, Smith. The motion was approved.

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.

Mr. Kane advised the Board that staff recommends approving the contract regarding New York for State regulations (CAFO) for the new wash stalls sewer system for residue be awarded to Greg Post Services Inc., in the amount of \$130,525 with a 10% contingency. **(Resolution # 20-2014).**

Upon motion by Mr. Lattimore seconded by Mr. Siebert, a roll call vote was taken. Ayes: 15, Nays: 0, Absent: 2, Garner, Smith. The motion was approved.

Mr. Kane advised the Board that staff recommends approving the contract regarding New York for State regulations (CAFO) for the new wash stalls electrical system be awarded to Suburban Electric, in the amount of \$9,770 with a 10% contingency. **(Resolution # 21-2014).**

Upon motion by Mr. Lattimore seconded by Mr. Bassett, a roll call vote was taken. Ayes: 15, Nays: 0, Absent: 2, Garner, Smith. The motion was approved.

Mr. Kane advised the Board that staff recommends approving the contract regarding New York for State regulations (CAFO) for the new wash stalls General Construction be awarded to Suburban Electric, in the amount of \$63,000 with a 10% contingency. **(Resolution # 22-2014).**

Upon motion by Mr. Lattimore seconded by Ms. Tuohey, a roll call vote was taken. Ayes: 15, Nays: 0, Absent: 2, Garner, Smith. The motion was approved.

11. Branch Operations Committee:

Vice-Chairperson Beverly Mazur reported that the Committee met on Friday, May 22, 2014 at 9:30 a.m.

Mr. Merriman informed the Committee that the application for Oaks in Steuben County would be submitted today. Based on the decision from the owners of the Balloons establishment in Cattaraugus County the EZ Bet there will cease operations as of Saturday May 24, 2014. Mr. Merriman informed the Committee that, the efforts of Jessalyn Gates, Ken Krotz, Steve Haigh and with great assistance from Stephanie Underhill, the Corporation is implementing a new accounting system for all the E-Z Bets.

Mr. Haas informed the Committee that Batavia Bets is well ahead of last year's numbers. He added that there were 400 new account signups for the Kentucky Derby, so many that our internet provider had to put on extra staff to accommodate all the new customers. There were also 116 new signups for the Preakness.

Mr. Schiano informed the Committee that he set closing dates for the East Mohawk Branch for June 22, 2014 and the Main Street Branch for June 29, 2014. Mr. Wojtaszek informed the Committee that the Corning sale is complete. There is no update on Newark sale and Mr. Wojtaszek noted that the realtor from Niagara County is working on the Main Street sale. Mr. Clifford made mention that the Hornell Branch is in need of a new roof.

Mr. Schiano informed the Board that it was our best Kentucky Derby Day ever and our best Preakness. He thanked all of the volunteers from Corporate. Mr. Schiano is planning a huge Belmont Day and hoping for a Triple Crown race day. If so, it would be our first million dollar Belmont Stakes ever.

Mr. Schiano informed the Committee that contract negotiations should be beginning prior to the next Board meeting. Corporate staff has been working on the three contracts.

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

12. Resolutions:

18-2014	May 22, 2014	IK Systems Inc.
19-2014	May 22, 2014	Sherwin Williams
20-2014	May 22, 2014	Greg Post Services Inc.

12. Resolutions Continued:

21-2014	May 22, 2014	Suburban Electric
22-2014	May 22, 2014	Allied Builders

13. Unfinished Business:

No unfinished business.

14. New Business:

The next Committee and Board meetings will be held on June 25 and 26, 2014 respectively.

15. Adjournment:

Mr. Ruckman made a motion to adjourn which Mr. Haberer seconded. The meeting was adjourned at 10:36 a.m.

Respectfully submitted,



Secretary to the Board