

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 February 2015, and commencing at 10:30 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 Lattimore Jr.
Chautauqua	Allan Hendrickson
Genesee	Richard E. Siebert
Livingston	Thomas P. Wamp
Monroe	Richard D. Bianchi
Niagara	Scott Kiedrowski
Orleans	Edward F. Morgan
Oswego	Ronald B. Darrow
Rochester	Dennis Bassett
Seneca	Richard L. Ricci
Steuben	John E. Clifford
Wayne	Kenneth Lauderdale
Wyoming	James A. Foley

Absent:

Maurice Garner  
Beverly Mazur  
Philip Barnes

constituting the Directors of all participating municipalities.

Also participating were: Michael D. Kane, President & Chief Executive Officer; Michael P. Nolan, Executive Vice President/COO; William R. White, Vice President – Administration; Henry F. Wojtaszek, General Counsel; Barbara Mruzek, Deputy Controller; Mark Wolf, Director of Video Gaming; Ryan Hasenauer, Director of Marketing-WROTB & Video Gaming; Cindy DeCarlo, Controller; Sean Schiano, Director of Branch Operations; EJ Merriman, Manager of Branch Operations; James Haas, Communications/Mutuels Manager; Gayle Ashbery, Director of Purchasing; Stephanie Underhill, Video Coordinator; Jim Krencik, Batavia Daily News.

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

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

Chairman Bianchi then asked Director Bassett 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 January 15, 2015. There being none, a motion was made by Mr. Haberer and seconded by Mr. Foley to approve the January 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 Mr. Lauderdale reported that the Finance Committee meeting was held on Wednesday, February 25, 2015 at 2:43 p.m. and the following business was considered.

Mrs. Ashbery explained to the Committee that the cleaning bids for the Erie and Niagara County OTB Branches were erroneously sent out. The current vendor has one year left on their existing contract which Western OTB is obligated to honor. This was for informational purposes only.

Mr. Schiano addressed the Committee regarding our ATM service contract. The current ATM terminals are over ten years old and the software on them will become outdated in the near future. He explained the staff review of proposals and recommended changing from Cardtronics to National Bank Equipment as our ATM processor and service provider.

Upon motion by Mr. Lauderdale and seconded by Mr. Darrow to approve the ATM terminals contract with National Bank Equipment a voice vote was taken Ayes: 14; Nays: 0 Absent: 3, Garner, Mazur, Barnes. The motion was approved.

Mrs. Mruczek presented the December 2014 Comptroller Report to the Committee. This was provided for informational purposes only. Upon motion by Mr. Darrow and seconded by Mr. Bianchi the finance Committee meeting was adjourned at 2:51 p.m.

**5. Personnel Committee Report:**

Committee Chairman Mr. Wamp reported the Personnel Committee meeting was held on Wednesday, February 25, 2015 at 1:30 p.m. the following business was discussed.

Mr. White updated the Committee on the three Collective Bargaining negotiations contracts.

Mr. Kane informed the Board of the new Dining Service Supervisor, Donna Beane.

The Committee entered into Executive Session to discuss Personnel matters until 2:00 p.m.

Upon motion by Mr. Wamp and seconded by Mr. Bianchi, the Personnel Committee meeting adjourned at 2:01 p.m.

**6. Legislative Committee Report:**

Committee Chairman Mr. Siebert reported the Legislative Committee met on Wednesday, February 25, 2015 at 4:00 p.m.

Mr. Nicholas Antenucci from Wilson Elser Moskowitz Edelman & Dicker, LLP and Mr. Paul Tokasz from Patricia Lynch Associates and Mr. Richard Winter from Richardson Management were available via telephone conference.

Committee Chairman Mr. Siebert informed the Board that there were discussions regarding the Lago Casino and noted that Mr. Kane and Mr. Wojtaszek will be in Schenectady and Albany on Monday March 2, and Tuesday March 3, 2015 to discuss statutory payments and tax relief.

The Legislative Committee meeting was adjourned at 4:10p.m.

**7. Insurance Committee Report:**

No Insurance meeting held.

8. **Advertising Committee Report:**

Committee Vice-Chairman Mr. Foley reported the Advertising and Promotions Committee met on Wednesday, February 25, 2015 at 2:00 p.m.

Vice-Chairman Mr. Foley informed the Board that Director of Marketing, Mr. Hasenauer and General Manager of Live Racing, Mr. Haight previewed upcoming events including the Battle of the Branches, the Kentucky Derby, the Dubai World Cup, and the 2015 Batavia Downs Stakes schedule, New Wagering Options, Batavia Bets, Promotions and Ad sales for OTB.

Director Siebert asked about our promotional offerings as they relate to Senior Monday and Free Play.

Mr. Hasenauer recapped promotions including the Bowling Tournament, Sports Collector's Expo and the Oscar Movie Party all held in February.

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

9. **Audit Committee Report:**

Committee Chairman Mr. Bassett reported the Audit Committee met on Wednesday February 25, 2015 at 5:00p.m.

Mr. Bassett informed the Board that Mr. Haigh provided the Committee with a summary of the fourth quarter audit reports.

The Audit Committee meeting was adjourned at 5:15p.m.

10. **Batavia Downs Committee Report:**

Committee Chairman Mr. Lattimore reported the Batavia Downs Committee met Wednesday February 25, 2015 at 3p.m. the following business was discussed.

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

**11. Batavia Downs Committee Report continued:**

Mr. Lattimore presented the Board with the proposal to purchase a Cummins-Allison Currency Counter System in the amount of \$128,069.00 to replace the existing dysfunctional money counter.

Upon motion by Mr. Lattimore and seconded by Mr. Wamp a roll call vote was taken. Ayes: 13; Nays: 0; Absent: 4; Garner, Clifford, Mazur, Barnes. The motion carried to approve Cummins-Allison Currency Counter System. **(Resolution # 02-2015).**

Upon motion to waive the rules pertaining to the Valet Services bid by Mr. Lattimore and a second by Mr. Foley, a voice vote was taken. Ayes: 13; Nays: Absent: 4; Garner, Clifford, Mazur, Barnes.

Mr. Lattimore recommended to the Board the Valet Park of America contract for valet parking services at a rate of \$15.00 per attendant per hour and \$21.00 per bus driver per hour. The contract shall be through April 1, 2016.

Upon motion by Mr. Lattimore and seconded by Mr. Darrow a roll call vote was taken. Ayes: 12; Nays: 1; Siebert; Absent: 4; Garner, Clifford, Mazur, Barnes. The motion carried to approve Valet Park of America valet services. **(Resolution # 01-2015).**

A motion by Mr. Siebert and seconded by Mr. Morgan to authorize up to 35,000 square feet of Batavia Downs property to be sold for \$605,000.00 for the construction of a hotel by ADK Hospitality of Buffalo was presented. A voice vote was taken. Ayes: 13; Nays: 0; Absent: 4; Garner, Clifford, Mazur, Barnes. The motion carried.

The Batavia Downs Committee then adjourned.

**12. Branch Operations Committee Report:**

Acting Chairperson Darrow reported that the Committee met on Thursday, February 26, 2015 at 9:31 a.m. and the following items were discussed.

Mr. Merriman informed the Committee that we currently have 28 E-Z Bet locations and that there are no current pending applications. Potential locations in the outlying areas are continually looked for.

**13. Branch Operations Committee Report Continued:**

Mr. Schiano informed the Committee that the annual Battle of the Branches starts today. Mr. Schiano is working with Mr. Merriman, Mr. Haight and Mr. Hasenauer in preparation for the Derby. Mr. Schiano informed the Committee that Ms. Jessalyn Gates will be working with poor performing E-Z Bets trying to increase business starting with Sunday events. She will also be working with the Phoenix concessionaire on promotional events beginning in May.

Mr. Haas informed the Committee that Batavia Bets was up 40% from the 2014 year and is up 35% already this year.

Mr. Wojtaszek informed the Committee that the Mohawk property sale closed on Tuesday for \$510,000.00. The Main Street property is closing today, for \$62,500.00.

The Branch Committee went into executive session regarding hotel discussions.

The Branch Operations Committee meeting adjourned at 9:48 a.m.

**14. Resolutions:**

01-2015 Valet Parking of America  
02-2015 Cummins Currency Counter

**15. Unfinished Business:**

Mr. Lauderdale thanked Mr. White for visiting the Wayne County Finance Committee at Board of Supervisors meeting.

**16. New Business:**

The next Committee and Board meetings will be held on March 25 and 26, 2015 respectively.

17. Adjournment:

Mr. Bassett made a motion to adjourn which Mr. Haberer seconded. The meeting was adjourned at 11:05 a.m.

Respectfully submitted,

  
Henry F. Wofsy  
Secretary to the Board

/pma