

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 28th day of March 2019, and commencing at 10:03 a.m. in the *Robert J. Kane Board Room*, Corporate Headquarters at 8315 Park Road Batavia, New York.

Participating were:

Buffalo	Michelle Parmer-Garner
Cattaraugus	Richard E. Haberer
Cayuga	Paul W. Lattimore
Chautauqua	Allan Hendrickson
Erie	Beverly A. Mazur
Genesee	Richard E. Siebert
Livingston	Thomas P. Wamp
Monroe	Richard D. Bianchi
Niagara	Elliott Winter
Orleans	Edward F. Morgan
Oswego	Ronald B. Darrow
Rochester	Dennis Bassett
Schuyler	Philip C. Barnes
Seneca	Richard Ricci
Steuben	John E. Clifford
Wayne	Ken Lauderdale
Wyoming	Susan May

constituting the Directors of all participating municipalities.

Also participating were: Henry F. Wojtaszek, President & CEO; Michael P. Nolan, Chief Operating Officer; Scott Kiedrowski, Vice President Operations; William R. White, Vice President – Administration; Jacquelyne Leach, Chief Financial Officer; Mark Gabriele, Associate General Counsel; Steven Haigh, Internal Auditor; Ryan Hasenauer, Director of Marketing-WROTBC & Video Gaming; Todd Haight, General Manager Live Racing; Cindy DeCarlo, Controller BDG Operations; Mark Wolf, General Manager of Gaming; Gayle Ashbery, Director of Purchasing; James Haas, Communications/Mutuels Manager; Sean Schiano, Director of Branch Operations; Edward Merriman, Manager of Branch Operations; Jake Rak, Controller WROTBC Operations; Megan Glor, Admin. Ass't-Purchasing/Real Estate; Brian Quinn, The Daily News.

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

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

Chairman Bianchi then asked Mrs. Gayle Ashbery 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 February 28, 2019. There being none, a motion was made by Director May and seconded by Director Winter to approve the February minutes as submitted. The minutes were approved unanimously by a voice vote.

2. **Communications:**

Mr. Scott P. Kiedrowski, Vice-President Operations informed the Board of a thank you note from Carol Anne DeMoulin of The Arc Foundation of Monroe for the donation benefitting their 3rd Annual Sporting Clays Tournament.

Mr. Kiedrowski informed the Board of a thank you note from Addy DiMatteo for the donation to "Dodge for a Cause" supporting The Leukemia & Lymphoma Society.

Mr. Kiedrowski informed the Board of a thank you note from Sharon Snyder for the kindness she received from Sara Tenney, Group Sales Assistant and staff after her overnight stay experience that she won at the St. Luke's Mission of Mercy Fundraiser.

3. **Officers' Reports:**

There were no Officers reports.

4. Personnel Committee Report:

Committee Chairman Wamp called the meeting to order on Wednesday, March 27, 2019 at 1:10 p.m. and the following business was discussed.

Mr. William R. White, Vice President - Administration informed the Committee of the new Job Description for the new Director of Purchasing/Real Estate. He noted that it included insurance as well.

Mr. Michael P. Nolan, Chief Operating Officer informed the Committee that it was staff's recommendation to name Ms. Megan Glor the new Director of Purchasing/Real Estate, a Grade 7 position with a starting salary of \$57,200 a year effective April 1, 2019. A motion was made by Director Clifford, seconded by Director Bassett. A voice vote was taken and passed unanimously.

A motion was made by Director Clifford at 1:13 p.m., seconded by Director Ricci to enter into Executive Session. The Committee came out of Executive Session and the meeting was adjourned at 2:25 p.m.

5. Finance Committee Report:

Committee Chairman Lauderdale, called the meeting to order at 2:30 p.m. on Wednesday, March 27, 2019 and the following business was discussed.

Mrs. Jacquelyne Leach, Chief Financial Officer reviewed the February 2019 Chief Financial Officer Reports with Committee members, providing an overall summary of the month and explanations for several large variances, both revenues and expenses. The corporation will distribute \$76,024 in surcharge to its member municipalities for the month of February.

Mrs. Leach also reviewed the February 2019 Batavia Downs results of operations, and provided information on credits played, net win and free play, food and beverage, and other statistics.

Mrs. Leach reviewed the NYGA Weekly Numbers with the Committee members, highlighting Batavia Downs Gaming performance in February 2019 as compared to February 2018.

The Finance Committee meeting adjourned at 2:58 p.m.

6. Advertising Committee Report:

Committee Chairman Clifford reported the Advertising Committee meeting was held on Wednesday, March 27, 2019 at 3:58 p.m. and the following business was discussed.

Mr. Todd Haight, General Manager Live Racing delivered a presentation of past and upcoming OTB events including early Kentucky Derby Prep Races. The battle of the branches has started. Customers of OTB have over \$379,000 in outstanding uncashed tickets and must cash them by March 31st of this year. Pictures were shown from the recent Joe Trigilio fundraiser which was well attended. Many staff members volunteered their time.

Mr. Ryan Hasenauer, Director of Marketing-WROTB & Video Gaming, recapped recent events held in the Park Place including the Psychic Fair, Wedding Expo, Fishing Show and two (2) concerts.

Mr. Hasenauer informed the Committee that the four (4) most recent weeks were the best four (4) weeks in the history of Batavia Downs Gaming.

Mr. Hasenauer informed the Committee of a new Business to Business mailer that has been sent out to over 3,500 local businesses to book meeting/training dates and racing packages.

The remainder of 2019's upcoming events were shown.

A discussion was held by directors and staff regarding the time frame of the summer concerts. Staff said that while the noise ordinance allows concerts to play until 11pm, they will continue to strive to be done by 10pm.

Mr. Hasenauer informed the Committee of the request to enter into an agreement with Live Nation for the 2019 Concert Season for one (1) year, which will include eight (8) tickets at a cost not to exceed \$30,000.00.

Upon motion to waive the rules by Director Morgan and seconded by Director Clifford pertaining to the request, a voice vote was taken. Ayes: 14; Nays: 0; Absent: 3; Darrow, Barnes, Ricci.

6. **Advertising Committee Report:**

Upon motion by Director Morgan and seconded by Director May pertaining to the request to enter into an agreement with Live Nation for the 2019 Concert Series for one (1) year which will include eight (8) tickets at a cost not to exceed \$30,000.00. A roll call vote was taken. Ayes: 14; Nays: 0; Absent: 3; Darrow, Barnes, Ricci.

The Advertising Committee adjourned at 4:12pm.

7. **Legislative Committee Report:**

Mr. Henry F. Wojtaszek, President & CEO reported the Legislative Committee meeting was held on Wednesday, March 27, 2019 at 4:13 p.m. and the following business was discussed.

Mr. Patrick McCarthy, Mercury Public Affairs, LLC updated the Committee on the budget talks. The tax parity bill is still in the Governor's budget and they are pressing the Senate and Legislature. The feedback is positive and consistent so he is cautiously optimistic. He reported that the Sports betting is still a long shot for the OTB's but still is an option.

The Wladis group presented at the Batavia Downs Committee meeting about the Kmart Grant Update. A final vote was scheduled for today for an asking price dependent on our grant bid being approved to cover costs of property and renovations.

Mr. Wojtaszek informed the Committee of a Resolution needed for a three (3) month extension with Upstate Strategic Advisors, LLC.

Upon motion to waive the rules by Director Morgan and seconded by Director May pertaining to the Resolution #20-2019 needed. A roll call vote was taken. Ayes: 15; Nays: 0; Absent: 2; Barnes Ricci.

Upon motion made by Committee Chairman Morgan and seconded by Director May a roll call vote was taken. Ayes: 11; Nays: 4; Haberer, Hendrickson, Wamp, Clifford; Absent: 2; Barnes, Ricci. The motion passed to extend a three (3) month agreement with Upstate Strategic Advisors, LLC. effective April 1, 2019 to June 30, 2019 at the rate of \$6,500.00 per month. **(See Resolution #20-2019).**

7. **Legislative Committee Report continued:**

Mr. Wojtaszek informed the Committee of a Resolution needed for a two (2) month extension with Strategic Development Specialist, LLC.

Upon motion to waive the rules by Director Wamp and seconded by Director Siebert pertaining to the Resolution #22-2019 needed. A roll call vote was taken. Ayes: 15; Nays: 0; Absent: 0; Barnes Ricci.

Upon motion made by Committee Chairman Morgan and seconded by Director May a roll call vote was taken. Ayes: 14; Nays: 1; Clifford; Absent: 2; Barnes, Ricci. The motion passed to extend a two (2) month agreement with Strategic Development Specialist, LLC. effective April 1, 2019 to May 31, 2019 at the rate of \$5,000.00 per month. **(See Resolution #22-2019).**

Mr. Wojtaszek requested an Executive Session to discuss other lobbying issues at 4:17 p.m. and came out of Executive Session at 4:55 p.m.

The Legislative Committee meeting adjourned at 4:55 p.m.

8. **Insurance Committee Report:**

The Insurance Committee did not meet.

9. **Audit Committee Report:**

The Audit Committee did not meet.

10. **Batavia Downs Operations Committee Report:**

Committee Chairman Morgan reported the Batavia Downs Operations Committee meeting was held on Wednesday, March 27, 2019 at 3:05 p.m. and the following business was discussed.

Mr. Mark Wolf, General Manager of Gaming provided Gaming statistics. He informed the Committee that Bally will be adding 15 new games and IGT will be adding 5 new games which will bring the total games on the floor to 850.

10. **Batavia Downs Operations Committee Report continued:**

Mr. Todd Haight, General Manager Live Racing provided a live racing recap. He informed the Committee of whipping rules being reviewed and also entry policy changes.

Mr. Nolan updated the Committee of the recent Capital Awards Projects including the progress of the Fortunes extension which should be completed in one (1) week, and also the 34 Rush Kitchen which should be completed within two (2) weeks. The mural is the last item to be completed in Park Place.

Mr. Wojtaszek updated the Committee of the upcoming 2019 Batavia Downs Concert Series. He informed the Committee that ticket sales and sponsorships are both progressing.

Mr. Joseph Vacanti, Director of Security informed the Committee that he has met with the City of Batavia and Genesee County Sheriff's Department to discuss the upcoming concert series and possible fundraising events. He informed the Committee that orders have been placed for two walk thru scanners and also two age verifiers. Also, he is looking into the possibility of Narcan training.

Ms. Leann West of Strategic Development Specialist, LLC and Ms. Jennifer Granzow, Esq. of Wladis Law Firm were on site. Ms. West informed the Committee of the URI Grant opportunity with critical timing. The URI will need to be submitted for possible funds by the end of April. A discussion was held regarding this grant update.

Mr. Nolan informed the Committee of the resolution needed from DCB Elevator Co. for the install of a handicap lift at the Batavia Downs Harness Track Paddock in the amount not exceed \$49,950.00.

Upon motion made by Committee Chairman Morgan and seconded by Director Siebert a roll call vote was taken. Ayes: 14; Nays: 0; Absent: 3; Barnes, Ricci, Clifford. The motion was approved to accept the proposal of DCB Elevator Co. Inc. for the installation of a handicap lift in the amount not to exceed \$49,950.00. **(See Resolution #16-2019).**

Mr. Nolan informed the Committee of the Resolution needed from TDN Money System for the purchase of one ATM kiosk in the amount of \$28,325.00.

10. **Batavia Downs Operations Committee Report continued:**

Upon motion made by Committee Chairman Morgan and seconded by Director Lauderdale a roll call vote was taken. Ayes: 14; Nays: 0; Absent: 3; Barnes, Ricci, Clifford. The motion was approved to authorize the purchase of the ATM Kiosk from TDN Money System. (See Resolution #17-2019).

Mr. Wojtaszek informed the Committee of the resolution needed from Suburban Electric of Albion, Inc. for electrical services and repairs with the services capped at \$35,000.00.

Upon motion to waive the rules by Director Morgan and seconded by Director Haberer pertaining to the Resolution #18-2019 needed. A voice vote was taken. Ayes: 14; Nays: 0; Absent: 3; Barnes Ricci Clifford

Upon motion made by Committee Chairman Morgan and seconded by Director Winter a roll call vote was taken. Ayes: 14; Nays: 0; Absent: 3; Barnes, Ricci, Clifford. The motion was approved to accept the bid from Suburban Electric of Albion Inc. with a \$35,000.00 cap for services. (See Resolution #18-2019).

Mr. Wojtaszek informed the Committee of the resolution needed from Fritz Carpentry Construction for carpentry services and repairs with the services capped at \$35,000.00.

Upon motion made by Committee Chairman Morgan and seconded by Director Winter a roll call vote was taken. Ayes: 14; Nays: 0; Absent: 3; Barnes, Ricci, Clifford. The motion was approved to accept the bid from Fritz Carpentry Construction with a \$35,000.00 cap for services. (See Resolution #19-2019).

The Batavia Downs Committee meeting adjourned at 3:57p.m.

11. **Branch Operations Committee Report:**

Committee Chairperson Mazur reported the Branch Committee meeting was held on March 28, 2019 at 9:30 a.m. and the following business was discussed.

11. **Branch Operations Committee Report continued:**

Mr. Edward Merriman, Manager of Branch Operations updated the Committee on work done at Military and Lyell. He also mentioned the new sub hired in Erie County, the Communications Department updating and adding security cameras and the upcoming yearly Manager Meetings on April 15th.

Mr. James Haas, Communications/Mutuels Manager reported that Batavia Bets was up almost \$93,000 or 11.5% in February; through March 24, Batavia Bets is up \$33,000 or 4%; year to date Batavia Bets is up almost \$209,000 or 13%.

Mr. Sean Schiano, Director of Branch Operations reported that the Military Rd. concession has a new DBA with the plan to bring in another partner who will invest some money into the business. A new two (2) year Agreement was signed.

Mr. Schiano informed the Committee of the Resolution needed for the Empire Blvd. Webster lease renewal.

Upon motion made by Director Morgan and seconded by Director Mazur a roll call vote was taken. Ayes: 14; Nays: 0; Absent: 3; Barnes, Ricci, Clifford.

The motion was approved to accept the Empire Blvd. lease extension at the annual rent of \$49,316.40. (**See Resolution #15-2019**).

A motion was made at 9:40 a.m. by Director Bassett to enter into Executive Session, seconded by Director Parmer-Garner. A motion was made at 9:57 a.m. to exit the Executive Session by Director Morgan, seconded by Director Bassett.

The Branch Committee meeting adjourned at 10:58 a.m.

12. **Resolutions:**

Resolution #15-2019 Empire Blvd. Webster Lease Renewal

Resolution #16-2019 DCB Elevator

Resolution #17-2019 TDN Money System Kiosk

Resolution #18-2018 Suburban Electric of Albion, Inc.

Resolution #19-2019 Fritz Carpentry Construction

12. **Resolutions continued:**

**Resolution #20-2019 Upstate Strategic Advisors, LLC.
Resolution #22-2019 Strategic Development Specialists, LLC.**

13. **Unfinished Business:**

There was no unfinished business.

14. **New Business:**

Mr. Wojtaszek requested travel permission from the Board members for William R. White, Vice President – Administration and Sean Schiano, Director of Branch Operations to attend the National Public Employee Labor Relations Association Conference in Scottsdale Arizona, April 7-11.

Upon motion by Director Mazur and seconded by Director Darrow a voice vote was taken. The motion passed unanimously.

A discussion was held to revise the purchasing policy to require two (2) signatures for approvals up to \$5,000.00 and to require Board approval on expenditures \$5,000.00 and above.

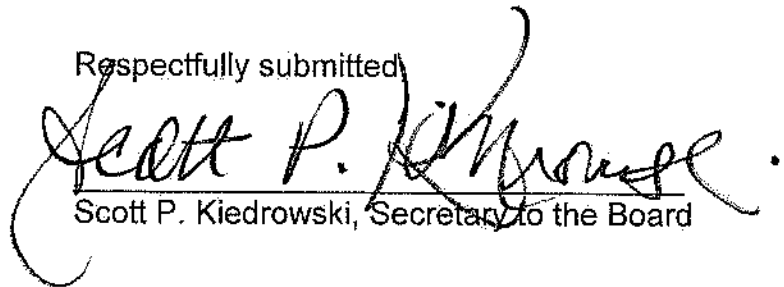
Upon motion by Director Lauderdale seconded by Director Hendrickson to revise the purchasing policy to require two (2) officer signatures for approvals up to \$5,000.00 and Board approval on expenditures \$5,000.00 and above. A voice vote was taken. Ayes: 14; Nays: 0; Absent: Ricci, Barnes and Clifford. The motion passed.

The next Committee and Board meetings are scheduled for April 24 & 25 respectively.

15. **Adjournment:**

Director Hendrickson made a motion to adjourn which Director Lauderdale seconded. The meeting was adjourned at 12:30 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Scott P. Kiedrowski", written over a horizontal line. The signature is fluid and cursive, with a large loop at the end.

Scott P. Kiedrowski, Secretary to the Board

/pma