

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 27th day of June 2019, and commencing at 10:00 a.m. in the *Robert J. Kane Board Room*, Corporate Headquarters at 8315 Park Road Batavia, New York.

Participating were:

Absent:

Buffalo	Michelle Parmer-Garner	E. Morgan
Cattaraugus	Richard E. Haberer	P. Barnes
Cayuga	Paul W. Lattimore	R. Ricci
Chautauqua	Allan Hendrickson	
Erie	Beverly A. Mazur	
Genesee	Richard E. Siebert	
Livingston	Thomas P. Wamp	
Monroe	Richard D. Bianchi	
Niagara	Elliott Winter	
Oswego	Ronald B. Darrow	
Rochester	Dennis Bassett	
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-WROTB & Video Gaming; Todd Haight, General Manager Live Racing; Mark Wolf, General Manager of Gaming; James Haas, Communications/Mutuels Manager; Sean Schiano, Director of Branch Operations; Edward Merriman, Manager of Branch Operations; Jake Rak, Controller WROTB Operations; Megan Glor, Director of Purchasing/Real Estate.

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 Director Hendrickson 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 23, 2019. There being none, a motion was made by Director May and seconded by Director Hendrickson to approve the May 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 the Board of Trustees of the Charlotte House, for the donation used at the silent auction at the Spirit's Night Event they held in May.

Mr. Kiedrowski informed the Board of a thank you note from the Genesee County Cornell Cooperative Extension for the donation to June 5, 2019 event.

Mr. Kiedrowski informed the Board of a thank you note from the Jewish Community Center of Greater Buffalo for the basket raffle donation for their 70<sup>th</sup> Anniversary event.

3. **Officers' Reports:**

There were no Officers reports.

4. **Personnel Committee Report:**

Committee Chairman Wamp called the meeting to order at 1:00 p.m. on Wednesday, June 26, 2019 and the following items were discussed:

Director Haberer made a motion to enter into Executive Session to discuss legal issues, seconded by Director May. The meeting lasted approximately 20 minutes and no action was taken.

4. **Personnel Committee Report continued:**

Mr. William R. White, Vice President - Administration informed the Committee of the Resolution needed for the revisions to the Compliance Officer Policies. Staff is requesting to amend the policies so that Zach Ewert replace Jake Rak as Compliance Officer and Director May will replace Director Barnes on the Compliance Committee.

Upon motion to waive the rules pertaining to amending the Compliance Officer Policies by Committee Chairman Wamp and seconded by Director Winter, a voice vote was taken and passed unanimously.

Upon motion by Committee Chairman Wamp and seconded by Director Hendrickson. A voice vote was taken and passed unanimously to amend the policies so that Zach Ewert replace Jake Rak as Compliance Officer and Director May replace Director Barnes on the Compliance Committee. (See Resolution #70-2019)

Mr. White informed the Committee of the changes to revise the Foil Officer. Staff is requesting to amend the policy to replace the term Accountant with Accounts Payable Supervisor.

Upon motion by Committee Chairman Wamp and seconded by Director Winter. A voice vote was taken and passed unanimously to amend the policy to replace the term Accountant with Accounts Payable Supervisor. (See Resolution #71-2019)

Mr. White, Mr. Michael P. Nolan, Chief Operating Officer and Mr. Joseph Vacanti, Director of Security led a discussion about the need for full-time positions in the Security Department. The Committee asked them to come back with a cost analysis for the next meeting.

Mr. White informed the Committee of a revision to the Drug Policy resulting from a recent incident on the Gaming floor. A motion was made by Director Haberer to accept this revision, seconded by Director May and passed unanimously.

Upon motion by Committee Chairman Wamp and seconded by Director Siebert to accept the revisions to the Drug Policy a voice vote was taken and passed unanimously.

The Personnel Committee meeting adjourned at 1:41 p.m.

5. **Finance Committee Report:**

Committee Chairman Lauderdale, called the meeting to order at 1:45 p.m. on Wednesday, June 26, 2019 and the following business was discussed.

Mrs. Megan Glor, Director of Purchasing stated that a public bid was held on June 3, 2019 for cleaning services for the OTB Branches in Monroe County and that four bids were received.

After review of the bids, staff requests the Board award the contract to C&C Miraculous Cleaning in the amount not to exceed \$122,952 for the period of July 1, 2019 through June 30, 2021 or \$61,476 annually.

Upon motion by Committee Chairman Lauderdale and seconded by Director Winter. A roll call vote was taken. The motion passed to award the contract to C&C Miraculous Cleaning in the amount not to exceed \$122,952 for the period of July 1, 2019 through June 30, 2021 or \$61,476 annually Ayes: 14; Nays: 0; Absent: 3; Morgan, Barnes, Ricci. (See Resolution #63-2019)

Mrs. Jacquelyne Leach, Chief Financial Officer reviewed the May 2019 Chief Financial Officer Reports with Committee members. Mrs. Leach discussed the results of operations for branches and Batavia Downs. The Corporation will distribute \$127,459 in surcharge to member municipalities for May and had operational earnings of \$664,889. May was an exceptional month for the Corporation.

Mrs. Leach also reviewed the May 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 Committee members, highlighting Batavia Downs Gaming performance in May 2019 as compared to May 2018.

The Finance Committee meeting adjourned at 2:05 p.m.

6. **Advertising Committee Report:**

Committee Chairperson Clifford reported the Advertising Committee meeting was held on Wednesday, June 26, 2019 at 2:08 p.m. and the following business was discussed.

**6. Advertising Committee Report continued:**

Mr. Todd Haight, General Manager Live Racing delivered a presentation of events surrounding the Belmont Stakes. Wagering was effected by the lack of participation by the Derby winner. Recent and upcoming large race dates at other tracks were shown. The June handicapping contest was won by a regular OTB patron from Buffalo. The new cover of the Live Racing program was shown.

Mr. Ryan Hasenauer, Director of Marketing-WROTBC & Video Gaming, showed pictures of the Bourbon Fest, of the viral press release involving Justin Bieber and Tom Cruise as well as the onsite MMA event. The first concert of the summer series was last week and was a success.

Mr. Hasenauer informed the Committee of the Resolution needed to purchase a Ford Eco Sport from DeLacy Ford Inc. in the amount not to exceed \$16,527.00 and is fully reimbursed to WROTBC from the NYS Gaming Commission Lapsed Prize Fund. The Ford Eco Sport is to be given away as a gaming floor drawing prize.

Upon motion by Committee Chairman Clifford and seconded by Director Lauderdale. A roll call vote was taken. The motion passed to purchase a Ford Eco Sport from DeLacy Ford Inc. in the amount not to exceed \$16,527.00 and is fully reimbursed to WROTBC from the NYS Gaming Commission Lapsed Prize Fund. Ayes: 14; Nays: 0; Absent: 3; Morgan, Barnes, Ricci. (See Resolution #65-2019)

Mr. Hasenauer informed the Committee of the Resolution needed to purchase a Suite from the Pegula Sports & Entertainment, LLC. for the Buffalo Bills 2019, 2020 and 2021 season in an amount not to exceed \$292,000.00.

Upon motion by Committee Chairman Clifford and seconded by Director Lauderdale. A roll call vote was taken. The motion passed to purchase a Suite from the Pegula Sports & Entertainment, LLC. for the Buffalo Bills 2019, 2020 and 2021 season in an amount not to exceed \$292,000.00. Ayes: 14; Nays: 0; Absent: 3; Morgan, Barnes, Ricci. (See Resolution #69-2019).

The Advertising Committee meeting was then adjourned at around 2:30 p.m.

**7. Legislative Committee Report:**

Committee Chairman Hendrickson reported that the Legislative Committee meeting was held on Wednesday, June 26, 2019 at 3:06 p.m. and the following business was discussed.

Mr. Patrick McCarthy of Mercury and Mr. Henry F. Wojtaszek, President & CEO discussed the end of the legislative session and thoughts on sports betting. They believe that there is a strong chance it could be included in the Governor's budget in 2020.

Mr. Wojtaszek informed the Committee of the Resolution needed for the extension of the agreement with Upstate Strategic Advisors, LLC. effective July 1, 2019 through December 31, 2019 at the rate of \$3,500.00 per month.

Upon motion by Committee Chairman Hendrickson and seconded by Director Siebert. A roll call vote was taken. The motion passed to extend the agreement with Upstate Strategic Advisors, LLC. effective July 1, 2019 through December 31, 2019 at the rate of \$3,500.00 per month. Ayes: 14; Nays: 0; Absent: 3; Morgan, Barnes, Ricci. (See Resolution #73-2019).

Mr. Wojtaszek informed the Committee of the Resolution needed for the extension of the agreement with Mercury Public Affairs LLC. effective July 1, 2019 through December 31, 2019 at the rate of \$6,000.00 per month.

Upon motion by Committee Chairman Hendrickson and seconded by Director Darrow. A roll call vote was taken. The motion passed to extend the agreement with Mercury Public Affairs, LLC. effective July 1, 2019 through December 31, 2019 at the rate of \$6,000.00 per month. for the professional consulting services to implement and provide ongoing supervision of WROTBC's self-insurance plan for a three (3) year term at a cost of \$47,500.00 annually. (See Resolution #74-2019).

The Legislative Committee meeting adjourned at 3:26 p.m.

8. **Insurance Committee Report:**

Mr. Wojtaszek reported the Insurance Committee meeting was held on Wednesday, June 26, 2019 and the following business was discussed.

Mr. Wojtaszek informed the Board of the Resolution needed for the professional consulting services to implement and provide ongoing supervision of WROTBC's self-insurance plan for a three (3) year term at a cost of \$47,500.00 annually.

Upon motion by Committee Chairperson May and seconded by Director Lattimore. A roll call vote was taken. The motion passed to approve the professional consulting services to implement and provide ongoing supervision of WROTBC's self-insurance plan for a three (3) year term at a cost of \$47,500.00 annually. Ayes: 14; Nays: 0; Absent: 3; Morgan, Barnes, Ricci. (See Resolution #72-2019).

The Insurance Committee meeting was adjourned 3:40 p.m.

9. **Audit Committee Report:**

The Audit Committee did not meet.

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

Committee Vice-Chairman Siebert reported the Batavia Downs Operations Committee meeting was held on Wednesday, June 26, 2019 at 2:32 p.m. and the following business was discussed.

Mr. Mark Wolf, General Manager of Gaming provided gaming statistics.

Mr. Todd Haight, General Manager Live Racing, provided a live racing update. He informed the Committee of the Whipping Rules at Batavia Downs effective July 24, 2019.

Mr. Nolan provided a Crosswalk/Lighting Capital Awards update to the Committee, stating that the Town of Batavia is backed up due to weather. He informed the Committee that the crosswalk and lighting will be much safer for pedestrians and with much more curb appeal.

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

Mr. Nolan informed the Committee that the 34 Rush kitchen extension is near completion and is projecting a July 1, 2019 opening.

Mr. Wojtaszek informed the Committee that the opening concert Survivor was held on the infield last Friday. He informed the Committee that concert ticket sales are increasing each week.

Mr. Nolan informed the Committee that bids were sent out for architectural for the loading dock/storage project and will be brought to the July Board meeting.

Mr. Nolan informed the Committee of the Resolution needed for Bill Warner Paving Co. the lowest bidder for the thermoplastic pavement in front of the Batavia Downs location as well as the install of the Batavia Downs logo imprint.

Upon motion by Committee Vice-Chairman Siebert and seconded by Director Darrow. A roll call vote was taken. The motion passed to accept the bid from Warner Paving Co. for the thermoplastic pavement in front of the Batavia Downs location as well as the install of the Batavia Downs logo imprint. Ayes: 14; Nays: 0; Absent: 3; Morgan, Barnes, Ricci. (See Resolution #64-2019).

Mr. Haight informed the Committee of the Resolution needed for the proposed agreement with the Days Inn for grooms quarters for the horse owners and trainers participating at Batavia Downs during the 2019/2020 live racing meet.

Upon motion by Committee Vice-Chairman Siebert and seconded by Director Winter. A roll call vote was taken. The motion passed to approve the proposed Days Inn Agreement in the amount not to exceed \$24,768.00. Ayes: 14; Nays: 0; Absent: 3; Morgan, Barnes, Ricci. (See Resolution #66-2019).

Mr. Wojtaszek informed the Committee of the Resolution needed for Canal Concerts Inc. to retain a professional concert consultant to oversee the setup and presentation of each concert.



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

Upon motion by Committee Vice-Chairman Siebert and seconded by Director Winter. A roll call vote was taken. The motion was approved to accept Canal Concerts Inc. to retain professional concert consultant services in the amount not to exceed \$31,500.00. Ayes: 14; Nays: 0; Absent: 3; Morgan, Barnes, Ricci. (See Resolution #67-2019).

Mr. Wojtaszek informed the Committee of the Resolution needed for Audio Images Sound and Lighting to provide various equipment, including a stage and lighting for concert performers.

Upon motion by Committee Vice-Chairman Siebert and seconded by Director Haberer. A roll call vote was taken. The motion was approved for Audio Images Sound and Lighting to provide various equipment, including a stage and lighting for concert performers in the amount not to exceed \$144,000.00. Ayes: 14; Nays: 0; Absent: 3; Morgan, Barnes, Ricci. (See Resolution #68-2019).

The Batavia Downs Committee meeting adjourned at 3:02p.m.

11. **Branch Operations Committee Report:**

Committee Chairperson Mazur reported the Branch Committee meeting was held on June 27, 2019 at 9:30 a.m. and the following business was discussed.

Mr. Edward Merriman, Manager of Branch Operations showed pictures of the new paint job at the Military Branch as well as the new front signage done by the concessionaire. He also showed pictures of new doors at the Delaware Branch and informed the Committee that staff is prepping the Marway Branch to be painted next and summer maintenance continues to work on the branches outdoor areas.

Mr. James Haas, Communications/Mutuels Manager informed the Committee that Batavia Bets was up slightly in May, less than 1%, but in June is already up almost \$110,000 or 12.6% month to date. Year to date Batavia Bets is up \$160,000 or 3%.

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

Mr. Sean Schiano, Director of Branch Operations informed the Committee that staff continues to work with Finger Lakes to get approval for two Monroe County E-Z Bet applications. He also mentioned that there is an interested party in Orleans County that he will discuss with Director Morgan.

The Branch Committee meeting adjourned at 9:45 a.m.

12. **Resolutions:**

**Resolution #63-2019 C&C Miraculous Cleaning**  
**Resolution #64-2019 Bill Warner Paving Co.**  
**Resolution #65-2019 Ford Eco Sport**  
**Resolution #66-2019 Grooms Quarters Days Inn**  
**Resolution #67-2019 Canal Concerts Inc.**  
**Resolution #68-2019 Audio Images**  
**Resolution #69-2019 Buffalo Bills Suite Pegula Sports Ent. LLC**  
**Resolution #70-2019 Compliance Officer**  
**Resolution #71-2019 Foil Officer**  
**Resolution #72-2019 Self-Funding Inc.**  
**Resolution #73-2019 Upstate Strategic Advisors LLC**  
**Resolution #74-2019 Mercury Public Affairs LLC**

13. **Unfinished Business:**

There was no unfinished business.

14. **New Business:**

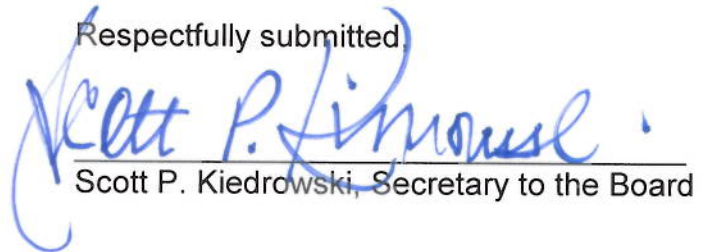
Chairman Bianchi informed the Board of the upcoming Saratoga Institute on Equine, Racing & Gaming Law Conference that is scheduled for August 6, 2019.

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

15. **Adjournment:**

Director Clifford made a motion to adjourn which Director Wamp seconded.  
The meeting was adjourned at 10:50 a.m.

Respectfully submitted,



Scott P. Kiedrowski, Secretary to the Board

/pma