

**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 June, 2012, and commencing at 10:09 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
Chautauqua	Roger E. Ruckman
Erie	Beverly A. Mazur
Genesee	Richard E. Siebert
Livingston	Thomas P. Wamp
Monroe	Richard D. Bianchi
Niagara	Scott Kiedrowski
Orleans	Marcia Tuohey
Oswego	Ronald B. Darrow
Rochester	Dennis Bassett
Schuyler	Philip C. Smith
Seneca	Richard Ricci
Steuben	John Clifford
Wayne	Ken Lauderdale
Wyoming	Jim Foley

Absent:

Maurice Garner

constituting the Directors of all participating municipalities. Also participating were Michael D. Kane, President & CEO; Michael P. Nolan, Vice President – Administration; Jacquelyne Leach, Comptroller; Henry F. Wojtaszek, General Counsel; William R. White, Vice President - Administration; Sean Schiano, Director of Branch Operations; Gayle Ashbery, Director of Purchasing; Cindy DeCarlo, Controller/Finance Manager, Joann Algier, Director of Real Estate & Property Management; Ryan Hasenauer, Director of Marketing-WROTB and Video Gaming; Mark Wolf, Director of Video Gaming & Marketing; Barb Mruczek, Deputy Comptroller; Jim Haas, Mutuels Manager and Todd Haight, General Manager of Live Racing.

A roll of the membership of the Board having been called and General Counsel Henry Wojtaszek declared a quorum present.

Chairman Bianchi proceeded to conduct the meeting following the published Agenda.

Chairman Bianchi asked Mr. Henry Wojtaszek 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 31, 2012. A motion was made by Mr. Ruckman and seconded by Mr. Darrow to approve the minutes. The motion was carried by voice vote.

**2. Communications:**

No Communications

**3. Officers' Reports:**

Mr. Mike Kane reported that there are three upcoming symposiums which Directors were formed of.

- a. 2012 Saratoga Racing and Gaming Institute on Racing & Gaming Law panels held on August 14 & August 15, 2012 in Saratoga
- b. 2012 Symposium on Racing & Gaming held Arizona on December 3 thru December 6, 2012
- c. 2013 Harness Racing Congress will be held on February 28 thru March 4, 2013 in Fort Lauderdale, Florida

**4. Finance Committee Report:**

Committee Chairman Ron Darrow reported that the Finance Committee meeting was held on Wednesday, June 27, 2012 at 3:14 p.m. and the following business was considered.

- a. Mrs. Gayle Ashbery advised the Committee that the Bid for vending machine services for the branches was opened on June 22, 2012. The sole bidder was Next Generation, the current vendor.

A motion was then made by Mr. Clifford and seconded by Mr. Smith to enter into an agreement with Next Generation for vending services with the average commission submitted in the amount of 22.56% of sales which is 1% over the previous agreement. A roll call vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion passed unanimously. **(See Resolution # 27-2012).**

**4. Finance Committee Report (continued):**

b. Mrs. Gayle Ashbery informed the Committee that a bid was opened on June 14, 2012 for cleaning contracts in the Monroe County branches. The results are attached as part of the resolution.

A motion was then made by Mr. Bassett and seconded by Mr. Wamp to enter into an agreement with Brook Valley, Inc for cleaning services in Monroe County including the City of Rochester in the amount of \$57,995.28. A roll call vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion passed unanimously. **(See Resolution # 25-2012).**

c. Mrs. Leach presented the April 2012 Comptroller's Report to the Committee as informational.

**5. Personnel Committee Report:**

Committee Chairman Tom Wamp reported that the Personnel Committee met on Wednesday, June 27, 2012 at approximately 1:30 p.m.

a. Mr. Kane briefed the Board of the Bereavement Policy. He noted that the policy does not currently address domestic partners. Further development of possible changes will be presented at the June meeting.

b. Mr. Kane recommended to the Committee a change to the Corporate Gaming employees Health Insurance Contribution. The previously approved policy did not include corporate administrative gaming employees.

A motion was then made by Mr. Wamp and seconded by Ms. Mazur to amend the Health Insurance Policy to include Corporate Administrative Gaming Employees to the Personnel Policy as noted. A voice vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion was carried.

c. Messrs. Michael Nolan and William White provided the Committee with a recommended hiring procedure to be followed.

d. Mr. Nolan informed the Board that a recent change has taken effect. Employees are no longer receiving an employee discount of 30% on purchases of Tim Horton items.

e. Mr. Nolan reported that the gaming department by department staffing review is underway. The purpose of this process is to insure scheduling hours are at a minimum.

**6. Legislative Committee:**

Committee Chairrnan Richard Siebert reported that the Legislative Committee met on Wednesday, June 27, 2012 at approximately 4:15 p.m. Ms. Lisa Marrello and Mr. Nicholas Antenucci from Wilson Elser Moskowitz Edelman & Dicker, LLP. were available via telephone conference.

a. Wilson Elser representatives provided the Committee with an update on the Albany Legislative activities regarding various issues. One item that was discussed was the administrative relief with NYRA.

b. Mr. Kane updated activities of the New York Gaming Association.

c. Due to the contract termination Greenburg/Traurig, it was recommended that the Patricia Lynch Associates be considered for WROTBC representation.

A motion was made by Mr. Foley and seconded by Mr. Haberer to waive the rules. A voice vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion was carried.

A motion was then made by Mr. Siebert and seconded by Mr. Clifford to enter into an agreement with Patricia Lynch Associates and Richardson Management for representation with legislative matters for the next year with an option of termination with a thirty day notice payable at the amount of \$36,000 each or a monthly rate of \$3,000 each. A roll call vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion passed unanimously. **(See Resolution # 30-2012).**

d. Mr. Nolan reported that County presentations in support of full casino gaming have been completed at Erie County and the City of Rochester. On July 2<sup>nd</sup> a presentation at Cayuga Legislation is scheduled.

e. Mr. Wojtaszek provided an update on the Milherst Construction lawsuit.

f. Mr. Wojtaszek informed the Directors of the Rosario case.

**7. Insurance Committee:**

Chairman Paul Lattimore reported that the Committee did not meet this month.

**8. Advertising Committee:**

Chairman John Clifford reported that the Committee met on Wednesday, June 27, 2012 at approximately 5:00 p.m.

- a. OTB promotions and events were recapped by Director of Marketing Ryan Hasenauer, General Manager of Live Racing Todd Haight and Sean Schiano, Director of Branch Operations. They discussed OTB promotions, events surrounding the Belmont Stakes. Upcoming EZ Bet Grand openings were provided.
- b. Mr. Todd Haight provided a preview of the 2012 Live Racing Season promotions.
- c. Mr. Hasenauer informed the Committee of the July "Superhero" themed casino promotions which included customer appreciation events, "Wind Bin" and other free play based promotions.
- d. Progress of the website development was given.
- e. Ms. Tuohey reported that the recent parades which the BDC Shuttle vehicle appeared in were well received. Several more have been planned this summer.

The meeting adjourned at 5:45 p.m.

**9. Audit Committee:**

Chairman Dennis Bassett informed the Board that the Committee did not meet.

**10. Property/Real Estate Committee:**

Chairman Marcia Tuohey reported that the Committee met on Wednesday, June 27, 2012 at 3:50 p.m.

- a. Mrs. Joann Algier informed the Committee that Mr. Wojtaszek was working on completing the sale of State Street to S. C. Kohli.
- b. The Committee was informed by General Counsel Wojtaszek that a closing date for Hudson Avenue has not been determined.

**10. Property/Real Estate Committee(continued):**

- c. General Counsel Wojtaszek informed the Committee that a closing date for Grant Street has been scheduled.
- d. Summaries for Auburn, Newark, Hornell, and Phoenix properties were provided.
- e. The Committee was informed that bid for repairing, sealing and striping of parking lots in Erie, Niagara and Monroe Counties will be advertised on June 28<sup>th</sup> and opened on July 12, 2012.
- f. The Committee was notified of a vending service contract renewal bid results opening which was held on June 22<sup>nd</sup>.

The Committee meeting was adjourned at 4:40 p.m.

**11. Batavia Downs Committee:**

Chairman Paul Lattimore reported that the Committee meeting was held on Wednesday, June 27, 2012 at approximately 2:15 p.m. The following items were discussed.

- a. The monthly Gaming Status Report with gaming statistics was provided to the Committee by Mr. Mark Wolf.
- b. The Committee was provided with financial statistics by Ms. Cindy DeCarlo.
- c. Mr. Kane briefed the Committee with an update on the Capital Project. Information regarding the project timeline was provided.
- d. Mrs. Gayle Ashbery provided the results of the bid for the 2012 Live Racing season's manure removal. Three bids for the service were opened on June 14<sup>th</sup>.

**11. Batavia Downs Committee (continued):**

A motion was made by Mr. Clifford and seconded by Mr. Ruckman to award the contract to Dilcher Excavating in the annual amount of \$38,000.00. A roll call vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion was carried. **(See Resolution # 24-2012).**

e. Mr. Todd Haight reported negotiating a Program Director & Charter contract with Virginia Rosenfeld of Verona, New York in the amount of \$31,098.

A motion was made by Mr. Lattimore and seconded by Mr. Smith for the Virginia Rosenfeld's contract price of \$31,098 with no change from the 2011 contract price. A roll call vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion was carried. **(See Resolution # 23-2012).**

f. Mr. Todd Haight reported negotiations with Joseph Zambito for the position of Race Secretary/Stall Man/Announcer for the 2012 in the amount of \$41,700 with no change in contract price from the previous contract.

A motion was made by Mr. Bassett and seconded by Mr. Foley to waive the rules. A voice vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion was carried

A motion was made by Mr. Lattimore and seconded by Mr. Ruckman for the contract price of \$41,700 with no change from the 2011 contract price. A roll call vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion was carried. **(See Resolution # 28-2012).**

g. Mr. Todd Haight provided the Committee with the pricing received for the marketing agreement rebidding for the living accommodations for the grooms during the 2012 racing season. It was noted that the Days Inn of Batavia provided pricing for a sum of \$24,725.

A motion was made by Mr. Foley and seconded by Mr. Bassett to waive the rules. A voice vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion was carried

A motion was made by Mr. Lattimore and seconded by Mr. Ruckman to award the 2012 Grooms Quarters agreement as noted. A roll call vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion was carried. **(See Resolution # 26-2012).**

h. Mr. Mike Kane informed the Committee that he is in receipt of the results of the DEC – CAFO facility Inspection which was conducted on May 31, 2012 to insure compliance with the regulations of the State Pollutant Discharge Elimination System.

**11. Batavia Downs Committee (continued):**

- i. Mr. Mike Nolan reported to the Committee the changes to the menu for Grandstands Bar & Grille.
- j. Mr. Dan Maloney provided the Committee with the update of the 2012 Emergency Response Plan.

The Committee meeting adjourned at approximately 2:45 p.m.

**12. Branch Operations:**

Committee Co-Chairperson Beverly Mazur reported that the Committee met on Thursday, June 28, 2012 at approximately 9:30 a.m.

- a. The Committee approved for a one-year contract for Mr. Jason Klapp as the concessionaire at the Wehrle branch pending NY Racing and Wagering Board's approval.

A motion was made by Mr. Wamp and seconded by Mr. Bassett to enter into an agreement with Mr. Jason Klapp, pending approval. A voice vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion was carried.

- b. Messrs. Jim Hass and Ryan Hasenauer provided an update of the Website development by Core101.

- c. Mr. Sean Schiano provided the Committee with updates of EZ Bets locations and branch budgets.

- d. Mrs. Gayle Ashbery provided the Committee with the bid results of the Bullshead OTB for exterior repairs which was held on June 22, 2012. After analysis by Mr. Tom Fraser of Fraser Engineering & Design Services of three bids, it recommended to award the lowest bidder, Genesee Building Restoration, Inc. Results of the bid are attached to the resolution.

A motion was made by Mr. Bassett and seconded by Mr. Foley to waive the rules. A voice vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion was carried.

A motion was made by Ms. Mazur and seconded by Mr. Smith to award the bid to Genesee Building Restoration, Inc. A roll call vote was taken. Ayes: 16; Nays: 0; Absent: 1, Garner. The motion was carried. **(See Resolution # 29-2012).**

The meeting adjourned at approximately 10:04 a.m.



**13. Resolutions:**

- # 23-2012 Virginia Rosenfeld Agreement
- # 24-2012 Manure Removal Contract
- # 25-2012 Monroe County Cleaning Service
- # 26-2012 Grooms Quarters Agreement
- # 27-2012 Vending Machine Service
- # 28-2012 Joe Zambito Contract
- # 29-2012 Bullshead Masonry Repairs
- # 30-2012 Patricia Lynch & Richard Management Agreements

**14. Unfinished Business:**

There was no unfinished business.

Mr. Clifford hopes that the General Manager of Live Racing would conduct a thorough review of race conditions of each race during the 2012 meet to insure complete integrity regarding those conditions.

Mr. Bassett commented that Mr. Nolan did an outstanding job of presenting live racing to the City of Rochester during his meeting with representatives.

Development of an honorary celebration for Mr. Joseph Gallo as the longest standing member of the Board of Directors in the history of WROTBC will be discussed at the July meeting with intentions of the dinner in August.

**15. New Business:**

The next Committee and Board meetings will be held on July 25 and July 26, 2012 respectively.

**16. Adjournment:**

A motion was made by Mr. Ruckman to adjourn the meeting which was seconded by Mr. Bassett at 10:33 a.m.

Respectfully submitted,



Henry F. Wojtaszek  
Secretary to the Board