

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 29th day of March, 2012, 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	Maurice Garner
Cattaraugus	Richard E. Haberer
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
Schuyler	Philip C. Smith
Wyoming	Jim Foley

Absent:

J. Clifford
D. Bassett
R. Ricci
J. Gallo

constituting the Directors of all participating municipalities. Also participating were Michael P. Nolan, Vice President – Administration; Jacquelyne Leach, Comptroller; Barb Mruczek, Deputy Comptroller, Steven J. Haigh, Internal Auditor; William White, Director of Human Resources; Edward Merriman, Manager of Branch Operations; Gayle Ashbery, Director of Purchasing; Mark Wolf, Senior Director of Video Gaming & Marketing; Joann Algier, Director of Real Estate & Property Management Jim Haas, Communications Manager; Ryan Hasenauer, Director of Marketing-WROTB and Video Gaming and Sean S. Schiano, Director of Branch Operations.

A roll of the membership of the Board having been called and Chairman Bianchi declared a quorum present.

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

Chairman Bianchi asked Mr. Scott 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 February 23, 2012. A motion was made by Mr. Haberer and seconded by Mr. Ruckman to approve the minutes. The motion was carried unanimously by voice vote.

2. Communications:

Mr. Michael Nolan read a letter of thanks from Genesee/Orleans Counsel on Alcoholism and Substance Abuse regarding communication with Director of Security, Dan Maloney concerning underage drinking in the community.

A second e-mail communication was conveyed by Mr. Nolan to the Board from Linda Cummings, Development Manager of HomeCare & Hospice. Gratitude was expressed for assistance by the staff on their fundraiser which was held at Batavia Downs on February 25, 2012.

3. Officers' Reports:

In addition, Mr. Nolan commented on the Board discussion at the Batavia Downs meeting regarding the marketing budget overage. Even though early warning signs were noted by Comptroller Jackie Leach, Mr. Nolan noted that staff did not react in a timely and proper manner. In the future Department Heads will pay closer attention to these types of matters.

4. Finance Committee Report:

Committee Chairman Ron Darrow reported that the Finance Committee meeting was held on Wednesday, March 28, 2012 at 5:15 p.m. and the following business was considered.

a. Mrs. Ashbery reported that a bid was opened on March 19, 2012 for lawn care services for five Erie County branches (Clinton Street, Ridge Lea, McKinley, Delaware, and Wehrle) for the 2012 spring & summer season.

A motion was made by Mr. Darrow and seconded by Mr. Kiedrowski to award the Erie County Branch lawn care bid to JDW Property and Mattucci per mow/week as noted in the resolution and attachment. A roll vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried. **(See Resolution # 14-2012 and attachment).**

4. Finance Committee Report (continued):

b. Mrs. Ashbery advised the Committee that a bid opening was held on March 19, 2012 for lawn care services for two Niagara County branches (Transit Road and River Road).

A motion was made by Mr. Darrow and seconded by Mr. Kiedrowski to award the Niagara County Branch lawn care bid to Outdoor Enhancements per mow/week as noted in the resolution and attachment. A roll vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried. **(See Resolution # 13-2012 and attachment).**

c. Mr. Darrow informed the Board that the exterior renovation of the Auburn branch in Cayuga County was discussed. Results of the environment study are pending for the projects. Therefore, it was recommended by the committee to postpone this project.

A motion was made by Mr. Wamp and seconded by Mr. Lattimore to table the resolution for the work at the Cayuga County Branch at this time. A voice vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried.

d. The Committee was informed by Mrs. Ashbery of the request for 2012 purchasing authority from vendors. The vendors considered are either on state contract or sole source.

A motion was made by Mr. Darrow and seconded by Mr. Smith to approve the purchase of office supplies from Office Max, Daily Racing Form, and Staples in amounts as noted on the attachment to the resolution. A roll vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried. **(See Resolution # 15-2012 and attachment).**

f. The annual review of the purchasing policy and procurement policy were presented to the Committee for approval. It was determined that the Ethics Officer for the Procurement Policy be named.

A motion was made by Mr. Darrow and seconded by Mr. Garner to appoint Ms. Sarah Siragusa as the Ethics Officer. A voice vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried.

g. Comptroller Jacquelyne Leach presented to the Board the February 2012 Comptroller's Report for informational purposes.

5. Personnel Committee Report:

Committee Chairman Tom Wamp reported that the Personnel Committee met on Wednesday, March 28, 2012 at approximately 2:30 p.m.

- a. A discussion regarding the reassignment of duties within the marketing and branch operations which became effective on March 26, 2012 was provided by Mr. Kane. It would be more efficient and effective for Mr. Ryan Hasenauer and Mr. Sean Schiano to report directly to Mr. William White, Director of Human Resources.
- b. Mr. White informed the Committee that Job Titles and Descriptions for personnel are being evaluated, updated and then provided to the Committee for review at the April meeting.
- c. Mr. Kane provided the Committee with information regarding the reassignment of staff and the elimination of one-half position. A staff member is working with the IT Department and there has been an elimination of a one half position.
- d. Mr. Kane requested from the Committee to delay the review of the travel policy until the April meeting. The Committee was in agreement.

6. Legislative Committee:

Committee Chairman Richard Siebert reported that the Legislative Committee met on Wednesday, March 28, 2012 at approximately 4:05 p.m. Ms. Lisa Marrello and Mr. Nicholas Antenucci from Wilson Elser Moskowitz Edelman & Dicker, LLP and General Counsel Henry Wojtaszek were available via telephone conference.

- a. Wilson Elser representatives provided the Committee with an update on the Albany Legislative activities regarding various issues.
- b. Mr. Kane informed the Committee of the ongoing relationship with New York Gaming Association.
- c. Mr. Kane informed the Committee that Chairman Bianchi and several Directors met on March 19th with Senator George Maziarz and several other officials to discuss our concerns with the casino gaming bill to be voted upon in the near future. The Legislators were very receptive to our concerns and we feel that they will represent us.

6. Legislative Committee (continued):

- d. The Committee briefly went into Executive Session to discuss contractual matters.

Chairman Bianchi thanked Director Haberer for the outstanding accomplishments while being Chairman of the Legislative Committee.

7. Insurance Committee:

Chairman Paul Lattimore reported that the Committee did not meet.

8. Advertising Committee:

Vice Chairman James Foley reported that the Committee met on Wednesday, March 28, 2012 at approximately 5:15 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, Battle of the Branches and the Handicapping Contest.
- b. Mr. Ryan Hasenauer provided the Committee with graphic samples for future advertising.
- c. Mr. Hasenauer recapped the March's casino promotions which included the Mustang give-away and Leprechaun Loot.
- d. A preview of the April promotions was provided. A program for a player tier readjustment is being developed.

9. Audit Committee:

Vice Chairman Richard Haberer informed the Board that the Committee met on March 28, 2012 at 5:40 pm.

- a. The Committee discussed ongoing audits, quarterly gaming audits which are required by Lottery, branch shortages, departmental payroll audits, food and beverage sales activities, market budget, smoking room bid analysis, policy reviews, and personnel classification discrepancies.

No action required by the Board.

10. Property/Real Estate Committee

Chairman Marcia Tuohey reported that the Committee met on March 28, 2012 at 5:27 p.m.

a. Mrs. Joann Algier provided the Board with a review of the following branches: State Street—a purchase offer which was previously approved by the Board has been withdrawn.

A motion was then made by Ms. Tuohey and seconded by Mr. Lattimore to waive the rules. A voice vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried.

A motion was made by Ms. Tuohey and seconded by Mr. Wamp for the sale of the State Street property in the amount of \$160,000 from Christian Schemke, Chris Reeg and Alex Wirth. A roll vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried. **(See Resolution #16-2012).**

b. Mrs. Algier provided the Board with information regarding the sale of the Grant Street property with a purchase offer from 443 Tonawanda LLC in the amount of \$525.00.

A motion was then made by Ms. Tuohey and seconded by Mr. Haberer to waive the rules. A voice vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried.

A motion was made by Ms. Tuohey and seconded by Mr. Smith for the sale of the Grant Street property in the amount of \$525,000 from 443 Tonawanda LLC. A roll vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried. **(See Resolution # 17-2012).**

c. Mrs. Algier briefed the Board of the initial offer for the sale of the Woodlawn property from Gregory Ross in the amount of \$85,000. During the building inspection issues were raised regarding the electrical panel and roof. Therefore, the Committee recommended the Board's approval for a reduce price for the property in the amount of \$80,000.

A motion was then made by Ms. Tuohey and seconded by Mr. Garner to waive the rules. A voice vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried.

10. Property/Real Estate (continued):

A motion was made by Ms. Tuohey and seconded by Mr. Lattimore for the sale of the Woodlawn property (3270 Lakeshore Rd; Blasdell) in the amount of \$80,000 from Gregory Ross. A roll vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried. **(See Resolution # 18-2012).**

d. Summaries of the Hudson, Auburn, Seneca Falls, Phoenix and Newark properties were provided.

The Committee meeting was adjourned at 5:35 p.m.

11. Batavia Downs Committee:

Chairman Paul Lattimore reported that the Committee meeting was held on March 28, 2012 at approximately 3:05 p.m. The following items were discussed:

a. The monthly Status Report with gaming statistics was provided to the Committee.

b. The Committee was provided with financial statistics by Ms. Cindy DeCarlo.

c. Mr. Kane briefed the Committee on the smoking room expansion change orders.

d. Mr. Dan Maloney reported to the Committee that the Emergency Response/Harassment training session have been held.

e. Mr. Dan Maloney reported that a camera has been installed in the main parking lot.

f. The status of the Capital Improvement Project was reported by Mr. Kane. The approval from the Governor and NY Lottery are pending.

g. Mr. Kane reviewed points of the Finger Lakes Revenue Sharing Agreement with the Committee.

The Committee requested the Board's approval on the passage for additional expenditures for the renovation of the smoking room.

11. Batavia Downs Committee (continued):

A motion was made by Mr. Lattimore and seconded by Mr. Foley for additional expenditures in the amount of \$6,500.00. A roll vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried. **(See Resolution # 11-2012).**

The Committee requested the Board's approval on the passage for additional expenditures needed to construct the renovation of the smoking room's HVAC.

A motion was made by Mr. Lattimore and seconded by Mr. Wamp for additional expenditures in the amount of \$9,727.00. A roll vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried. **(See Resolution # 12-2012).**

Chairman Lattimore voiced that perhaps consideration of a policy regarding patrons bringing open containers into the Casino should be made. Mr. Nolan indicated that receptacles and signage will be put in place to remedy the situation.

12. Branch Operations:

Committee Chairperson Maurice Garner reported that the Committee met on Thursday, March 29, 2012 at approximately 9:30 a.m.

- a. Messrs. Schiano and Merriman presented the agenda for the Manager's meeting which will be held on April 19th.
- b. Mr. Henry Wojtaszek and Mrs. Joann Algier provided the Committee with the status of the Niagara Falls property issue.
- c. Mr. Schiano briefed the Committee on the year to date handle update.
- d. Outcome of the brainstorming session was provided to the Committee by Messrs. Schiano and Merriman.
- e. Mr. Jim Haas informed the Committee of the recent progress of the website development by Core101.
- f. Mr. Haas updated the Committee with the CDI contract negotiations.
- g. Mr. Sean Schiano provided information regarding EZ Bet updates.

12. Branch Operations (continued):

h. The Kentucky Derby promotions were provided by Mr. Schiano

There was no action required by the Board.

The meeting adjourned at approximately 10:00 a.m.

13. Resolutions:

# 10-2012	Auburn branch exterior renovation -Tabled
# 11-2012	Smoking Room Add'l Expenditures
# 12-2012	Smoking Room Add'l Expenditures HVAC
# 13-2012	Niagara Co. Lawn Mowing
# 14-2012	Erie Co. Lawn Mowing
# 15-2012	Office Products
# 16-2012	State Street Sale
# 17-2012	Grant Street Sale
# 18-2012	Woodlawn Sale

14. Unfinished Business:

There was no unfinished business.

15. New Business:

Mr. Nolan informed the Board of a request for approval for Henry Wojtaszek to attend the Inside Counsel "Super Conference" which is being held on April 23-24, 2012.

A motion was made by Mr. Darrow and seconded by Mr. Haberer to approve travel and meal expenses for Mr. Wojtaszek to Chicago. A voice vote was taken. Ayes: 13; Nays: 0; Absent: 4, Bassett, Ricci, Clifford, Gallo. The motion was carried.

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

16. Adjournment:

A motion was by Mr. Haberer to adjourn the meeting which was seconded by Mr. Foley at 10:33 a.m.

Respectfully submitted,



Henry F. Wojtaszek
Secretary to the Board

HFV/dmf