

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 August 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:

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 Morgan
Oswego	Ronald B. Darrow
Rochester	Dennis Bassett
Seneca	Richard L. Ricci
Steuben	Vacant
Wayne	Ken Lauderdale
Wyoming	Susan May

Absent:

R. Siebert
P. Barnes

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; Mark Wolf, General Manager of Gaming; Cindy DeCarlo, Controller; James Haas, Communications/Mutuels Manager; Sean Schiano, Director of Branch Operations; Jake Rak, Controller WROTBC Operations; Megan Glor, Director of Purchasing/Real Estate, Brian Quinn, Batavia 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 Mr. James Haas, Communications Manager/Mutuels Manager 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 July 25, 2019. There being none, a motion was made by Director Bassett and seconded by Director Morgan to approve the July minutes as submitted. The minutes were approved unanimously by a voice vote.

2. **Communications:**

Mr. Scott Kiedrowski, Vice-President Operations informed the Board of the following thank you notes:

A thank you note from Volunteers for Animals for the fundraising activities at the 2019 Summer Concert Series at Batavia Downs.

A thank you note from Susan Dunlap Falbo, Event and Volunteer Manager, Community Missions of Niagara Frontier Inc. for the donation for their 18th Annual Golf Tournament.

A thank you note from Barbara Matarazzo on behalf of the Quilters and the Genesee County Office for the Aging to the entire Batavia Downs Gaming Staff that provided a surprise 95th Birthday lunch celebration for Mary Tuttle.

A thank you note from Carolyn More, Director of Community Relations at Eastern Niagara Hospital for the donation to the ENHS Dr. Dy Memorial Golf Classic raffle.

A thank you note from Peggy Marone, Director, Leadership Genesee for Batavia Downs hosting and speaking to the Genesee County, A Tourist Destination Day.

A thank you note from Benjamin Marchione, Regional Director, Western New York Make-A-Wish and Wish recipient, Evelyn for the support and generosity making her Disney Aulani Hawaii trip come true.

A thank you note from Floyd Sick, Village of Dansville Trustee for the donations for their Village Event held to combat the Opioid epidemic.

3. Officers' Reports:

There were no Officers reports.

4. Personnel Committee Report:

Committee Chairman Winter requested to enter into Executive Session at 1:04 p.m. to discuss legal matters. A motion was made by Director Haberer, seconded by Director May. A motion was made to exit Executive Session at 2:10 by Director Bianchi, seconded by Director Ricci. Committee Chairman Winter called the Personnel Committee meeting to order at 2:10 p.m. on Wednesday, August 28 and the following items were discussed:

Mr. William White, Vice President-Administration explained the need to approve three existing positions for Gaming Commission purposes. A motion was made by Director Morgan, seconded by Director May and a voice vote was taken. The motion passed unanimously to approve the titles of Assistant Concession Supervisor, Head Chef, and Administrative Assistant – Purchasing- Real Estate.

Mr. Ryan Hasenauer, Director of Marketing requested the approval of two new positions in the Marketing Department that would assist in retaining and reconnecting with customers who have not visited in a number of months, as well as helping with events on site. Director May made a motion, seconded by Director Morgan and a voice vote was taken. The motion passed to approve a Customer Engagement Specialist Supervisor –Video Gaming Operations and Customer Engagement Specialist – Video Gaming Operations. The motion passed unanimously.

The approval of full-time Security Positions was tabled by Mr. White until September.

Mr. Henry Wojtaszek, President & CEO made the Committee aware that he will be following up on an original hiring agreement with Joseph Vacanti, Director of Security, to increase his salary from \$70,000 to \$75,000 after six months of employment. A motion was made to authorize this raise by Director Ricci, seconded by Director Haberer, and passed unanimously.

4. **Personnel Committee Report continued:**

Mr. Sean Schiano, Director of Branch Operations made the Committee aware of the desire to replace a full time maintenance position in the Buffalo area with a part time employee in the same title.

The Personnel Committee meeting adjourned at 2:31 p.m.

5. **Finance Committee Report:**

Committee Chairman Lauderdale, called the Finance Committee meeting to order at 2:30 p.m. on Wednesday, August 28, 2019 and the following business was discussed.

Mrs. Jacquelyne Leach, Chief Financial Officer reviewed the July 2019 Chief Financial Officer Reports with Committee members. Mrs. Leach discussed the results of operations for branches and Batavia Downs. The Corporation will distribute \$80,578 in surcharge to member municipalities for July and had operational earnings of \$98,102.

Mrs. Leach also reviewed the July 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 July 2019 as compared to July 2018.

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

6. **Advertising Committee Report:**

Committee Chairperson May reported the Advertising Committee meeting was held on Wednesday, August 28, 2019 at 2:49 p.m. and the following business was discussed.

Mr. Todd Haight, Director/General Manager, Live Racing, delivered a presentation of events. Pictures from the successful Family Fun/Weiner Dog Races Day were shown. Mr. Haight also previewed upcoming Live Racing Events.

6. **Advertising Committee Report continued:**

Mr. Ryan Hasenauer, Director of Marketing, reviewed photos and stats on recent concerts, which were very successful. He informed the Committee that Mikala Phillips, Host Supervisor and Lindsay Matikosh, Promotions Manager attended the Raving Host & Casino Marketing and Technology Conference in Las Vegas of which Batavia Downs Gaming was the winner of two promotional gaming awards.

Mr. Hasenauer updated the Committee of the Batavia Bets Rewards Letter that was sent out that has seen an 8% redemption rate, reactivating dormant players who had not visited our facility in over a year.

Mr. Hasenauer informed the Committee of the Resolution needed for the purchase of the suite at the Rochester Arena LLC for 2019-2020 in the amount not to exceed \$35,000.04.

Upon motion by Director Morgan and seconded by Director May, a roll call vote was taken. The motion passed to purchase the suite at the Rochester Arena LLC for 2019-2020 in the amount not to exceed \$35,000.04. Ayes: 14; Nays: 0; Absent: 2; Siebert, Barnes. (See Resolution #82-2019).

The Advertising Committee meeting adjourned at around 3:04 p.m.

7. **Legislative Committee Report:**

Committee Chairman Hendrickson reported that the Legislative Committee meeting was held on Wednesday, August 28, 2019 at 3:32 p.m. and the following business was discussed.

Mr. Wojtaszek discussed his conversation with Mr. Patrick McCarthy of Mercury and the Request For Proposal ("RFP") sent out by New York State for a study on the entire Gaming Industry. The RFP will look into the need for more down state casinos, discuss mobile sports betting, and what will happen with the NYS OTB Corporations.

Mr. Wojtaszek informed the Committee that Senator Addabbo, head of the Gaming Committee in the NYS Senate will be on site Tuesday, September 3, 2019 for a tour of our facility.

7. Legislative Committee Report:

Mr. Wojtaszek discussed the possibility of Western making yearly instead of quarterly payments to member municipalities, but all agreed that this would not be beneficial to our member counties and cities.

The Legislative Committee meeting adjourned at 3:42 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, July 24, 2019 at 2:29 p.m. and the following business was discussed.

Mr. Mark Wolf, General Manager of Gaming provided gaming statistics. He informed the Committee that there are 868 machines on the gaming floor.

Mr. Haight, provided a live racing update. He reported that the Night of Champions will be held on September 14, 2019. He reported that the Post Positions for the Night of Champions will be streamed live in the Endzone room on September 11, 2019. He reported that the Board of Directors are invited to the cocktail hour for the Night of Champions September 14, 2019 from 4:30-6pm.

Mr. Wojtaszek updated the Committee of the Capital Awards Crosswalk and Lighting project that is on hold due to the Town of Batavia receiving a Federal Grant to rebuild the entire Park Rd. He informed the Committee that within the next 2 months speed humps will be added leading up to the Batavia Downs entrance crosswalk.

10. Batavia Downs Operations Committee Report:

Mr. Wojtaszek updated the Committee of the recent concert series stating how very successful the series and very rewarding the series is to our community. He informed the Committee that the 2019 concert series numbers will be presented to the Board at the September meeting.

Mr. Wojtaszek informed the Committee of the Resolution needed for the supplemental allowance for Baskin Livestock in the amount of \$8,000.00 to dispose of the debris by use of a dumpster.

Upon motion by Director Morgan and seconded by Director Lauderdale, a roll call vote was taken. The motion passed for the additional allowance for dumpster service with Baskin Livestock through November 30, 2019 in the amount of \$8,000.00. Ayes: 14; Nays: 0; Absent: 2; Siebert, Barnes. (See Resolution #79-2019).

Mr. Kiedrowski informed the Committee of the Resolution needed for Drapery Industries Inc. the only vendor to submit a bid opened on August 12, 2019 in the amount of \$29,620.00.

Upon motion by Director Morgan and seconded by Director Hendrickson, a roll call vote was taken. The motion passed the additional allowance of \$8,000.00 through November 30, 2019 with Baskin Livestock for dumpster service. Ayes: 14; Nays: 0; Absent: 2; Siebert, Barnes. (See Resolution #80-2019).

Mr. Kiedrowski informed the Committee of the Resolution needed for the supplemental allowance for Argentieri Brothers Inc. for linen services through the end of 2019 in the amount of \$15,000.00.

Upon motion by Director Morgan and seconded by Director Lattimore, a roll call vote was taken. The motion passed for the additional allowance of \$15,000.00 through the end of 2019 with Argentieri Brothers Inc. for Linen service. Ayes: 14; Nays: 0; Absent: 2; Siebert, Barnes. (See Resolution #81-2019).

Committee Chairman Morgan informed the Committee of the Resolution to purchase a new S570 T4 Bobcat Skid-Steer Loader from Clark Equipment Co. dba Bobcat Co. in the amount of \$37,424.90.

10. Batavia Downs Operations Committee Report continued:

Upon motion by Director Morgan and seconded by Director Winter, a roll call vote was taken. The motion passed to purchase a new S570 T4 Bobcat Skid-Steer Loader from Clark Equipment Co. dba Bobcat Co. in the amount of \$37,424.90. Ayes: 14; Nays: 0; Absent: 2; Siebert, Barnes. (See Resolution #83-2019).

The Batavia Downs Committee meeting adjourned at 3:33p.m.

11. Branch Operations Committee Report:

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

Mr. Schiano reported that the Military concessionaire in Niagara County has a new liquor license to operate as Mister M's; Erie County has two new subs that started this week and Monroe County has two new subs that have started as well. Mr. Schiano showed a picture from the Jefferson Road branch of work done by Maintenance and informed the Committee that a new water fountain was installed at the Auburn Branch in Cayuga County. Mr. Schiano also mentioned that Rochester maintenance did a great job of cleaning up the grounds at the Phoenix Branch in Oswego County.

Mr. Haas reported that Batavia Bets was up over \$157,000 in July or almost 15%. Through August 25th we are up over \$119,000 or 11%. Year to date Batavia Bets is up \$406,000 or almost 6%.

Mr. Schiano reported that Kim's Woodshed in Rochester, Monroe County, opened on Tuesday. Robbie's Bar and Grill in Greece/Hilton, Monroe County is scheduled to open today. The Grand Opening for both locations is yet to be determined.

A motion was made to enter into Executive Session at 9:36 a.m. by Director Morgan, seconded by Director Bassett. A motion was made to exit and adjourn at 9:40 a.m. by Director Morgan, seconded by Director Bassett.

The Branch Committee meeting adjourned at 9:40 a.m.

12. **Resolutions:**

Resolution #79-2019 Baskin Livestock
Resolution #80-2019 Drapery Industries Inc.
Resolution #81-2019 Argentieri Brothers Inc.
Resolution #82-2019 Rochester Arena LLC.
Resolution #83-2019 Clark Equipment Co. dba Bobcat Co.

13. **Unfinished Business:**

There was no unfinished business.

14. **New Business:**

Mr. Wojtaszek informed the Board that Alvin Clark will be on site shining shoes two days a week in the lobby.

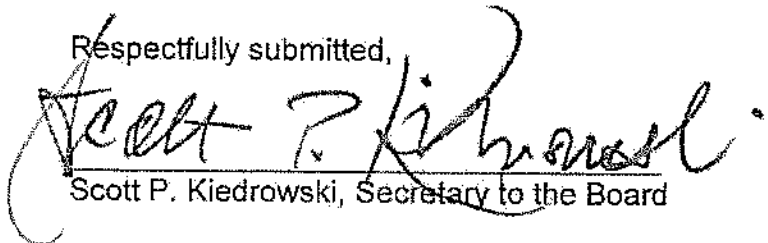
Mr. Wojtaszek informed the Board that Nicole Tomsen and Jabulani Mangena from the Office of the State Controller will be on site.

The next Committee and Board meetings are scheduled for September 25 and 26 respectively.

15. **Adjournment:**

Director Lauderdale made a motion to adjourn which Director Bassett seconded. The meeting was adjourned at 10:31 a.m.

Respectfully submitted,



Scott P. Kiedrowski, Secretary to the Board

RESOLUTION - #79-2019

WHEREAS, it is the corporate responsibility of the Western Regional Off-Track Betting Corporation ("Western") to operate its Batavia Downs location in a clean, clutter free environment; and

WHEREAS, Western has been in the process of demolishing barn 9 and disposing of the materials as part of in-house project 10-006; and

WHEREAS, Western has previously contracted with Baskin Livestock to dispose of the debris by use of a dumpster; and

WHEREAS, Western has utilized that dumpster from Baskin Livestock to dispose of the day-to-day debris, as well as the debris from the demolition of barn 9; and

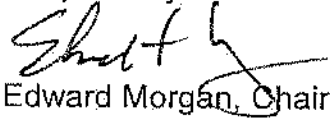
WHEREAS, Western has utilized the dumpster from Baskin Livestock in excess of its anticipated use and staff requests an additional allowance of \$8,000.00 through November 30, 2019 to dispose of the day-to-day debris 9; and

WHEREAS, staff recommends that the Board of Directors of Western approve a supplemental allowance in an amount not to exceed \$8,000.00 with Baskin Livestock for dumpster service in the back area of the facility through November 30, 2019; now therefore

BE IT RESOLVED, that the Western's Board of Directors hereby approves a supplemental purchase allowance in an amount not to exceed \$8,000.00 from Baskin Livestock for dumpster service through November 30, 2019; and

BE IT FURTHER RESOLVED, that an officer of Western is hereby authorized to execute an agreement that reflects the Board's actions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Edward Morgan", written over the printed name below.

Edward Morgan, Chairman

Batavia Downs Operations Committee

Dated: August 29, 2019
Batavia, New York

RESOLUTION - #80-2019

WHEREAS, it is the Corporate responsibility of the Western Regional Off-Track Betting Corporation ("Western") to operate its Batavia Downs Gaming location in an efficient manner, while providing the best experience available to our patrons; and

WHEREAS, the existing shade system in the Clubhouse is approximately 15 years old and is in need of replacement

WHEREAS, on August 12, 2019 public bids were opened in response to a request to provide a new shade system to the Clubhouse; and

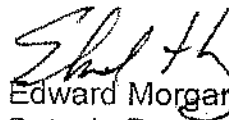
WHEREAS, Drapery Industries Incorporated was the only vendor to submit a bid; and

WHEREAS, Drapery Industries Incorporated is familiar with the existing system and has been servicing the shade system for a number of years and that staff recommends that the Board of Western accept the bid of \$29,620.00; and therefore

BE IT RESOLVED, that Western's Board of Directors accepts the bid from Drapery Industries Incorporated in the amount of \$29,620.00; and

BE IT FURTHER RESOLVED, that an officer of the Corporation is hereby authorized to execute an agreement that reflects the Board's actions.

Respectfully submitted,



Edward Morgan, Chairman
Batavia Downs Operations Committee

Dated: August 29, 2019
Batavia, New York

RESOLUTION - #81-2019

WHEREAS, it is the corporate responsibility of the Western Regional Off-Track Betting Corporation ("Western") to operate its Batavia Downs restaurants in a clean, and sanitary environment; and

WHEREAS, Western had previously entered into a three (3) year agreement with Argentieri Brothers Inc. to provide Western with weekly linen services for the Food and Beverage Department; and

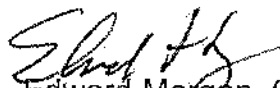
WHEREAS, Western now requires an additional \$15,000.00 to provide the linen services to the Food and Beverage Department through the end of 2019; and

WHEREAS, staff requests that the Board of Directors of Western approve a supplemental allowance in an amount not to exceed \$15,000.00 with Argentieri Brothers Inc. for linen services through the end of 2019; now therefore

BE IT RESOLVED, that the Western's Board of Directors hereby approves a supplemental purchase allowance in an amount not to exceed \$15,000.00 from Argentieri Brothers Inc for linen services through 2019; and

BE IT FURTHER RESOLVED, that an officer of Western is hereby authorized to execute an agreement that reflects the Board's actions.

Respectfully submitted,



Edward Morgan, Chairman

Batavia Downs Operations Committee

Dated: August 29, 2019
Batavia, New York

RESOLUTION #82-2019

WHEREAS, as part of its ongoing patron attraction and retention program, Western Regional Off-Track Betting Corporation ("Western") contracts with local venues to provide entertainment event tickets for a certain level of our patrons, as well as for special promotions; and

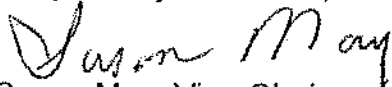
WHEREAS, Western was provided an opportunity to purchase a suite at the Blue Cross Arena from Rochester Arena, LLC ("Arena") for the Rochester Americans 2019-2020 hockey season in an amount not to exceed \$35,000.04; and

WHEREAS, Staff recommends that Western enter into an agreement with Arena for the purchase of the suite for the Rochester Americans 2019-2020 season at an amount not to exceed \$35,000.04; and therefore

BE IT RESOLVED, that the Board of Directors of Western hereby approves the purchase of a suite from Arena for the Rochester Americans 2019-2020 season in an amount not to exceed \$35,000.04; and further

RESOLVED, that the Board of Directors of Western hereby authorizes an officer of Western to execute an agreement with Rochester Arena LLC in furtherance of this resolution.

Respectfully submitted,


Susan May, Vice-Chairman
Advertising Committee

Dated: August 29, 2019
Batavia, New York

RESOLUTION #83-2019

WHEREAS, the maintenance of Western Regional Off-Track Betting Corporation ("Western") Batavia Downs facility is important to Western's lasting upkeep and public image; and

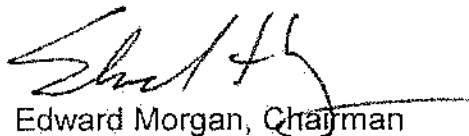
WHEREAS, maintenance of the stalls, the parking lots, and the facility in general is important to Western's overall success; and

WHEREAS, staff recommends to the Board of Directors of Western that the Company purchase a new S570 T4 Bobcat Skid-Steer Loader (as more fully described in the attached product quotation) from Clark Equipment Co. dba Bobcat Co. as part of the NYS Contact pricing bid list for \$37,424.90.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Western authorize the purchase of a new S570 T4 Bobcat Skid-Steer Loader from Clark Equipment Co. dba Bobcat Co. for the amount of \$37,424.90; and

BE IT FURTHER RESOLVED, that an officer of Western is hereby authorized to execute an agreement that reflects the Board's actions.

Respectfully submitted,



Edward Morgan, Chairman
Batavia Downs Operations Committee

Dated: August 29, 2019
Batavia, New York