

MINUTES
MEETING OF DECEMBER 17, 1998
NEW YORK STATE RACING AND WAGERING BOARD

A meeting of the New York State Racing and Wagering Board was held on Thursday, December 17, 1998 at 11:00 a.m. at the Executive Office at 1 Watervliet Avenue Extension, Suite 2, Albany, New York.

The meeting was called to order at 11:15 a.m.

In Attendance Were:

Michael J. Hoblock, Jr., Chairman
Joseph P. Neglia, Member
Bennett Liebman, Member
Edward Martin, Executive Director
Stephanie L. Donato, Secretary to the Board
Robert Feuerstein, General Counsel
Jim Gallagher, Chief of Racing Operations
John Signor, Director of Audits and Investigations
George Dranichak, Director of Racing Officials

Also in Attendance Were:

Joseph Lynch, NYSRWB
George McHugh, NYSRWB
Daryll Messner, NYSRWB
Nicole Robilotto, NYSRWB
Sue Miller, NYS Thoroughbred Breeder's Fund
Bill Heller, Thoroughbred Times
Steve Bochnak, NY Thoroughbred Horsemen's Assoc.
Heather Bennett, The Bennett Firm
Jerry Schweibel, Buffalo Raceway
Sandra Schweibel, Buffalo Raceway
Carol Phillipi, Devorsetz, Stinziano, Gilberti, Heintz & Smith, P.C.
Ron Olson, CONPOR
Michael Tighe, Capital OTB

A The Board approved the Minutes of the Board Meetings held November 13, 1998 and December 3, 1998.

B ITEMS PREVIOUSLY APPROVED, DENIED OR DEFERRED BY THE CHAIRMAN

**1. CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING
RELOCATION OF THE WHITEHALL BRANCH**

For entry into the minutes, on November 19, 1998 approval was granted for the request by Capital District Regional Off-Track Betting Corporation to amend its simulcast plan of operation to relocate the Whitehall branch from Route 4 to 140 Poltney Street (Bittersweet Mall), Route 4, Whitehall, New York.

The Board also granted permission to transfer the existing Whitehall simulcast license to the new location at 140 Poltney Street.

This approval is conditioned upon receipt of a Certificate of Occupancy, confirmation that the location is not within 500 feet of a church or school and written confirmation from appropriate local officials that the location of such facility and the number of patrons expected to occupy the facility are in compliance with all applicable local ordinances.

2. YONKERS RACEWAY DECEMBER CHANGES

For entry into the minutes, on November 19, 1998 approval was granted for the request by Yonkers Raceway to cancel Wednesday racing programs beginning Wednesday, December 2nd through the end of Yonkers' 1998 meet. The Board also granted permission for Yonkers to amend its post time on Saturday, December 26th from 7:40 p.m. to 6:00 p.m. and card 15 races on Thursday, December 31, 1998.

**3. FINGER LAKES RACING ASSOCIATION INC. PICK 6 ON
NOVEMBER 29, 1998**

For entry into the minutes, on November 19, 1998 approval was granted for the request by Finger Lakes Racing Assoc., Inc. to distribute the entire Pick 6 pool on Sunday, November 29th, 1998 in accordance with Board rule 4011.23 (e).

November 29th was the last Pick 6 for the remainder of the 1998 meet.

4. **MONTICELLO RACEWAY DECEMBER CHANGES**

For entry into the minutes, on November 20, 1998 approval was granted for the request by Monticello Raceway to amend its 1998 Harness license for the month of December as per the following:

1. Change post time on Wednesdays from 3:30 p.m. to 7:30 p.m.
2. Change post time on other race days from 3:30 p.m. to 1:05 p.m.
3. **Add:** Thursday, December 24th.

5. **NASSAU REGIONAL OFF-TRACK BETTING CORPORATION
SIMULCAST AGREEMENT WITH FAIR GROUNDS**

For entry into the minutes, on November 20, 1998 approval was granted for the request by Nassau Regional Off-Track Betting Corporation to simulcast and accept wagers on the races contested at the Fair Grounds in New Orleans, Louisiana beginning November 26th through March 29th, 1999.

6. **NASSAU REGIONAL OFF-TRACK BETTING CORPORATION
SIMULCAST AGREEMENT**

For entry into the minutes, on November 25, 1998 approval was granted for the request by Nassau Regional Off-Track Betting Corporation on behalf of Suffolk Off-Track Betting Corporation to simulcast and accept wagers on the races contested at the Sam Houston Race Park Ltd. in Houston, Texas effective immediately through April 11th, 1999.

Nassau and Suffolk OTB will only simulcast Sam Houston races on Sunday as a bridge track from 6:00 p.m. to 7:30 p.m.

7. **MONTICELLO RACEWAY SIMULCAST RACEWAY
AGREEMENT WITH FREEHOLD**

For entry into the minutes, on November 25, 1998 approval was granted for the request by Monticello Raceway to accept simulcasts from Freehold Raceway in New Jersey effective immediately. It is understood that this simulcast is approved through December 31, 1998 only.

Before continuing the import after that date, a new permission letter from the New York Racing Association Inc. (NYRA) must be filed with the Board.

8. **YONKERS RACEWAY SIMULCAST AGREEMENT WITH FREEHOLD**

For entry into the minutes, on November 25, 1998 approval was granted for the request by Yonkers Raceway to accept simulcasts from Freehold Raceway in New Jersey effective immediately. This simulcast is approved through December 31, 1998 only.

Before continuing the import after that date, a new permission letter from the New York Racing Association Inc. (NYRA) must be filed with the Board.

9. **YONKERS RACEWAY SIMULCAST TO PENN NATIONAL**

For entry into the minutes, on December 1, 1998 approval was granted for the request by Yonkers Raceway to simulcast races Mondays and Tuesdays to Penn National in Grantville, P.A., beginning December 7th through the 31st. This approval extends through the life of this contract that is in effect until December 31st, 1999.

10. **NEW YORK CITY REGIONAL OFF-TRACK BETTING CORPORATION (ON BEHALF OF ALL OTBs) SIMULCAST AGREEMENT WITH BALMORAL PARK AND MAYWOOD PARK**

For entry into the minutes, on December 1, 1998 approval was granted for the request by New York City Off-Track Betting Corporation on behalf of itself and all OTBs to simulcast harness programs from Illinois at Balmoral and Maywood Parks.

This approval extends through December 31, 1998.

11. **MONTICELLO RACEWAY SIMULCAST AGREEMENTS**

For entry into the minutes, on December 1, 1998 approval was granted for the request by Monticello Raceway to import simulcasts from the Fair Grounds in New Orleans and from Suffolk Downs in Boston.

In addition, approval has been granted to export the Monticello simulcast signal to Finger Lakes Racetrack in Farmington, New York during their winter simulcast season.

12. **NEW YORK CITY OFF-TRACK BETTING CORPORATION (ON BEHALF OF ALL OTBs) SIMULCAST AGREEMENT WITH SAM HOUSTON RACE PARK**

For entry into the minutes, on December 1, 1998 approval was granted for the request by New York City Off-Track Betting Corporation to simulcast Sam Houston Race Park in Texas as a bridge signal on Sunday evenings effective immediately. The signal may be accepted upon conclusion of the last race at the operating NYRA track and until 7:30 p.m. No wagering on any race with an advertised post time past 7:30 p.m. may be accepted. This approval applies to all Off-Track Betting Corporations.

13. **WESTERN REGIONAL OFF-TRACK BETTING CORPORATION
REQUEST TO AMEND PLAN OF OPERATION**

For entry into the minutes, on December 7, 1998 approval was granted for the request by Western Regional Off-Track Betting Corporation to amend its plan of operation and relocate the Genesee County Mall Facility in Batavia, New York to the recently purchased Batavia Downs Facility.

14. **FINGER LAKES WINTER SIMULCAST MEET**

For entry into the minutes, on December 7, 1998 approval was granted for the request by Finger Lakes Racing Association to simulcast imports from the following locations:

Calder Racecourse	Monticello Raceway
Fair Grounds	Philadelphia Park
Hollywood Park	Turf Paradise
Laurel/ Pimlico	

Conditional approval is granted for the importation of simulcasts from the following tracks:

Ladbroke Golden Gate – submitted Cal. commission & horsemen's approval have expired.

Sam Houston Park – no Texas commission & horsemen's approval. Have expired.

Suffolk Downs – no Massachusetts commission & horsemen's approval.

Tampa Bay Downs – no Florida commission & horsemen's approval.

15. **YONKERS RACEWAY SIMULCAST AGREEMENT WITH
FRASER DOWNS**

For entry into the minutes, on December 7, 1998 approval was granted for the request by Yonkers Raceway for approval of the contract between Yonkers and Fraser Downs of Surrey, British Columbia, Canada for the import of the simulcast signal on the night of Tuesday, December 15, 1998.

C ITEMS PREVIOUSLY APPROVED, DENIED OR DEFERRED BY BOARD

1. **THE NEW YORK RACING ASSOCIATION INC.
REQUEST TO AMEND 1999 RACING SCHEDULE**

For entry into the minutes, on December 8, 1998 the Board approved the request by NYRA to amend its 1999 racing schedule pursuant to Section 229 of the Racing, Pari-Mutuel Wagering and Breeding Law, as per the following:

ADD: Wednesdays, January 20th and February 17th
Mondays, March 29th, April 5th and
December 20th and 27th.

These additional days will result in the scheduling of 107 racing days in the subject period, an equivalent number to the dates run from December 1, 1994 through April 30, 1995.

D ITEMS TO BE APPROVED, DENIED OR DEFERRED BY THE BOARD

1. SYRACUSE MILE TRACK LICENSE APPLICATION

The Board approved the 1999 track license application submitted by the Syracuse Mile, Inc. for racing dates (six programs) from August 6th through August 15, 1999.

The Audits and Investigations Unit is still reviewing the security arrangements for the Syracuse Mile and will communicate its recommendations on those issues when finalized.

This approval is conditioned upon compliance with security requirements as well as the applicant's compliance with the provisions of all applicable statutes, rules and regulations, orders and directives of the New York State Racing and Wagering Board.

2. MONTICELLO RACEWAY TRACK LICENSE APPLICATION

The Board approved the 1999 track license application submitted by Monticello Raceway for racing dates beginning Sunday, January 3 through Wednesday, December 29, 1999.

This approval is conditioned upon satisfactory processing of the applications recently filed by the directors of Monticello Raceway Management, Inc. as well as the applicant's compliance with the provisions of all applicable statutes, rules and regulations, orders and directives of the New York State Racing and Wagering Board.

3. VERNON DOWNS TRACK LICENSE APPLICATION

The Board conditionally approved the track license application submitted by Vernon Downs, subject to the following:

a) Vernon Downs must submit a "business plan" by January 22, 1999 to the New York State Racing and Wagering so as to assure the Board that Vernon Downs will continue to operate in a fiscally prudent manner. In addition, a written statement is required as to what provisions will be

made to ensure that the programs implemented by the Compliance Monitor Andrew Goodell will continue; and

b) The Audits and Investigations Unit is reviewing the security arrangements submitted and will communicate suggestions to track management in the near future; and

c) This approval is further conditioned upon the applicant's compliance with the provisions of all applicable statutes, rules and regulations, orders and directives of the New York State Racing and Wagering Board.

The Board discharged the \$416,000 fine imposed on March 9, 1998, which had been previously suspended by the Board pending receipt of a satisfactory report from the compliance monitor following the 1998 racing meet.

4. **BUFFALO RACEWAY REQUEST FOR 1999 STAKES RACES**
The Board approved the conditions submitted by Buffalo Raceway for the conduct of stakes races during 1999, pursuant to Board rule 4111.23.

5. **MONTICELLO RACEWAY REQUEST TO CONDUCT A TWO MILE TROTTING RACE**
The Board approved the amended request by Monticello Raceway to conduct a one and three-quarter mile trot race "The Monticello Marathon" on Sunday, December 27, 1998.

6. **YONKERS RACEWAY REQUEST FOR ADDITION OF A 13TH RACE CARD**
The Board approved the Yonkers Raceway request to add a thirteenth (13th) race should the number of horses entered for a given race card allow.

This approval is conditioned upon full fields (8 betting interests) being available to fill races comprising of a 13 race card and is subject to notification of and approval by the Presiding Judge. must be notified before any such race is implemented.

7. **YONKERS RACEWAY REQUEST FOR WITHDRAWAL FROM ITS CAPITAL IMPROVEMENT FUND**
The Board approved withdrawal of \$216,312.39 as the remaining balance of the Yonkers Raceway November 5, 1998 Capital Improvement Fund request. That original request was for \$516,312.39. Previously, on

November 13, 1998, the Board approved the withdrawal of \$300,000 from Yonkers' CIF account for expenses related to the grandstand demolition and advertising and promotional expenses.

8. FINGER LAKES RACING ASSOCIATION, INC. REQUEST FOR WITHDRAWAL FROM ITS CAPITAL IMPROVEMENT FUND

The Board approved the request by Finger Lakes to withdraw \$102,560.07 from the track's Capital Improvement Fund account.

The request consists of (as described below) paving of the track's west and north parking lots. In addition, audiovisual equipment was purchased along with equipment racks for security.

Paving Parking Lot	\$97,860.15
Cables (for CCTV Camera)	4,177.76
Equipment Racks (Security)	<u>522.16</u>
Total	<u>102,560.07</u>

9. FINGER LAKES RACING ASSOCIATION, INC. REQUEST FOR WITHDRAWAL FROM ITS CAPITAL IMPROVEMENT FUND

The Board approved the withdrawal of \$212,783.88 from the track's Capital Improvement Fund for the following expenses:

Air Conditioning & Heating System (Main Building)	\$151,011.08
Roofing (Main Building)	32,100.00
(8) 27 Inch Color Monitors	2,953.20
CCTV Antenna System	3,038.29
Computers & Software	4,263.48
Cameras & Related Equipment	8,787.60
Fax Machine	2,562.65
Parking Signs	4,123.98
Level Bar for Track	1,991.72
Miscellaneous -other	<u>3,489.34</u>
Total Submitted Application	<u>\$212,783.88</u>

The sum of \$287.23 was denied as items of supply and maintenance. The sum of \$963.00 for two-way radios was deferred pending additional information.

10. HARNESS HORSE BREEDERS OF NYS 1999 NYS AND COUNTY FAIR EARLY CLOSING EVENTS

The Board approved the conditions for various stakes and early closing event as contained in the November 24, 1998 letter from the Harness Horse Breeders of New York State as per Board rule 4111.23.

All events are subject to the rules and regulations of the Board.

11. CERTIFICATION TO THE COMMISSIONER OF TAXATION AND FINANCE

The Board approved the certification pursuant to Section 228(3)(b)(i) of the Racing, Pari-Mutuel Wagering and Breeding Law for Finger Lakes Race Track and pursuant to Section 318 (5) that Buffalo Raceway, Monticello Raceway, and Yonkers Raceway for 1999 have been assigned at least 90% of program races raced in 1985 or 1986 (whichever year had the fewer).

Regarding Saratoga Raceway and Vernon Downs the Board has found that it would be uneconomical or impractical for this association to be assigned the prescribed number, and that such findings entitles them to be considered as if they did comply with such requirements. Regarding Batavia Downs, the Board has not granted a license and no dates have been assigned for 1999.

This certification is made for the purpose of confirming the pari-mutuel tax rate to be established in 1999 Buffalo Raceway, Finger Lakes Race Track, Monticello Raceway, Saratoga Raceway, Syracuse Mile, Vernon Downs and Yonkers Raceway.

12. MATTER OF JOSEPH SCHIFANO

The Board approved the recommendation of Hearing Officer Liebman that Mr. Schifano be found guilty of possession of a hypodermic syringe at Monticello Raceway on June 24, 1998, in violation of Board Rule 4120.6 (a) (1) and that the penalty be increased from forty-five to sixty days.

13. MATTER OF GREG BLOWERS

The Board approved the recommendation of Hearing Officer Liebman that Mr. Blowers be licensed as a groom in harness racing in 1999 and that he not be authorized to hold any other license in harness racing until at least such time as he has obtained a certificate of good conduct. In the event that Mr. Blowers is convicted of a crime or in the event that he should intentionally violate any of the provisions of the Racing Law or Article 9E of the Official Compilation of Codes, Rules and Regulations of the State of New York, his license as a groom should be revoked.

14. CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING CORPORATION REQUEST TO AMEND SIMULCAST PLAN OF OPERATION

The Board approved the Capital OTB request dated November 13, 1998 to amend its simulcast plan of operation to relocate the 140 Guy Park Avenue, Amsterdam, New York branch location to 110 Riverfront Center (Space #10), Amsterdam, New York.

The Board also grants permission to transfer the existing Amsterdam simulcast license to the new location at 110 Riverfront Center.

This approval is conditioned upon receipt of a Certificate of Occupancy, confirmation that the location is not within 500 feet of a church or school and written confirmation from appropriate local officials that the location of such facility and the number of patrons expected to occupy the facility are in compliance with all applicable local ordinances.

15. NEW YORK CITY OFF-TRACK BETTING CORPORATION CLOSURE OF QUEENS BRANCH

The Board approved the closure of the 165-98 Baisely Blvd., Queens, New York branch as of December 31, 1998.

16. NEW YORK CITY OFF-TRACK BETTING CORPORATION NYRA CONSENT TO O'NEILL'S RESTAURANT

The Board approved the New York City Off-Track Betting Corporation letter agreement dated December 2, 1998 with the New York Racing Association Inc. ("NYRA") for the display of NYRA races to O'Neill's Restaurant in Maspeth, New York.

17. NEW YORK CITY OFF-TRACK BETTING CORPORATION PROPOSED AGREEMENT WITH BELL ATLANTIC

The Board approved the NYC OTB request dated November 24, 1998 to amend its Plan/Simulcast Plan of Operation to enter into a "fiber based multi-channel video service" with Bell Atlantic for the distribution of simulcast signals throughout its branch facilities.

18. CATSKILL REGIONAL OFF-TRACK BETTING CORPORATION - FINAL DISPOSITION OF FINE

The Board considered the final administration disposition of the fine as set forth in the August 25, 1998 letter to Catskill OTB.

The Board authorized the final issuance of a fine in the amount of \$15,000 for violation of the Board's order to pay the outstanding obligation to NYRA no later than August 24, 1998.

19. CATSKILL REGIONAL OFF-TRACK BETTING CORPORATION AND NEW YORK CITY OFF-TRACK BETTING CORPORATION-SIMULCAST AGREEMENT WITH FREEHOLD

The Board approved the addition of Catskill OTB to an existing simulcast contract between Capital/Western OTB and Freehold Raceway in New Jersey. This approval is contingent upon the prior satisfaction of all outstanding fines and/or other obligations payable to the Board.

New approval letters from the New Jersey Racing Commission and the Standardbred Owners and Breeders Association of New Jersey, Inc., will be filed with the Board for the 1999 racing season.

20. DISTRIBUTION TO PURSES

The Board deferred for the thirty days the issue of whether the revenues received by the New York Racing Association ("NYRA") pursuant to an expired contract with the New York City Off-Track betting Corporation ("NYCOTB") had been appropriately distributed to purses at NYRA, pursuant to the provisions and requirements of the Racing, Pari-Mutuel Wagering and Breeding Law.

E ITEMS FOR BOARD INFORMATION/ DISCUSSION

- 1. CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING CORPORATION-12-32-E**
Preliminary report of robbery at the Jerzee's branch location in Oneida Co.
- 2. CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING CORPORATION-11-36-E**
Tote system error on September 23, 1998.
- 3. CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING CORPORATION-12-28-E**
Notice of claim from Albin Rajski.
- 4. NEW YORK CITY OFF-TRACK BETTING CORPORATION-12-29-E**
Letter agreement with NYRA regarding joint legislative efforts.
- 5. WESTERN REGIONAL OFF-TRACK BETTING CORPORATION-12-1-E**
Certificate of occupancy for 228 Huntley Rd., Schroepfel, NY.