

MINUTES

NEW YORK STATE RACING AND WAGERING BOARD

MEETING OF AUGUST 15, 2001

A meeting of the New York State Racing and Wagering Board was held on Wednesday, August 15, 2001 at 11:30 a.m. at the Gideon Putnam Room of the Administration Building in the Saratoga Spa State Park, Saratoga, New York.

The meeting was called to order at 11:35 a.m.

In Attendance Were:

Michael J. Hoblock, Jr., Chairman

Cheryl Buley, Member

Edward Martin, Executive Director

Maureen McGrath, Secretary to the Board

Robert Feuerstein, General Counsel

Tom Casaregola, Director of Audits & Investigations

Joe Lynch, Chief of Racing Operations

Also in Attendance Were:

Dianne Landor, NYSR&WB

Stacy Walker, NYSR&WB

Mark Stuart, NYSR&WB

Dennis Yusko, Times Union

Bill Crowell, NYRA

OPEN COMMENT PERIOD: No comments were made.

A. The Board approved the minutes of the Board meeting held on July 18, 2001.

B. ITEMS PREVIOUSLY APPROVED OR DEFERRED BY THE CHAIRMAN.

1. FINGER LAKES REQUEST TO OFFER VARIOUS PROMOTIONS

For entry into the minutes, on July 18, 2001, approval was granted for the request by Finger Lakes to conduct various promotions at the track during August and September.

Specifically approved were the Memorial Day "Fortune Hunter" promotion; the Lucky 7th Race promotion on August 4th; the Charity Media Run on August 11th; the Finger Lakes Handicapping Challenge on August 18th & 19th and the Finger Lakes Cash Cube promotion on August 25th.

The Board also acknowledges the Labor Day Celebration on September 3rd, with the discounted admission, musical entertainment, kids activities and food specials that do not require Board approval.

2. MONTICELLO RACEWAY LIST OF SIMULCAST LOCATIONS FOR 2001

For entry into the minutes, on July 18, 2001, approval was granted for the request by Monticello Raceway to amend their simulcast plan of operation enabling the export of their simulcast signal to a new site, the Choctaw Racing Services, LLC in Durant, Oklahoma and its listed simulcast affiliates, effective immediately.

* For entry into the minutes, on July 27, 2001, approval was granted for the request by Monticello Raceway to amend their simulcast plan of operation enabling the import of the Pompano Park (Florida) simulcast signal whenever permitted under the Racing Law.

Although the contract is written and agreed to through June 30, 2001, the federally required permission letter from the Florida Standardbred Breeders and Owners Association is for the timeframe of July 1, 2000 through December 31, 2001. Therefore, the Board's approval extends through December 31, 2001. To continue with the Pompano Park simulcast after that date, a new Florida Standardbred Breeders and Owners Association permission letter covering the period January 1, 2002 through June 30, 2002 must be filed with the Board.

Included with the approved amendment to the simulcast plan of operation is the agreement allowing the import of the simulcast from the year 2001 Del Mar Race Course thoroughbred meeting and the five-day Syracuse Mile instate harness meet.

* For entry into the minutes, on July 31, 2001, approval was granted for the request by Monticello Raceway to amend their simulcast plan of operation enabling the import of the Ocean Downs harness simulcast signal from Maryland.

This approval is valid throughout the entire year 2001 Ocean Downs race meeting.

3. SARATOGA HARNESS REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2001

For entry into the minutes, on July 18, 2001, approval was granted for the request by Saratoga Harness to amend their simulcast plan of operation enabling the import of simulcasts from the thoroughbred racetrack in California known as the Del Mar Racecourse and from Rockingham Park, a thoroughbred racetrack in New Hampshire.

These imported simulcast signals may be used whenever permitted under the Racing Law.

* For entry into the minutes, on August 2, 2001, approval was granted for the request by Saratoga Harness to amend their simulcast plan of operation enabling the import of the simulcast signal from The Syracuse Mile during its August year 2001 five-day race meeting.

4. FINGER LAKES REQUEST FOR SIMULCAST LOCATIONS FOR YEAR 2001

For entry into the minutes, on July 20, 2001, approval was granted for the request by Finger Lakes to amend their simulcast plan of operation enabling the exportation of their thoroughbred simulcast signal to a new customer, the New York Racing Association (NYRA) during its Saratoga racing season.

The Finger Lakes simulcast will be utilized by NYRA at both its live Saratoga meeting and its Aquetoga simulcast center at Aqueduct Racetrack.

This approval is valid through September 2, 2001 as stated in the contract.

5. VERNON DOWNS REQUEST TO SIMULCAST FROM VARIOUS LOCATIONS IN 2001

For entry into the minutes, on July 20, 2001, approval was granted for the request by Vernon Downs to amend their simulcast plan of operation enabling the import of the simulcast signals from the Hippodrome De Montreal in Canada, Hazel Park in Michigan,

Scioto Downs in Ohio and Harrington Park in Delaware, all harness race tracks.

Also approved in relation to their simulcast plan of operation were the agreements for imported thoroughbred simulcasts from Prairie Meadows in Iowa, Great Lakes Downs in Michigan, Rockingham Park in New Hampshire and the Churchill Downs, Inc. owned tracks of Calder Racecourse in Florida, Hollywood Park in California and Arlington Park in Illinois.

The Hollywood Park portion of the Churchill Downs contract is approved for the Hollywood Park Spring-Summer meeting only coinciding with the Thoroughbred Owners of California (TOC) federally required letter of simulcast permission. To continue in the Fall of 2001 with Hollywood Park simulcasts, a new TOC permission letter must be filed with the Board.

In relation to exporting the Vernon Downs simulcasts, approved were the agreements providing for Vernon Downs simulcast being sent to Plainridge Raceway in Massachusetts, Lewiston Raceway in Maine and its satellites Dover Downs and Harrington Raceway in Delaware and the Winners OTB Sports Bar in Brunswick, Maine.

Also approved is the contract for the remainder of 2001 with the in-state regional off-track betting corporation, Capital District OTB.

* For entry into minutes, on July 27, 2001, approval was granted for the request by Vernon Downs to amend their simulcast plan of operation enabling the import of the simulcast signals from the thoroughbred racetrack in California known as the Del Mar Racecourse.

This imported simulcast signal may be used whenever permitted under the Racing Law.

6. CAPITAL OTB REQUEST TO CLOSE E-Z BET LOCATION - ROME

For entry into the minutes, on July 20, 2001, approval was granted for the request by Capital OTB to amend their plan of operation by closing the Oneida County off-track betting E-Z Bet facility generally known as "Bucky's Restaurant & Bar" at the close of business on Sunday, August 5, 2001.

7. VERNON DOWNS REQUEST TO OFFER SECOND SUPERFECTA WAGERING

For entry into the minutes, on July 24, 2001, approval was granted for the request by Vernon Downs to conduct "superfecta wagering"

on its fifth race daily for the remainder of the current year 2001 racing season. This is in addition to the previously approved superfecta on their last race.

8. NYRA REQUEST TO DESIGNATE RACES AS "SPECIAL EVENTS"

For entry into the minutes, on July 27, 2001, approval was granted for the request by NYRA for an amendment to their simulcast plan of operation by the designation of three out-of-state stakes races during August as "special events".

Receiving the "special event" designation are the following:

8/4/01 Claiming Crown Jewel Canterbury Park - Minnesota

8/11/01 The Gardenia Stakes Ellis Park - Kentucky

8/12/01 The Oklahoma Derby Remington Park - Oklahoma

9. NYRA REQUEST TO OFFER A \$500,000 GUARANTEE ON A PICK 4 WAGER

For entry into the minutes, on July 27, 2001, approval was granted for the request by NYRA to guarantee the Travers Stakes Day pick-four pari-mutuel pool total to a minimum balance of at least \$500,000.

Should the pool total less than \$500,000 upon the close of pick-four wagering, an additional amount of NYRA promotional money will be added to the pool to attain the minimum \$500,000 figure.

10. NYRA REQUEST TO DESIGNATE RACES AS "SPECIAL EVENTS"

For entry into the minutes, on July 31, 2001, approval was granted for the request by NYRA for an amendment to their simulcast plan of operation by the designation of a fourth out-of-state stakes race during August as a "special event".

Receiving the "special event" designation are the Claiming Crown Emerald Stake on Saturday, August 4th from Canterbury Park in Minnesota. This is a companion stake race to the previously approved "special event", The Claiming Crown Jewel also contested on August 4th at Canterbury Park.

11. YONKERS REQUEST FOR SIMULCAST LOCATIONS FOR THE YEAR 2001

For entry into the minutes, on July 31, 2001, approval was granted for the request by Yonkers Raceway to amend their simulcast plan of operation enabling the import of the simulcast signal from The Syracuse Mile during its August year 2001 five-day race meeting.

Also approved under the Board's policy of requiring all import agreements, export agreement with contiguous states or export contracts with new entities, is the agreement with Les Bois Park in Idaho, a new Yonkers Raceway customer.

* For entry into the minutes, on August 8, 2001, approval was granted for the request by Yonkers Raceway to amend their simulcast plan of operation enabling the import of the harness simulcast signals for the remainder of the year 2001 harness race meeting conducted at Hoosier Park in Indiana.

12. NASSAU OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS FOR 2001

For entry into the minutes, on July 31, 2001, approval was granted for the request by Nassau OTB to amend their simulcast plan of operation enabling the import of the simulcasts from Remington Park in Oklahoma and from Ruidoso Downs in New Mexico during their 2001 meetings.

This approval to import the Remington Park and Ruidoso Downs simulcasts also applies to Suffolk Regional OTB. These simulcasts may be imported and utilized for wagering whenever in accordance with the Racing Law.

* For entry into the minutes, on August 8, 2001, approval was granted for the request by Nassau OTB to amend their simulcast plan of operation enabling the import of the Ocean Downs harness simulcast signal from Maryland. This approval is valid throughout the entire year 2001 Ocean Downs race meeting.

This approval further extends to the Suffolk Regional Off-Track Betting Corporation.

13. NYRA REQUEST TO OFFER CONTEST ON WEBSITE

For entry into the minutes, on August 8, 2001, approval was granted for the request by NYRA to conduct the Fall 2001 Belmont Park Sudden Death Internet handicapping contest throughout the year 2001 Fall Belmont Park race meeting.

The handicapping contest will be conducted according to the rules and regulations submitted to the Board.

14. FINGER LAKES REQUEST TO OFFER PROMOTION - 8/27/01

For entry into the minutes, on August 8, 2001, approval was granted for the request by Finger Lakes to amend their plan of operation to conduct the Finger Lakes Cash Cube Grab promotion with the radio station 94.1 The Zone on Monday, August 27, 2001.

The promotion will be conducted according to the rules and regulations submitted to the Board.

C. ITEMS PREVIOUSLY APPROVED, DENIED OR DEFERRED BY THE BOARD

1. NYRA REQUEST FOR ANNEXATION OF PROPERTIES FOR SARATOGA MEET

For entry into the minutes, on July 27, 2001, the Board granted approval of the request by NYRA for the annexation of an additional property to the NYRA grounds in compliance with Board rules addressing the administration of furosemide only on the grounds of a licensed or franchised racing association or corporation during the time period from 4 to 4½ hours before the scheduled post time of the race in which the horse is to compete. NYRA is to provide security during the time periods encompassing the furosemide administration until the horse leaves the property to race.

The latest approval is the property occupied by trainer Jeff Odintz that is located at 144 Jefferson Street on the corner of Gridley Street.

Included among the previously approved annexations are the properties of Stonerside North (Trainer Bill Mott; Assistant Trainer - Dave Wallace - Nelson Ave. Estate), the Malone Property (Trainer Bill Hebert - 34 Nelson Ave.), Lambholm (Trainer Roy Lerman - 39 Gridley St.), Hunter's Hollow (Dr. Bill Barnes, D.V.M. - 63 Henning Road), the Edward Miller Stables (Trainer Edward Miller - 13 Gridley St.) and the H. James

Bond Stable (Trainer - H. James Bond - 42 Gridley St.). Bill Mott is an authorized agent for the property owner, the Stonerside Stud Corporation incorporating Stonerside North (Robert McNair).

The approval for the annexation of the Jeff Odintz property is effective immediately.

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

1. IN THE MATTER OF STEVEN BRUNO

The Board approved Hearing Officer Baller's recommendation that the refusal to license Steven Bruno be upheld based upon a finding that his experience, character and general fitness are such that his participation in harness racing is inconsistent with the public interest, convenience and necessity or with the best interests of racing.

2. IN THE MATTER OF STEVEN GREEN

The Board approved Hearing Officer Baller's recommendation to uphold the decision of the judges at Buffalo Raceway to suspend Mr. Green' s driving license for eight (8) days for violation of Board Rule 4117.4(a) while driving the horse STORM WORTHY in the eighth race on June 6, 2001 because he bore in when another horse was so near as to be caused to shorten/break stride and be taken back.

3. IN THE MATTER OF DAVID SPAGNOLA

The Board approved Hearing Officer Baller's recommendation to uphold the decision of the Presiding Judge at Saratoga Raceway to disqualify and place 5th the horse BONDLYN' S BIG MACK owned by David Spagnola for interference after the start that caused the horse SPEEDLUNKER to go off stride in the eighth race at Saratoga Raceway on June 12, 2001 in violation of Board Rule 4117.4(a).

4. IN THE MATTER OF JAMES W. TAKTER

The Board denied Hearing Officer Baller's recommendation to uphold the finding that Mr. Takter violated NYCRR 4112.12 in that he made a driver change after programming time for the 4th race on May 22, 2001 at Yonkers Raceway. The Board found that the record establishes that Mr. Takter made reasonable attempts to satisfy his responsibility. Accordingly, the \$100 fine was annulled.

5. PROPOSED AMENDMENTS TO GAMES OF CHANCE RULES - (GC-01-02)

The Board approved for proposal by consensus rulemaking the amendment to Board Rules 5600.1, 5608.4, 5608.5, 5608.7, 5611.1, 5611.2, 5620.19, and 5620.22.

Under these amendments, the Board' s Games of Chance Rules and Regulations will conform to provisions contained in Chapter 637 of the Laws of 1999 and Chapter 337 of the Laws of 1998.

6. BUFFALO RACEWAY REQUEST TO WITHDRAW FROM CIF - \$40,546.00

The Board approved the request by Buffalo Raceway, dated June 28, 2001, to withdraw \$40,546.00 from its Capital Improvement Fund.

<u>Backstretch (75%)</u>	
Roof for north side of Barn 3	\$ 6,210.00
New roof on winter Paddock	6,355.00
Insulation and metal roof on Barn 15	<u>18,000.00</u>
Total Backstretch	\$30,565.00
<u>Other (25%)</u>	
Removal and installation of floor tile in Grandstand foyer	\$ 6,496.00
Additional repair work to install tile in Grandstand foyer	<u>3,485.00</u>
Total Other	9,981.00
Total Approved	\$40,546.00

7. FINGER LAKES REQUEST TO WITHDRAW FROM CIF - \$178,955.01

The Board approved the request by Finger Lakes Racing Association, dated July 10, 2001, to withdraw \$178,955.01 from their Capital Improvement Fund.

Backstretch & Barns (90%)

Barn renovations #'s 1, 2, 15A
\$105,350.00

Rewire Barns 5, 6, 10 54,816.10

\$160,166.10

Other (10%)

Painting of lower grandstand
1,975.46

Ambulance 10,700.00
Headstart Medical Unit 1,423.72
Computer and Monitor 1,554.12
Carpet 3,135.61

\$18,788.91

**Total
Approved
\$178,955.01**

8. FINGER LAKES REQUEST TO WITHDRAW FROM CIF - \$10,053.70

The Board approved the request by Finger Lakes Racing Association, dated July 24, 2001, to withdraw \$10,053.70 from their Capital Improvement Fund.

**Other
(100%)
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Overhead Door - maintenance building \$1,879.00
Chevy Pickup 4,280.00
Saw/Drill - Carpenter's Shop 831.39
Guest Chair - Reception area 971.96
Conference Table - Publicity 386.86
Desk - Publicity 349.49
File Cabinets - Reception Area 64.18
Paint - Reception Area 48.15
Microphone - Reception Area 149.06
Lumber-Reception Area 125.19

Typewriter Stand - Reception Area
58.85

Carpentry Supplies - Reception Area
357.41

Cabinet - Reception Area 278.15

Lockset- Reception Area 176.26

Door Hinge - Reception Area 17.86

Paneling - Reception Area 79.89

Total Approved \$10,053.70

9. MONTICELLO RACEWAY REQUEST TO WITHDRAW FROM CIF - \$27,500.45

The Board approved \$18,351.58 of the Monticello Raceway request, dated May 10, 2001, to withdraw \$27,500.45 from its Capital Improvement Fund for reimbursement of capital improvement expenditures.

The Board deferred \$9,148.87 for amounts relating to the phone system. The Board will consider phone system expenses under the criteria set forth in the July 17, 2000 letter.

<u>Backstretch</u> <u>(15%)</u>	
Hot Water Heater - Barn D	210.49
Hot Water Heater - Barn Q	218.48
Heaters for Grooms Bldg.	1,630.02
Repair Barn Doors	695.74

	Total Backstretch	2,754.73
	<u>Other</u> <u>(85%)</u>	
locks for Paddock		41.86
	New Gate at Track Entrance	73.82
	New Transformer in Paddock	1,650.51
	New Panasonic Camera	8,950.00
	New Saddle Pads	4,142.18
	3 New Hot Water Heaters	738.48
	Total Other	15,596.85
	Total Approved	\$18,351.58

10. CAPITAL OTB REQUEST FOR TERM NOTE

The Board approved the request by Capital District Regional Off-Track Betting Corporation, dated July 30, 2001, for the execution of a \$750,000.00 note with Fleet National Bank pursuant to Section 508 of the New York Racing, Pari-Mutuel Wagering and Breeding Law for the purchase of 733 Central Avenue, which will provide needed parking for the Teletheater.

11. CATSKILL OTB REQUEST TO APPOINT NEW BOARD OF DIRECTOR - FERRANTE

The Board approved the appointment of Charles Ferrante to the Board of Directors of the Catskill Regional Off-Track Betting Corporation as a participating member from Putnam County.

E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. NYRA DESK REVIEW FOR 2000

Staff reviewed the New York Racing Association' s (NYRA) financial statements for 2000 audited by Arthur Anderson, LLP, who replaced Ernst & Young as NYRA' s current auditors.

The meeting was adjourned at 12:25 p.m.