



Agriculture & NYS Horse Breeding Development Fund

MINUTES

Agriculture and New York State Horse Breeding Development Fund
Board of Trustees Meeting
10B Airline Drive, Colonie, NY 12235
Thursday, April 27, 2017 at 10:00 a.m.

Present; Trustees; Peter Arrigenna & Mike Kimelman; Department of Agriculture and Markets Commissioner Richard Ball; Jackie Czub, Deputy Commissioner of Agriculture and Markets, Acting Executive Director of the Agriculture and NYS Horse Breeding Development Fund Ron Ochrym; NYS Gaming Commission Assistant Counsel and Fund Counsel Mark Stuart; Agriculture & New York State Horse Breeding Development Executive Assistant Connie Richardson; Gail Thorpe and Stacey Relation, Contracting Unit – NYS Gaming Commission, Harness Horse Breeders of New York State (HHB) Executive Director Betty Holt.

Agenda Item #1 – Establishment of Quorum: A quorum was present and the meeting of the Agriculture and New York State Horse Breeding and Development Fund (Fund) called to order at 10:04 a.m.

Agenda Item #2 - Designate a Fund Member as Presiding Officer: A motion was made to designate Department of Agriculture and Markets Commissioner Ball as the Presiding Officer of the meeting. Motion made by Member Kimelman, seconded by Member Arrigenna. All in favor.

Before going to the agenda, Presiding Officer Ball made a few remarks. He noted that in addition to the Members present the following staff: Ron Ochrym – who serves as the Acting Executive Director of the Agriculture and New York State Horse Breeding Development Fund; Mark Stuart who serves as the Fund's counsel; Gail Thorpe and Stacey Relation, Contracting Unit – NYS Gaming Commission; Brian Squadere and Connie Richardson of the Fund, and Betty Holt, Executive Director of the Harness Horse Breeders.

Presiding Officer Ball then opened the meeting to Public Comment before going to the Agenda. However, before going to public comment he offered a few remarks regarding the Fund's issuance of a Request for Proposals (RFP) and Request for Quotations (RFQ) and the recommendations that would be discussed later in the meeting in awarding these proposals. Presiding Officer Ball noted that the New York Sire Stakes program is a New York State program with New York State dollars, created in order that it may promote the breeding of horses and the conduct of equine research in this state on its own responsibility and under its own business management. Racing Law § 330. The current contract holder has no authority to run the program, but has managed it on behalf of the Fund Board for years as a sole-source provider. Under state procurement law, the Fund, as a public benefit corporation, cannot continue a sole-source contract unless there is evidence to justify such expenditure. He noted to his knowledge, the contract has never been bid out. Therefore it was determined to publicly bid both functions in a fair, transparent and legal manner in accordance with state law. He noted that the Fund had issued two requests for these functions. The Request for Proposal (RFP) sought solicitations for promotional and advertising services

for the Fund for a three year period. The Request for Quotations (RFQ) sought solicitations for administrative services for the Sire Stakes for a one year period. Two responses were received for each Request: the Harness Horse Breeders of New York State and Capitol Hill Management Services, Inc. A review committee consisting of Fund representatives and staff reviewed the submissions and made unanimous determinations based on state law. He noted both submitters were recently notified of the committee's recommendations to the Fund. This process – from the issuance of the RFP and RFQ through today's agenda – has been deliberate and in line with the letter of the law.

Presiding Officer Ball then opened the meeting to public comment. The following individuals provided comments: Ken Jacobs, Wanda Polisseni, Paul Kelley, Alice Allen, Mary Ann Ohnstad, David Kane, Anne Zweig and Betty Holt. All speakers addressed the RFP and RFQ previously discussed by Presiding Officer Ball. With no other speakers, Presiding Officer Ball asked for discussion on Item #3 – Approval of Minutes.

Agenda Item #3 - Minutes of Last Meeting of : Minutes of the regular meeting of February 9, 2017 were presented for review. A motion to accept the Minutes of February 9, 2017 was made by Member Arrigenna and seconded by Member Kimelman. All in favor.

After the Trustees approved the Minutes of February 9, Presiding Officer Ball discussed the REP and RFQ processes. He noted that the Fund was created in order that it may promote the breeding of horses and the conduct of equine research in this state on its own responsibility and under its own business management. In carrying out this statutory mandate, the Board of Trustees of the Fund has recognized for many years the Harness Horse Breeders of New York State, Inc. ("HHB") as a sole source vendor with respect to the effective and efficient promotion of the Standardbred breeding industry as contemplated by the Racing Law. He noted that by passing a sole source resolution each year, the Fund was not absolutely assured over time that the HHB remained the only vendor that could provide these services. In making such a determination as to whether this contract should continue as a sole source the Fund needed to justify that decision. Given this concern the Fund Board at its December meeting supported a motion to solicit proposals through a "Request for Proposal" process along with extending, at that time, the current contract with the HHB for three months in anticipation of the time requirements to conduct the RFP process. Staff subsequently prepared two documents. The first one was a "Request for Quotations for Equine Program Administrative Services" and the second one was a "Request for Proposals for Equine Marketing and Public Relations." Staff working with the Contracts Unit, directed by Gail Thorpe at the New York State Gaming Commission, prepared these two documents. Presiding Officer Ball thanked Ms. Thorpe and Ms. Relation from the Gaming Commission for their hard work and critical knowledge in leading this process.

The "Request for Proposals" provided for the solicitation of "equine marketing and public relations" services. This document, which was released to the public in February, provided for the strategic account planning, advertising, promotion, event management, creative development, production and distribution of all advertising, marketing communications and promotional materials, digital marketing and advertising, social media management, creative development and content management of the Fund's website and account management. The second document was a "Request for Quotations" (RFQ) for "equine program administrative services." The successful bidder here would provide administrative services which would include calculating and maintaining the NYSS points/earnings for all programs including Sire Stakes, Excelsior and County Fair Racing. Having provided this history, he noted that the Fund was now prepared to make the awards for both the RFP and RFQ.

Agenda Item 4 – Consideration of Recommendation of Award – 2017 Request for Quotations for Equine Program Administrative Services: Presiding Officer Ball noted the process in awarding the RFQ. He concluded his remarks by asking for a motion based on the fact that CHMS offered a

substantially lower bid compared to the other bidder and based on that recommended the award for Equine Program Administrative Services to given to Capitol Hill Management Services. A motion was made by Member Arrigenna and seconded by Member Kimelman. All in favor.

Agenda Item #5 – Consideration of Recommendation of Award – 2017 Request for Programs for Equine Marketing and Public Relations Services: Presiding Officer Ball noted the process in awarding the RFP. He noted that upon completion of the technical evaluation process, through signature by the Committee of the technical criteria scoring sheets, the pricing proposals were removed from a safe by the Commission's internal Contract staff. Pricing proposal were then reviewed for compliance and calculations made based upon a pre-determined formula, as provided for in the RFP. After a thorough review and scoring process, the Evaluation Committee recommended that CHMS be awarded the contract for Equine Marketing and Public Relations. A motion was made by Member Arrigenna and seconded by Member Kimelman to award the services to CHMS. All in favor.

Presiding Officer Ball thanked the Harness Horse Breeders for their hard work and dedication in making the Sire Stakes program what it is today.

Agenda Item #6 – New/Old Business: Presiding Officer Ball noted that the next meeting would be probably in June in Goshen. At that time, the Members would consider the grants that have been received by the deadline imposed by the Fund Board.

Agenda Item 7: Adjourn: Presiding Officer Ball thanked everyone for their participation. He noted that the next meeting should be in June. He then requested a motion to adjourn. Member Kimelman made a motion to adjourn seconded by Member Arrigenna. All in favor.

The meeting was adjourned at 11:35am.