

# MINUTES

## OREGON RACING COMMISSION July 7, 2009

The Oregon Racing Commission met on Thursday, July 7, 2009 at 2:00 pm at the Stafford Inn located at 1773 NE 3rd Street in Prineville, Oregon. Commissioners in attendance were Chair Kerry Johnson, Vice Chair Stan Robson, Chris Dudley, and Michael Huber, DVM. Commissioner Williamson was excused.

Agenda items were discussed in the following order with resulting actions:

### 1. Approval of Agenda

ACTION: MOTION (Robson) Approve agenda.

VOTE: 4 Aye, 0 Nay, 1 Excused

### 2. June 18, 2009 Meeting Minutes

ACTION: MOTION (Robson) Approve minutes as submitted.

VOTE: 4 Aye, 0 Nay, 1 Excused

### 3. Portland Meadows 2009-2010 Race Meet Application

Will Alempijevic, General Manager of MEC Oregon Racing, Inc., dba Portland Meadows, was present to answer questions. Information and discussions included the following:

Reached an agreement for a purse contract with the OHBPA.

Planned to begin working with the associations on purse and stakes schedules.

⇒ At Chair Johnson's request, Mr. Alempijevic agreed to provide a copy of the purse agreement to the commission.

⇒ Executive Director Evers recommended approval of the application conditional upon receiving a copy of the purse agreement.

ACTION: MOTION (Robson) Approve the 2009-2010 Portland Meadows Race Meet Application conditional upon the Executive Director receiving a copy of the purse agreement.

VOTE: 4 Aye, 0 Nay, 1 Excused

Mr. Alempijevic requested approval of the Portland Meadows Application Amendment which would grant MEC Oregon Racing, Inc. the right to conduct Electronic 1-2-3 with Pick N Wagering during the race meet.

ACTION: MOTION (Robson) Amendment not approved.

VOTE: 4 Aye, 0 Nay, 1 Excused

**4. OTOBA Request for Approval to Pay Out the Owners' Bonus and Breeder Awards Earned During 2008-2009 Portland Meadows Race Meet**

Gay Welliver, OTOBA President, and Wendie Hayes-Pounds, OTOBA Executive Director, were present to answer questions. Information and discussions included the following:

This year's Oregon-bred Owners' Bonus pay out would be 35.22% of the total Oregon-bred purse earnings during the 2008-2009 Portland Meadows Race Meet, minus minimal administrative services charges for OTOBA non-members.

Ms. Hayes-Pounds explained that all of the Oregon-bred horses that raced at Portland Meadows and placed first through fifth were scored and entered into a database throughout the fiscal year, July 1<sup>st</sup> to June 30<sup>th</sup>. The bonus money that accumulated was then equally distributed by percentage to the owners involved in that pool. She added that while these numbers had been verified with the ORC Mutuel Auditor, Jill Miller, through the first week of May, the final numbers were still pending and the pay out amount could change slightly.

⇒ In response to Executive Director Evers question, Ms. Hayes-Pounds stated that the pay out percentage this year was up slightly from last year's 34.45%. She explained that although they had lost some days of revenue in December due to poor weather, when Portland Meadows changed race days in January to race on Wednesday rather than on Sunday, the handle increased, making up the lost revenue and raising the bonus slightly. "It was a good move for horsemen as well as for the track."

The Oregon-bred Breeder Awards were based on ten percent of the purses earned by Oregon-bred breeders who had horses that won during the Portland Meadows Race Meet. The projected pay out would be \$50,288.12.

⇒ Vice Chair Robson commented that, while recognizing that racing on Wednesdays improved the purses, a few of the commissioners had heartburn over the change as they felt that not having Sunday racing was a loss for the public. Portland Meadows did a wonderful job marketing and getting people to the track and they hated to see them lose that new following.

⇒ In response to Vice Chair Robson's comment, Ms. Hayes-Pounds stated that she appreciated that point of view. She indicated her concern for this year's Oregon Day of Champions which in most recent years had been held on Sundays and, prior to that, on Saturdays. It was typically a day when horsemen brought their families and extended relatives to the race track and she didn't know if that would continue to happen if they held it on a week day. She added that they planned to continue to look for opportunities and efforts to market families and try to get more interest in Oregon horse racing.

**ACTION: MOTION (Robson) Approve the OTOBA's request to pay out the Oregon-bred Owners' Bonus and Breeder Awards.**

**VOTE: 4 Aye, 0 Nay, 1 Excused**

## **5. Sub-Committee Update Reports**

### **a. Advanced Deposit Wagering and Multi-jurisdictional Hubs**

Nothing to report.

### **b. Best Practices**

Commissioner Dudley stated that the commission would hold a retreat, a public meeting, immediately following the commission meeting to review and discuss their current Best Practices.

### **b. Budget and Hub Funds**

Nothing to report.

### **c. Medication and Horse Welfare**

Commissioner Huber stated that the committee had not met this month, but planned to meet again within the next few days.

## **6. Eastern Oregon Livestock Show Report**

Nate Jacob, Director and Mutuel Manager, and Jay Schram were present to answer questions. Information and discussions included the following:

Provided a written report to the commission on how the hub funds they'd received were distributed. He thanked the commission for the funds, stating that racing in Union wouldn't be possible without them. EOLS served 600 4-H and FFA members and held one of the biggest activities in Eastern Oregon, except for the Pendleton Roundup. He added that the kids take home \$250,000 plus for their market animals.

The race meet attendance was very good this year. They had an increase in handle, a little over \$50,000 which was \$2,000 over the previous year, and the best handle since 1994. They ran 23 races; seven races on Friday, nine on Saturday and seven on Sunday. He stated that they'd pushed their limits running seven races on Friday, but hoped to continue that program as their best attendance was on Friday and Saturday and by running the maximum number of races with the maximum number of people in attendance, it improved their handle.

They ran 45 horses on Friday, 47 horse on Saturday, and 36 horses on Sunday; Sunday was down due to having to scratch several horses as there were no riders. Several jockeys went to Grants Pass causing the jockey shortage.

Thirteen jockeys rode, five rode all three days, one other one would have ridden all three days if he hadn't been injured on Saturday; two jockeys rode two days; and five jockeys rode only once. They believed that four jockeys left to go to Grants Pass and one returned to Seattle. He stated jockeys were still an issue and that while the jockey incentive program helped, something needed to be done to get new jockeys into the system.

Because of the increase in the support from the hub funds, they were able to make some needed capital improvements. They replaced the door latches on the old stalls to better keep horse in and people safe and also tore down the decking on their new grandstands and replaced it with some long-term plastic Trek decking, making it safer for people getting in and out.

Mr. Jacob commended the commission staff for their willingness to step up and help

and he thanked Executive Director Evers for putting together a phone conference with Grants Pass, Union and Prineville to try to work out the issue of not running against Grants Pass. Mr. Jacob explained that they had discussed some good ideas and thought that they were on the way of solving that problem. He added that he had some concern about how the changes might cause a problem with Eastern Washington as the same jockeys rode there as in Union and Grants Pass.

Jay Schram stated his appreciation for the support in trying to come up with a solution of having dual meets on a weekend. He had also talked with Grants Pass and they had agreed that it didn't help them to have to run against EOLS.

Mr. Schram reiterated that there was a serious jockey shortage and that Washington and Idaho have the same problem. The jockey incentive helps, but needed to find some way to entice some new blood into the support.

He commented that the Eastern Oregon Livestock Show had been held the same time for 102 years and that because of the 4-H and FFA programs that happened as soon as school got out, they didn't have the flexibility to change their dates. Grants Pass had some good ideas about what they might be able to do so they wouldn't have to run on the same weekend. He indicated that they were continuing to work together to come up with a solution and present it to the commission.

⇒ Chair Johnson suggested that while engaged in the dialog to resolve the issue on the race meet dates that they also discuss what they could do to bring new jockeys to the area.

In response to Chair Johnson's question, Mr. Jacob stated that there were no breakdowns and no one had to be hospitalized.

⇒ Vice Chair Robson appreciated the fact that they were working with the kids and commended them for the amount of work that goes into organizing the events.

⇒ Commissioner Dudley stated that he would have a hard time approving race meets that overlapped and implored them to come up with a solution. He explained that there was a safety issue and an issue of ORC staff being spread too thin. He added that it was not good for racing in Oregon.

⇒ Executive Director Evers stated his appreciation for Nate and the EOLS staff and their willingness to help whenever the commission needed help. He also acknowledged the following people for the great job they did: Gracie's daughter in the racing office, Jim Smith as the Racing Secretary, and Carol Morgan as Steward.

Mr. Evers explained that the conference call with Nate Jacob, EOLS, Doug Smith, Crooked River Roundup, Jackie McBee and Harvey Boyle, Grants Pass Downs, was a brainstorming session and not a decision making meeting. He stated that they had some reasonable ideas on the board and believed that everyone agreed that in the best interest for Oregon racing, the meets couldn't conflict any longer. He explained that the ORC didn't have enough staff, it was hard on the jockeys, and the trainers complained about having to split horses and needing to hire extra help. He added that while everyone had some pretty

legitimate and heartfelt reasons why they wanted to keep their current race dates, he was optimistic that with another conference call or two that they would be able to find a solution and alleviate the conflicting race dates.

Regarding the current jockey incentive program, Mr. Evers stated that it was a great idea and it served its purpose, but that they needed to totally rethink the program and figure out how to entice new folks into racing who want to be jockeys in Oregon.

#### **7. Policy on Allowing Oral Testimony**

Executive Director Evers explained that approximately a year ago, the commission voted in favor of allowing ten minutes of oral testimony to licensees who had gone through an Administrative Law Judge Hearing, but wanted the opportunity to speak to the commission on their own behalf. The commission would now like to revisit that policy.

Ms. Kelly Gabliks, AAG, clarified that the licensee couldn't bring up any new evidence that hadn't already been presented in the contested case process, so that it wasn't really oral testimony in the strict legal sense.

ACTION: MOTION (Robson) Eliminate the ten minute oral presentation policy.

VOTE:

3 Aye, 1 Nay, 1 Excused;

Motion passed, as follows: Huber: Nay  
Robson: Aye  
Dudley: Aye  
Williamson: Excused  
Johnson: Aye

#### **8. Action on the Proposed Order for Susan M. Gilmour**

ACTION: MOTION (Robson) Adopt the Proposed Order.

VOTE:

3 Aye, 1 Recused, 1 Excused

Motion passed, as follows: Huber: Recused  
Robson: Aye  
Dudley: Aye  
Williamson: Excused  
Johnson: Aye

#### **9. Confirmation of Next Commission Meeting - August 20, 2009**

All commissioners present indicated that they would be able to attend the next meeting.

#### **10. Confirmation of September Commission Meeting - September 10, 2009**

All commissioners present indicated that they would be able to attend the next meeting held in Burns, Oregon with the exception of Vice Chair Robson who stated he may have conflict.

#### **11. Public Comment**

⇒ Doug Smith, Crooked River Roundup's Director of Racing, thanked the commission for coming to Prineville. He stated that they were proud of the Crooked River Roundup and the fact that it worked in partnership with the OHBPA, the OQHRA and the OTOBA. Some of the highlights this year included running a \$16,000 guaranteed purse for the John Deer Bonus Stakes and the Miss Crooked River Stakes, an exclusive Oregon-bred fillies and mares' stakes race. He added that this would be only the second time he'd seen an exclusive Oregon-bred race run east of the mountains. He explained that the Crooked River Roundup looked at horse racing as growing an industry, not just a race meet. He stated that they worked in partnership with all of the other tracks to try to grow the industry into a family of racing where they were all looking out for the best interest of each other. By also reaching out to the horsemen and their associations, they believed that was what was best for racing in Oregon.

He stated that the Crooked River Roundup had a unique problem that was noted last February when he presented their end of the meet report to the commission. That unique problem was that they had more horses than they could run. This year, they could run 304 races with the 38 races that they were allotted, but they currently had 320 horses. In an effort to give everyone the opportunity to participate, he asked the commission to approve another race and provide the \$2,200 purse for that race. He stated that the Crooked River Roundup would provide \$500 for a total purse of \$2,700.

ACTION: MOTION (Huber) Approve the amendment to their race meet application to run 39 races instead of 38 races, which would be an additional \$2,200 from the commission.

VOTE: 4 Aye, 0 Nay, 1 Excused

There being no further business, the meeting was adjourned.