

MINUTES

OREGON RACING COMMISSION August 20, 2009

The Oregon Racing Commission met on Thursday, August 20, 2009 in Room 1A of the Portland State Office Building located at 800 NE Oregon Street, Portland, Oregon. Commissioners in attendance were Chair Kerry Johnson, Vice Chair Stan Robson, Michael Huber, DVM, Chris Dudley and Charles Williamson.

The commissioners unanimously approved the August agenda and the items were discussed in the following order with resulting actions:

1. July 7, 2009 Meeting Minutes

ACTION: MOTION (Huber) Approve minutes as submitted.

VOTE: 5 Aye, 0 Nay

2. Harney County Fair Meet Officials, Take Outs, and Bute & Lasix

Executive Director Evers recommended approval of the Harney County Fair application for the race meet officials, takeout percentages, and requested medications.

ACTION: MOTION (Robson) Approve Harney County Fair application as submitted.

VOTE: 5 Aye, 0 Nay

3. OQHRA Request for Approval to Pay Out Oregon Quarter Horse Owners' Bonus and Breeder Awards Earned During the 2008-2009 Portland Meadows Race Meet

Leah Nelson was present to answer questions.

ACTION: MOTION (Huber) Approve the OQHRA's request to pay out the Oregon Quarter Horse Owners' Bonus and Breeders' Award.

VOTE: 5 Aye, 0 Nay

4. Portland Meadows Application Amendment for Electronic 1-2-3 Pick N Wagering

Will Alempijevic, General Manager of MEC Oregon Racing, Inc., dba Portland Meadows, was present to answer questions.

The commission tabled this agenda item until after Public Comment to allow them the opportunity to enter into Executive Session without disrupting the balance of the meeting.

5. Grants Pass Race Track

Executive Director Evers stated that the commission had repeatedly expressed its concerns about the safety of the equine athletes and the jockeys. He explained that in lieu of three catastrophic breakdowns occurring this summer at Grants Pass Downs, the commission had drafted a letter to send to the Josephine County Fair and Race Meet Manager, Jackie McBee. In the letter, the commission stipulated the requirement that Grants Pass Down replace its current racing surface with a new and kinder surface before the next racing season in order to receive the commission's approval of their next race meet application.

⇒ In response to Commissioner Williamson's request to draft a similar letter notifying the fairs that had operated simultaneously this year that it would not be

allowed in the future, Executive Director Evers stated that he had been working with the fair managers to ensure that they would not have those conflicts in the future. He added that he would provide a report to the commission at the October meeting.

ACTION: MOTION (Dudley) Approve the letter to be sent to Jackie McBee, Josephine County Fair and Race Meet Manager.

VOTE: 5 Aye, 0 Nay

6. Sub-Committee Update Reports

a. Advanced Deposit Wagering and Multi-jurisdictional Hubs

Chair Johnson explained that the subcommittee met at noon and discussed various issues, including the following:

- rule making for the licensing of tote companies – they would continue to research prior to making a recommendation to the commission;
- model rules for SPMOs as written by RCI – the subcommittee would not be recommending a rules change to the commission at this time;
- wagering integrity software – they would reassess in one year after other jurisdictions utilized the product; and
- rulemaking relating to the notification of customers regarding failure to merge – they would continue to research and discuss further with the stakeholders prior to making any recommendations to the commission.

b. Best Practices

Commissioner Dudley reported that the commission held their retreat in Prineville, Oregon on July 7, 2009. He stated that all commissioners were present, their discussion on the Best Practices document was very productive, and that he planned to update the document with their recommendations and bring it back to the commission for action.

b. Budget and Hub Funds

Nothing to report.

c. Medication and Horse Welfare

Commissioner Huber reported the subcommittee met that morning and narrowed their focus to five specific areas they feel could reduce the number of racetrack fatalities – the catastrophic injuries that occur on the race track, as follows: Track Surface, Medications & Medication Rules, Toe Grabs, Pre-race Exams, and the Implementation of an Injury Evaluation Program through Oregon State University. The subcommittee would be scheduling a meeting with the stakeholders to receive their input on these proposed policy changes in the near future.

7. Policy on Commissioner Expenditures for Off-site Meetings

Vice Chair Robson explained that due to limited budget resources, he recommended that the commission adopt and immediately implement two policies:

- 1) Training Policy - All out of state training monies would be used for ORC staff only. However, if there was extraordinary and very pertinent training specifically for commissioners, the full commission would consider those training opportunities on a case by case basis.
- 2) Expense Reimbursement Policy: Commissioners attending a commission meeting in conjunction with a race meet would be reimbursed for a maximum of two nights lodging and the appropriate accompanied per

diem for meals and mileage. Any additional nights stayed to attend races at meets would be the responsibility of the individual commissioner and the 30 day per diem would only be paid for the day of the commission meeting or official deliberation.

ACTION: MOTION (Robson) Approve the policies.

VOTE:

4 Aye, 1 Nay

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

8. Action on the Proposed Order for Michael J. DeMatteis

ACTION: MOTION (Huber) Adopt the Proposed Order as the Final Order

MOTION (Williamson) Friendly Amendment to the Motion to reduce the suspension to 30 days.

MOTION (Huber) Amendment not accepted.

VOTE:

4 Aye, 1 Nay

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

9. Action on the Proposed Order for Dennon W. Wells

Mr. Dennon Wells was present and requested the opportunity to speak to the commission regarding his case. [This request occurred prior to the commission changing its policy on oral arguments/presentations at last month's meeting.]

Chair Johnson explained that Mr. Wells, who was not represented by counsel, would have ten minutes to present his oral arguments. The arguments were required to be limited to the issues raised in his exceptions and that this time was not provided for him to introduce new evidence or re-argue his case.

ACTION: MOTION (Robson) Adopt the Proposed Order as the Final Order with the caveat that Mr. Wells not be able to reapply until he's completed his probation.

VOTE:

5 Aye, 0 Nay

10. Confirmation of Next Commission Meeting - September 10, 2009, in Burns, Oregon

Vice Chair Robson and Commissioner Williamson stated that they would not be present at the September meeting; all others would attend.

11. Action on Proposed Amendments to OAR 462 Rules of Racing, Divisions 110-160 and Division 200

Vice Chair Robson announced that a hearing was held that morning on the proposed rules. He stated that there were no comments, positive or negative, to the proposed amendments and attributed that to the commission's due diligence in allowing the stakeholders the opportunity to participate in the process.

ACTION: MOTION (Robson) Adopt the rule amendments for Divisions 110 – 160 and Division 200 as proposed to be effective October 1, 2009.

VOTE: 5 Aye, 0 Nay

12. Public Comment

None.

At 2:26 pm, the commission entered into executive session, pursuant to ORS 192.660(2)(f) and ORS 192.660(2)(h), and returned at 2:56 pm to continue agenda item number 4, having taken no votes nor having made any decisions.

4. Portland Meadows Application Amendment for Electronic 1-2-3 Pick N Wagering

Will Alempijevic, General Manager of MEC Oregon Racing, Inc., dba Portland Meadows, was present to answer questions.

ACTION: MOTION (Williamson) The commission repeal its denial of the amendment of Portland Meadows application for Instant Racing from the last meeting [July 7, 2009] and hold the amendment in abeyance pending a decision from the Court of Appeals as to the legality of Instant Racing in Oregon and that the commission supports Instant Racing.

VOTE: 5 Aye, 0 Nay

⇒ Commissioner Williamson requested that this agenda item's motion and vote be sent to Steve Walters, MEC Oregon Racing's legal counsel.

There being no further business, the meeting was adjourned.