



MINUTES

Oregon Racing Commission
December 15, 2011

Meeting Detail

The Oregon Racing Commission (ORC) met on Thursday, December 15, 2011 in Room 1B of the Portland State Office Building located at 800 NE Oregon Street, Portland, Oregon.

Call to Order

Commission Chair, Stan Robson, called the meeting to order at 1:30pm.

In Attendance

Commissioners: Chair Stan Robson, Vice-Chair Christopher Dudley, Commissioner Michael Huber, DVM, Commissioner Charles Williamson and Commissioner Jan Palmer, DVM

Staff: Randy Evers (Executive Director) and Kelly Gabliks (Assistant Attorney General)

AGENDA ITEMS

Approvals:

December 15, 2011 Meeting Agenda

Action: Motion to approve the agenda as submitted.

Moved by: Commissioner Williamson

Seconded: Commission Vice-Chair Dudley

Vote: 5 Ayes, 0 Nays

November 17, 2011 Meeting Minutes

Action: Motion to approve the November 17, 2011 Commission meeting minutes as submitted.

Moved by: Commissioner Williamson

Seconded: Commission Vice-Chair Dudley

Vote: 5 Ayes, 0 Nays

Old Business:

Sub-Committee Update Reports:

a. Advanced Deposit Wagering (ADW) and Multi-jurisdictional Hubs

Commissioner Williamson stated that the sub-committee met twice since the last ORC meeting. The sub-committee is reviewing rules and looking at some new ones to present to the Commissioners and stakeholders for review. The sub-committee will write and prepare the revision of rules to be discussed at a later time.

b. Best Practices

Commission Vice-Chair Dudley stated that he is collecting the self-evaluation forms. Once he has all of them back he will create the report and hopes to have it ready for the next meeting.

c. Budget and Hub Funds

Commission Chair Stan Robson stated that the sub-committee had not met. There are a couple of requests that the sub-committee will be reviewing as they are submitted. There is nothing else to report at this time.

d. Medication and Horse Welfare

Commissioner Huber stated that the sub-committee did not meet this month. He asked to make a correction in what was presented at the last Commission meeting. It was stated at the meeting that the sub-committee was scheduled to have a meeting with stakeholders on December 11, 2011 at Portland Meadows. However, this date conflicted with live racing so the meeting was cancelled. A new date has not been set but the sub-committee hopes to meet with Stakeholders in January or February of 2012.

Commissioner Huber stated that the sub-committee needed more time to gather information in order to submit a report with recommendations concerning safety at the Harney County Fair summer race meet in Burns, Oregon.

e. Executive Director's Report

Executive Director Randy Evers stated that he attended the Annual "Winter RCI Symposium" in Tucson, Arizona. He stated that it was two- and -a- half days of well presented panels. There were terrific race track management ideas to share with Will Alempijevic, General Manager of Portland Meadows. The three main themes at this meeting were:

- ✚ "How To Attract New Fans;"
- ✚ "Young Guns" (the strategy of track managers under 40 years of age); and
- ✚ "Social Media, Technology and Collaborative Thinking."

Director Ever stated that he also participated in the Racing Commissioners International meeting. Several rules were discussed as well as the process of how the RCI adopts new rules.

One of the rules passed is the recommendation of no administration of Lasix by track Veterinarians. Only a State Commissioned Veterinarian could administer Lasix. The

challenges this presents will be discussed at the Medication and Horse Welfare sub-committee meeting.

There were some rule changes concerning the “pentafecta” and the “trifecta” along with a few others that will be discussed at the sub-committee meeting.

Director Evers reported that the Governor’s office issued a hiring freeze for all State agencies. If there were a critical need to fill a position it would have to be approved through an appeal to a review committee.

f. **Portland Meadows’ Report**

Will Alempijevic, General Manager of Portland Meadows (PM) stated that PM celebrated their “Annual Oregon Championship Day” on December 11, 2011. There was a small increase in attendance, food and beverage sales and the handle. It was a good day of racing and there were a lot of positive comments about the day.

Will Alempijevic reported that PM began this year’s meet in the middle of October versus last year’s meet that started at the beginning of October. PM has run 25 days this year versus 31 days scheduled last year thru December 11th. Last year there was one day canceled due to freezing conditions. PM is down average runners per race at 7.68 this year versus 7.85 last year which is a drop of 2.2%.

Commission Vice-Chair Dudley asked if these numbers include scratches for illness. Mr. Alempijevic stated that it does and that these numbers will vary over the course of the meet.

Mr. Alempijevic stated that PM has run 191 Thoroughbred races and 40 Quarter Horse races. The average purses paid per day this year is \$41,852.00 which is a 9.4% drop from the \$46,000.00 last year. The average daily PM handle is \$23,000.00 which is a drop of 9% from the last meet of \$25,600.00 daily average. The off track betting sites (OTB) wagers in the state of Oregon are averaging \$7,300.00 per day of live racing this year versus \$7,400.00 last year. The total in state wager has dropped 7.45% from \$33,000.00 last year to \$30,600.00 this year. Total PM Handle including in-state sales and export sales per day is \$558,000.00. This is a drop of almost 20% from \$696,000.00 last year. Wagering in Oregon during this same period this year at PM, there has been \$3.4 million wagered, compared to 3.6 million last year which is a drop of 6.65%. This 6.65% figure is following the national trend. The OTB figure is \$3.4 million this year versus \$3.6 million last year which is a drop of 4%. The blended average is a 5.5% drop this year from last year.

g. **Future of Racing in Oregon (FROG) update**

Commissioner Williamson reported that the meeting went well. Wendy Hayes-Pound was appointed treasurer and Commissioner Palmer will move into the position of meeting facilitator. The group will move forward to request and obtain an economic impact study. The group is requesting that the ORC contribute \$1500.00 to help move the group forward with the study and for miscellaneous operating expenses.

Commission Chair Stan Robson stated that the request will be referred to the Budget and Hub-Fund sub-committee for review. The sub-committee will provide an answer to the request for the \$1500.00 contribution after review of the budget. Chair Robson requested a statement containing an explanation of how the funds will be used.

New Business:

Oregon Quarter Horse Racing Association (OQHRA):

Leah Nelson, President of the OQHRA, presented a report on how the OQHRA uses their hub-funds. Ms. Nelson provided a worksheet to the Commission for their review.

Ms. Nelson stated after she explained the report that the hub funds are not spent on operating expenses or anything other than OQHRA racing programs which go directly back to the horsemen.

Commission Chair Robson thanked Ms. Nelson for the presentation.

Portland Meadows- Race Meet Application 2012:

The 2012 race meet application for PM was presented by Will Alempijevic, General Manager of Portland Meadows, and Mike Rogers, Director and Vice President of Operations for the parent company of Portland Meadows. Mr. Alempijevic stated that PM is very excited to begin summer racing and hopes that it will reinvigorate local interest in horse racing in Oregon. PM is requesting approval for summer racing for the 2012 meet. Mr. Rogers thanked the horsemen and stated that he appreciated their cooperation in this decision. Mr. Rogers stated that Frank Stronach recognizes that there are no guarantees with this bold and risky move. However, he is committed to make this transition to summer racing as successful as possible.

Jill Miller, Mutuels Auditor with the Oregon Racing Commission stated that Mr. Alempijevic was very cooperative in providing all information required from the due diligence check list. Ms. Miller stated that she has reviewed the documents and recommends ORC licensing approval.

Commission Chair Robson requested that a representative from the Oregon Horsemen's Benevolence and Protective Association (OHBPA) address the Commission regarding whether the horsemen would be petitioning to run fewer races than statute requires.

Dick Cartney, Executive Director of the OHBPA stated that he had received a letter from Portland Meadows requesting to reduce the number of races from 720 races to 540 races. In accordance with the law the OHBPA would like to request approval from the ORC to run 540 races.

Commission Vice-Chair Dudley asked Mr. Alempijevic the questions from the ORC due diligence check list and Mr. Alempijevic answered favorably.

Action: Motion to approve PM to run 540 races.

Moved by: Commissioner Williamson

Seconded: Commissioner Huber

Vote: 5 Ayes, 0 Nays

Action: Motion to approve Portland Meadow 2012 race meet license application as submitted.

Moved by: Commissioner Williamson

Seconded: Commission Vice-Chair Dudley

Vote: 5 Ayes, 0 Nays

Director Evers thanked the ORC staff for embracing the new racing schedule and working together to design a plan to accommodate the changes that will come with summer racing.

Dick Cartney of the OHBPA stated that everyone is very pleased and excited about summer racing at PM. He thanked the Commissioners for approving PM's license application.

Jim Ferguson thanked the Commission for approving the PM 2012 summer racing license. He stated that he and the other horsemen are very excited about this change and are prepared for any of the challenges that may present themselves.

Leah Nelson stated that OQHRA is very excited about the summer meet. She wanted the record to reflect that the trainers and owners that she had spoken with are also very concerned about track conditions. Ms. Nelson requested that PM pay close attention to track surface conditions to alleviate these concerns.

Election of New ORC Officers for 2012-2013

Commissioner Huber stated that with the commercial race meet reorganizing for summer racing, he would like to maintain the current stability of the Commission. There are a many issues that the Commission is handling. It seems like keeping the same slate of officers would also allow these issues to continue in a concerted and productive fashion.

Commissioner Williamson stated that it had been agreed upon in the past that it is healthy to rotate the leadership roles between Commissioners on a regular basis so everyone has a chance to serve as Vice-Chair or Chair before their term of serving the agency is over. Commissioner Williamson stated that he would like to have a sub-committee meeting to discuss further before voting.

Action: Motion to maintain the current Commission officers in their positions for another year.

Moved by: Commissioner Huber

Seconded: Commissioner Palmer

Vote: 3 Ayes (Commissioner Huber, Palmer and Chair Robson)
2 Nays (Commissioner Williamson and Vice-Chair Dudley)

Information, Materials and Approvals:

None

Contested Cases:

None

Other Business As May Properly Come Before the Commission:

None

Public Comment:

BJ Cosson stated that he appreciated the professionalism that the Commission has shown. It has been a pleasure to see everyone working together.

Confirmation of the Next Commission Meeting:

Thursday, January 19, 2012 Room 1A of the Portland State Office Building at 1:30p.m.

Adjournment:

There being no further business, the meeting was adjourned at 2:53p.m.