

MINUTES

OREGON RACING COMMISSION AUGUST 22, 2002

The Oregon Racing Commission met on Thursday, August 22, 2002, at 1:30 p.m. for their regular meeting in on the Third Floor of Multnomah Greyhound Park located at 223rd and Glisan Streets, Wood Village, OR. Commissioners in attendance were Tom Towslee, Vice Chair; Jeff Gilmour and Todd Thorne. Chair Steve Walters and Commissioner Lisa Metcalf were excused. Agenda items were discussed in the following order with resulting actions:

1. Approval of July 18, 2002, Minutes

ACTION: MOTION(Gilmour) Approve minutes as submitted.

VOTE: 3 Aye, 0 Nay, 2 Excused

2. Portland Meadows 2002-03 Race Meet Application - October 16, 2002-April 27, 2003

Carl Wilson stated the application was very similar to last year's with the exception that they didn't have the EPA issues to contend with this year. The application included eighty performances. Most officials are the same as last year with just a few positions still needing to be finalized. The barns have been painted, new windbreaks have been installed in almost all of the shed rows, a new back fence has been installed, the training track has been redone, both starting gates have been repainted and they are completing construction of a second water truck. They are planning to increase the bottom purse to \$3000 and increase the Portland Meadows Mile purse to \$35,000 subject to approval of the HBPA. Mr. Wilson stated meetings are scheduled to finalize the stakes schedule. Commissioner Gilmour raised a question about whether or not a licensee would be able to get onto the backside any hour of the day or night in the event it was necessary for the licensee to medicate or treat a horse. He was assured there was 24 hour backside security which would allow a licensee to gain access to treat a horse. Dick Cartney, OHBPA, raised some concerns regarding the contents of the application since his organization had not yet seen a copy, and that there were some agreements still needing to be signed regarding the purse and stakes schedules prior to the commission approving the application. Steve Barham recommended that the commission approve the application subject to the purse schedule and the stakes races, delegate to the executive director approval of lowering the takeout on certain wagers at a future date if the applicant deems it appropriate, and set the bond amount at \$265,000. He also recommended the normal delegation to the executive director approval on officials, wager changes, lower commission, tip sheet, export and import signals and off-track sites. They also mentioned they will be looking at an account wagering system, and Mr. Barham recommended action on that remain with the full commission.

ACTION: MOTION(Gilmour) Approve conditionally the application for 2002-2003 Portland Meadows race meet subject to an understanding between the horsemen the race meet applicants to make sure the issues of the purse schedule and the stakes races are ironed out, and delegate to the executive director authority to approve the items outlined on page 8 of the application. If in the future an

account wagering system is submitted, approval would be by the full commission.

VOTE: 3 Aye, 0 Nay, 2 Excused

3. Portland Meadows Update

Art McFadden stated Carl Wilson had hit the highlights on the work being done at the track during the summer months. There are 204 horses in training as of this morning and they expect all stalls will be full by opening weekend. Mr. McFadden also stated one third of the entries at the Tillamook race meet were shipped from Portland Meadows this year. That was not possible last year since the track was closed. He also reported on happenings in Washington State related to racing.

4. Multnomah Greyhound Park Race Meet Report

Carl Wilson reported Saturday, August 24, is the 70th anniversary of the MGP Derby. The Oregon handle for the meet is down 5.8% versus 3.7% reported last month. Live handle has improved 1% since July but the simulcast handle has declined 3% and the major reduction is in horses. The average daily handle on live races has improved.

5. Youbet.com Request for Change in Operating Plan Regarding Signature Card Requirements

Rick Boonstra, General Manager of Youbet Oregon, presented the request for the amendment to the operating plan to not require signature cards. In the past they were used to verify signatures when people requested withdrawals, however, currently less than 5% of their withdrawal requests are coming in through the mail or via fax. They currently use the PIN and personal information to verify withdrawal requests to make sure the person requesting the withdrawal is actually the account holder. As part of this amendment they would no longer accept withdrawals via fax or via mail, they would only be accepted via phone or on-line. Steve Barham recommended approval.

ACTION: MOTION(Gilmour) Approve Youbet.com's request to change their operating plan regarding signature card requirements.

VOTE: 3 Aye, 0 Nay, 2 Excused

6. Tillamook County Fair Race Meet Report

Tom Towslee started out by saying the memorial race was in honor of his parents. They had been big supporters of the Tillamook County Fair and that race meet, and he and his dad had worked in the pari-mutuel room together. He thanked everyone who was involved who had made it such a special day and a great race. Ursula Gibbons presented Mr. Towslee with a horse blanket exactly like the one that had been presented to the winner of the Jerry & Eileen Towslee Memorial Handicap. Commissioner Gilmour took this opportunity to comment that the Tillamook County Fair race meet along with all the other summer race meets he's attended this year have really benefited from the monies they've received from the hub. The hub money has clearly made a difference in the quality of horses, the betting, and the enthusiasm at of the each meets. In closing, for county horse racing he felt we have turned the corner and that next year it can only be better.

7. Confirmation of Next Commission Meeting - September 19, 2002

Commissioner Gilmour said he would be there if he can given that the legislature will probably again be in special session. It was decided to leave the date as scheduled.

8. Requests for Hub Money

Vice Chair Towslee was prompted to add this item to the agenda as a result of having received a letter from Josephine County Fair and Southern Oregon Horse Racing Association requesting hub money for the race meet in Grants Pass. Mr. Towslee asked the executive director to write a letter to all horse racing interests in Oregon letting them know that the commission believes that by next spring the hub account will have additional money in it beyond what is needed for the fair meet purses and that the commission would like to start the process of allocating hub money for purposes beyond the purses. The criteria will be that the request has to be racing related and there will have to be a 50% match of labor, materials or money or some way of equal contribution to the funds provided by the entity making the request. This is not limited to county fair meets. Any organization involved in Oregon racing has the right to apply. The Hub Committee, which consists of Commissioners Gilmour and Towslee will evaluate the requests and make a recommendation for full commission action as to how the funds are to be disbursed. For those organizations who have already submitted requests Vice Chair Towslee suggested that in order to be fair those requests should be resubmitted. Issues that concern him, i.e., horse safety and jockey safety, are paramount in his mind but he also wants to keep the industry viable. Commissioner Gilmour suggested the start date for receiving applications for the 2003 year should be as of today's meeting, August 22, 2002, and that a specific the cut-off be set. Steve Barham recommended a cut-off date of December 31, 2002.

ACTION: MOTION(Gilmour) Accept applications for the second hub level, that they start today with applications and that the cut-off date be December 31, 2002. Also, direct the executive director to contact all organizations from whom the commission has received requests prior to this motion to inform them that they will need to resubmit their request.

VOTE: 3 Aye, 0 Nay, 2 Excused

9. Request for Partial Stay of Board of Stewards Order for Vernon C. Bigham

Norm Sepenuk, attorney, came before the commission on behalf of his client Vernon Bigham whose license was suspended February 20, 2002, as a result of his having been arrested on the backside of Portland Meadows and charged with transporting over 300 lbs. of marijuana in a horse trailer from Vancouver, BC to Portland. Mr. Sepenuk contended Mr. Bigham did not receive until too late for purposes of appeal the suspension order due to the fact he was incarcerated. The reason, then, for requesting this hearing is to temporarily lift the suspension of Mr. Bigham pending the outcome of his trial in United States District Court. In response to a question by Vice Chair Towslee as to what the impact would be if the commission were to grant Mr. Sepenuk's request, Steve Barham stated he would recommend against granting the partial stay. He wasn't concerned about Mr. Bigham boarding horses on his farm or hauling horses, but he was very concerned about his entering the racing enclosure. Following a lengthy discussion between the commissioners, the executive director, Mr. Sepenuk, and with advice from AAG Raul Ramirez, Vice Chair Towslee asked for a motion on this request, stating the lack of a motion would mean a rejection of Mr. Bigham' request.

Hearing no motion, Vice Chair Towslee thanked Mr. Sepenuk for coming before the commission.

10. OQHRA Request to Distribute Oregon Bred Breeder and 1% Owners Bonus from 2001-02 Portland Meadows Race Meet

Steve Barham recommended approval.

ACTION: MOTION(Thorne) Approve distribution of Oregon bred breeder and 1% owners bonus from the 2001-02 Portland Meadows race meet.

VOTE: 3 Aye, 0 Nay, 2 Excused

11. Ron Weeden

Mr. Weeden stated he has been an Oregon greyhound breeder and owner since 1991, last year he ranked 4th out of 43 breeders in terms of total purse money earned. His goal when he got into the business was to make sure we had quality dogs here. The quality of the Oregon kennels has really improved and some Oregon breds have gained national recognition. His purpose in coming before the commission was to request that they review OAR 462-190-0030(4)(b) which states in order for a greyhound to be eligible for Oregon bred monies, the dog has to be physically present in Oregon on a licensed farm for the first 12 months immediately following its whelping. At this point he is a victim of circumstance. His dogs, which consist of a brand new litter of nine, five that are nine months old and three that he uses for breeding that are on a farm that is no longer a licensed farm. In order for these dogs to be considered Oregon breds, they need to be moved within the next 21 days. He has tried locating another licensed farm that could take the dogs but has not been able to find one that has space available. He does have a temporary solution that will provide housing for his dogs hopefully through the end of the current race meet. He is ultimately looking for a licensed greyhound farm where his dogs can be located on a permanent basis. Steve Barham stated he didn't feel the commission could waive the rule. He did suggest that during the regular winter rules meetings the committee may wish to review the rule to see if it should be modified, however, that wouldn't help Mr. Weeden with his current situation. Vice Chair Towslee asked that the judges along with members of the industry work with Mr. Weeden to arrive at some sort of a solution on this situation and report back to the commission at the September meeting as to the current status on this issue.

There being no further business, the meeting was adjourned.