



MINUTES

Oregon Racing Commission

July 17, 2014

Meeting Detail

The Oregon Racing Commission (ORC) met on Thursday, July 17, 2014 in Room 1A of the Portland State Office Building (PSOB) located at 800 NE Oregon Street, Portland, Oregon

Call to Order

Commission Chair, Chris Dudley, called the meeting to order at 1:30pm

In Attendance

Commissioners: Chair Chris Dudley, Vice-Chair Charles Williamson, Commissioner Jan Palmer, DVM, Commissioner Michael Huber, DVM and Commissioner Angel Baez

Staff

Jack McGrail, Executive Director and Kelly Gabliks, Assistant Attorney General

AGENDA ITEMS

Approvals:

July 17, 2014 Meeting Agenda

Action: Motion to approve the agenda as submitted with one addition to add executive session after public comment pursuant to ORS 192.501(2) regarding trade secrets.

Moved by: Commission Vice-Chair Charles Williamson

Seconded: Commissioner Michael Huber, DVM

Vote: Chair Dudley took roll and the results were unanimous with 5 Ayes, 0 Nays

June 19, 2014 Meeting Minutes

Action: Motion to approve the June 19, 2014 Commission meeting minutes as submitted.

Moved by: Commission Vice-Chair Charles Williamson

Seconded: Commissioner Angel Baez

Vote: Chair Dudley took roll and the results were unanimous 5 Ayes, 0 Nays

Old Business:

Sub-Committee Update Reports:

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

Vice-Chair Williamson stated the sub-committee met today and the first item brought to the group's attention will be discussed in the executive session. The second item that the group has been discussing is whether or not to allow single shareholder subchapter S corporations to hold ADW accounts. This topic is still being considered.

b. **Best Practices**

Chair Dudley stated that annual performance evaluation for the executive director is part of the Performance Measures that each agency is required to complete. He requested that Commissioner Jan Palmer, DVM assist Vice Chair Williamson with the evaluation process this year.

c. **Budget and Hub Funds**

No Report

d. **Medication and Horse Welfare**

No Report

e. **Executive Director's Report**

Executive Director Jack McGrail stated that the Grants Pass race meet has concluded after nine days of racing. He stated that it was a great meet. The handle was up 20% from last year. This year's handle was \$365,000.00 versus last year's handle of \$302,000.00. He congratulated Rod Lowe and SOHRA for doing a great job. He stated that there is still a shortage of horses. He reported that the starting gate was in excellent repair, worked well and there were no issues. Director McGrail stated that one of the highlights of the meet was the Firecracker Futurity. The futurity had a purse of \$31,000.00. This race had a full field of eight. The winner of that race was "Eye Opening Attitude" and there was great enthusiasm.

Director McGrail stated that the Prineville meet is under new the direction of Dean Noyes who has replaced long time Director Doug Smith. This was his first year as Director. Prineville is the only location that offers night racing during the summer race meet schedule. The handle was down about 2% from last year's handle which was a record high. Last year's handle was \$212,500.00 versus \$208,000.00 this year. Director McGrail stated that this is not a significant decrease. He stated that the meet went very well and congratulated Mr. Noyes on a great job.

Mike Twiggs, Deputy State Steward for the ORC stated that Prineville has not done much work to their starting gate. He stated that Tillamook has the identical gate and that Prineville will evaluate the repairs that Tillamook has made to their gate before doing the same repairs. He stated that the Grants Pass starting gate was in exceptional repair and worked perfectly.

Director McGrail reported that there are a couple of federal bills that might have an impact here in Oregon. The first one is being reported by American Horse Counsel. It is a bonus depreciation tax incentive that is being reinstated to allow a 50% tax write off on purchases put in service by the initial owner with the opportunity to depreciate it over a three year schedule. These are tax incentives to bring new people into the business. He stated that this bill seems to have a good chance of passing.

The second bill is sponsored by Representative Kurt Schrader of Oregon and it is the Veterinary Medicine Mobility Act. This bill, if passed will allow Veterinarians to dispense controlled substances out of their truck at the farm during house calls. Previously this has been prohibited under the controlled substances Act.

Director McGrail reported that the rules promulgated by the Racing Medication and Testing Consortium (RMTC) and endorsed by the Association of Racing Commissioners International (ARCI) will be available on the ORC website for public review. The ORC will schedule a stakeholder meeting to discuss these rules before any decisions are made.

Director McGrail stated that he has recommended to the Commissioners to consider hiring Karen Parkman for the Program Analyst 2 position.

Action: Motion to approve hiring Karen Parkman for the Program Analyst 2 position with the ORC.

Moved by: Commission Vice-Chair Charles Williamson

Seconded: Commissioner Michael Huber

Vote: Chair Dudley took roll and the results were unanimous 5 Ayes, 0 Nays

f. Future of Racing in Oregon Group (FROG) update

Commissioner Palmer reported that the group met last week. She stated that the meeting was mostly spent catching up on general housekeeping items because they did not meet in the prior month. Commissioner Palmer stated that the group discussed looking into holding a summer fair meet at Portland Meadows in the future.

New Business:

None

Information, Materials and Approvals:

None

Contested Cases:

None

Other Business As May Properly Come Before the Commission:

None

Public Comment:

Randy Evers, Executive Director of the Oregon Horsemen's Benevolent and Protective Association (OHBPA), Lynnelle Smith, Executive Director of the Oregon Thoroughbred Owners and Breeders Association (OTOBA) and Will Alempijevic, General Manager of Portland Meadows (PM) were present to discuss the agreement between the OHBPA and PM. Director Evers stated that the OHBPA board members met and approved the agreement proposal provided to them by the Stronach Group. The agreement proposal is subject to legal review. He stated that there are two contracts this year where traditionally there has only been one. The first is the purse and condition contract and the other is the contract that exclusively deals with Instant Racing. The Instant Racing contract has to be approved by three parties, the OTOBA, OHBPA and the Stronach Group. Director Evers stated that all three parties are now in agreement. Director Smith stated that the OTOBA will present the modified agreement to the Commission at the August 21, 2014 meeting.

Director Evers stated that legal counsel is scheduled to review the contracts. The review will be completed and copies of both fully executed contracts will be submitted to the ORC Executive Director by July 30, 2014.

Confirmation of the Next Commission Meeting:

The next ORC meeting will be Thursday, August 21, 2014, at 1:30pm in Room 1A of the Portland State Office Building located at 800 NE Oregon Street, Portland, OR 97232

Executive Session:

Chair Dudley stated that the Commission will now go into executive session pursuant to ORS 192.501(2) regarding trade secrets and/or ORS 192.660(2) (f) at 2:15pm.

Chair Dudley adjourned executive session at 2:38pm.

Adjournment:

Action: There being no further business, the meeting was adjourned at 2:39pm

Moved by: Commission Vice-Chair Charles Williamson

Seconded: Commissioner Michael Huber, DVM

Vote: Chair Dudley took roll and the results were unanimous with 5 Ayes, 0 Nays