



**Minutes**  
**Oregon Racing Commission**  
**March 16, 2017**

**Meeting Detail**

The Oregon Racing Commission (ORC) met on Thursday, March 16, 2017, in Room 1C of the Portland State Office Building (PSOB), 800 N.E. Oregon St., Portland, OR.

**Call to Order**

Chair Charles Williamson called the meeting to order at 1:34 p.m.

**In Attendance**

**Commissioners:** Chair Charles Williamson, Vice Chair Jan Palmer, DVM, Commissioner Christopher Dudley, Commissioner Diego Conde, Commissioner Michael Huber, DVM

**Staff**

Executive Director Jack McGrail, Catriona McCracken, Assistant Attorney General (AAG).

**Agenda Items**

**Approvals:**

**Action:** Approval of the meeting agenda, amended to include medication sub-committee report and best practices under old business and Eastern Oregon Livestock Show under new business.

**Moved by:** Commissioner Christopher Dudley

**Seconded:** Commissioner Diego Conde

**Vote:** Commissioners Williamson, Palmer, Dudley, Huber and Conde voted AYE, and the motion carried unanimously (5:0).

**Action:** Approval of the February 16, 2017, minutes

**Moved by:** Commissioner Michael Huber, DVM

**Seconded:** Commissioner Diego Conde

**Vote:** Commissioners Williamson, Palmer, Dudley, Huber and Conde voted AYE, and the motion carried unanimously (5:0).

**Old Business:**

**A. Executive Director's Report**

Executive Director Jack McGrail updated the Commission on the status of the Coggins requirement. He noted the policy is explained on the ORC website; posted on websites of the Oregon Horsemen's Benevolent & Protective Association (OHBPA), Oregon Thoroughbred Owners & Breeders Association (OTOBA) and Oregon Quarter Horse Racing Association (OQHRA); has been sent to Emerald Downs to be posted in the race office and will appear in condition books. In addition, it will be direct mailed to 900-plus licensees. He stated that Commission officials have developed an implementation plan for the

summer fairs and are looking into setting up quarantine stalls at each fair. Racing Secretary Shorty Martin will be checking papers for horses entered to race; investigators and stewards will check other horses stabled on the grounds.

The Request for Proposals (RFP) for drug-testing services has been issued and responses are due March 24. Director McGrail noted that the Department of Administrative Services (DAS) is coordinating the review of responses.

Director McGrail explained that he and Senior State Veterinarian Stacy Katler, DVM, had developed a protocol for removing an out-of-state horse from the Oregon vet's list without requiring that horse to return to Oregon for inspection. The new procedure permits an out-of-state regulatory veterinarian to look at the horse and fill out a form stating the horse has satisfied the requirements for removal from the Oregon vet's list.

On starting gates, Director McGrail stated the Commission has an estimate of what it will cost to hire consultant Noel Cassidy of United Puett to evaluate the condition and serviceability of fair meet gates. The Budget Sub-committee will discuss that later today.

Director McGrail noted that, if approved, House Bill 3252, which is before the Legislature, would make greyhound racing illegal in Oregon. He stated the Commission would prefer the bill not pass, explaining that several ADW licensees use dog races and own dog tracks, and Portland Meadows (PM) does a substantial handle on greyhound racing. Noting that Oregon does not have greyhound racing, he added that the Legislation is not necessary and if passed, it could have a harmful effect.

Chair Charles Williamson noted that at the FROG meeting, representatives of a couple of the fairs indicated they needed time to work on their gates and would like to have the consultant's feedback as soon as possible, if the Commission is going to hire one.

### **B. ADW Sub-committee Report**

Commissioner Christopher Dudley stated that the sub-committee met this morning. An overview shows 9 current ADW licensees and 17 affiliates; handle figures (posted on the website) are slightly up. ADW Supervisor Connie Winn reviewed her department's duties and her auditing procedures, which include an annual visit to each ADW.

The sub-committee also discussed HB-3252, he noted, adding that the consensus was it's a significant issue for Oregon. The bill, which would outlaw greyhound racing in Oregon, has enough impact on racing, the sub-committee decided, that the Commission should contact bill sponsors to ensure they understand what's at stake. Committee members expressed concern about the effect the bill could have on betting on greyhound races, and whether it was a first step in a broader effort that could harm the local racing community. The sub-committee asked Director McGrail to do that outreach before a hearing is held on the bill, Commissioner Dudley reported.

Commissioner Dudley also noted the sub-committee discussed, in executive session, new initiatives that licensees are working on.

Chair Williamson noted that the Governor's Office has authorized the Commission to talk to legislators and committee members on the effects of HB-3252, but the Commission would not be lobbying against it.

Commissioner Dudley affirmed that his understanding was the Commission was authorized to informally contact legislators, but not to take a formal position.

### **C. Medication and Horse Welfare Sub-committee Report**

Commissioner Diego Conde reported that the sub-committee met this morning and discussed the plan formulated by Dr. Katler and other Commission staff for enforcing the Coggins test requirements. The committee also discussed the practice of horses running on back-to-back dates. Committee members expressed general concerns about horse welfare and medication compliance. Commissioner Conde noted the sub-committee is planning to look more closely at the practice and open a dialog with associations and stakeholders.

### **D. Future of Racing in Oregon Group (FROG) report**

Vice Chair Jan Palmer stated that the group met this morning, with representatives of three of the five fair meets present. Discussion included alternative training sites to try to keep costs down at Portland Meadows, and new projects such as backside improvement and a brochure for the summer fairs. The group also discussed fair issues, including changing from Intermountain Tote to United Tote, possible simulcasting at Grants Pass and Prineville, and starting gates. She noted the next FROG meeting will be 10 a.m. April 20 at PM.

### **E. Best Practices Sub-committee report**

Commissioner Dudley noted that Commissioners had been emailed an old Best Practices form from 2013, and asked them to disregard that and instead fill out the new form included in their packets and return it to him by the next Commission meeting on April 20. He stated that he and Commissioner Conde would review the answers for consensus and come up with a document for the Commission to discuss in a retreat setting by September. He noted that the sub-committee was about a year behind in performing this task, which is mandated annually by DAS. He explained the purpose is to stimulate a discussion by the Commission about operating practices and improvement.

Chair Williamson added that he and Vice Chair Palmer had also been working on the 360 Degree assessment of the Executive Director, which would be ready for distribution soon.

### **New Business:**

#### **F. Eastern Oregon Livestock Show**

Acknowledging that he is a “master at not liking changes,” Nate Jacob, Mutuels Manager and Co-Director of Racing for the Eastern Oregon Livestock Show, expressed his concern about proposed changes to the tote system and the starting gate at the Union meet. Mr. Jacob explained that he is not against United Tote, but feels the change was unfair to Tony Harris at Intermountain Tote, who received no or short notice that he was being replaced, according to Mr. Jacob. He noted that Mr. Harris has provided tote services at Union since the meet went from paper tickets to pari-mutuel machines and has helped the meet in many ways. Mr. Jacob noted that the Commission will pay \$500 more per day under the new agreement, as well as an automatic 3 percent increase each year.

Mr. Jacob noted that Union runs 15 betting windows, three of them separated from the others and hard to reach. Mr. Harris has been operating them all without problems for some time, and Mr. Jacob wondered if a new person would have the same success.

Mr. Jacob asked the Commission to let EOLS use Intermountain Tote for one more year, while he investigates how United Tote has worked at other meets and makes sure they can set up in a timely matter. He stated he intends to view the United Tote system at Kennewick, Wash., this spring. He expressed concern about a new tote provider setting up on Thursday before the show -- a busy day with 4-H, FFA and bull-riding competition -- with a minimum of disruption.

Commissioner Dudley asked whether Mr. Harris was planning to operate past 2017, and Mr. Jacob responded that he did not know, adding that Mr. Harris is close to retirement.

Chair Williamson noted that United Tote has proposed a contract for 23 days of racing, covering all the fair meets. The fairs divided the total evenly, which accounts for the additional \$500 per day fee in Union, but in reality it will be more for some tracks and less for others. It probably will be less for Union, he added, because it's one of the smaller meets.

Noting that he did not have the figures before him, Director McGrail stated the total cost for the upgrade came to about \$8,000.

Chair Williamson added that the automated United Tote system makes it much easier and faster to cash tickets, resulting in more winning tickets being cashed. He added that the OHBPA has indicated the contract with United Tote would be better for racing. He noted that if EOLS continued with Intermountain Tote, the Commission would still have to pay United Tote for 23 days, resulting in additional cost.

Dean Noyes, Director of Racing of the Crooked River Roundup (CRRU) who coordinated negotiations with United Tote, explained that the tote equipment would go to Union after the race meet in Kennewick, then follow the summer circuit in Oregon. He stated he is negotiating to keep travel costs down by housing the equipment in Central Oregon. He added the equipment could be set up in Union well in advance of the race meet there. He also noted that Mr. Harris told him his license expires the end of June and he does not plan to renew it for 2018. That means the only meet Intermountain could serve would be EOLS, Mr. Noyes added.

Mr. Jacob stated that Mr. Harris had indicated he is willing to do the Union meet this year.

Regarding the starting gate, Mr. Jacob stated there was one incident in 2015 in which one stall opened slowly, but there had been no problems in 2016. He stated that he was confident the EOLS staff can service and maintain the gate to run the meet safely. He added that it is an 8-horse gate, but because of track width, the meet does not use the first stall, which does not work properly. Mr. Jacobs also wondered about liability issues for a rented gate traveling to Union, and while it is at Union. He also noted that the Union meet is less than three months away, and if a consultant is going to look at the gate, it should be sooner rather than later.

Mike Twiggs, Presiding State Steward, summarized the Union gate's history. He stated he could find no record of documented problems until 2012, when doors opened at different times during testing. The gate worked perfectly in 2013. The next year, minor adjustments were made after the test fire to prevent the doors from recoiling. In 2015, one set of doors opened late in one race, and wagers on that horse were refunded. (The horse finished second, so purse money was not redistributed.) Last year, the gates worked well. Mr. Twiggs added that he looks at the gates from the point of view of an assistant starter, not a

fabricator, and he thinks having Mr. Cassidy's assessment would be helpful from the latter perspective. In response to a question from the Commission, Mr. Twiggs stated he had no qualms about the safety of standing in the gate as an assistant starter. He noted later that the stewards had not heard any concerns from jockeys either.

In response to a question about the gate's age, Mr. Jacob stated that EOLS bought the gate from the Redmond fairgrounds at least 15 years ago. Deputy State Steward Jim Smith noted the old Redmond gate was built in the mid-1960s.

Director McGrail stated that the Commission was not trying to force EOLS to use a different gate, it simply wanted to be certain the gate is safe and works. He noted that a gate failing to open once out of 22 races was a large percentage and unacceptable. At what point does a more modern gate make sense, he asked. He added that the liability and transportation issues were solvable. He asked Mr. Jacob if the issue boiled down to pride of ownership. If the Kennewick gate is newer and works better, and there are questions about the Union gate, would there be an objection to changing?

Mr. Jacob stated EOLS would be willing to make the change if there is concern its gate is not safe or reliable. He does not want to pay the costs of moving a gate back and forth, as the current gate costs the meet very little. He and the Commission agreed to wait until Mr. Cassidy sees the gate before making a decision.

Commissioners asked more questions about the breakdown in costs for Intermountain Tote vs. United Tote and the equipment. Mr. Noyes stated that United will tailor the amount of machinery it takes to each event to the meet. He explained that the agreement was modeled on how the meets do jockey insurance, and payment will be coordinated through the CRRU, as is also the case with jockey insurance. Noting that it isn't all about money, efficiencies and pragmatism, Mr. Noyes stated the people piece is also important. He stated that during negotiations, United Tote had asked Mr. Harris to participate in a transitional year, but was unable to reach an understanding that Mr. Harris felt was sufficiently in his interest. He added that the conversation with Mr. Harris started in October 2016. He concluded by expressing deep respect for Mr. Harris on behalf of the four meets that had used Intermountain Tote for many years.

Vice Chair Palmer and Director McGrail clarified that there is no reason Intermountain Tote could not apply for a license or bid on contracts. Chair Williamson expressed his hope that Mr. Cassidy could get here soon. Commissioners concluded that the tote and starting gate issues had different logistics but were equally pressing. Mr. Noyes noted that instead of a central contract, United Tote had sent 30-page contracts to each of the five meets.

**Contested Cases:**

None

**Other Business As May Properly Come Before the Commission:**

None

**Public Comment:**

Randy Evers, Executive Director of the OHBPA, made a policy statement noting that horsemen did not always agree with decisions by the Commission or its stewards. However, the OHBPA complimented

Director McGrail and Dr. Katler for the new process to remove an out-of-state horse from the Oregon vet's list. In addition, the Coggins policy has been well received. One concern: The owner gets only one page of the 5-part form, and if he has to turn that into the racetrack, he will not have an original copy.

Mr. Twiggs noted the stewards had held a hearing on a forged Coggins report. He explained that if a trainer shows the original, color form, the race office can accept a copy and return the original. The office needs to see the original for verification, but does not have to keep it. Mr. Evers expressed his support for this plan.

On the issue of running horses back-to-back, Mr. Evers acknowledged the public relations ramifications if a horse was injured and mentioned perpetual concerns about field size. He stated the OHBPA looks forward to working with the Commission on what is admittedly a tough question and trying to come up with a policy.

**Confirmation of the Next Commission Meeting:**

The next Oregon Racing Commission meeting will be April 20, 2017, at 1:30 p.m. in Room 1B of the Portland State Office Building (PSOB), 800 N.E. Oregon St., Portland, OR.

**Adjournment:**

**Action:** Motion to adjourn.

**Moved by:** Commissioner Diego Conde

**Seconded:** Commissioner Michael Huber, DVM

**Vote:** Commissioners Williamson, Palmer, Dudley, Huber and Conde voted AYE, and the motion carried unanimously (5:0).

There being no further business, the meeting was adjourned at 2:36 p.m.