



Minutes
Oregon Racing Commission
February 15, 2018

Meeting Detail

The Oregon Racing Commission (ORC) met on Thursday, February 15, 2018, in Room 1A 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 1:30 p.m.

In Attendance

Commissioners: Chair Charles Williamson; Vice Chair Jan Palmer, DVM; Commissioner Diego Conde; Commissioner Christopher Dudley; Commissioner Angelo Turner.

Staff

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

Agenda Items

Approvals:

Action: Approval of the meeting agenda, amended to remove Portland Meadows report.

Moved by: Commissioner Diego Conde

Seconded: Commissioner Angelo Turner

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

Action: Approval of the December 21, 2017, meeting minutes.

Moved by: Commissioner Diego Conde

Seconded: Commissioner Angelo Turner

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

Old Business:

Medication and Horse Welfare Sub-committee Report

Commissioner Conde reported that the sub-committee this morning discussed minimum requirements for track veterinarians at summer fair meets. The sub-committee decided current rules are sufficient, but Executive Director McGrail will send a memo to fair organizers emphasizing that not only must the fairs have a licensed veterinarian on the grounds, but it also would be prudent to have a back-up plan in case of an emergency involving that veterinarian, so racing is not disrupted. That correspondence will go out 60 to 90 days before each meet. Commissioner Conde noted that the main issue is that the veterinarians be qualified and equipped to handle equine emergencies.

Commissioner Conde stated that the sub-committee also discussed “stacking” of non-steroidal anti-inflammatory drugs (NSAIDs), stemming from several NSAID violations last season. The sub-committee will continue to discuss the issue, including the horsemen and veterinarians in the conversation.

The horsemen have proposed a change to the claiming rule that would allow a claim to be voided under certain circumstances. The sub-committee will start the rule-making process, which includes opportunity for public comment, in the next few months, Commissioner Conde reported.

Regarding the recent case of EHV-1 diagnosed at Portland Meadows, Commissioner Conde noted that protocols worked, the situation was controlled and did not pose a threat to other horses, thanks to the actions of State Veterinarian Stacy Katler and the track vets.

Best Practices Sub-committee Report

Commissioner Dudley reported that the sub-committee this morning reviewed the survey linked to Key Performance Measures (KPM). The problem with the survey is that feedback – via the website and dropboxes at Portland Meadows, is almost non-existent. The sub-committee plans to do outreach to stakeholders and others about how the Commission is doing. The sub-committee proposes revamping the survey to better indicate whom the respondents are as well as distributing the survey by SurveyMonkey to the email addresses of all stakeholders and licensees. There will also be a link on the website. Questions will be similar to those on the current document, because they are aligned with the KPMs, which are set by statute. Staff will revise the current document and have it ready for Commission review before the next meeting, with a goal of distributing the survey in April.

The Best Practices memo aims to align Commission actions during the year with Best Practices criteria. Commissioner Dudley stated he was going to work with the first draft of the memo and likely would redraft the criteria, which do not match closely what the Commission does or take into account that the Commission is on a biennial budget cycle.

Commissioner Dudley added that the sub-committee also addressed the timeline for this year’s self-evaluation. To meet the state’s reporting requirements, the sub-committee proposes distributing the documents to the Commission on May 1, with documents to be returned June 1. At the June meeting, the Commission will discuss the documents and determine whether the Commission is meeting the criteria. The completed documents should be adopted by July, in time to meet the timeline for reporting to the state.

Executive Director’s Report

Noting that Portland Meadows (PM) General Manager Karsten Hennze will give a full report on the recently concluded meet next month, Executive Director McGrail stated that the meet went very well. Good weather, with a short break over the holidays, permitted all 37 cards to be run. According to the stewards, only 7 horses were disqualified out of 330 races. The shortage of horses continues, with fewer than 600 stabled on the grounds, but horsemen did a good job of filling races, which averaged 7-plus starters.

Three horses, out of 2,352 starters, suffered catastrophic injuries, for an average of 1.275 per 1,000 starters. Director McGrail noted that is below the Commission’s threshold of 1.5 per 1,000 starters. He added that the national average has declined over the past 7 years to about 1.52 per 1,000 starters. The

PM meet was under the national average, and Director McGrail gave credit to the trackmen, jockeys, horsemen, Commission staff and track veterinarians.

Director McGrail noted that during the last week of the meet, a horse was diagnosed with EHV-1. State Veterinarian Stacy Katler, Dr. Brad LeaMaster of the state Department of Agriculture and the track veterinarians came up with a plan that Portland Meadows and the horsemen supported. Dr. Solomon Benarroch reported the symptomatic horse; the horse was isolated; bio-security measures were implemented.

Because of the EHV-1 incident, other racetracks, including Golden Gate, Turf Paradise and Emerald Downs, would not allow Portland horses to ship in, so PM kept the barn area open an additional 10 days. The Commission contributed financially to the cost of doing so.

Director McGrail noted that Commission stewards, in collaboration with their Washington counterparts, are hosting a continuing education seminar March 19 and 20. It will provide 16 hours of CE credit.

Regarding the upcoming summer fair meets, Director McGrail noted that the horsemen have some new ideas about how to use the Jockey Incentive Fund to engage more riders. Darrell Haire, the Western Regional Jockey Guild representative, is helping in that effort.

Director McGrail also noted the death Jan. 16 of lobbyist Mike Dewey, whom he called an advocate for the industry, and introduced the new budget analyst assigned by the state to the Commission, Haylee Morse-Miller.

New Business:

Report on Fair Simulcast Meeting:

Randy Evers, Executive Director of the Oregon Horsemen's Benevolent & Protective Association (OHBPA), gave a brief report on the Oregon summer fair simulcast meeting held this morning. He noted that attendees included representatives from the two meets that simulcast racing last year, Crooked River Roundup (CRRU) and Southern Oregon Horse Racing Association (SOHRA); as well as United Tote; Trident; Roberts Communication Network; Commissioners Palmer and Dudley; Director McGrail; and Randy Boden of AmWest Entertainment.

Mr. Evers explained that last year was the first time any of the fairs were simulcast to ADWs, although several years ago, OHBPA simulcast the Grants Pass meet to PM and off-track betting sites. That effort was expensive and not sustainable. He characterized last year's fair simulcasts as earning an A for effort but a C for execution, citing three problems: 1) Audio/video didn't work very well initially. IdaBet finally was able to get audio/video, but other participating ADWs, TwinSpires and Xpressbet, never did. 2) Stakeholders would like all ADWs to be able to use the product, but last year the effort was limited to three. 3) Many fair horses start racing in May in Kennewick, Wash., and draw a local following, but IdaBet does not take bets from Washington residents, leaving those fans out.

Mr. Evers stated that those at the meeting thought those problems could be addressed by bringing in Roberts Communications Network (RCN), the national leader in sending out audio/video signals for racing. He reported that RCN could supply a stable audio/video that all ADWs could access. He stated that Dean Noyes of CRRU and Rod Lowe of SOHRA will meet with tech people to identify the costs. After that, the group will come up with a proposal and a funding plan.

Mr. Evers summed up that, in his opinion, last year was a good first step, but changes have to be made for simulcasting to be sustainable. The change is RCN, which will unquestionably add cost, but he stated he thinks the potential to add more ADWs and increase handle is worth the risk.

Commissioner Conde asked about the increased cost. Mr. Evers stated RCN had estimated costs at \$500 per day; that compares to IdaBet at about \$250 daily last year. Other costs, such as cabling and band width, have to be determined, he added.

Mr. Evers added that TVG, which he stated has a tremendous number of Oregon customers, had indicated it would participate if RCN carried the audio/video. He added that increasing the number of ADWs could significantly increase the handle.

Discussion and possible approval of Executive Director's goals and objectives:

Commissioner Dudley explained that he had asked Director McGrail to compile written goals and objectives as part of the Executive Director's evaluation. He stated that the document identified five areas of challenges in the near future and what the Commission needed to accomplish.

Action: Adoption of the Executive Director's statement of goals and objectives for 2018

Moved by: Commissioner Christopher Dudley

Seconded: Commissioner Diego Conde

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

Discussion and possible approval of summer fair race meet license applications - Form A (dates):

Director McGrail noted that the proposed fair meet dates are consistent with those in past years. He added that the Harney County Fair, which doesn't happen until September, has not submitted dates yet, but anticipates running its meet on Sept. 7, 8, 9. Form A for that meet should be in by the next Commission meeting, he added.

The other dates are: Eastern Oregon Livestock Show (EOLS), June 8, 9, 10; Southern Oregon Horse Racing Association (SOHRA), June 16, 17, 23, 24, 30, July 1, 4, 7, 8; Crooked River Roundup (CRRU), July 11, 12, 13, 14; Tillamook County Fair, Aug. 8, 9, 10, 11

Action: Approve proposed 2018 dates for EOLS, SOHRA, CRRU and Tillamook County Fair

Moved by: Commissioner Diego Conde

Seconded: Commissioner Angelo Turner

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

Chair Williamson stated that with the dates known, ORC staff and Commissioners should determine which Commissioner will attend each meet. Noting that he attended Tillamook last year, he stated that he learns something every time he goes to a fair meet and it is important that one Commissioner attend each meet, if possible.

Other Business as May Properly Come Before the Commission:

None

Public Comment:

Ron Sutton, President of the OHBPA, stated that at its board meeting this week, the OHBPA approved an \$88,000 budget for the summer fairs. In regard to the fair meets, the board also decided to: guarantee

\$100 minimum per starter; continue the Trainer of the Day program, which pays \$100; add \$500 per race (approximately \$72,000 over the summer); hold an HBPA race at each meet, with \$1,000 awarded; and increase the jockey fee paid by owners to a minimum of \$45 per ride (up from \$35). Mr. Sutton added that he hoped changes to the Jockey Incentive would result in a jockey fee of \$60, noting that Mr. Haire of the Jockey Guild had stated if the jockey fee is \$60, he will get jockeys to the fairs.

Mr. Sutton stated that the OHBPA's contract committee will meet beginning next week and plans to have a proposal for the next PM race season to track management within two weeks.

Contested Cases:

None

Confirmation of the Next Commission Meeting:

The next regular Oregon Racing Commission meeting will be Thursday, March 15, 2018, at 1:30 p.m. in Room 1C 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 Christopher Dudley

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

There being no further business, the meeting was adjourned at 2:10 p.m.