



**Minutes**  
**Oregon Racing Commission**  
**Sept. 17, 2020**

**Meeting Detail**

The Oregon Racing Commission (ORC) met on Thursday, Sept. 17, 2020. The meeting was held via teleconference.

**Call to Order**

Chair Diego Conde called the meeting to order at 1:36 p.m.

**In Attendance**

**Commissioners:** Chair Diego Conde; Vice Chair Steven O'Hagan; Commissioner Jan Palmer, DVM

**Absent**

Commissioner Charles Williamson

**Staff**

Executive Director Jack McGrail; Catriona McCracken, Assistant Attorney General

**Agenda Items**

**Approvals:**

**Action:** Approval of the meeting agenda, amended to move Executive Session to end of meeting

**Moved by:** Vice Chair Steven O'Hagan

**Seconded:** Commissioner Jan Palmer, DVM

**Vote:** Commissioners Conde, O'Hagan, and Palmer voted AYE, and the motion carried unanimously (3:0).

**Action:** Approval of the minutes from the July 16, 2020, ORC meeting

**Moved by:** Vice Chair Steven O'Hagan

**Seconded:** Commissioner Jan Palmer, DVM

**Vote:** Commissioners Conde, O'Hagan, and Palmer voted AYE, and the motion carried unanimously (3:0).

**Old Business:**

**Budget Subcommittee Report**

Commissioner Palmer reported that the Commission has a total of \$1,479,027 in hub funds to allocate for fiscal 2020-21. Of that amount, Executive Director McGrail and Administrative and Program Coordinator Karen Parkman recommended keeping \$300,000 in reserve for unforeseen expenses. She noted that the industry groups have submitted requests for portions of the remaining \$1,179,027.

On behalf of the fairs, Doug Smith of the Crooked River Roundup (CRRU) requested the four summer fairs receive \$3,000 per 2020 race day to help with marketing and other expenses they were unable to recoup when their events were cancelled because of the pandemic, for a total of \$42,000. Commissioner Palmer reported that the subcommittee agreed to this request.

She stated that Grants Pass Downs (GPD), the Oregon Horsemen's Benevolent & Protective Association (OHBPA) and the Oregon Quarter Horse Racing Association (OQHRA) had requested \$679,000 to help with purses. Because 16 of the 35 race days are in a separate fiscal year, the subcommittee recommended \$500,000 be allocated for purses.

The subcommittee recommends the remaining \$637,027 be divided: \$150,000 to OHBPA; \$150,000 to GPD; \$100,000 to OQHRA; and \$237,027 to the Oregon Thoroughbred Owners & Breeders Association (OTOBA).

Chair Conde thanked all the association representatives for their participation, adding that it was obvious all were trying to work for the best interests of the industry.

**Action:** Approve allocations for 2020-21 as outlined by Commissioner Palmer

**Moved by:** Vice Chair Steven O'Hagan

**Seconded:** Chair Diego Conde

**Vote:** Commissioners Conde, O'Hagan, and Palmer voted AYE, and the motion carried unanimously (3:0).

Director McGrail noted that the money would be distributed in two equal installments, as usual – one soon, and the second in January or February.

**ADW Subcommittee Report**

Chair Conde reported that the subcommittee met earlier this week and heard from ADW Supervisor Connie Winn, who reported that the ADWs are faring well, with almost all reporting growth over the prior year. The Commission has welcomed a new licensee, ELS Gaming.

The pandemic has forced postponement of the ADW forum, a periodic gathering of licensees with Commission representatives to address industry issues, he stated. Ms. Winn reported that licensees would like to proceed with that meeting via videoconference, Chair Conde stated. He added that the Commission hopes to schedule that meeting, which is not open to the public, sometime the week of Oct. 19.

He added that Ms. Winn also gave an update on the status of a Legislative Concept proposed by the Commission, which is in an early stage and not yet available to the public. Once a bill number has been assigned to it, he explained, it will be open for discussion and comments welcomed.

### **Best Practices Report**

Karen Pate, ORC administrative assistant, reported on the status of the Annual Performance Progress Report, which is due to Salem at the end of September and subsequently becomes part of the budget document.

The report has four key performance measures: animal safety, license turnaround time, excellent customer service, and best practices.

The numbers generally are good, Ms. Pate reported. “Animal safety” tracks race-related equine fatalities, with an ORC target of no more than 1.5 horses per 1,000 starters. In fiscal 2020, there were 2,949 starters at the commercial meet in Grants Pass and the 2019 Tillamook and Harney county fair meets, and three equine fatalities. That results in a rate of 1.02 horses per 1,000 starters, which is better than both the target and the national average of 1.53 horses per 1,000 starters, she stated. The agency is at 147.06% of goal.

In license turnaround time, Ms. Pate stated, target is to complete licensing within 5 days of receipt of an application. Chief Investigator Katrina Robson generally completes these the day they are received. With the COVID-19 shutdown and everyone working from home, Investigator Robson has been going into the office to collect mail and process applications once a week, so turnaround time has been slightly longer, but generally still within target.

Ms. Pate explained that “excellent customer service” rates customer satisfaction with the agency’s performance in terms of timeliness, accuracy, helpfulness, expertise, availability of information and overall, measured via a survey. Response rates historically have been low, she noted, but contrary to what might be expected, those who do respond seem to be happy. The target for a good or excellent rating is 75%; on last year’s survey, the ORC received favorable ratings of more than 90% in each category. This year, with the COVID-19 chaos, canceled race meets and a new website, survey responses have been few, she added.

Best Practices is the last quadrant of the performance report, and this is based on the Commissioners’ self-evaluations. Ms. Pate stated that these had been distributed to the Commissioners and should be returned in the next few days.

### **Executive Director’s Report**

Executive Director McGrail reported that GPD canceled several training days and the first two days of its fall meet because of wildfires. The Commission is monitoring the situation and working with the OHBPA, stewards, the state veterinarian and track officials to determine when it is safe to resume racing.

Regarding ADWs, he stated that Ms. Winn is conducting audits remotely. Those will resume in-person as soon as possible.

Next week, he and Ms. Winn plan to meet with Randy Evers of GPD and a project coordinator to discuss plans for The Flying Lark project at GPD, including historic racing and security issues.

On the national front, Director McGrail noted that the Horseracing Integrity & Safety Act appears headed for passage. He added that he plans to meet with stakeholders and Commissioners to assess the effect in Oregon. The landscape around drug testing and penalties is likely to change, he noted, and the Medication and Horse Welfare subcommittee and GPD will monitor that.

Director McGrail thanked industry groups for their well-reasoned budget proposals. He noted that cancellation of the fairs made more money available for allocations this year than is usual.

He also reported that Jolene Thomson is being considered by the Governor's Office to fill an opening on the Commission.

### **Grants Pass Downs (GPD) Report**

Kendra Lellis, GPD vice president, reported that training has been canceled for the past week because of poor air quality due to wildfires. GPD used the opportunity to add 800 tons of sand to the track surface, she added. GPD will allow training, she reported, when the Air Quality Index (AQI), according to Airnow.gov, is in the 151-200 range or lower. It must be no higher than 101-150 for racing to be held.

Rod Lowe, chief operating officer, added that the first two days of racing were lost because of the fires. Two races have subsequently been made up, and the track will try to write extra races into the rest of the meet. He noted that there have been lots of nine- and 10-horse fields after entries. Training hours will be extended.

Mr. Lowe gave a rundown on the status of projects: seven tack rooms have been added on the backside; a second ice machine (donated by the OHBPA) has been added; timers are being added at each 16<sup>th</sup> mile; the tunnel should be completed within a week; finish-line lights are being added; the claiming box and clock are being added between the jockeys room and the weight room.

Katy Burris, human resources manager, reported that the COVID-19 protocol campaign continues with employee training, distribution of protocol information on the backside and reminding people to wear masks. No coronavirus cases have been reported at the track, she added.

Randy Evers, GPD president, reported that GPD is talking with prospective new partners for the OTB network in Eugene, Roseburg, Coos Bay/North Bend and Ontario, which would fill several gaps in OTB coverage. GPD has 10 OTBs now. He noted that OTB sites had been struggling -- many had been closed because of the pandemic -- but handle is trending up. On Derby Day, OTB network handle was \$215,000 -- GPD's largest day ever -- and it is trending toward \$15 million to \$18 million a year. GPD is doing a lot of promotions, he noted, with giveaways and banners tying the OTBs to GPD. Next year, he noted, GPD plans to host an OTB partner summit on how

to grow the network. In addition, he stated, GPD is working with the ORC on a wager that would have a low takeout and be offered in Oregon only.

The track also is seeing increased coverage of live races that go off after 7 p.m. on TVG; that coverage increases handle significantly, he noted.

Mr. Evers added that COVID restrictions permit up to 250 visitors on site on race days, so GPD is going to sell 150 tickets online for each day's races. A \$6 ticket will include a guaranteed seat, parking and a program.

### **New Business**

#### **Review and possible approval of GPD fall race meet dates and purse schedule**

Director McGrail explained that the dates are the same as those the Commission approved this summer, but post times have changed. There is no change to the purse schedule.

**Action:** Approve GPD fall race meet dates and purse schedule

**Moved by:** Commissioner Jan Palmer, DVM

**Seconded:** Vice Chair Steven O'Hagan

**Vote:** Commissioners Conde, O'Hagan, and Palmer voted AYE, and the motion carried unanimously (3:0)

#### **Other Business as May Properly Come Before the Commission**

None

#### **Public Comment:**

None

#### **Contested Cases:**

None

#### **Executive Session**

The Commission went into Executive Session at 2:15 p.m., pursuant to ORS 192.660(2)(i), to review and evaluate the performance of Executive Director Jack McGrail. The Commission resumed public session at 2:45 p.m.

#### **Confirmation of next meeting:**

The next Commission meeting is scheduled for 1:30 p.m. Oct. 15, 2020, with location to be determined.

#### **Adjournment:**

**Action:** Adjourn meeting

**Moved by:** Vice Chair Steven O'Hagan

**Seconded:** Commissioner Jan Palmer, DVM

**Vote:** Commissioners Conde, O'Hagan, and Palmer voted AYE, and the motion carried unanimously (3:0).

There being no further business, the meeting was adjourned at 2:47 p.m.