

Washington Horse Racing Commission
Meeting Minutes
April 12, 2013

The meeting convened at 9:30 A.M. at the Auburn City Council Chambers, Auburn, Washington. present were: Jeff Colliton, Chairman; Paul George, Commissioner; Sharon Payant, Assistant Attorney General; Douglas Moore, Executive Secretary; Patty brown, Confidential Secretary.

Item #1. Approval of the minutes of March 15, 2013.

Commissioner George moved to approve the minutes with the following changes, on page 5, remove the "a" before the \$25,000 to assist...". Chairman Colliton seconded the motion and added changes to wording regarding Emerald Downs legislation clarifying that only one satellite location would be added to King county; and also clarified that he had only cautioned Mr. LaVanway regarding his hearing. Unanimously approved.

Item #2. Commissioners' report.

Chairman Colliton had nothing to report.

Commissioner George said he had spoken with Shorty Martin at Sun Downs and reported things are going along well. The horses on the grounds but are paying stall rent, but when Sun Downs takes over on Monday, a lot more horses will be showing up. Apparently Sun Downs has settled their differences with the Fair Board. Commissioner George said he also had visited Lucky Acres training ranch managed by Steve Meredith. There are six stallions there and foals are dropping readily. They are actively breeding. The ranch is a couple miles west of Yakima city limits.

Chairman Colliton made note that Commissioner George would be attending Sun Downs during their opening days.

Item #3. Industry.

- a. Emerald Downs. Bob Fraser, VP Operations reported handle was down 2.4 percent for March and for the year down 4.5 percent. He reported the good news that live racing begins on the 17th. The facility looks great and they are quite ready for the racing to begin. He reported training going well; the horse count is 860 on grounds compared to 819 last year. The weather has been good for training. As of April 9th there were 190 horses with official clock works. There are about 225 horses working per week average. Entries are Wednesday for Saturday racing; and Thursday for Sunday. He said new trainer coming in was Jeff Metz with 10 horses on the 10th and 12 horses arrived on the 12th. Dave Bennett shipped in horses on the 12th. Numerous horses came in from Robbie Baze. The condition book came out and there are many opportunities to race. Mr. Fraser said there is a big "Ipad" give away scheduled for opening night, 30 to give away. He's very optimistic. He reported Emerald Downs' legislation passed the Senate this week 48-8. The next move is to the Governor for signature. Locations identified for satellite and next meeting hopefully one will be approved in King County. Mr. Fraser reported the funding bill is "sitting aside" at the moment, it was deemed necessary to implement budget.

Still working the bill in Olympia. Mr. Fraser said they are shelving the Smart Phone application at this time and may bring it up again next year; due to the opinion, not favorable at this time.

Chairman Colliton asked about Portland Meadows. Mr. Fraser said they want instant racing passed, this is the hinge and if it passes they will request dates. Horse count is a pleasant surprise, hoping to see larger fields with the shorter race week.

- b. WHBPA. Ron Maus, President reported. He said they've had one board meeting this year which was needed to sign contract with Emerald Downs. He said trainers have reported high satisfaction with the track, very low breakdown season so far, all aspects of the track are kept immaculate. He would like to get more California horses to come here, he said it would be a great augmentation to Emerald Downs' racing. He reported that he and MaryAnn O'Connell, Executive Director, attended a symposium by the national HBPA, he said that equine health and medication issues were discussed. An honest report on the no effect of Lasix was given. Mr. Maus said the matter of giving WA bred more of a boost in the condition book, we're all for the meet; not only WA bred; must insure steps are taken to increase the number of horses in the starting gate, the entirety of the horses not only WA bred.

Ms. O'Connell reported on the L&I invoicing and reported a couple of glitches with the grooms, but working that out, otherwise things are going well.

- c. WTBOA. Ms. Anne Sweet reported on the yearlings and foals; the feeling is okay at this point. She is anticipating to be about 10 percent down from last year's catalogue. Commissioner George asked about the sale date. She said it is Tuesday following the Longacres mile.

Item #4. Report on Rewards Breakfast Handicapping contest.

Ms. Sophia McKee, Director of Marketing reported on the new media on radio and TV that started last week. She is very excited this is her first opening with Emerald Downs. She reported that opening night will have 30 Ipad minis to give away; this year there is a newcomers day offered with stations located around track for newcomers to ask questions. There will be designated mutuel window for them to allow them more time to learn how to wager. Emerald Downs is heavily involved with the Prodigious Fund; there is a casino charity night tomorrow night that supports race horses after care program. It is \$50 per ticket and you can get them at the door. Chairman Colliton asked about marketing on the east side of the state. Ms. McKee said no; the marketing budget is not there to be able to do this. Vince Bruun will get the message out to the eastside through his media connection. An opening day mailer went to 20,000 households which includes eastside addresses.

Handicapping contest concluded with 71 players up from 42 last year. Handle was up five thousand, total simulcast attendance was down though, but made some good ground. There are a lot of regulars playing in the contests.

Item #5. Hearing before the commission.

- a. WHRC 2012-03 Dayson LaVanway.

Chairman Colliton opened the hearing at 10:10 A.M. Chad Standifer, Assistant Attorney General represented staff. Gavin Simkins representing Dayson LaVanway who appeared via telephone. Exhibits were admitted. Testimony was taken.

Five minute break. 11:25 A.M. Reconvened 11:30 A.M.

Chairman Colliton reported the ruling of the stewards was upheld in the matter and that an written order would be prepared and sent.

Item #6. Request from XpressBet plan of operation.

Doug Moore presented the change to the XpressBet plan of operation that would allow registered customers to fund their account through stores like 7-11 called a "pay near me account" to place money in their existing XpressBet account. WAC 260-49-060 allows an account holder to add money to his existing account at financial or retail outlets designated by the advance deposit wagering service provider. Ms. Payant also spoke that this is appropriate. Staff recommended approval. Commissioner George moved to approve the change to XpressBet's plan of operation. Chairman Colliton seconded the motion. Unanimously approved.

Mr. Moore said an Order is prepared for the Commissioners' signature.

Item #7. Legislative update.

Mr. Moore updated the commission on the pending legislation.

Item #8. Executive Secretary report.

Mr. Moore spoke regarding the L&I problem with groom calculations that Ms. O'Connell had spoken of. Mr. Moore said the way the WHRC ELMS software is coded, it's appears to be double charging for a groom, if a groom works ten days then quits, the trainer hires another groom, the ELMS charges the trainer for two grooms. Mr. Moore said he and Ms. O'Connell had talked about the system problems and they will be working on this. The latest proposal is that the HBPA calculates the amounts due and submits those totals to the WHRC and those totals be placed on the invoice that are sent to the trainers to pay.

Mr. Moore said he had hoped to have a new Commissioner at this meeting but no new one has been appointed yet. Maybe by the June meeting we will have a third commissioner.

- a. Request from RMTTC. Mr. Moore asked to table this request until the June meeting.
- b. Wagering recap (March 2013). Mr. Moore said the wagering is down 2.4 percent; 4.1 on total wagering overall.
- c. Monthly Financial Statement (February 2013).
Mr. Moore Doug explained the revenues and expenditures. Mr. Moore reported the fund balance of \$654,918.

Item #9. Any other business that may be properly brought before the Commission.

Hearing none. Chairman Colliton adjourned the meeting. (1:30 P.M.)

Douglas L. Moore, Executive Secretary