

Washington Horse Racing Commission
Special Telephone Conference Meeting
April 10, 2020
9:30 A.M.

Present in Olympia were: Robert Lopez, Chairman; Doug Moore, Executive Secretary; Amanda Benton, Deputy Secretary; Patty Brown, Confidential Secretary.

Attending by phone: Commissioner Claude Ragle, DVM; Commissioner Everett Macomber, DVM; Dana Halvorson, President, WA Thoroughbred Owners and Breeders Association; Representative Joe Schmick, Legislative Ex-Officio Member; Shorty Martin, Racing Secretary, Tri City Horse Racing Association; Phil Ziegler, President, Emerald Racing LLC; Lanna Allen, WA Horsemen's Benevolent & Protective Association; Anne Sweet, Editor, Washington Thoroughbred Magazine.

Item #1. Approval of the special meeting minutes of March 13, 2020. (Action Item)

Commissioner Macomber moved to approve the minutes as submitted. Commissioner Ragle seconded the motion. Unanimously approved.

Item #2. Governors' Proclamation on COVID-19 – Impact on live racing and postponement of race days. (Action Item)

a. Emerald Downs' - Postponement.

Chairman Lopez reviewed the circumstances and impacts regarding the COVID-19 outbreak on the Commission and the industry. He said Emerald Downs will not be able to commence racing on April 18 as previously approved at our February 14, 2020 meeting and the commission should take some action today to postpone live racing until further notice or some change to the Governor's "Stay Home, Stay Healthy" directive has been made. Chairman Lopez asked Mr. Ziegler if he had any update. Mr. Ziegler said they have had discussions, scenarios, of what other tracks are doing. They still intend to run in 2020 with a revised date request; have been exploring running with a closed grandstand; they've been looking at and running numbers and will request new dates from the Commission at a date appropriate. Mr. Moore said some of the other states Oklahoma, Arkansas, Florida and Nebraska are currently running live and some other states but have temporarily shut down their barn areas. Mr. Moore has reached out to the Governor's office and it was agreed that the industry is agricultural and is essential. The key is how far does this extend; does this only include training or also the live racing, without the public in the grandstand. Mr. Moore said it was obvious that Emerald Downs cannot open on April 18th. Commissioner Ragle said it is a wait and see situation and hard to prepare for. Commissioner Macomber asked Mr. Ziegler if he was able to maintain employees. Mr. Ziegler said most of the staff on front side had been furloughed; he does have licensed essential workers on the backside. Commissioner

Macomber asked about if the gate crew was there and Mr. Ziegler said they have not reported to work yet. Representative Schmick said it was imperative for Mr. Ziegler to plan ahead for what accommodations would be made for the public when Emerald Downs does open; he said the public wants some assurance that they will be safe. Mr. Ziegler said they have already discussed this; with Emerald Downs more like an outdoor park atmosphere, social distancing would be taken into consideration. He said open air areas tend to be considered safer, but we need to know what limitations would be coming from the Governor's office on gatherings. He said they've been planning on different scenarios. Their top priority is to keep everyone healthy and safe. He said of the people on the backside, no one that's been tested has had any symptoms at this time. Representative Schmick said there needs to be some messaging put out there stating how important the public safety is as well as the actual physical surroundings at the track. Ms. Sweet said that Jazz Alley sent out an email on their sanitations, social distancing, and physical layouts to keep people safe.

Chairman Lopez moved to postpone live racing at Emerald Downs indefinitely until this health crisis reaches a point where it is safe to conduct live racing again. Chairman Lopez also moved that the Commission consider a request to conduct live racing, at a future date, when the issues of social distancing have been amended; further the Commission should also consider live racing without the public in attendance; with the appropriate health and safety protocols. Commissioner Macomber seconded the motion. Unanimously approved.

Chairman Lopez said a letter would be sent out effective today. Mr. Ziegler said he thought that the motion was well worded and covered everything. He said he had held a zoom meeting working with all partners going through different scenarios and preparing solutions.

b. Sun Downs - cancellation Spring meet.

Mr. Moore said he received an email from Shorty Martin stating that it would be impossible to hold spring meet. Mr. Martin explained the reasoning to cancel their meet was it would be impossible to conduct a meet without the public. Mr. Martin said it may be possible to conduct a fall meet with the approval of Commission and County.

Chairman Lopez said he would entertain a motion to cancel the Sun Downs race meet for 2020. Commissioners Macomber and Ragle simultaneously seconded. Chairman Lopez said before the vote, if there is a change with Benton County and you were to request fall dates, we would request that this be done 45 days prior to the actual opening day. Unanimously approved. Mr. Martin asked to be clear that the 2020 dates are cancelled and Sun Downs would need to reapply for dates in the fall. Chairman Lopez said that is correct.

Item #3. ADW License Renewal – NYRAbets. (Action Item)

Mr. Moore presented the renewal application from NYRAbets. Mr. Matthew Feig and Tony Allevato were present on the phone to answer any questions pertaining to the renewal application. Mr. Moore said nothing detrimental had been discovered and that staff recommends renewal of ADW license. Chairman Lopez asked for comments. Mr. Feig said they certainly appreciate the partnership with the Commission and Emerald Downs and thank you for the consideration. Commissioners Macomber and Ragle had no questions.

Commissioner Ragle moved to approve the renewal application for NYRABets LLC. Commissioner Macomber seconded the motion. Unanimously approved. An order will be executed and mailed to you.

Item #4. Executive Secretary report.

a. Wagering Recap (March 2020).

Mr. Moore reviewed the wagering recap by ADW for the February 2020/February 2019 date range comparison showing a 14.43 percent increase; for Emerald Downs satellite for March 2020/March 2019 comparison showing overall a 59.10 percent decrease due to cancellation of simulcasting; for March 2020/March 2019 race year comparison showing a 13.80 percent decrease; and date range comparison showing an overall 10.23 percent decrease.

b. Monthly Financial Statement.

Mr. Moore reviewed the revenues and expenditures and fund balance which as of February 2020 is at \$603,287. Chairman Lopez asked about staffing at Emerald Downs and at the Olympia office. Mr. Moore said as of March 25th the only staff working is one steward, one investigator, one clocker and the license clerk. That staff is working 20 hours per week. The Olympia staff has been cut back to four days a week working only five hours a day; until the revenue picks back up again. Mr. Moore said he's talked with the Office of Financial Management and the WHRC is not paying any central services costs at this time. The ORCA pass billing for \$21,000, which no WHRC employees utilized, has been waived. Our biggest issue is the handle is down and the expenses are up. Commissioner Ragle appreciated all of Mr. Moore's hard work. Mr. Moore said he did not layoff the employees; he does have them on call to help keep their health care in place.

Commissioner Macomber asked about the ADW revenue, was it consistent. Mr. Moore said it is up 14%, there is an expected larger change in March and April. Mr. Ziegler has been tracking this year with last and he does have a spreadsheet that Mr. Moore would share if they wanted.

Mr. Moore commented that the ADW firms for March were up and expects April will be even more.

Chairman Lopez said this is the end of the agenda. The next meeting is scheduled for June 12, 2020 at 9:30 AM at Auburn City Council Chambers if available. Meeting adjourned at 9:57 A.M.

Doug Moore, Executive Secretary