

**MINNESOTA RACING COMMISSION
FULL COMMISSION MEETING**

MINUTES

Thursday, April 24, 2008
4:00 PM

Columbus City Hall
16319 Kettle River Boulevard
Columbus, MN 55025

VARIANCE HEARING

CALL TO ORDER:

Chair Hitesman called to order the variance hearing at approximately 4:10 p.m.

PRESENTATION OF VARIANCE REQUEST –

RUNNING ACES HARNESS PARK & CANTERBURY PARK

Mr. Keidel mentioned that he was representing Running Aces Harness Park and Mr. Halstrom of Canterbury Park. They have signed a request to change rule Ch. 7872.0185 TRIFECTA Subp. 7, Restrictions on trifecta races. Trifecta wagering must not be scheduled on a race with fewer than ~~six~~ five betting interests in the original daily racing program. The approval of this variance would allow for trifecta wagering on a five or more horse field. Standards granting or denying request include that the current rule would cause hardship to the betting public when unable to place a trifecta wager due to the shortage of horses which may occur at either track. Granting the variance benefits both tracks and does not give unfair advantage to either track. Granting the variance does not impair the intent because the rule is in the process of being changed. Granting the variance may be done without material detriment to the integrity because it gives the betting public ability to wager on a trifecta on all races that have 5 or more horses. Granting of the variance does not violate the standards or requirements in MS Chapter 240.

PUBLIC TESTIMONY

There was no one in the audience who publically commented on the variance.

DISCUSSION AND ACTION REGARDING VARIANCE REQUEST

Chair Hitesman indicated that with no further discussion, action on the Variance Request would occur during the Full Commission meeting.

ADJOURNMENT

Commissioner Overton moved to adjourn the Variance Hearing at approximately 4:19 p.m. Seconded from Commissioner Preece. Motion carried.

FULL COMMISSION MEETING

April 24, 2008

CALL TO ORDER: Chair Hitesman called the Full meeting to order at 4:20 p.m.

ROLL CALL:

Present: Commissioners Buhler, Duncanson, Overton, Kozitza, Hitesman, Leegard, McArdle, Preece, and Sundberg.

ADOPTION OF AGENDA:

Chair Hitesman requested that the agenda be in the order of business listed. Commissioner Duncanson moved that the agenda be adopted adding action regarding the variance request to #5 and increasing numerical order thereafter; Seconded from Commissioner Leegard. Motion carried.

APPROVAL OF MINUTES – March 20, 2008:

Commissioner Leegard moved that the minutes of March 20, 2008 be tabled until the next meeting to give Commissioners time for reviewing; seconded from Commissioner Buhler. Motion carried.

ACTION REGARDING VARIANCE REQUEST

Commissioner Kozitza moved to approve the variance request pertaining to the allowance of trifecta wagering on a five or more horse field for Running Aces Harness Park and Canterbury Park brought before the Full Commission today subject to revisiting the issue again if the proposed rule is not approved. Seconded from Commissioner Preece. Motion carried.

CONSIDERATION AND ACTION REGARDING:

Canterbury Park Request

Racing Official – Mutuel Manager – Eric Halstrom
Racing Official – Asst. Racing Secretary – Josh Van Oort
Racing Official – Claims Clerk – Carmen Gish
Racing Official – Clerk of Scales – Jerry Simmons
Racing Official – Clocker – Rose Rebeck
Racing Official – Identifier – Tom Hagedon
Racing Official – Jockeys' Room Custodian – Brent Shaw
Racing Official – Outriders – Eric Lato, Bobby Pate, Russell Scott
Racing Official – Paddock Judge – Steve Ruff
Racing Official – Placing Judges – Peggy Davis, Rose Rebeck
Racing Official – Starter – Larry Davilla

Mr. Eric Halstrom mentioned that most of the Racing Officials selected for the Canterbury Park 2008 Live meet have held their positions in previous years with the exception of Mutuel Manager. He will replace Mr. Newland and become the Mutuel Manager. The Outriders are all new. Mr. John Flynn had completed background checks on all of them. Commissioner Duncanson moved to approve all of the Canterbury Park Racing Officials selected today for the 2008 Live meet. Seconded from Commissioner Buhler. Motion carried.

Canterbury Park Request

Pari-Mutuel Pools on Live Racing Days Simulcasting to Other Pari-Mutuel Organizations

Mr. Sampson submitted the Application for Pari-Mutuel Pools at Canterbury Park for 2008. Commissioner Leegard moved to approve the 2008 Pari-Mutuel Pools on Live Racing Days for Canterbury Park. Seconded from Commissioner Overton. Motion carried.

Mr. Sampson submitted the approval for simulcasting to other pari-mutuel organizations. Commissioner Leegard requested that language be included in the contracts with the other organizations that they would not allow bets from any persons physically located in Minnesota. Commissioner Buhler moved to approve the Canterbury Park Simulcasting to other Pari-Mutuel Organizations with contracts including the specified language pertaining to laws about Minnesota betting. Seconded from Commissioner Duncanson. Motion carried.

PAY OUT OF THOROUGHBRED PURSE SUPPLEMENTS AT TIME OF PURSE PAY OUT Minn. Rule Ch. 7895.0110, Subp. 4

Mr. Krueger mentioned the Breeders' Fund, Chapter 7895.0110, Thoroughbred Breeders' Fund, Subp. 4 Methods and time of payment. The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out according to one of the two following methods as approved by the commission;

A. purse supplements shall be paid out for Minnesota-bred and registered stakes races in the same percentage as the purse money in the race and shall be paid out in overnight races to Minnesota-bred and registered horses that finish third or better and all such payments shall be credited to the owners' accounts at the time the purses are earned. He mentioned that option has been used since the track reopened in 1995 and has been previously recommended by the Commission's Advisory Committee. Commissioner Overton moved to approve option (A.) with the pay out of thoroughbred purse supplement at the time of purse pay out. Seconded from Commissioner Leegard. Motion carried.

PROPOSED USE OF CANTERBURY EQUINE POOL FOR NON-RACING HORSES

HBPA Executive Director, Ms. Patrice Underwood mentioned the Statement of Understanding which is a set of equine swimming rules that the owner of a horse needs to read and sign if wanting to use the swimming pool. She also mentioned the Release and Waiver of Liability, Assumption of Risk, and Indemnity Agreement for the MN HBPA, Canterbury Park and the Minnesota Racing Commission which is a legal document pertaining to the equine swimming pool and related services that the owner of a horse needs to read and sign if wanting to use the swimming pool. She mentioned that these rules and waivers were documented for clarity of responsibility. She also mentioned that the swimming pool will be available for all breeds of horse Owners of racing and non racing horses, for the University of Minnesota, for equine Veterinary service, and other equine exercising and rehabilitation service. Commissioner McArdle mentioned adding language to include that visitors using the equine swimming pool have access to only designated areas on the backside and that there is no loitering to other areas allowed. She mentioned that on the statement "Only the person named at time of appointment will be allowed access to the grounds" that there be added that Canterbury Park has the right to exclude visitor/s for any reason. Commissioner McArdle requested that a log to record visitors and problem incidences be kept and if there were problems at the swimming pool, they could be denied for further opportunity of use.

Dr. Hovda mentioned that she would check the log of incidences and report. Ms. Underwood mentioned that the ticket price for visitors to use the equine swimming pool would be fifteen (\$15) dollars and that no children were allowed under the age of 16. Commissioner McArdle moved to approve the Statement of Understanding with added language, "Canterbury Park has the right to exclude visitor/s for any reason" and the Release and Waiver of Liability, Assumption of Risk, and Indemnity Agreement. Seconded from Commissioner Preece. Motion carried.

CANTERBURY PARK MATTERS
STATUS REPORTS – Live Racing, Card Club & Simulcasting

Mr. Randy Sampson mentioned that the back side was filling with approximately 504 horses. He mentioned a lot of the trainers and jockeys have returned for the opening live racing this year. He mentioned that they have spent \$100,000 to hire a consultant regarding new material to improve the track surface. The trainers are quite happy with the track surface.

He mentioned that Canterbury Park will host the Claiming Crown this year and is anticipating a lot of interest. He mentioned that opening day at Canterbury Park will be May 3, the same day for the Kentucky Derby and is anticipating a large attendance with a good live racing year scheduled.

Mr. Sampson mentioned that this year is the 8th anniversary of the Canterbury Park Card Club. He explained that they will include a variety of additional promotions in the Casino Games and Poker room in celebration of the 8th anniversary year. He mentioned that the Card Club business to date is down 3% in the Poker room and 30% in the Casino Games room compared to last year. He mentioned that the cold winter weather, the overall economy, and the smoking ban have contributed to the decline.

He mentioned inquiring with the State about building a winterized smoking shelter that would be located outside the main building specifically for the smokers. He mentioned that the simulcasting was down 9 ½ % in March and 8 ½ % year to date. He mentioned that he is hoping that the economy will rebound so business will improve.

RUNNING ACES HARNESS PARK MATTERS
STATUS REPORTS – Live Racing, Simulcasting & Legislative

Mr. Robert Farinella mentioned that Mr. Betts was very happy with how the track has drained from all of the previous days of rain. He mentioned the completion of eight live horse racing performances have done very well. He mentioned that there has been 40 – 60 thousand dollars bet daily. He hopes to additionally improve interest from educating the public about Standardbred racing. He mentioned that Mr. Keidel is happy with the horse inventory because this week end there will be three races including nine horses. Mr. Keidel is hoping to continue the good and competitive inventory of horses throughout the race meet.

Mr. Farinella mentioned that the simulcasting has brought about two technological issues which include the communication abilities and the wagering capabilities that need improving. He mentioned that the backup communication line did not work properly. He also mentioned that the system tested on overload went down and the backup did not work properly. He mentioned that the Hub went down the second day of racing and the tote company at Mountaineer Gaming went down a large portion of the day. It was finally determined that a switch needed to be turned to the on position to correct the problem.

Mr. Farinella introduced Mr. Jeff Halpern to report on the legislative issues. Mr. Halpern mentioned that the bill went through the House today and the Senate signed off. He mentioned the bill will be on the Governor desk in the hopes of him signing tomorrow.

Mr. Sampson mentioned that he is happy for the legislation including all breed simulcasting.

Mr. Halpern mentioned that he is hopeful that all breed simulcasting at both tracks will create more unity between the tracks. Mr. Krueger mentioned that once the Governor signs the bill that Running Aces Harness Park will need to submit for Commission approval, all new Simulcasting to Other Pari-Mutuel Organizations to include all breed simulcasting instead of just the Harness simulcasting which has already been approved.

OTHER MATTERS - Informational Only

March Licensing Report

Mr. Krueger mentioned that Running Aces Harness Park licensed 283 people and Canterbury Park had licensed 230 people for the month of March 2008.

Status of Medication Threshold Legislation

Mr. Krueger updated the Commission regarding the Commission's threshold medication bill. The bill has passed the Senate with the Senate file being sent to the House. The Senate file to date has not appeared on the House consent calendar or the calendar for the day.

Commissioner Overton will Chair the AdHoc Committee to review the Commission's affirmative action rules.

Commissioner Sundberg commended Mr. Sampson on his shareholder letter.

Ms. Underwood mentioned that the Groom Elite program was ready to start.

Chair Hitesman requested a report for next month's meeting from Commissioner Overton and Mr. Krueger about the "New Commissioner Workshop" they attended in Arizona.

ANNOUNCE FUTURE MEETINGS:

It was announced that they may need to call a special meeting for the approval of Canterbury Park and Running Aces Harness Park simulcasting to include all breed simulcasting.

It was announced that the next Full Commission Work Session would be scheduled for Tuesday, May 6, 2008, located at the Paddock Gardens Conference Room, Canterbury Park.

It was announced that the next Full Commission meeting would be scheduled for Thursday, May 15, 2008, located at the Shakopee Police Department.

ADJOURNMENT:

Commissioner Kozitza moved that the meeting be adjourned at 5:41 pm; seconded from Commissioner Sundberg. Motion carried.

ADOPTED THE 15th DAY OF MAY, 2008 BY THE MINNESOTA RACING COMMISSION.