

OKLAHOMA HORSE RACING COMMISSION

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BRANDON BURTON, ESQ., MEMBER

BECKY GOUMAZ, MEMBER

AGENDA

Regularly Scheduled Meeting
Thursday, February 18, 2010, 9:30 a.m.

Meeting Location:
Trackside Cafe at Remington Park Racetrack and Casino
[Enter at Racing Entrance]
One Remington Place
Oklahoma City, OK 73111

Address of the:

OKLAHOMA HORSE RACING COMMISSION
2401 NW 23rd Street, SUITE 78
OKLAHOMA CITY, OKLAHOMA 73107
(Located In SHEPHERD MALL, N.W. 23rd Street & Villa Avenue)
TELEPHONE: (405) 943-6472; FAX: (405) 943-6474
E-MAIL: OHRC@SOCKET.NET; WEBSITE: WWW.OHRC.ORG

AGENDA POSTED IN ACCORDANCE WITH THE OKLAHOMA OPEN MEETING ACT.

Members of the general public who attend public meetings of the Commission who need special accommodations, i.e., Sign Language Interpreter, amplification device, large print materials, Braille materials, audio cassette materials, readers or other special accommodations must notify the Commission by the deadline date and time for acceptance of agenda requests.

- CALL TO ORDER Mr. Grimmatt, Chair**
- ROLL CALL Mr. Grimmatt, Chair**
- BUSINESS Mr. Grimmatt, Chair**

A. MINUTES

The drafted Minutes of the January 28, 2010 Commission Meeting [**Item A.1**] will be considered for approval.

THE FOLLOWING MATTERS ARE PRESENTED FOR CONSIDERATION AND ACTION, IF ANY, DEEMED APPROPRIATE BY THE COMMISSION.

B. Individual Proceeding to Consider Renewal Application for CY 2010 Independent Testing Laboratory License

The Commission received a CY 2010 renewal application from **BMM North America, Inc. d/b/a BMM Compliance**. In compliance with OHRC *Rules for Racetrack Gaming* Rule 325:80-19-1, Procedures for Consideration of Applications for Racetrack Gaming Operator and Independent Testing Laboratory Licenses, such applications are heard and licenses issued by the Commission.

The Hearing regarding the application will be conducted pursuant to the authority and jurisdiction of the Oklahoma Administrative Procedures Act, Title 75, Section 301 et seq.; the Oklahoma Horse Racing Act, Title 3A O.S. Section 200 et seq.; the State-Tribal Gaming Act, Title 3A O.S. Section 261 et seq.; the Commission *Rules of Racing*, OAC 325; and the Commission *Rules for Racetrack Gaming*, OAC 325.

The Hearing's procedure is as follows:

1. The Applicant will have 10 minutes to present its renewal application for an Independent Testing Laboratory License.
2. Law Enforcement Staff will report on any significant changes in the Applicant's status or condition since the issuance of its CY 2009 license.
3. All parties of the Applicant will be subject to questioning by Commissioners, Commission Counsel, Commission Staff and others as may be allowed by the Commission Chair.

Possible Executive Session

Pursuant to 75 O.S. § 312, 25 O.S. § 307(B)(8) and 311 (B)(1), an Executive Session is proposed **for the purpose of deliberation in the individual proceeding regarding a renewal application for a CY 2010 Independent Testing Laboratory License.**

1. **Motion and Vote to Go Into Executive Sessions for the Purpose Stated Above**
2. **Vote to Reconvene in Open Session**

Possible Action:

Possible action may include, but is not limited to: taking no action, deferring consideration of the renewal application, or taking preliminary action to grant or deny the renewal Independent Testing Laboratory license.

C. Continued Deliberation Regarding CY 2010 Independent Testing Laboratory Licenses for Nick Farley and Associates d/b/a Eclipse Compliance Testing and Gaming Laboratories International, LLC

At the January 28, 2010 meeting, the Commission held Hearings for the renewal applications received from Nick Farley and Associates d/b/a Eclipse Compliance Testing and Gaming Laboratories International, LLC.

After the Hearings were conducted, the Commission took preliminary action to approve CY 2010 Independent Testing Laboratory Licenses to each of the laboratories and directed Commission Staff to draft Orders for consideration in further deliberation at the February 18, 2010 Commission meeting. The drafted Orders have been distributed to the Commissioners.

POSSIBLE EXECUTIVE SESSION FOR CONTINUED DELIBERATION IN EACH OF THE TWO INDIVIDUAL PROCEEDINGS REGARDING CY 2010 INDEPENDENT TESTING LABORATORY LICENSES

Pursuant to 75 O.S. § 312, 25 O.S. § 307(B)(8) and 311 (B)(1), an Executive Session may be proposed for **continued deliberation in each of the two individual proceedings regarding CY 2010 Independent Testing Laboratory Licenses.**

1. **Motion and Vote to Go Into Executive Session for the Purpose Stated Above**
2. **Vote to Reconvene in Open Session**

Possible Action:

Possible actions may include: taking no action, taking final action to grant CY 2010 Independent Testing Laboratory Licenses to Nick Farley and Associates d/b/a Eclipse Compliance Testing and Gaming Laboratories International, LLC or continuing deliberation to a future Commission meeting.

D. Global Gaming RP, LLC's Request for Approval to Distribute Net Income to Sole Member, Global Gaming Solutions, LLC

In Global Gaming RP, LLC's CY 2010 racing license, Condition #24 requires in part that prior written approval by the Commission must be obtained by Global Gaming RP, LLC before it makes any distribution of income from Global Gaming RP, LLC to its Member, Global Gaming Solutions, LLC, or to the Chickasaw Nation.

In a February 4, 2010 **[Item D.1]**, Mr. Randy Calvert, Counsel for Global Gaming RP, LLC, requests that approval be given for distribution of net income to its Sole Member, Global Gaming Solutions, LLC, for the remainder of CY 2010.

Possible Action:

Possible action may include, but is not limited to: taking no action, approving the request, in part or in whole, disapproving the request or continuing the matter.

E. Will Rogers Downs' Request to Amend Its CY 2010 Starting Live Race Date for the Thoroughbred Race Meeting

In a February 12, 2010 letter [Item E.1], Mr. Mark Enterline, Consulting General Manager at Will Rogers Downs, requests approval to amend its CY 2010 starting live race date for its Thoroughbred race meeting from Saturday, March 6, 2010 to Saturday, March 20, 2010, due to the recent adverse weather conditions that have reduced training opportunities for the horses. This request would cancel the first six live race dates of March 6, 8, 9, 13, 15 and 16. Will Rogers Downs proposes to schedule six amended dates by adding four Wednesdays [April 14, April 21, April 21, and May 5] and adding two days to the end of the race meeting [May 17 and 18]. Item E.2 contains the proposed amended live race date schedule for the Thoroughbred race meeting. Item E.3 contain letters of support from the Thoroughbred Racing Association of Oklahoma and the Oklahoma Thoroughbred Association.

Possible Action:

Possible action may include, but is not limited to: taking no action, approving the request, disapproving the request or continuing the matter.

F. Fair Meadows at Tulsa's Request for Approval of One Non-Pari-Mutuel Race Day for Black Gold Futurity

In a January 20, 2010 letter [Item F.1], Mr. Ron Shotts, Director of Racing at Fair Meadows at Tulsa, requests approval for a non-pari-mutuel race day on June 30, 2010 to run the trials for the Black Gold Futurity races. The finals would be run on July 18, 2010. Item F.2 contains a letter from the Oklahoma Quarter Horse Racing Association, supporting the trials to be run at Fair Meadows at Tulsa. In the letter, the Oklahoma Quarter Horse Racing Association suggests that, rather than charge a fee for the non-pari-mutuel race day [see Item F.1], its preference

would be for the trials to be run as an additional pari-mutuel race day with the opportunity to generate income from wagering to offset the cost to the track.

Possible Action:

Possible action may include, but is not limited to: taking no action, approving the request, or continuing the matter.

G. Request from Both Official Horsemen's Representative Organizations that the Commission Request that the Governor Take Immediate Action to Ensure that the Tulsa Area Tribal Purse Fund Payments Required to be Made by the Osage Tribe, the Cherokee Tribe and Muskogee Creek Nation be in the Required Amount and be Made on a Timely Basis

In a February 10, 2010 letter [Item G.1], the two horsemen's representative organizations [the Oklahoma Quarter Horse Racing Association and the Thoroughbred Racing Association of Oklahoma] request that the Commission contact the Governor and State Treasurer regarding reduced Tribal contributions to the Tulsa Area Tribal Purse Fund.

The Tulsa Area Tribal Purse Fund was created by the State-Tribal Gaming Act whereby three Tulsa Tribes located within a twenty (20) mile radius of the enclosure of Fair Meadows at Tulsa – the Cherokee Nation of Oklahoma, the Muskogee Creek Nation of Oklahoma and the Osage Nation of Oklahoma contribute a percentage of its "monthly average take" from electronic amusement games, electronic bonanza-style bingo games and electronic instant bingo games to Fair Meadows at Tulsa in exchange for Fair Meadows at Tulsa not having gaming machines at its location. These funds are then used in part to increase the purses for horsemen.

Both official horsemen's representative organizations believe that at least one Tribe – maybe more – has redefined "net gaming revenue," upon which required payments are calculated. The change in that definition and other action has resulted in substantial reductions in payments to the Fund – a fund on which the horsemen rely. The associations' letter indicated that they reported this to Treasurer Meacham who agreed to look into the matter some time ago.

The associations' letter also reports that efforts by the horsemen's organizations to receive updates on the inquiry have not been responded to. Accordingly, both

official horsemen’s representative organizations request that the Commission take official action to request that the Governor act on the matter.

Item G.2 is a Commission spreadsheet that reflects the Tribal contributions made to date. **Item G.3** contains recent articles about the growth of Oklahoma casinos.

Possible Action:

Possible action may include, but is not limited to: taking no action, approving the request, disapproving the request or continuing the matter.

H. Funding Recommendations from the Oklahoma-Bred Advisory Council

The Oklahoma-Bred Advisory Council forwarded the following recommendations regarding a funding request from the Oklahoma Breeding Development Fund Special Account [Oklahoma-Bred funds] and a reallocation of funds.

1. Oklahoma Thoroughbred Association’s Funding Request

In a January 18, 2010 letter [**Item H.1**], Mr. R.D. Logan, Executive Director of the Oklahoma Thoroughbred Association, requests \$30,000 from the Oklahoma Breeding Development Fund Special Account for the CY 2010 Oklahoma Stallion Stakes “I” to be run during Remington Park’s Thoroughbred race meeting. The Stakes are tentatively scheduled for Saturday, November 13, 2010. The funds would be divided between two races, one filly and one colt/gelding, for nominated two-year-olds by participating Oklahoma-Bred stallions. The funding breakdown is as follows:

	Purse Supplements	Broodmare Awards	Stallion Awards	Total
Oklahoma Stallion Stakes “I” for Fillies	\$ 7,500	\$ 5,100	\$2,400	\$15,000
Oklahoma Stallion Stakes “I” for Colts/Geldings	\$ 7,500	\$ 5,100	\$2,400	\$15,000
Totals	\$15,000	\$10,200	\$4,800	\$30,000

The Oklahoma Thoroughbred Association also requests that the funds be paid out in a 60-20-11-6-3% format for each category with the funds coming from the allocated Oklahoma-Bred monies from Remington Park for Thoroughbreds.

The Oklahoma-Bred Advisory Council unanimously recommends approval of the funding request.

Possible Action:

Possible action may include, but is not limited to: taking no action, approving the funding request, in whole or in part, disapproving the request or continuing the matter.

2. Reallocation of FY 2009 Oklahoma-Bred Registration Fees

With the closing of Blue Ribbon Downs, Mr. Constantin A. Rieger, Commission Executive, asked that the Oklahoma-Bred Advisory Council make a recommendation for the reallocation of \$53,266.23 with the following per-breed breakdown:

Thoroughbreds	\$ 9,667.75
Quarter Horses	\$38,082.56
Paints/Appaloosas	\$ 5,515.92

The Oklahoma-Bred Advisory Council unanimously recommends that the funds be allocated as follows:

Will Rogers Downs

Thoroughbred funding of \$9,667.75

Fair Meadows at Tulsa

Quarter Horse, Paint and Appaloosa funding of \$43,598.48

Possible Action:

Possible action may include, but is not limited to: taking no action, approving the reallocation, in whole or in part, disapproving the request or continuing the matter.

I. Legislative Review of Legislative Bills Affecting the Horse Racing Industry

Item I.1 contains the status report on proposed legislation that affects the industry and/or agency.

J. Any Matter Not Known About or Which Could Not Have Been Reasonably Foreseen Prior to Posting the Agenda

K. ANNOUNCEMENTS

1. Six Stewards and Mr. Constantin A. Rieger, Commission Executive Director, an accredited Steward, attended a Stewards' Accreditation Seminar at Lone Star Park, February 8-9, 2010.
2. The Oklahoma Quarter Horse Racing Association will host its annual awards program on Saturday, February 27, 2010, at Heritage Place. The Commission will be presenting Oklahoma-Bred CY 2009 awards.

ADJOURNMENT.....Mr. Grimmatt, Chair

PLEASE SEE MARCH-APRIL CALENDAR ON NEXT PAGE

MARCH-APRIL 2010 CALENDAR

3/5/10 – Remington Park’s Quarter Horse, Paint and Appaloosa race meeting begins in Oklahoma City, OK

3/6/10 – Will Rogers Downs’ Thoroughbred race meeting begins in Claremore, OK

3/8/10 – Public Hearing on Proposed Permanent Rule Amendments to:

Rule 325:25-1-30, Jockey Mount Fees

Rule 325:75-1-12, Application Requirements, Categories and Fees for Quarter Horses, Appaloosas or Paints

Rule 325:75-1-12.1, Application Requirements, Categories and Fees for Thoroughbreds, Beginning with an Effective Date of January 1, 2010

Rule 325:75-1-13.1, Dual Breed Application Categories and Fees

Rule 325:75-1-16, Disposition of Unexpended Oklahoma-Bred Funds Generated at a Race Meeting

9:00 a.m. to 12:00 Noon, 1:00 to 4:30 p.m., OHRC Conference Room, 2401 NW 23, Suite 78, Oklahoma City, OK

3/11/10 – Deadline for submitting agenda topic requests for March 25, 2010 Regularly Scheduled Commission Meeting

3/25/10 – Commission’s Regularly Scheduled Meeting, starting at 9:30 a.m., Heritage Place Cafeteria, 2728 S. MacArthur, Oklahoma City, OK

No Commission meeting is scheduled in April, 2010.