

CALIFORNIA AUTHORITY OF RACING FAIRS

Live Racing Committee
Tuesday, October 8, 2013

MINUTES

A meeting of the California Authority of Racing Fairs Live Racing Committee was held at 11:00 A.M., Tuesday, October 8, 2013. The meeting was hosted at the Fresno Director's Hall, 1121 S. Chance Ave, Fresno, California.

CARF Live Racing Committee members attending: John Alkire and Rick Pickering. Joining by conference call: Jerome Hoban, Brian May and Jim Morgan.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Tom Doutrich, Heather Haviland, Louie Brown and Richard Conway. Joining by conference call: Amelia White, Raechelle Gibbons, Chris Carpenter, Jeanne Wasserman, Dave Mogni, Jeff Farley, Duane Martin, Cindy Olsen and Caroline Titus.

Agenda Item 1 – Date, Time and Location of Next Meeting. The next CARF Live Racing Committee meeting will be held November 12, 2013 in Sacramento.

Agenda Item 2 – Public Comment. None.

Agenda Item 3 – Report, Discussion and Action, if any, on Legislative Program for 2013 and Beyond. Mr. Alkire elected to defer this item to the CARF Board of Director's meeting at 12:30 p.m.

Agenda Item 4 – Report, Discussion and Action, if any, on Security Agreement/MOU Regarding Net Payment of Racing Commissions. Mr. Korby reported that the financial outcome from the Stockton race meet was positive. CARF has been able to transfer funds to the Fair without putting the agency at any risk of being in an overpaid situation. CARF has transferred two payments, one for \$80,000 and another for \$150,000 which has helped the Fair meet its current obligations. Additional funds are on track to being transferred in the near future.

Mr. May thanked Mr. Korby and Ms. Gibbons for their cooperation in getting the money to the Fair in a timely manner.

Agenda Item 5 – Report, Discussion and Action, if any, on Racing Dates for 2014 and Beyond. Mr. Korby reported that CHRB Chairman Israel called for Commissioners Beneto and Choper to head an information gathering meeting to look into the Northern California race date situation and return to the full CHRB Board with a recommendation. That meeting took place on

October 1, 2013 at Golden Gate Fields with representatives from Fairs, CARF, TOC and CTT and focused on the summer dates where there is discord regarding overlap.

After a wide-ranging and long discussion, Commissioner Beneto presented a set of recommendations for further discussion. "Plan A" allocates three weeks of racing to Pleasanton, Sacramento and Santa Rosa with Ferndale starting on Aug. 20 and serving as host track until Aug. 24. "Plan B" allocates three weeks of racing to Pleasanton and Sacramento, two weeks to Santa Rosa and shows Ferndale as host track Aug. 13-20 and running concurrently with Golden Gate Fields Aug. 21-24. These options will be discussed at the Oct. 24 CHRB meeting at Santa Anita.

Mr. Pickering stated that Cal Expo supports three weeks of Thoroughbred racing at Sacramento in 2014. Mr. Conway stated that Humboldt County Fair supports "Plan B" as presented by Commissioner Beneto and a conversation with the Humboldt County Fair Board would be required before he could consider supporting any other scenario. Mr. Morgan agreed that Humboldt County Fair endorses "Plan B."

Mr. Korby stated that it is important to understand that there will probably be strong industry resistance to "Plan B," not due to the matter of racing three weeks at Sacramento or Santa Rosa, but due to the one week host-track status that would be allocated to Ferndale. Golden Gate Fields, TOC and CTT will almost undoubtedly oppose racing without overlap at Ferndale. Mr. Korby recommended that CARF refrain from unequivocally backing a scenario likely to meet strong opposition without some flexibility to negotiate the best possible outcome in the event that "Plan B" is removed from the discussion.

Mr. Morgan stated that he hopes the CARF Live Racing Committee will endorse "Plan B" going into the CHRB meeting knowing that there might have to be some flexibility coming out of the meeting. Mr. Korby stated that Mr. Morgan's comment is a good characterization of the strategy he would recommend.

Mr. Pickering moved to support "Plan B" in negotiating 2014 racing dates at the CHRB meeting with the flexibility to negotiate the best possible outcome if for some reason "Plan B" is no longer a viable option. Mr. Conway seconded, unanimously approved.

Agenda Item 6 – Executive Director's Report. Mr. Korby reported that the meeting packets contain information provided by the ADW provider BetAmerica, under the name BAM Software and Services, regarding a fantasy sports platform. BetAmerican was recently licensed in California and has expressed interest in distributing the Fair signal as an ADW provider as well as partnering with satellites in fantasy sports. Mr. Korby stated that negotiations are ongoing and he will report back to the group. Mr. Alkire reported that BetAmerica is staffing a 10' x 10' booth in the upper level of the Fresno racing grandstand.

Respectfully submitted,
Heather Haviland