

CALIFORNIA AUTHORITY OF RACING FAIRS
Board of Directors
Tuesday, May 6, 2014

MINUTES

A meeting of the California Authority of Racing Fairs (CARF) Board of Directors was held at 1:00 P.M., Tuesday, May 6, 2014. The meeting hosted at the CARF offices, 1776 Tribute Road, Sacramento, California.

CARF Board Directors attending: John Alkire and Rick Pickering. Joining by teleconference: Chris Borovansky, Chris Carpenter, Dan Jacobs, Mike Paluszak and Kelly Violini.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Tom Doutrich, Heather Haviland, Amelia White, Louie Brown, Ann Grottveit, Richard Conway and John Quiroz.

Agenda Item 1 – Date, Time and Location of Next Meeting: May 6, 2014. The next CARF Board of Directors meeting will be held Tuesday, June 3, 2014 in Sacramento.

Agenda Item 2 – Public Comment. None.

Agenda Item 3 – Approval of Minutes. Mr. Paluszak moved to approve the meeting minutes as presented. Ms. Violini seconded, unanimously approved.

Agenda Item 4 – Report, Discussion and Action, if any, on CARF 2014 Legislative Program. Mr. Brown reported that May 2 was the deadline for policy bills with financial implications to pass policy committee. The fiscal committees will be hearing bills for the next couple weeks as May 30 is the last day to pass bills out of the house of origin.

Mr. Brown reported that SB 1003 (Evans) is moving along and is already in the Assembly. The bill is available for amendment from a substantive spot bill increasing the imported race cap to a sunset extension for the California Marketing Committee (CMC). The bill is also available for other language should the need arise.

Mr. Brown reported that AB 2490 (Eggman), the DAA's regulatory relief bill, has passed out of the Senate Agriculture Committee last week on a unanimous vote. The bill is similar to the Cannella bill introduced last year and deals with contracting and procurement, Governor's appointees, fleets, etc. Language in the bill may be refined further, but the bill will move on parallel track with Ms. Eggman's efforts to secure general fund relief for Fairs.

AB 2005 (Chesbro) seeks to expand the CHRB Board membership to 11 members; 7 public members appointed by the Governor, 2 members of the Senate appointed by the Senate Committee on Rules and 2 members of the Assembly appointed by the Speaker of the Assembly. The members appointed from the Legislature would serve as nonvoting, ex-officio members for a term of two years. The bill passed out of the Senate G.O. Committee by unanimous vote with no support or opposition testimony. The CHRB and other members of the racing industry have concerns regarding the bill. The CARF Live Racing Committee is recommending an oppose position to AB 2005 absent any additional information that would support rationale for expanding the CHRB Board of Directors.

AB 2592 (Chesbro) would require the CHRB to conduct an economic analysis prior to any major changes in the Fair racing calendar (defined as three or more days). CTT testified in support of the bill and it moved on a unanimous vote. The language currently defines the elements of the economic analysis as: The financial loss or gain to each fair including the impact on fair admissions, concessions, and sponsorship, jobs generated or lost, availability of seasonal workers, impact on agricultural education programs, and financial impact on the community at large due to the changes in the racing calendar. The CARF Live Racing Committee is recommending a support if amended position to make the analysis all-inclusive and not Fair focused.

Mr. Borovansky moved, absent any additional information that would support rationale for expanding the CHRB Board of Directors, to oppose AB 2005. Ms. Violini seconded. YES VOTE: Mr. Alkire, Mr. Borovansky, Mr. Carpenter, Mr. Jacobs, Mr. Paluszak and Ms. Violini. ABSTAIN: Mr. Pickering.

Mr. Pickering moved to support AB 2952, if amended, to included elements to the economic analysis that the CARF deems appropriate and helpful. Mr. Borovansky seconded, unanimously approved.

Agenda Item 5 – Report on CHRB Approval of License for Oak Tree at Pleasanton. Mr. Korby reported that the CHRB approved the license application submitted by Oak Tree Racing Association and Alameda County Fair to conduct three weeks of racing at the Fairgrounds in Pleasanton. The CHRB approval represents the latest step forward in a year-long effort by Oak Tree, Alameda County Fair and CARF to offer a new concept for racing in Northern California.

Agenda Item 6 – Report, Discussion and Action, if any, on Memorandum of Understanding Regarding Reimbursement of Racing Expenses Paid by CARF on Behalf of Member Fairs. Mr. Korby stated that he is pleased to report that CARF has received signed MOU's from each of the racing Fairs, four of which are included in the meeting packets. The MOU was written to protect both the agency and member Fairs from potential liability.

Agenda Item 7 – Report, Discussion and Action, if any, on Participation in Consolidated Purse Account by Member Fairs Conducting Live Racing. No discussion and action were required.

Agenda Item 8 – Financials. Mr. Korby reported that current financials are included in the meeting packet.

Agenda Item 9 – Executive Director’s Report. Mr. Korby reported that CARF staff will be modifying the existing procedures for distributing meeting packets. Meeting packets will now be available online, without password protection. A notice and link will be distributed when the packets are available. If a meeting participant still wishes to receive a hard copy of the printed packets mailed to the Fairgrounds, they may opt-in by contacting CARF staff and making the request.

Mr. Korby reported that L.A. County Fair has announced that after several weeks of discussions with California horse racing industry they have decided, contingent upon CHRB approval, to conduct their future race dates at Los Alamitos Race Course. The CHRB heard testimony at their last meeting, but postponed further discussion or action. An article describing the proposed move is included in the meeting packet.

Respectfully submitted,
Heather Haviland