

CALIFORNIA AUTHORITY OF RACING FAIRS
Live Racing Committee
Tuesday, December 16, 2014

MINUTES

A teleconference meeting of the California Authority of Racing Fairs (CARF) Live Racing Committee was held at 11:00 A.M., Tuesday, December 16, 2014. The teleconference meeting was hosted at the CARF offices, 1776 Tribute Road, Sacramento, California.

CARF Live Racing Committee members participating: John Alkire, Richard Conway, Jerome Hoban and Brian May.

Staff and Guests participating: Christopher Korby, Larry Swartzlander, Heather Haviland, Amelia White, Raechelle Gibbons, Louie Brown, Chris Carpenter, Randy Magee, Jeanne Wasserman, Dennis Miller, John Quiroz, Allen Aldrich, Caroline Titus and Richard Lewis.

Agenda Item 1 – Date, Time and Location of Next Meeting: February 3, 2015. The next CARF Live Racing Committee meeting will be held Tuesday, February 3, 2015 in Sacramento.

Agenda Item 2 – Public Comment. None.

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

Agenda Item 4 – Report, Discussion and Action, if any, on CARF 2015 Legislative Program. Mr. Brown reported that the California legislators were sworn in and assumed office the first Monday in December. They are currently on recess until Jan. 15, 2015.

Mr. Brown stated that a bill of note was introduced by Assemblymember Mike Gatto to initiate the framework needed to implement Internet poker. As written, the bill would only allow licenses for the tribal communities and existing card rooms. The current language does not discuss or give allowances for the horse racing industry to participate. Legislative staff will follow the bill closely when the legislature returns.

Mr. Brown reported that Assembly Speaker Toni Atkins announced the selection of committee chairs for the 2015-16 regular session. Assemblymember Adam Gray (D-Merced) is the new Chair of the Governmental Organization (G.O.) Committee. Assemblymember

Gray has a great relationship with his local fairs and will be a strong ally regarding fair and racing issues.

Mr. Korby reported that staff will recommend that the CARF Board of Directors adopt a 2015-16 legislative program that would include addressing Advanced Deposit Wagering (ADW) audits and increases to satellite wagering commissions.

Agenda Item 5 – Report, Discussion and Action, if any, on Agency Budget and Agenda Item 6 – Discussions on Preliminary Planning for Summer Region 2015. Mr. Korby reported that the proposed 2015 CARF Agency budget is included in the meeting packets along with the live racing component of the budget for the Committee’s review. Mr. Korby noted that the racing component of the agency budget relates to the individual pro forma financial documents that were distributed to each fair in draft form. Mr. Korby stated that the framework of the pro formas could be reviewed and refined in a manner that would be helpful to each individual fair while becoming part of the agency budget process. He also noted that the pro formas are in the initial draft stage and that CARF staff would be working with each fair to refine further.

Mr. Alkire reported that the Big Fresno Fair received several requests from owners and trainers to add additional race dates to the existing Fresno meet. Mr. Alkire stated that a task group was formed to consider the concept and weigh the resulting information. The task group will have its first meeting tomorrow in Fresno.

Mr. Korby requested the confirmation from the group to report back to the CARF Board of Directors that the CARF Live Racing Committee held no objections to the proposed 2015 CARF agency budget as included in the meeting packet. Mr. Alkire asked the question of the group and affirmed Mr. Korby’s request.

Agenda Item 7 – Update on Request for Proposals for Statewide Totalisator System. Mr. Korby reported that a working group of industry representatives is reviewing two Requests for Proposals (RFP’s) from candidate tote companies for bids on a statewide totalisator system. The RFP’s from Sportech Racing, LLC and Amtote International are being evaluated carefully and a decision should be made within the next 10 days.

Mr. Korby stated that if a change occurs in the tote service provider, the changeover will be conducted in the fall/winter of 2015 and CARF staff will work closely with the live racing and satellite network to manage any structural modifications required well in advance of the implementation date. Mr. Korby stated that the RFP specifies that satellite wagering facilities will install any new machines in late fall 2015 but that CARF live racing fairs will not be affected until the 2016 meets.

Mr. Korby stated that the initial site surveys are underway to determine the scope of work that might be required to accommodate a change in wagering terminals. He also noted that financial responsibility for changes to satellite facility pari-mutuel windows is still being negotiated. Tracks and racing fairs will be financially responsible for changing window specifications at live racing sites. Mr. Hoban stated that under the specifications of the RFPs, modifications might still be required if the contract remains with Sportech since updated equipment will be provided. Mr. Hoban asked if there was a preliminary cost associated with the possible changeover so that live racing fairs could prepare for the expense. Mr. Korby replied that he is working to determine the cost, but that initial reports indicate that the modifications to most windows will be minimal.

Agenda Item 8 – Executive Director’s Report. Mr. Korby reported that CARF will be hosting a member reception during the WFA Convention in Reno on Tuesday, January 13, 2015 from 5:30 to 6:30 p.m. in Crystal Room 5. Mr. Korby stated that invitations would be distributed to the membership and encouraged fair managers and staff to attend.

Mr. Korby asked if Mr. Lewis would update the group regarding Sonoma County Fair’s 2015 racing schedule. Mr. Lewis stated that the plan is to race three weeks, but how those weeks would fall in relation to the fair is still being discussed. Mr. Lewis stated that Sonoma County Fair staff has scheduled a meeting for early January to discuss the racing schedule in detail. Mr. Lewis stated that the number of days run per week would depend on the Golden Gate Fields horse population in early 2015.

Respectfully submitted,
Heather Haviland