

CALIFORNIA AUTHORITY OF RACING FAIRS
Board of Directors & Live Racing Committee
Concurrent Meeting
Wednesday, June 20, 2018

MINUTES

A concurrent meeting of the California Authority of Racing Fairs (CARF) Board of Directors and Live Racing Committee was held at 2:00 P.M., Wednesday, June 20, 2018. The meeting was hosted at the Alameda County Fairgrounds, 4501 Pleasanton Avenue, Pleasanton, CA 94566.

CARF Board Directors attending: Richard Conway, Jerome Hoban, Rick Pickering and Dana Stoehr. Joining by conference call: John Alkire and Kelly Violini.

CARF Live Racing Committee attending: Jerome Hoban, Richard Conway and Rick Pickering. Joining by conference call: John Alkire.

Staff and Guests attending: Larry Swartzlander, Tom Doutrich, Heather Haviland, Juliana Gomes, John Quiroz, Lauri King, Chuck Moore, Becky Bartling, Alan Aldrich, Stacey Lapham and Vicki Layne. Joining by conference call: Raechelle Gibbons, Lisa Hindley, Duane Martin, Caroline Titus, Louie Brown and Ann Grottveit.

Agenda Item 1 – Public Comment. None.

Agenda Item 2 – Approval of Minutes. {ACTION} Mr. Alkire moved to approve the previously overlooked May 10, 2017 CARF Board of Directors & Live Racing Committee concurrent meeting minutes as presented. Mr. Conway seconded, unanimously approved.

Agenda Item 4 – Report, Discussion and Action, if any, on Legislative Activity. Mr. Brown reported that even though California has been preparing for sports wagering since Assemblyman Adam Gray introduced language on the topic in 2017, progress has been slow. Assemblyman Gray is proposing a constitutional amendment that would require two-thirds support in both the Senate and the Assembly before going on a state-wide ballot to be ratified by California voters. The soonest that could happen is November and there's a significant possibility that the issue will drag into 2019.

Mr. Brown reported that the two CARF sponsored bills, AB 2917 (Cooper) and AB 3164 (Fong) are moving through the process without issue. AB 1912 (Rodriguez), a bill applying retroactive as well as prospective joint liability for all retirement related obligations to any current or former member of a JPA throughout its existence, was referred to the Public Employee

Retirement Committee for hearing, but the initial hearing was cancelled at the request of the author.

Mr. Brown stated that he is drafting a request for legislative counsel to provide an unbiased third-party opinion to clarify the exiting stabling and vanning opt-out language.

Agenda Item 5 – Report, Discussion and Action, if any, on NCOTWINC. Mr.

Swartzlander reported that a NCOTWINC Board of Director’s meeting was held May 2, 2018 to address the Stronach Group (TSG)’s opt-out of NCOTWINC effective June 12, the current litigation against the organization, pension liability and workmen’s compensation. Mr. Swartzlander stated that the opinion of the NCOTWINC Board is that the TSG is responsible for shared costs through the calendar year resulting in a cost of \$1.973 million. TSG has paid the \$2.1 million previously owed to NCOTWINC.

Mr. Swartzlander reported that the Pacific Racing Association (PRA) II application to run a summer race meet at Golden Gate Fields (GGF) will be heard tomorrow by the California Horse Racing Board (CHRB). The application, as submitted, is missing the Thoroughbred Owners of California (TOC) and California Thoroughbred Trainers (CTT) agreements. When addressing simulcasting in paragraph 12, in place of NCOTWINC the application lists “N/A” for the organization engaged by the association to conduct simulcast wagering and specifies that the association plans to offer its audiovisual signal in Southern California only. The legal implications of this proposed change will be further discussed in Closed Session.

Agenda Item 6 – Report, Discussion and Action, if any, on 2018 Racing Calendar. Mr.

Swartzlander reported that average daily field size and commissions are both showing modest gains for the first week of the Oak Tree at Pleasanton meet.

Mr. Swartzlander stated that he has been in close contact with Rick Baedeker, Executive Director of the CHRB, and CARF fairs need to have a plan in place for keeping the Northern California racing circuit whole in the event that the CHRB does not grant a racing license to PRA on behalf of GGF for Aug. 22 - Oct. 2. CARF staff has circulated a calendar proposing the second week of Ferndale run without overlap, either Pleasanton or Santa Rosa run three-day weeks from Aug. 31 – Sept. 16, have a dark week ending Sept. 23 and then opening Fresno one week early.

{**ACTION**} Mr. Pickering moved to pledge that the CARF Board is prepared to keep the Northern California racing calendar intact by utilizing fair racetracks in the event that Golden Gate Fields is not granted a racing license by the CHRB for the period of Aug. 22 through Oct. 2. Ms. Stoehr seconded, unanimously approved.

Agenda Item 7 – Closed Session: Conference with Legal Counsel – Anticipated Litigation. Mr. Alkire reported that no action was taken in Closed Session.

Respectfully submitted,
Heather Haviland