



NORTH DAKOTA RACING COMMISSION

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Gunner laCour
Director

NORTH DAKOTA RACING COMMISSION

NDRC Meeting

Comfort Inn, Meeting Room E

1030 East Interstate Avenue, Bismarck, ND

Thursday, February 23, 2017 – 10:30 a.m. (Central Time)

Minutes

Present: Chairman Jim Ozburn, Commissioner Mary Ann Durick, Commissioner David Piepkorn, Commissioner Shane Martin, Legal Counsel Edward Erickson, Director Gunner laCour, and Administrative Assistant Gail Allensworth

Not Present: Commissioner John Hanson

Others Present: Blaine DeCoteau, Doug DeMontigny, John Bubel, Mike Schmitz, Scott Horst, and Leigh Backhaus

Call to Order: Chairman Jim Ozburn called the meeting to order at 10:30 a.m.

Chairman Ozburn asked for a motion to approve the agenda as presented.

A motion was made by Commissioner Durick and seconded by Commissioner Martin to accept the agenda as presented. All Commissioners voted aye and hearing no negative vote the motion passed.

AGENDA

1. **Approval of Minutes – January 31, 2017 Meeting**
2. **Promotion & Purse Fund Requests**
3. **2017 Race Season Director Authorizations**
4. **Breeders Fund**
5. **Horseman's Concerns**
6. **Administrative Rule Changes**
7. **Date of Next Meeting**
8. **Any other business which may properly come before the Commission**
9. **Adjournment**

1. **Approval of Minutes – January 31, 2017 Meeting**

Previously, all Commissioners had received a copy of the minutes to review.

A motion was made by Commissioner Martin and seconded by Commissioner Piepkorn to accept the minutes of January 31, 2017 as presented. All Commissioners voted aye and hearing no negative vote the motion passed.

2. **Promotion & Purse Fund Requests**

Director laCour gave the totals in the Breeders, Promotion and Purse Funds at the present time. He asked the Commissioners that any Promotion Fund requests that are awarded have the same conditions as last year which are to withhold 10% of the funds until the Racing Commission receives copies of expenses for the meet from the racetracks.

A motion was made by Commissioner Piepkorn and seconded by Commissioner Durick to include the additional conditions from last year to the Promotion Fund requests for 2017 which withholds 10% of the funds until the Racing Commission receives copies of expenses for the meet from the racetracks. Piepkorn –Y, Durick –Y, Ozbun –Y, and Martin –Y. Motion passed.

Director laCour reported that the Commission received a Promotion Fund request from ORDA for Chippewa Downs in the amount of \$224,000 and a Purse Fund request from ORDA in the amount of \$192,000 for the 2017 race season. Director laCour requested that the Commission approve the funding for ORDA in the amounts of \$225,000 from the Promotion Fund and \$125,000 from the Purse Fund.

A motion was made by Commissioner Martin and seconded by Commissioner Durick to approve the funding for ORDA in the amount of \$225,000 from the Promotion Fund and \$125,000 from the Purse Fund. Martin –Y, Durick –Y, Ozbun –Y, and Piepkorn –Y. Motion passed.

Director laCour reported that the Commission received a Promotion Fund request from the Horse Race ND in the amount of \$275,000 and a Purse Fund request from HRND in the amount of \$130,000 for the 2017 race season. Director laCour requested that the Commission approve the funding for HRND in the amounts of \$225,000 from the Promotion Fund and \$125,000 from the Purse Fund.

Director laCour gave a report outlining the positives regarding adding additional Fridays to the race meet for HRND. Mike Schmitz also gave a presentation on how they can fund the extra days (Friday, July 21 and Friday, July 28) if the Commission approves the days. The Commissioners asked questions which Mr. Schmitz answered.

A motion was made by Commissioner Piepkorn and seconded by Commissioner Martin to approve the funding for HRND in the amount of \$225,000 from the Promotion Fund and \$125,000 from the Purse Fund and to add two Fridays to the Horse Park schedule as requested by HRND. Piepkorn –Y, Martin, Ozbun –Y, and Durick –Y. Motion passed.

Director laCour recommended that \$5,000 from the Promotion Fund be provided to ORDA and HRND to support the jockey incentives at the racetracks. The racetracks will match the funds.

A motion was made by Commissioner Durick and seconded by Commissioner Martin to approve \$5,000 from the Promotion Fund to ORDA and HRND to support the jockey incentives at the racetracks. Durick –Y, Martin –Y, Ozbun –Y, and Piepkorn –Y. Motion passed.

Director laCour reported that the Commission received Promotion Fund requests to support stallion auctions from the ND Quarter Horse Racing Association and the ND Thoroughbred Association. Director laCour recommended awarding \$5,000 to each Association.

A motion was made by Commissioner Piepkorn and seconded by Commissioner Durick to award funding \$5,000 from the Promotion Fund to the NDQHRA and \$5,000 to the NDTA. Piepkorn –Y, Durick –Y, Ozbun –Y, and Martin –Y. Motion passed.

Director laCour reported that the Commission received Purse Fund requests from the ND Quarter Horse Racing Association and the ND Thoroughbred Association to support association races at Chippewa and the Horse Park in 2017. Director laCour made the recommendation of awarding \$20,000 from the Purse Fund for both NDQHRA and NDTA.

A motion was made by Commissioner Martin and seconded by Commissioner Durick to award funding \$20,000 from the Purse Fund to NDQHRA and NDTA. Martin –Y, Durick –Y, Ozbun –Y, and Piepkorn –Y. Motion passed.

Director laCour stated the HRND still needs the berms removed at the Fargo racetrack. He stated that the best quote was \$8,000 from Turf Tamers and asked that the Commissioners approve funding from the Promotion Fund for the berm removal as it is a safety issue.

A motion was made by Commissioner Piepkorn and seconded by Commissioner Martin to approve funding from the Promotion Fund in the amount of \$8,000 to HRND for the removal of the berms. Piepkorn –Y, Martin –Y, Ozbun –Y, and Durick –Y. Motion passed.

Director laCour stated that there is a conditioner at Fargo that needs repairs before the race meet. The Director stated that he received a quote in the amount of \$9,456.50 and recommended that the Commissioners approve that amount from the Promotion Fund to make the repairs.

A motion was made by Commissioner Martin and seconded by Commissioner Durick to approve funding from the Promotion Fund in the amount of \$9,456.50 to ORDA for the repairs to the conditioner. Martin –Y, Durick –Y, Ozbun –Y, and Piepkorn –Y. Motion passed.

Director laCour provided an update regarding upgrading the photo finish and video equipment at the racetracks. The photo finish equipment has arrived but he is still waiting for a quote for a part of the video equipment. Edward Erickson is working on the language for the grants and conditions with Fair Circuit.

No motions needed.

Director laCour provided an update regarding the perimeter fence that is needed at Chippewa Downs. This fence is needed as there are security concerns for the track. It is a chain link security fence that would be installed with a single point of entry. The quote is higher than originally thought but the Director is still looking at other quotes and asked if ORDA could pick up part of the cost. The Director asked for authority to move forward to authorize up to \$30,000 from the Promotion Fund with ORDA paying the balance.

A motion was made by Commissioner Durick and seconded by Commissioner Martin to approve funding from the Promotion Fund up to \$30,000 to ORDA for the installation of a security fence at Chippewa Downs. Durick –Y, Martin –Y, Ozbun –Y, and Piepkorn –Y. Motion passed.

3. 2017 Race Season Director Authorizations

Director laCour asked for authorization to:

- hire the State Veterinarian, State Stewards, Compliance Investigator and licensing staff;
- use Industrial Labs for testing services as the main lab and the split sample testing services;
- approve tote, Photo finish and Official's contracts;
- require the tracks to submit electrical and fire safety reports, and proof of insurance;
- require that a bond or letter of credit be provided for pari-mutuel wagering;
- approve the condition books, ND-bred program and first race time;
- approve the starting gate, timing device, and claim box.

He asked that the Commission approve all as a group instead of individually.

A motion was made by Commissioner Piepkorn and seconded by Commissioner Martin to approve Director laCour to move ahead with all of the authorizations for the 2017 race season. Piepkorn –Y, Martin –Y, Ozbun, and Durick –Y. Motion passed.

Director laCour discussed inclusion of the Jockey & Driver Safety Rules in the condition books. He asked for approval to have those be required in the condition books.

A motion was made by Commissioner Durick and seconded by Commissioner Piepkorn to give Director laCour authority to require that Jockey & Driver Safety rules be in condition books. Durick – Y, Piepkorn –Y, Ozbun, and Martin – Y. Motion passed.

4. Breeders Fund

Director laCour recommended that the Standardbreds be awarded the following dates for 2017: July 14 through August 6 (Running Aces in Minnesota) and November 3 through November 19 (Cal Expo in California).

A motion was made by Commissioner Martin and seconded by Commissioner Durick to award July 14 through August 6 and November 3 through November 19 to Standards for 2017. Martin –Y, Durick –Y, Ozbun –Y, and Piepkorn –Y. Motion passed.

Director laCour asked to award double breed fund points for races of \$10,000 or more and triple breed points for races of \$25,000 or more for the 2017 season.

A motion was made by Chairman Ozbun and seconded by Commissioner Durick to award double breed points for races of \$10,000 or more and triple breed points for races of \$25,000 or more for the 2017 season. Ozbun –Y, Durick –Y, Piepkorn –Y and Martin –Y. Motion passed.

Director laCour asked for a variance which would make any horse who is eligible for breed fund points in a race to not again be eligible for a period of no less than four days. It is the same condition imposed on breed fund awards for the last two years.

A motion was made by Commissioner Piepkorn and seconded by Commissioner Martin to issue a variance which would make any horse who is eligible for breed fund points in a race to not again be eligible for a period of no less than four days. Piepkorn –Y, Martin –Y, Ozbun –Y and Durick –Y. Motion passed.

Director laCour provided 2016 Breed Fund statistics which included the registration figures by breed as well as distribution by breed for breed fund awards.

No motions needed.

5. Horseman's Concerns

Director laCour advised the Commissioners that he received a letter from the ND Thoroughbred Association regarding a 50/50 breed fund awards split between the NDTA and the NDQHRA. Scott Horst of the ND Thoroughbred Association responded and answered questions from the Commissioners.

No motions needed.

Director laCour advised the Commissioners that in the letter from the ND Thoroughbred Association they brought up the matter of human drug testing where they asked that all individuals handling horses be tested. Director laCour stated that the cost would be significant and that our rules state "reasonable cause" which means that the Commission cannot do random testing or test everyone. Questions were asked and answered by Director laCour and Edward Erickson.

No motions needed.

6. Administrative Rule Changes

Director laCour reported that there was a public hearing conducted on January 12, 2017 for the Administrative Rule Change regarding conduct of races. Director laCour asked for approval to submit the rules to the Administrative Rules Committee subject to final approval of the Attorney General. As the rules would not be effective until July 1, Director laCour recommended that a variance be issued to implement the rules for the first three weeks of the race season pursuant to 69.5-01-02-01 in support of the "due conduct and best interest" of racing in the State.

A motion was made by Chairman Ozbun and seconded by Commissioner Martin to give Director laCour approval to submit the rules to the Administrative Rules Committee subject to final approval of the Attorney General and to issue a variance to

implement the rules for the first three weeks of the race season. Ozbun – Y, Martin –Y, Piepkorn –Y, and Durick –Y. Motion passed.

Director laCour requested that the Commission authorize him to move forward with the Administrative Rule changes needed for claiming rules which currently state that a claim must be filed 15 minutes prior to scheduled post. The major change would be made to state the claim must be filed prior to the horses leaving the paddock. He also asked for a variance for the race season to utilize the proposed rules pursuant to 69.5-01-02-01 in support of the “due conduct and best interest” of racing in the State.

A motion was made by Commissioner Durick and seconded by Commissioner Piepkorn to authorize Director laCour to move forward with the Administrative Rule changes regarding claiming rules and to issue a variance for the race season. Durick –Y, Piepkorn –Y, Ozbun –Y, and Martin –Y. Motion passed.

7. Date of Next Meeting

The date of the next meeting was changed from Thursday, May 11 to Tuesday, May 9.

8. Any other business which may properly come before the Commission

Chairman Ozbun announced that his term is coming to an end as of June 30 and stated that the Commissioners need to vote for a new Chair. He recommended that Commissioner Durick take over as Chair effective with the May 9 meeting and she would run the May 9 meeting.

A motion was made by Chairman Ozbun and seconded by Commissioner Piepkorn for Commissioner Durick to be the new Chair effective May 9. Ozbun – Y, Piepkorn –Y, Durick –Y, and Martin –Y. Motion passed.

Director laCour provided an update on SB 2221 which is the historic horse racing bill before the Legislature. It passed the Senate and moved onto the House.

No motions needed.

9. Adjournment

A motion was made by Commissioner Durick and seconded by Commissioner Martin to adjourn the meeting. All Commissioners voted aye and hearing no negative vote the motion passed.

Meeting was adjourned at 12:50 p.m.