MINUTES
WV RACING COMMISSION
Friday, January 18, 2013
WV Lottery Conference Room

The WV Racing Commission met on January 18, 2013 to conduct business and consider administrative matters. Roll call was taken and present were Chairman Joe Smith, and Commissioner Jack Rossi, with Commissioner Greg McDermott via conference call. Counsel was represented by Kelli Talbott and Anthony Eates.

Election of Commission Chairman

Upon motion by Mr. McDermott, seconded by Mr. Rossi, the Commission voted unanimously for Joe E. Smith to remain as Chairman.

Approval of November 29th, December 10th and December 27th minutes

The Commissioners and both attorneys received the minutes from the November 29th, December 10th and December 27th, 2012, meetings prior to this meeting. Mr. Rossi moved to accept the minutes, Mr. McDermott seconded the motion. The Commissioners approved the November 29th, December 10th and December 27th, 2012 minutes by unanimous consent.

Occupational permit approval, Kenneth Cross

This item was deferred until the next meeting due to no background check being provided yet.

Charles Town reimbursement request, $465,932.61 for project expenditures related to racing

This item was deferred until the next meeting due to waiting on additional documentation and review by staff.

Charles Town capital improvement request, $115,571 for barn surveillance equipment

This item was deferred until the next meeting due to additional information being submitted and review by staff.

Wheeling Island update regarding number of races per card in 2013

This item was a continuance from the last Commission meeting and a discussion for additional information. Jane Horvath, Wheeling Island, stated they have run one full week with the new schedule and they have no plans to change the schedule. Chairman Smith asked if their experience over the past week has shown they have a sufficient number of dogs. Jane

Horvath stated there were enough dogs and the desire to change the number of races per card was a business decision and not an issue of having enough dogs. Phil Reale, Counsel to WV Kennel Owners Association, stated that reducing the number of races from 17 to 15 and 15 to 13 may not sound like a lot but in reality it is, especially when some dogs may not race at all in a week because of fewer races. The Kennel Owners Association would like to have at least one or two races per dog per week. Phil Reale discussed the economic impact on racing from reducing the number of races per card. He requested of the Commission that until there is some validated data that Wheeling Island continue with the 17 and 15 races per card. Chairman Smith asked Jane Horvath what negative impact this has on the business and on the kennel owners. Chairman Smith asked the Commission if they wanted to continue the conditional approval or do they want to go back to the original schedule until they can be provided with some figures. Commissioner Rossi stated to rescind the conditional motion and Commissioner McDermott stated the original schedule should be re-implemented. Jane Horvath stated she would need at a minimum 15 days to change back to the original schedule due to wagering changes, marketing issues, etc. Sam Burdette asked what percentage of the export signal transmission fee goes to Greyhound owners. Jane Horvath responded 10% net. Mike Staats, Tri-State, commented that there is an adjustment period needed whenever changes are made to a schedule. Chairman Smith asked how much time must pass before it is detrimental to the dogs and they start to lose conditioning? Lester Raines commented that a dog starting every 4-5 days will keep it in shape, but starting every 8-9 days is not optimal. Sam Burdette commented that he would prefer 3 starts every 2 weeks. Mr. McDermott moved that Wheeling Island go back to their original schedule, Mr. Rossi seconded the motion. The Commission approved Wheeling Island returning to their original schedule by unanimous consent. Mr. Rossi moved to give a 15-day time period for Wheeling Island to go back to their original schedule, seconded by Mr. McDermott, and it was unanimously approved by the Commission.

Wheeling Island request, wagering revisions for 2013

Jane Horvath explained the revisions are to remove the trifecta from the 2nd race and to add a Pick 5 in races 3-7, and this is a new wager added. Upon motion by Mr. Rossi, seconded by Mr. McDermott, the Commission approved the request.

Wheeling Island request for prior capital improvements, Phase II expansion

Upon motion by Mr. Rossi, seconded by Mr. McDermott, the Commission went into Executive Session to discuss with legal counsel.

Upon motion by Mr. Rossi, seconded by Mr. McDermott, the Commission came out of Executive Session.

Motion was made by Mr. Rossi to approve request by Wheeling Island for FY'10-12 for $1,795,140.65, providing Wheeling Island submits documentation identifying how much of the expenditures are racing related by an allocation plan and in future requests, re-submit the allocation plan going forward. Seconded by Mr. McDermott, and approved unanimously by the Commission.

Mountaineer Racetrack capital improvement request, $1031.30 for dryer in grooms' quarters

Upon motion by Mr. Rossi, seconded by Mr. McDermott, the Commission approved the request.

Mountaineer Racetrack capital improvement request, $81,620 for backside street sweeper

Rosemary Williams stated this is a used piece of equipment that will be used to clean streets after training and racing from debris. Upon motion by Mr. Rossi, seconded by Mr. McDermott, the Commission approved the request.

Mountaineer Racetrack capital improvement request, $120,230 for curbing the ditch lines for Barns B, C, O and R

Rosemary Williams stated this will prevent the barns from flooding. Upon motion by Mr. Rossi, seconded by Mr. McDermott, the Commission approved the request.

Mountaineer Racetrack request, adjustment on number of races on schedule

Rosemary Williams stated this change proposes running 9 races in March-September and running 10 races from October-December when they have more horses. Upon motion made by Mr. Rossi, seconded by Mr. McDermott, the Commission approved the adjustment on number of races on schedule.

Mountaineer Racetrack request, Approval of stakes schedule

Rosemary Williams stated it is essentially the same schedule as 2012. Upon motion by Mr. Rossi, seconded by Mr. McDermott, the Commission approved the stakes schedule.

Mountaineer Racetrack request, allocation of funds for the West Virginia Derby

Rosemary Williams stated they are requesting $750,000 for purses and $300,000 in additional bonuses, totaling $1,050,000. Joe Moore stated that it is projected sufficient funds will be available. Upon motion by Mr. Rossi, seconded by Mr. McDermott, the Commission approved the request, depending on availability of funds.

Approval of Racing Commissioners' International annual dues

Upon motion by Mr. Rossi, seconded by Mr. McDermott, the Commission approved the Racing Commissioners' International annual dues.

Presentation of Dr. Guillermo Couto, The Ohio State University, regarding injury reduction partnership and canine influenza virus. Lester Raines, canine influenza virus issue

Lester Raines stated he went to Department of Agriculture and asked them for funding for the influenza test and they were not interested and that it was Racing Commission related. The testing would be to determine whether the dogs are being over vaccinated. He is requesting that Ohio State University participate in the testing. Dr. Couto discussed the advantages and disadvantages of vaccines and how the testing would take place and also discussed the greyhound injury study project. In regards to the vaccination research project, Sam Burdette stated he would like the greyhound owners to have approval of this beforehand and know what the economic impact would be to the owners. Study is going to cost approximately $20,000. Discussion was held about using 10% administrative funds from the WV Greyhound Breeders Development Fund. Funds would be used to test WV bred dogs only. Joe Moore stated stipulations would have to be met prior to reimbursement for these expenses. Sam Burdette stated that owners should give consent before any dog is used in research. Mr. Rossi moved that the Executive Director work with Purchasing to determine what is necessary to conduct research on the vaccinations and to spend up to $20,000, seconded by Mr. McDermott, and approved by the Commission.

Personnel item, Danny Wright

Upon motion by Mr. Rossi, seconded by Mr. McDermott, the Commission went into Executive Session to discuss the personnel issue.

Upon motion by Mr. Rossi, seconded by Mr. McDermott, the Commission came out of Executive Session.

Mr. McDermott moved to suspend Danny Wright for 10 calendar days, without pay, for having violated the agency's policy on conflict of interest, seconded by Mr. Rossi, and was unanimously approved by the Commission. Mr. Wright will receive written notification of his suspension and a warning that any further violation of this type will be cause for his termination.

Update and discussion of Court of Claims opinions

Anthony Eates gave a summary on the Court of Claims opinions.

Backstretch pension plan update

Jon Amores gave an update on the status of the backstretch pension plan. He stated the Trust Agreement has final language that has to be reviewed by the Treasurer's Office in regards to how investments in the fund will be handled.

Appointment of Administrative Committee for backstretch retirement plan

Upon motion by Mr. Rossi, seconded by Mr. Smith, Barbara Robinson from Charles Town HBPA, and Jana Tetrault from Mountaineer HBPA were appointed to the Administrative Committee and unanimously approved by the Commission.

Charles Town recap: 2012 record-breaking year

Jon Amores noted the press release stating Charles Town had set daily handle records for the 2nd consecutive year in 2012 and are to be commended for their efforts.

Next meeting date

The next Racing Commission meeting is February 19, 2013 at 10AM in the Racing Commission Conference Room.