

CALIFORNIA HORSE RACING BOARD
1010 HURLEY WAY, SUITE 300
SACRAMENTO, CA 95825
(916) 263-6000
FAX (916) 263-6042



REGULAR MEETING

of the California Horse Racing Board will be held on Thursday, August 27, 2009, commencing at 9:30 a.m., at the Del Mar Surfside Race Place (Downstairs General Admission Area), 2260 Jimmy Durante Blvd., Del Mar, California. The audio portion only of the California Horse Racing Board regular meeting will be available online through a link at the CHRB website (www.chrb.ca.gov) under "Webcasts."

AGENDA

Action Items:

1. Approval of the **minutes of the regular meeting of June 5, 2009.**
2. Approval of the **minutes of the regular meeting of July 23, 2009.**
3. Discussion and action by the Board regarding a) request to amend Pacific Racing Association's 2009 allocated race dates to add eight race days to its current schedule and b) the Application for License to Conduct a Horse Racing Meeting of the Pacific Racing Association (T) at Golden Gate Fields, commencing October 21, 2009 through December 20, 2009, inclusive.
4. Report from Pacific Racing Association and discussion by the Board regarding the status of the applications for License to Operate a Minisatellite Wagering Facility at Pete's Tavern, San Francisco, California, and Sotto Mare Oysteria, San Francisco, California.
5. Discussion and action by the Board on the Application for License to Conduct a Horse Racing Meeting of the Oak Tree Racing Association (T) at Santa Anita, commencing September 30, 2009 through November 8, 2009, inclusive.
6. Discussion and action by the Board on the Application for License to Conduct a Horse Racing Meeting of the Big Fresno Fair (F) at Fresno, commencing October 7, 2009 through October 18, 2009, inclusive.
7. Public hearing and action by the Board regarding the **proposed amendment of CHRB Rule 1606, Coupling of Horses**, to eliminate the requirement that different trainers train uncoupled thoroughbred horses owned by different partnerships with at least one owner in common, but whose ownership is not a mirror image. (Note: This concludes the 45-day public comment period. The Board may adopt the proposal as presented.)

8. Report and discussion by the Board regarding **racetrack maintenance procedures, surface measurements and record keeping.**
9. Report and update by the University of California, Davis on the **CHRB/UC Davis Postmortem Program.**
10. Report of the **Medication Committee.**
11. Discussion and action by the Board regarding the **proposed amendment of CHRB Rules:**
 - (a) **1866, Veterinarian's List**, to prohibit a horse placed on the veterinarian's list as injured, unsound or lame, from working out within 72 hours of being placed on the list without permission of the official veterinarian.
 - (b) **1890, Possession of Contraband**, to prohibit the possession at a facility under the jurisdiction of the Board of any veterinary treatment or medication, which has not been prescribed or labeled in accordance with Rule 1840, Veterinary Practices and Treatments Restricted, and Rule 1864, Labeling of Medications.
 - (c) **1867, Prohibited Veterinary Practices**, to provide that the presence of any drug substance prohibited under this rule found in a test sample obtained consistent with the Board's rules shall apply in the same manner as to a horse entered to race.
 - (d) **1843.6, Total Carbon Dioxide Testing**, to authorize the Equine Medical Director and the stewards as well as the official veterinarian to direct that blood samples be taken from a horse for the purposes of TCO₂ testing.
 - (e) **1858, Test Sample Required**, to reduce the minimum number of "other" horses designated for testing from six to one horse, and to authorize the Equine Medical Director to designate such horses for testing as well as the stewards and official veterinarian.
 - (f) **Rule 1859, Taking, Testing and Reporting of Samples**, to provide that urine, blood or other official test samples may be taken under the direction of the Equine Medical Director as well as the official veterinarian.
12. Discussion and action by the Board on amending **CHRB Rule 1685, Equipment Required**, to allow the use of alternate types of whips with the temporary suspension of CHRB Rule 1685's limit on authorized whips, as to the configuration of permissible whips.
13. Discussion and action by the Board **regarding increasing fines for jockeys in lieu of serving suspended days.**
14. Discussion and action by the Board on the **approval of an Agreement providing support for the Board, the establishment of a reserve fund for the Board, and the payment of the mandated \$5.5 million to Fairs and Expositions.**

15. Update from the Thoroughbred Owners of California (TOC) and discussion by the Board regarding the **California Retirement Management Account (CARMA)** and its first 18 months of operation.
16. Update and discussion by the Board regarding **Sacramento Harness Association's financial status and the resolution of liabilities.**
17. Update and discussion by the Board regarding **Capitol Racing Association and the impact fee issue with Los Alamitos.**
18. Discussion and action by the Board regarding the **update from the Los Angeles Turf Club, Inc. operating at Santa Anita Park and the significance of the bankruptcy filing of Magna Entertainment Corporation on its racing operations and the status of statutory funds that may still be owed money from pre and post bankruptcy accounts.**
19. **Public Comment:** Communications, reports, requests for future actions of the Board. **Note:** Persons addressing the Board under this item will be restricted to **three (3) minutes** for their presentation.
20. **Closed Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by Section 11126 of the Government Code.
 - A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," as authorized by Government Code section 11126(e).
 - B. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending administrative licensing or disciplinary matters described in the attachment to this agenda captioned "Pending Administrative Adjudications," as authorized by Government Code section 11126(e).

Additional information regarding this meeting may be obtained from the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000; fax (916) 263-6042. This notice is located on the CHRB website at www.chrb.ca.gov. *Information for requesting disability related accommodation for persons with a disability who require aid or services in order to participate in this public meeting, should contact Jacqueline Wagner.

CALIFORNIA HORSE RACING BOARD

John C. Harris, Chairman
David Israel, Vice Chairman
John Andreini, Member
Jesse H. Choper, Member
Bo Derek, Member
Jerry Moss, Member
Kirk E. Breed, Executive Director

CALIFORNIA HORSE RACING BOARD
1010 HURLEY WAY, SUITE 300
SACRAMENTO, CA 95825
(916) 263-6000
FAX (916) 263-6042



PENDING LITIGATION
AUGUST 2009

CASE

California Horse Racing Board v. Los Alamitos Quarter Horse Racing Association. et al.
Orange County Superior Court Case No. 00118250

Patrick Valenzuela v. CHRB
Second District Court of Appeal Case No. B218920

PROCEEDINGS of the Regular Meeting of the California Horse Racing Board held at the Baldwin Terrace Room, Santa Anita Park Race Track, 285 West Huntington Drive, Arcadia, California, on June 5, 2009.

Present: John C. Harris, Chairman
David Israel, Vice-Chairman
John Andreini, Member
Jesse H. Choper, Member
Bo Derek, Member
Jerry Moss, Member
Kirk E. Breed, Executive Director
Robert Miller, Staff Counsel

Staff Counsel Miller stated in Executive Session the Board accepted the stewards' ruling in the case of trainer Jose DeLima, which was a 30-day suspension for a violation of Rule 1902.5, Animal Welfare; in the case of trainer Alberto Arreola, the Board accepted the settlement agreement and mutual release, which called for a 180-day suspension; in the matter involving exercise rider Hector Romero, the Board determined that Mr. Romero was eligible to apply for a jockey license, with conditions; and in the matter of Antonio Cordero, the Board accepted the recommendation of the Hearing Officer to allow Mr. Romero to apply for a provisional exercise rider license, with conditions.

MINUTES

Chairman Harris asked for approval of the minutes of the Regular Meeting of April 24, 2009. Commissioner Moss **motioned** to approve the minutes. Commissioner Andreini **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A COMBINED HORSE RACING MEETING OF THE FOLLOWING CALIFORNIA FAIRS:

- (A) SAN JOAQUIN COUNTY FAIR (F) AT STOCKTON, COMMENCING JUNE 18, 2009 THROUGH JUNE 28, 2009, INCLUSIVE;
- (B) ALAMEDA COUNTY FAIR (F) AT PLEASANTON, COMMENCING JULY 1, 2009 THROUGH JULY 19, 2009, INCLUSIVE;
- (C) SOLANO COUNTY FAIR (F) AT VALLEJO, COMMENCING JULY 22, 2009 THROUGH JULY 26, 2009, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the San Joaquin County Fair (SJCF) proposed to run from June 18, 2009 through June 24, 2009, or nine days, the same number of days it ran in 2008, for a total of 98 races, which was the same number of races it ran in 2008. The SJCF would run concurrently with Hollywood Park. The advance deposit wagering providers (ADW) would be XpressBet, TVG, Twinspires and Youbet. Ms. Wagner said the final distribution of any carryover pools would take place on the closing day of the Solano County Fair (SCF), which was July 26, 2009. Robert Hartman of Golden Gate Fields (GGF) commented it was originally thought SJCF would run a two-week race meeting concurrently with a two-week fair. There had been a number of disastrous "experiments" wherein racing was not run along with the fair. Mr. Hartman added the Father's Day holiday would fall on the first weekend of the SJCF race meeting that did not run with the fair. Although there was nothing that could be done in 2009, in the future it would be more beneficial and profitable if the fair and the race meeting overlapped. Debbie Cook of SJCF spoke about SJCF's promotional plans, including a breast cancer awareness themed stakes race and a special Father's Day promotion. Chairman Harris asked if the fair would run only one week. Ms. Cook said the SJCF was open for five days. The fair moved to five days in 2008 when its

allocated race dates were separated from the fair dates. Commissioner Choper stated he noted all the fairs had a one-dollar place pick wager. The fairs had a number of non-thoroughbred breeds running, yet many new fans had a difficult enough time understanding thoroughbreds. He suggested the fairs consider confining the wager to thoroughbred races as much as possible. Ms. Wagner stated the Alameda County Fair (ACF) proposed to run from July 1, 2009 through July 19, 2009, or 15 days, four days more than it ran in 2008. ACF would run 162 races, 32 more races than it ran in 2008. Ms. Wagner commented the proposed race dates did not entirely match the allocated race dates, as ACF requested approval not to race on July 6 and July 7, 2009. Instead, ACF proposed racing concurrently with Hollywood Park on July 8, 2009. The first post time, which was arranged to compliment Hollywood Park's post times, was 12:45 p.m. The ADW providers were XpressBet, TVG, Twinpires and Youbet. Ms. Wagner added the distribution for the ACF carryover pool would be July 26, 2009, the closing date of SCF. Ms. Wagner stated the SCF proposed to run from July 22, 2009 through July 26, 2009, or five days; six fewer days than in 2008. SCF's first post time would be 12:35 p.m., and the ADW providers were XpressBet, TVG, Twinpires and Youbet. Chairman Harris commented SCF would run one-week to determine if it could hold a successful race meeting, so this was an opportunity for the fair to demonstrate what it could do, and it was important for the community to support the effort. Otherwise, perhaps the meeting should be folded into another fair. Commissioner Choper motioned to approve the application to conduct a combined horse racing meeting of SJCF, ACF and SCF. Commissioner Andreini seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE UPDATE FROM THE LOS ANGELES TURF CLUB, INC., OPERATING AT SANTA ANITA PARK AND THE SIGNIFICANCE OF THE BANKRUPTCY FILING OF MAGNA ENTERTAINMENT CORPORATION ON ITS RACING OPERATIONS AND THE STATUS OF STATUTORY FUNDS THAT MAY STILL BE OWED MONEY FROM PRE AND POST BANKRUPTCY ACCOUNTS.

Mr. Gregg Scoggins, representing Magna Entertainment Corporation (MEC), Los Angeles Turf Club (LATC), Golden Gate Fields (GGF) and XpressBet, stated the bankruptcy court approved a motion to allow Santa Anita Park Race Track to delay its decision to affirm or reject the Oak Tree Racing Association (OTRA) lease agreement, which would allow it to host the OTRA meeting and the Breeders' Cup. Mr. Scoggins added the Southern California Off Track Wagering, Inc. (SCOTWINC) hearing on the pre-bankruptcy petition funds was also postponed. The parties clarified the assets that were going to be held for sale. The assets were: Los Angeles Turf Club; Thistledown; Portland Meadows; Remington Park; Lone Star Park assets and various other non-racing assets. Chairman Harris stated the original concept included a stalking horse bid, but that was set aside in favor of normal bidding. He asked if there would be an auction, or if the court would accept bids. Mr. Scoggins stated MID withdrew the stalking horse bid, so the assets identified for sale would go through a process that required interested persons to file an expression of interest by a certain date. Definitive bids for the assets were to be filed on July 31, 2009. Bids were required to include a signed agreement that would be marked for changes to reflect any modifications the parties wanted relative to the asset or assets. The bids would be evaluated between July 31, 2009 and August 7, 2009, to determine the highest and best offer. That bid would be designated the stalking horse bidder for the particular asset or group of assets. On September 8, 2009, a bidding auction would allow other parties to offer higher bids or better terms than the stalking horse

bid. The auction would result in the final successful bidder for any asset or assets; however, the bankruptcy court would ultimately decide whether it would approve the winning bidder. Chairman Harris asked if the final bid process was limited to parties that participated in the initial bid process. Mr. Scoggins stated bids had to be submitted by July 31, 2009. Those bids would be evaluated to determine if they were a "definitive bid" and only definitive bid holders could participate in the final auction. He added a "definitive bid" was one that met the original criteria, which was a ten percent deposit; a demonstration of financial ability to pay on closing; and the submission of a contract that reflected marks for changes. In consultation with the creditors committee, MEC would evaluate the bids and state whether they constituted appropriate bids. Vice-Chairman Israel asked if there were any preconditions that required successful bidders to maintain the Santa Anita Park Race Track facility as a horse racing venue. Mr. Scoggins stated there was nothing in the draft agreement that provided for that obligation. Commissioner Choper asked what the status of GGF was in the process. Mr. Scoggins stated GGF was not among the assets offered pursuant to the sale. The current plan was that MEC would retain all the remaining assets. He added MEC could change its mind and sell additional assets. The idea was that the assets currently for sale would satisfy the creditors committee, and MEC would emerge from bankruptcy with a plan that would include the assets not for sale. Vice-Chairman Israel stated pre-bankruptcy, MEC was in arrears on some statutory payments to various funds. He asked if there was an effort to release payments to the funds. Mr. Scoggins stated there were bankruptcy issues that had to be dealt with. Any obligations that were owed, but not paid, as of March 5, 2009, could not be paid unless the bankruptcy court expressly exempted them. The item would be included in the bankruptcy

estate until a plan was in place. The fact that the payments were statutory was irrelevant to the bankruptcy court. Chairman Harris asked if there would be some priority of creditors. Mr. Scoggins said certain parties, such as vendors with long term relationships might be given a higher priority, but that was because they made a commitment to the entity coming out of bankruptcy. However, he stated he did not know how that would affect statutory obligations. Chairman Harris asked if there would be some closure on the bankruptcy by the fall of 2009. Mr. Scoggins said it would be in everyone's best interest to resolve the bankruptcy as of September. Vice-Chairman Israel asked at what point the winning bidder would be disclosed. Mr. Scoggins stated that typically the name of the winning bidder was not disclosed until the process was completed. Craig Fravel representing Del Mar Thoroughbred Club said a motion was filed on behalf of SCOTWINC, Northern California Off Track Wagering, Inc. (NCOTWINC) and a variety of satellite wagering facilities. The motion asked the bankruptcy court to approve the distribution of pre-petition funds, such as advance deposit wagering (ADW) fees and satellite wagering fees. Mr. Fravel said the fees represented a significant amount and had created a strain on the system. The parties were concerned because the debtor in possession filed an objection. Mr. Fravel stated it should be a matter of record, and the Board should be aware, that the debtor was the one that opposed the payment of the statutory amounts owed the industry. Mr. Scoggins said MEC did oppose the SCOTWINC motion; however, it had to do with the MEC's obligation to ensure that all similar payments were treated in the same fashion. The types of payments that were owed by GGF and Santa Anita were similar to other pre-petition payments they owed to other creditors. The objections were filed on that basis. Commissioner Choper said the suggestion was that MEC was the only

party to object. If the other creditors did not object, would not that protect MEC if it decided to make the payments? Mr. Scoggins stated he did not know if the absence of any objections was tantamount to consent. Other parties may have chosen not to file an objection on the basis of MEC's filing. Commissioner Choper said if there were no other real objections by other parties, there did not seem to be any reason why MEC should have an objection. MEC ought to pay if there were no other objections, as it would have to pay in any event. Mr. Scoggins said not paying a particular pre-petition amount did not mean the debt was rejected. The payment may not occur in the near future, but at the time the plan was approved, which should be sometime around November 2009. Chris Korby of California Authority of Racing Fairs (CARF) said his organization echoed Mr. Fravel's comments regarding the motion by the debtor in possession. The motion for payment of the pre-petition sums was reasonable, and the non-payment caused significant financial hardship to many of the satellite facilities, many of which were considering closing. Mr. Korby stated CARF also asked for an accounting of the ADW locations fees that were due to satellite wagering facilities, and that had not been provided. Chairman Harris asked if the payments were pre-bankruptcy and post-bankruptcy. Mr. Korby stated to his knowledge neither had been received. He added MEC was cooperating with expediting post-filing payments for location fees; however, CARF would appreciate the same cooperation with ADW monies. Mr. Scoggins stated MEC made post petition payments as the funds were received. There were some ADW providers that had not yet, or had not until recently, made the payment to MEC. As those post petition funds became available to MEC, the distributions would be made accordingly. Commissioner Choper said there were ways to satisfy all of MEC's possible objections to the SCOTWINC motion. In

addition, the goal of having a bankruptcy plan in place by November 2009 might not be reached; in such proceedings goals were often set and rarely reached. Commissioner Choper stated MEC should do what it could to expedite the payments, as there ought to be a way to do it. Commissioner Moss asked if there was an actual date in September 2009 when the plan would be known. Mr. Scoggins said the auction date was set for September 8, 2009, but it could be postponed depending on circumstances. The system was flexible in case of unforeseen complications. Shortly after the auction, a motion would be filed asking the bankruptcy court to approve the winning bidder. Chairman Harris commented it was bothersome that things like purse funds and satellite commissions went to Santa Anita before going to the recipients. The funds were not the property of Santa Anita, which was really just a trustee. Perhaps it would be better if Santa Anita was not the trustee and the funds went directly to the recipient. Mr. Scoggins stated that was pursued shortly after the bankruptcy filing. It was easier for ADW providers to pay a lump sum to the racing association, and to let the association distribute the funds in accordance with the law. The bankruptcy filing revealed the problems associated with that practice. To expedite payments certain ADW providers were directed to pay funds directly to entities that were entitled. However, that was discontinued and the providers were paying funds to Santa Anita, because it was much easier. Mr. Fravel stated that after MEC objected to the motion for payment of the pre-petition sums, the parties that made the motion postponed the hearing. On behalf of SCOTWINC, Mr. Fravel encouraged MEC to reconsider the motion. The hearing could be rescheduled and the parties could find a middle ground, or an interim solution. Chairman Harris said his perception of bankruptcies was that the courts were more concerned with creditors than about the debtor in

possession. It did not seem logical that the debtor would prevail on motions. Jack Liebau of Hollywood Park stated the problem for the industry was that it was under pressure to provide funds to keep the satellite facilities going. Because Santa Anita was not running, Hollywood Park and Del Mar would provide approximately \$2.7 million to the satellites; in addition, TOC was adding \$450,000. The industry was hearing that MEC could not pay, but the reality was that Santa Anita did not need the satellites because it was not operating a race meeting. Mr. Liebau stated MEC needed to understand the importance of the satellites to the California racing industry. Vice-Chairman Israel asked how much money the debtor owed. Mr. Liebau said several million dollars was owed for such items as location fees, the stabling and vanning fund, license fees to the State of California. Mr. Liebau commented unless priorities were set, when the industry was finally paid it would receive pennies on the dollar. He stated he once spoke about the lack of integrity of the pari-mutuel pools. The current situation demonstrated there was not much integrity in the pools because the funds that should be distributed according to the laws of the State of California were not. Mr. Scoggins stated MEC recognized that the bankruptcy adversely impacted the industry, as it relied on funds generated, and it expected to be paid on a pre-petition basis. However, there was no basis for concluding that there had been any breach or problem with respect to the wagering public and the wagering pools available to the public within the State of California. All winning wagers had been paid, and using payments to SCOTWINC or the state as a basis for raising concerns about the pari-mutuel pools was unjustified and inappropriate. Mr. Scoggins said he would provide a representative of MEC's bankruptcy counsel to explain why MEC opposed the motion for payment of pre-petition sums and other issues. Mr. Fravel stated that fans who wagered

received back approximately 80 percent of the pari-mutuel pool. The industry also participated in the pari-mutuel pool and should be treated in the same manner as wagering fans. However, the industry was not confident that the bankruptcy counsel understood its position. Mr. Fravel stated the Board should appoint a subcommittee to meet with MEC and its counsel, as well as industry representatives and counsel, so a common ground could be found to keep the industry running. He commented it was in MEC's interest to have the satellite wagering facilities and ADW providers operating efficiently. Vice-Chairman Israel asked if there was any interest attached to the payments in arrears. Mr. Fravel said the industry was in an unknown situation, as payments were historically made weekly, so there was never an issue. Vice-Chairman Israel stated if there were no interest, and the Board was to move forward, the industry could supply information regarding the amounts owed. Mr. Liebau said he forgot to add Oak Tree Racing Association (OTRA) to the list of parties contributing funds towards satellite wagering. OTRA was contributing approximately \$300,000 to the fund. Mr. Korby stated CARF disagreed with MEC's position. It was CARF's position that the statutes protected all recipients of distributions from pari-mutuel pools; those who held winning tickets, as well as racetracks and horsemen. Ed Halpern of California Thoroughbred Trainers (CTT) stated his organization was also owed an unknown amount for pensions. The CTT did not know the exact amount because it generally did not see the accounting; it just received checks marked "ADW," which was the source of the funds. Chairman Harris commented the CTT had a fiduciary responsibility to determine what the receivables were.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A HORSE RACING MEETING OF THE SONOMA COUNTY FAIR (F) AT SANTA ROSA, COMMENCING JULY 29, 2009 THROUGH AUGUST 9, 2009, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the Sonoma County Fair (SCF) proposed to run from July 29, 2009 through August 9, 2009, for a total of ten days, two days less than in 2008. SCF was not a participant in the combined racing fair meeting. SCF would run Wednesday through Sunday, with ten races per day Wednesdays, Thursdays and Fridays and 12 races per day Saturdays and Sundays. The SCF meeting would run concurrently with the Del Mar meeting. The first post time was 12:45 p.m. and the advance deposit wagering providers were XpressBet, TVG, Twinpires and Youbet. Chairman Harris stated there seemed to have been some discussion in Santa Rosa regarding the length of the meeting. Tawny Tesconi of SCF said the discussion centered on moving from a six-day meeting to a five-day meet. SCF would be interested in additional dates, but it would also want the dates to correspond with its regular fair or during its Harvest fair. Chairman Harris said he wanted it to be clear that the CHRB was not standing in the way of more race dates at SCF. The fair had to ask for the dates it wanted, and that did not happen. Vice-Chairman Israel motioned to approve the application for license to conduct a horse racing meeting of SCF. Commissioner Moss seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A HORSE RACING MEETING OF THE DEL MAR THOROUGHBRED CLUB (T) AT DEL MAR, COMMENCING JULY 22, 2009 THROUGH SEPTEMBER 9, 2009, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the Del Mar Thoroughbred Club (DMTC) proposed to run from July 22, 2009 through September 9, 2009, or 37 days, six days less than in 2008.

DMTC would run concurrently with Solano County Fair, Sonoma County Fair, the California Authority of Racing Fairs meeting at Golden Gate Fields, the Cal-Expo meeting and the Pacific Racing Association meeting at Golden Gate Fields. The first post time would be 2:00 p.m., and DMTC was in negotiations with TVG, Youbet, XpressBet and Twinspires for advance deposit wagering (ADW). Ms Wagner added the stabling agreement was being signed and the fire clearance would be forwarded to staff upon completion of the inspection. Craig Fravel of DMTC stated his organization had some good promotions and value propositions for patrons, and it was looking forward to opening its meeting. Vice-Chairman Israel asked if all four ADW providers would offer wagering on DMTC. Mr. Fravel stated that was the objective. DMTC met with each provider, and its terms were not very different from other racing associations. DMTC hoped to have the agreements in place by July 1, 2009. Commissioner Moss asked how many days DMTC would have to prepare its track. Mr. Fravel stated DMTC would have an extra week, so it would have plenty of time to get the track ready. There was not a lot of maintenance on the racetrack, as DMTC conducted a lot of testing in the off-season, and the track held up well over the winter. Commissioner Moss asked if DMTC took the proposed sale of the fairgrounds seriously. Mr. Fravel said the Del Mar Fair Board would meet June 9, 2009, to discuss the issue. There seemed to be some serious obstacles to the valuation, which assumed a certain amount of development. The facility was also in a hundred-year flood plain, which raised significant environmental issues that were not easily overcome, and certainly made it undesirable for extensive development. Mr. Fravel added deed restrictions also dedicated the property to agricultural and public event purposes. Vice-Chairman Israel motioned to approve the application for license to conduct a

horse racing meeting of DMTC. Commissioner Moss seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD REGARDING A REQUEST FROM HOLLYWOOD PARK RACING ASSOCIATION, LLC TO ELIMINATE LIVE RACING ON THE FOLLOWING DESIGNATED WEDNESDAYS: JUNE 17 AND 24, AND JULY 1, 8 AND 15, 2009, DURING ITS CURRENT APRIL 22, 2009 THROUGH JULY 19, 2009, RACE MEETING. DISCUSSION AND ACTION TO INCLUDE GOLDEN GATE FIELDS AND THE NIGHT INDUSTRY. REPORTS ARE EXPECTED FROM THOROUGHBRED OWNERS OF CALIFORNIA, CALIFORNIA THOROUGHBRED TRAINERS AND ADVANCE DEPOSIT WAGERING (ADW) COMPANIES RELATING TO THE CONTRIBUTING FACTORS RELATED TO THIS REQUEST I.E. HORSE INVENTORY, ECONOMY AND ADW.

Jack Liebau of Hollywood Park Racing Association (HPRA) stated HPRA was requesting to go to a four-day racing week to offer the wagering public a better racing product. From the start of its current race meeting HPRA had difficulty filling races, so it petitioned the Board to reduce its race week to four days. Mr. Liebau commented HPRA was not the only track that was experiencing such difficulties. He noted Santa Anita and Churchill Downs experienced difficulties, and the National Thoroughbred Racing Association schedule of race meets listed tracks that moved to four days a week. He stated Del Mar Thoroughbred Club's (DMTC) move to five days a week represented a 16 percent decrease in its racing days and Golden Gate Fields (GGF) experienced difficulties filling races for five days a week. Mr. Liebau noted Thoroughbred Owners of California (TOC) and California Thoroughbred Trainers (CTT) supported HPRA's request. He also noted the Northern California racing fairs voiced concern about the change, and he predicted that Local 280 might have a contrary opinion. Mr. Liebau said the Northern California racing fairs had a \$1.1 million supplemental purse fund that was legislatively granted, which should help the fairs. There was also a three-week fair meeting at

GGF, which should financially help the fairs. The industry and HPRA had a good working relationship with Local 280, but going to a 4-day week would eliminate one day of employment for the pari-mutuel employees. Mr. Liebau stated in the current economic crisis reduced workdays was something that was happening to a lot of industries. However, under the manning clause with Local 280, there was a lot of over-staffing on the days HPRA ran, so HPRA did provide employment to Local 280 members. Mr. Liebau stated HPRA was requesting that the Board grant its request to eliminate live racing at HPRA on the designated Wednesdays. He stated operating a five-day race week would cause short fields, poor wagering opportunities and an unattractive product for the wagering public. Running five days a week would also have a negative effect on purse values, as Wednesday was a day when HPRA traditionally did not generate sufficient purse funds to cover the day of racing. With a four-day race week, field size and handle increased. Prior to adopting the four-day week only 59 percent of the carded races qualified for Superfecta wagering. Since moving to four days 80 percent of the carded races qualified. Mr. Liebau stated the industry understood that field size directly influenced handle. The average field size at HPRA prior to the four-day week was 7.5; since going to the shorter week, the average field size was 8.4 horses. One issue HPRA did not expect, but which was giving it a lot of concern, was that even at 4 days a week it was having difficulty filling races. He stated it was suggested that if HPRA ran four days a week it should offer more races. HPRA was willing to offer more races if it could fill them. Commissioner Choper asked why HPRA was having difficulty filling races. Were horses leaving California for other racing jurisdictions? Martin Panza of HPRA said the problem was evident at the beginning of 2009, and was seen at Santa Anita where it often took until three

o'clock in the day to fill race cards. Horses were not leaving California; the problem was that horses lost through natural attrition were not replaced. As an example, Mr. Panza said claiming at HPRA in 2009 was significantly lower than in 2008, which demonstrated that in the current economy buying horses was not a high priority. If a horse was injured and needed time off, there was not a new horse to replace the loss. The problem did not start at HPRA; it began in September or October of 2008. Horse owners who got into financial problems were deciding to save their resources, so if a horse were injured or claimed, it was not replaced. Mr. Panza commented trainers simply did not have the horse inventory and were struggling to stay in business. The problem was not limited to California. It was pretty significant for Churchill Downs to go to four days of racing. Mr. Panza explained at length the problems with filling races at the Santa Anita meeting, and the shortages of horses in trainers' barns. Chairman Harris asked if more purse money would be generated with a five-day race week as opposed to a four-day race week. Mr. Panza said more money would be spent on purses during a five-day race week. Revenue would increase, but so would expenses, and the revenue would not cover the cost. Vice-Chairman Israel asked how the wagering public reacted to the four-day race week. Did the handle go down, or was there enough income to make up for the lost day? Mr. Liebau stated that when HPRA ran five days a week its handle from all sources was down 24 percent. After HPRA went to four days a week, its handle was down 14.32 percent. The handle was up for two reasons: the field sizes were greater, and the purses were larger. Chairman Harris said it was agreed HPRA wished to run four days a week. However, the Board needed to hear from concerned parties. He added one of his concerns about racing, in general, was the industry's ability to manage inventory. California spent a lot of money on

stabling, which did not make sense. Mr. Liebau said horses should be stabled at HPRA and at Santa Anita, so the backside could be controlled and stalls allocated based on how a trainer ran. However, there were so many stalls available the industry did not have any leverage over trainers. Chairman Harris commented it would be convenient if there were data on the number of horses that were likely to run in the next three months. Mr. Panza said over any one-month period there were 1,600 to 1,700 active horses, and the number could go up to 2,000; however, the industry was paying stalls for over 4,000 horses. An "active horse" was one that had two works in a 30-day period. Vice-Chairman Israel asked if HPRA could manage if one more race was added on Saturday and Sunday. Mr. Liebau said if the races could be filled, HPRA would run them. However, the Del Mar meeting was about to start, which meant the HPRA field size would drop, so it was going to become more difficult to fill races. Vice-Chairman Israel stated if the extra couple races were added it would extend the workday. Would there be any overtime for the hourly employees? Mr. Liebau said HPRA employees did not work a full day. Chairman Harris asked what would happen if HPRA decided to run only six races in a given day. Mr. Liebau stated it would be uneconomical for HPRA. There were fixed costs and manning clauses; eight races was the limit. Chairman Harris said he was concerned that if racing associations did not run five days a week the track would not be profitable and close. Mr. Panza stated unless the economy got worse HPRA would eventually return to racing five days a week. However, it needed to be done collectively, with various tracks giving up a few days during their meetings. The industry was in new territory, and it needed to discuss its options. Commissioner Choper asked why HPRA could not state what its handle was for the last week it ran five days without the Kentucky Derby and the Preakness,

and the handle for the couple of weeks it ran four days. Mr. Liebau stated the handle was not a good measure of the effect of running four days. For instance, if HPRA sent its signal to the New York OTB it was probably getting 1.5 percent at the most. Lee Hall of Local 1877 asked the Board to postpone any decision regarding HPRA's request until his union and HPRA came to an agreement. Mr. Hall stated the Local 1877 contract with Los Alamitos allowed for a four-day race week at ten hours a day. There was no reason the thoroughbred industry could not adopt the same agreement. Local 1877 held a meeting with HPRA and was told to present a proposal that would be examined. If the Board granted HPRA a four-day race week, there would be no conversation, and union members would suffer. Labor was asking for a level playing field so it could sit down with management and reach an agreement that would protect member's health and welfare benefits and allowed them to make a decent living wage. Doug Kempt of Local 280 said his organization was concerned with the effect of the HPRA proposal. Mr. Kempt read a letter from Local 280 to CHRB Executive Director Kirk Breed: *"Dear Kirk, I have a very simple estimate of the financial effect of the four-day race week during the current Hollywood Park meet. These numbers are difficult to gauge exactly because of so many payrolls and job classifications that are involved; however, we believe these numbers are a very close estimate. Local 280 members hold a variety of full time jobs in this industry, throughout the entire State, including, but not limited to mutuel clerks, special terminal operators, money room personnel, managers, assistant managers, self-service attendants, information windows, office staff, et cetera. Approximately 400 members of our Guild fill the above positions on a regular basis. The rough average lost wage of lost wages and benefits are around \$200 a day. By simple math, that equates to about \$80,000 of lost wages and*

benefits per workday lost. For the nine lost racing days that would total about \$720,000 in lost wages and benefits to Local 280 members for the current Hollywood Park meet, if this four-day-a-week racing is approved." Commissioner Choper asked if the Local 280 contract provided for reduced workdays. Mr. Kempt said the contract required the parties to meet and discuss the effect of lost wages. The parties did meet, but were at an impasse, and had asked for a manpower arbitrator to step in. Hopefully, the issues would be resolved before they went to arbitration. Mr. Kempt stated Local 280 would like the Board to require HPRA to race five days a week as much as possible. There would still be lost wages for the days not run, but perhaps the parties could work something out. Local 280 members wanted racing five days a week. The union entered into the race meeting as a 65-day meet, 13 weeks, five days a week, and it was assumed that those who worked full time would receive wages and benefits provided under the contract. In the middle of the meeting the union lost three days, but it was not included in any discussions regarding the change in race days. Local 280 wanted HPRA to run five days a week. It understood there was a problem with the horse population, but it would lose members if there were no full time work. Commissioner Andreini asked why the union's pension plan could not be adjusted to allow those who worked four days a week to qualify for health and welfare benefits. Richard Castro of Local 280 stated the union was not the trustee of the pension plan, which was a national plan run by the Service Employees International Union (SEIU). Local 280 asked if the plan could be adjusted to allow for the reduction in work hours, but the SEIU trustees refused the request. The employer made payments to the national plan, and Local 280 had no access to the funds. Mr. Liebau stated HPRA met with Local 280. At the meeting the union raised the issue of how the reduction in workdays would

affect its members access to medical benefits. It was indicated that there would be an accommodation made, as suggested by the union, with respect to medical benefits. Talks with the union did occur and were an ongoing process. Mr. Liebau added the Board historically did not become involved in labor/management disputes. Chairman Harris agreed the Board did not become involved in such disputes, but it was an area of concern. Eual Wyatt of HPRA stated the racing association did understand that a reduction in race days meant a pay cut for employees, and that made the decision very difficult. However, during the last four Wednesdays of the HPRA meeting there would still be simulcasting, which meant there would be some employees working. Chairman Harris asked how many unions were involved in the HPRA meeting. Ken Walker of the Federation of California Racing Associations stated there were three large unions, and some trade unions. There was Local 1877 and Local 280, as well as the Teamsters. The Teamsters represented the parking lot, security guards, racing officials, assistant starters, and clockers and outriders. Chairman Harris asked if the Teamsters took a position on the reduction in race days. Mr. Walker stated there were discussions with the Teamsters, who wanted a reduction in the health and welfare qualifier. HPRA indicated it was willing to reduce the qualifier, just as it had indicated the same with Local 280. In addition, Mr. Walker stated he asked Local 1877 to submit a letter that asked for discussions about the same issue. He commented Local 1877 and Teamsters contracts were expiring in July 2009, which presented an opportunity to negotiate those items. Commissioner Choper stated he understood the parties were meeting with the idea of seeking a way to share the burden of the loss, so it did not fall entirely on the workers. Mr. Walker stated the industry was willing to entertain anything the unions presented, and to take a hard look at union requests. Whether the

industry would agree to every union demand was something Mr. Walker could not predict. Chris Korby of California Authority of Racing Fairs (CARF) stated he understood the reasons HPRA wished to reduce its race days, but the request could not have come at a worse time for the Northern California racing fairs. The four Wednesdays that would be lost were during the time that the fairs were running. CARF attempted to make some projections of the effect of the northern fairs running while the south was dark, but it proved difficult, as that had not generally occurred. Mr. Korby stated the industry needed to look at different ways of structuring future racing calendars. He added he understood the Southern California tracks expected the off-track network to open on Wednesdays, even if the tracks were not operating. That would represent a hardship to some of the satellites, as they did not do well when the host track in the region was not operating. The satellites would be badly impacted, although there was probably a financial arrangement that could be worked out. Cliff Goodrich, representing Fairplex Park Pomona (Fairplex), stated his organization would soon apply for a license to conduct a horse racing meeting. It, too, would ask for a reduction in days for the same reason HPRA made its request. The industry would love to run five days a week, which would be good for the unions and the horsemen, but it was in desperate straits. To survive, the industry needed to offer a product on which racing fans would wager, and that meant a four-day race week was necessary. Mr. Goodrich commented Fairplex was not happy about the four-day a week CARF meeting at GGF, but there was not much that could be done. The industry was headed for disaster if it did not work together, and with labor, to pursue answers. Fairplex endorsed the HPRA request, and it urged the Board to approve the item in the best interests of horse racing. Craig Fravel of DMTC stated his organization endorsed the HPRA request to

reduce its race week to four days. Chairman Harris stated the HPRA license application was approved in March 2009, and he did not understand what had happened since then to create a different situation. The economy, although bad, had probably gotten better since March 2009. If the industry was aware there were problems brewing, why did it not raise the issue in March? John Bucalo of the Barona Casino suggested the industry consider running cheaper claiming races. He stated there were probably many four or five thousand dollar claiming horses available. Many owners could no longer afford to buy expensive horses, and running cheaper claiming races would allow racetracks to run five days a week and provide racing fans with horses to play on. Chairman Harris commented the problem was that the Northern California circuit ran the cheaper claiming races, and it would cannibalize the north's inventory if the south adopted such a strategy. Mr. Panza said that was correct, but another aspect was that many out-of-state tracks that ran cheaper claiming races also had slot machines and could offer a \$30,000 purse to \$5,000 claimers. California did not have slot machines, so the economics of running those types of races did not work. Ed Halpern of CTT stated the CTT board voted to support the HPRA request. The CTT's only request was that HPRA try to run 37 races a week, instead of 35. Chairman Harris asked if Northern California trainers agreed with the CTT action. Mr. Halpern said there were trainers from Northern and Southern California on the CTT board. The trainers voiced a concern that HPRA continue to offer off-site wagering on days the fairs were running. Chairman Harris said that would help the south, but would not help purses in the north. The danger was that the handle in the north could go down when the fairs were running five days and the south was running four days. Vice-Chairman Israel commented the off-track handle could go up, as the fairs would be the

only California product running. Chairman Harris stated that might be true, but California received such a small percentage from wagers placed on the East Coast compared to wagers placed in state. Mr. Halpern said everyone should remember the economy was terrible, and the change to a four-day race week was only a temporary fix. If it were long term, the entire industry would have a big problem. Rod Blonien, representing Los Alamitos Race Course, stated his organization supported the HPRA request. Tom Robbins of DMTC stated he supported the HPRA request. He commented that the economy may be showing signs of improvement, but the horse owners did not seem to be replenishing their stock. The numbers were evident in claiming, and in anecdotal evidence from trainers. It cost a great deal of money to maintain a horse, so it was currently very difficult for owners. The situation would not improve in the near future, so the industry needed to be aware and plan accordingly. Robert Hartman of GGF stated the HPRA dilemma affected the entire industry, including labor. Compared to the south, the north had half the number of stalls, yet it raced 175 days in a row with only one cancellation. Sometimes it was a seven-race card, or five-horse fields, but the North got the job done. A key issue for GGF was racing concurrent with HPRA. If HPRA were to go to four days a week, GGF would have to do the same, as it could not afford to race uncovered. Madeline Auerbach of TOC stated her organization supported the HPRA request. Chairman Harris asked if the TOC board voted on the issue. Marsha Naify of TOC stated the TOC board previously voted to support the HPRA request. Commissioner Moss motioned to approve the request by HPRA to eliminate live racing on Wednesdays, as specified, during its current April 22, 2009 through July 19, 2009, race meeting. Vice-Chairman Israel seconded the motion with the condition that HPRA make every effort to add

two races, one Saturday and one Sunday. Executive Director Kirk Breed stated the motion should be made with the understanding that if HPRA went to a four-day race week, GGF would also go to four days a week and the satellites would be closed on the dark days, too. He added the night industry would not run the nights GGF was dark. Commissioner Moss said he thought HPRA indicated it would offer satellite wagering on the four Wednesdays. Chairman Harris stated the fairs could run if they wished, as could GGF. However, the way the satellites worked, if money was wagered in the south, it stayed in the south. It did not matter if the satellites in the north stayed open. Mr. Liebau said the issue was that since GGF would be dark on Wednesdays, the satellite network in the north and the south would be closed. If the fairs ran it would not be clear if the southern satellites would close. Executive Director Breed said that was not part of the motion. Chairman Harris stated the issue was how much flexibility the Board had. Would it allow the south to open at its discretion, or require it to remain open? Mr. Liebau said that would depend on the individual satellites. HPRA's problem was that there was no signal available on Wednesdays. Churchill Downs was not available, and Belmont was over at two o'clock Pacific Time. Mr. Korby stated the fairs intended to run on the four Wednesdays. The motion carried, with Chairman Harris voting "no." Chairman Harris stated he was concerned that if HPRA went to four days the north, and union and non-union workers would be hurt throughout the state. He said he sympathized with HPRA's inability to fill races, yet the north had been able to fill races. The parties needed to adhere to deals as they were struck, and when the license application was approved in March 2009, HPRA indicated it wished to run five days a week. Chairman Harris added he wanted to hear that a four-day race week would be a win/win situation, and would generate

more money for California, but he had not heard that. Perhaps going to four days could result in more purse money, but the evidence was not convincing.

PUBLIC HEARING AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENT OF CHRB RULE 1853, EXAMINATION REQUIRED, TO ALLOW THOROUGHBRED HORSES TO RACE UNSHOD.

Jacqueline Wagner, CHRB staff, stated the proposed amendment to Board Rule 1853, Examination Required, would allow thoroughbred horses to run unshod provided such information was printed in the official program. If a horse that had previously run unshod was going to run with shoes, the change also had to be reflected in the official program. Ms. Wagner stated no comments were received during the 45-day public comment period. Vice-Chairman Israel motioned to adopt the amendment to Rule 1853. Commissioner Choper seconded the motion, which was unanimously carried.

PUBLIC HEARING AND ACTION BY THE BOARD REGARDING THE PROPOSED REPEAL OF CHRB RULE 1950.1, REBATES ON WAGERS.

Jacqueline Wagner, CHRB staff, said the proposed repeal of Rule 1950.1, Rebates on Wagers, would end the current prohibition on rebates and would allow California racing associations and simulcast organizations to enter into agreements with off-track betting facilities that accepted less than the face amount of wagers from patrons, or agreed to refund or rebate any consideration based on the face amount of any wagers to patrons. Ms. Wagner stated during the 45-day public comment period staff received two comments in opposition to the proposed repeal. Vice-Chairman Israel said he received an email comment in support of the proposed

repeal of Rule 1950.1. Commissioner Choper stated he understood the satellites did not receive a large commission, but if a patron wished to make a large wager, why would not the satellite agree to a rebate? Otherwise, the patron would go to a provider that would give the rebate. Three or four percent of something was better and three or four percent of nothing. John Bucalo of the Barona Casino said he would agree if rebates were only offered to large players, but if everyone received a rebate, it was a different matter. Mr. Bucalo stated the Barona Casino opposed the repeal of Rule 1950.1. He added if satellites received a larger commission the Barona Casino would be in favor of rebates. Rod Blonien, representing Los Alamitos, stated his organization did not object to the repeal of Rule 1950.1. Jack Liebau of Hollywood Park Racing Association (HPRA) said HPRA supported the repeal of Rule 1950.1. He stated rebating was ubiquitous within the horse racing industry. The rule was well intended when it was enacted, but it was outdated because the entire industry – including California's racetracks – offered rebates. Vice-Chairman Israel motioned to adopt the repeal of Rule 1950.1. Commissioner Choper seconded the motion, which was unanimously carried.

PUBLIC HEARING AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENT OF CHRB RULE 1979, TRIFECTA, TO CHANGE THE REQUIRED MINIMUM NUMBER OF WAGERING INTERESTS SCHEDULED TO START BEFORE A TRIFECTA POOL MAY BE OPEN FROM SIX HORSES TO FOUR.

Jacqueline Wagner, CHRB staff, stated the proposed amendment to Board Rule 1979, Trifecta, would change the required minimum number of wagering interests scheduled to start before a Trifecta pool may be opened from six wagering interests to four. Ms. Wagner said during the 45-day public comment period one comment in opposition to the proposal was received.

Commissioner Choper motioned to adopt the amendment to Rule 1979. Commissioner Andreini seconded the motion, which was unanimously carried.

PUBLIC HEARING AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENT OF CHRB RULE 1979.1, SUPERFECTA, TO CHANGE THE REQUIRED MINIMUM NUMBER OF WAGERING INTERESTS SCHEDULED TO START BEFORE A SUPERFECTA POOL MAY OPEN FROM EIGHT HORSES TO SIX.

Jacqueline Wagner, CHRB staff, said the proposed amendment to Board Rule 1979.1, Superfecta, would change the required minimum number of wagering interests scheduled to start before a Superfecta pool may open from eight wagering interests to six. Ms. Wagner stated one comment in opposition to the proposed amendment was received during the 45-day public comment period. Commissioner Moss asked if the amended Rule would lower the odds on individual win wagers. Chairman Harris said it would be neutral on win wagers, as every pari-mutuel pool was separate. Commissioner Choper commented there was a different mix of persons who wagered in the win pool, so it could affect the odds, but that was true with any alternative wager. Commissioner Moss said the change had to affect the odds on the win pool, because if there were a four horse field, and one boxed a trifacta wager, that would use all the horses in a race, so one would have to win. Chairman Harris said that was true, but it might not be that great a wager. The takeout was 20 percent, so the wager might not pay very much, but at least it would be offered. Chairman Harris stated the issue would be a minus pool, but if the association thought there would be a minus pool, it did not have to offer the wager. Robert Hartman of Golden Gate Fields said if there was a four horse field, the amendment would allow patrons to play more exotics, where in the past the wager was not offered. Commissioner Choper said with increasingly small fields wagering could become

uninteresting. The amendment would give patrons an opportunity to do something more creative. Commissioner Moss motioned to adopt the amendment to Rule 1979.1. Commissioner Choper seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE FEASIBILITY OF AMENDING CHRB RULE 1606, COUPLING OF HORSES, TO ELIMINATE THE REQUIREMENT THAT UNCOUPLED THOROUGHBRED HORSES OWNED BY DIFFERENT PARTNERSHIPS WITH AT LEAST ONE OWNER IN COMMON, BUT WHOSE OWNERSHIP IS NOT A MIRROR IMAGE, BE TRAINED BY DIFFERENT TRAINERS.

Chairman Harris stated Rule 1606, Coupling of Horses, was recently amended to allow for the uncoupling of thoroughbred horses owned by different partnerships with at least one owner in common, but whose ownership was not a mirror image, and the horses were trained by different trainers. He stated the proposed amendment to Rule 1606 would eliminate the requirement that different trainers train the thoroughbred horses. This would have the effect of increasing wagering interests. Robert Hartman of Golden Gate Fields said he favored entirely eliminating coupling of horses. Chairman Harris said the proposal might not go as far as some in the industry would wish, but at least some progress would be made. There were so many partnerships that it sometimes created problems, and the proposed amendment would address that issue. Commissioner Moss motioned to direct staff to initiate a 45-day public comment period regarding the proposed amendment to Rule 1606. The motion was unanimously carried.

DISCUSSION BY THE BOARD REGARDING THE USE OF CORTICOSTEROIDS IN CALIFORNIA HORSERACING.

Dr. Rick Arthur, CHRB Equine Medical Director, said glucocorticosteroids presented a complex regulatory issue. They were cortisone type drugs that could be beneficial to horse health, but they were also potent drugs that could, and were being abused in horse racing. A number of national groups were looking at the corticosteroid issue and were conducting research necessary to begin regulation of the drugs. The Maddy laboratory had submitted a grant application, which would be reviewed shortly. The research that was being funded by the national industry was necessary to develop a fair rule that allowed trainers to avoid violations. Dr. Arthur stated he expected a national regulation to be available within 12 to 18 months, which would be an appropriate time for California to move forward. He commented there were several states currently regulating intraarticular injections within a certain number of days of racing, but there were few ways to enforce the rules. Vice-Chairman Israel asked if the drugs helped to keep older horses on the track and functioning pain-free without risking their health. Dr. Arthur stated the drugs were beneficial to horse health and maintaining joint inflammation, but they could be abused. The issue was balancing the interests of the horse against over-use. Vice-Chairman Israel asked if there were age issues that would play a role in any restrictions that might be imposed. Dr. Arthur said there were probably no age issues; however, there were issues with over-use too early in a horse's career. Commissioner Derek asked how other jurisdictions were testing and enforcing their regulations. Dr. Arthur said the regulations were enforced with urine testing, which was developed at the University of Pennsylvania. Others had also done some work with blood that was very promising.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE REPORT FROM SCIENTIFIC GAMES CONCERNING THE "STOP BETTING" FAILURE, WHICH OCCURRED ON THE NINTH RACE ON MAY 16, 2009, AT HOLLYWOOD PARK.

Assistant Executive Director Bon Smith said on May 16, 2009, wagering on Hollywood Park's ninth race was not properly closed for 33 import locations. The stop betting signal failed to go through in a timely manner at those locations, and wagering continued after the race started. The problem was identified and the pools were shut down. As a result of some technical failures the racetracks could not include the pools. The incident was reported as past-posting in a number of blogs and throughout the media. However, staff did not believe the incident fit the definition of past posting as no one profited and no tickets were cashed on any wagers placed after the race went off. Commissioner Choper asked if the tickets were time dated, so patrons who bought winning tickets prior to the race could collect. Mr. Smith said tickets on all wagers were time dated, but not everyone was able to cash tickets. Chairman Harris commented everything was fine in California; the issues were in other states. Mr. Smith stated staff immediately asked Scientific Games Racing (SGR) a series of questions, and received general answers. SGR asked for more time to conduct an investigation. Staff had not heard anything additional from SGR. David Haslett of SGR stated it was important to note that the procedures were in place and they were appropriately implemented. Simulcast wagering was a vast distributed network that ran across multiple states, as well as across multiple continents. Within the distribution network it was not uncommon for one satellite or another to not receive a message, or to not send a response message, so there were procedures in place to enact when this happened. In the Hollywood Park incident, the problem was identified and reported and the procedure was followed. Hollywood Park made a decision to exclude from the host pool

the pools that potentially did not close betting at the designated time. Thirty-three jurisdictions out of 61 imports were involved. Each jurisdiction dealt with their wagers in accordance to their particular state or country's laws. Mr. Haslett stated SGR knew what happened on May 16, 2009, but it did not yet know exactly why it happened, so SGR was continuing to investigate and it was running tests at its laboratory. Vice-Chairman Israel asked the age of SGR's equipment. Mr. Haslett stated the system running in California was new, as it was upgraded within the last two years. SGR recently undertook a significant development in California and spent millions of dollars to build a state-of-the-art data center, which was located in Sacramento. Commissioner Choper asked if California patrons who won the wager were paid. Mr. Haslett stated in California those who won the wager were paid, and those who did not win did not receive a refund. Commissioner Choper asked what rule covered California patrons if they were excluded from the pool. Mike Martin, CHRB staff, said in California that would mean the race was cancelled and the pari-mutuel pools would be refunded. Vice-Chairman Israel stated the list of sites affected included sites that were not licensed, or no longer operated. He asked if SGR had investigated why the sites were included on the list. Mr. Haslett stated the sites were from a period of time when there was a hub system at that location, and so the sites were simply internal names used to identify what hub system was handling or dealing with certain remote locations. The sites did not exist, but the names were used so the industry knew what system it was and what tracks dealt with the system. It was no different from naming them "hub A," "hub b," or "hub C." Vice-Chairman Israel asked how many sites were affected. Mr. Haslett stated 33 sites were affected. Vice-Chairman Israel said the list of the 33 sites included sites that did not exist.

Mr. Haslett said when SGR produced a report it showed the hubs that were handling the 33 sites. Ten or 15 or 17 hubs might handle the 33 sites; it was the hub names that were being referred to, but the sites did not change. Vice-Chairman Israel said he was concerned that the issue cut to the heart of the integrity of the wagering pools. If California patrons believed something was not right, they would lose confidence and stop wagering. There could not be any question about the efficacy of the system. It had to operate properly and the Board needed to be able to assure horse racing patrons that they were getting an honest deal. That meant the SGR forensic testing had to arrive at a conclusion. Vice-Chairman Israel stated he believed the system was safe and honest, but the Board needed to be able to assure patrons it was safe and honest because they had questions.

DISCUSSION AND ACTION BY THE BOARD REGARDING:

THE PRESENTATION OF THE PROPRIETARY TOURNAMENT STYLE PARI-MUTUEL WAGER, "TURF WARS" AND THE

REQUEST TO AUTHORIZE CALIFORNIA RACING ASSOCIATIONS TO OFFER THE ASSOCIATION OF RACING COMMISSIONERS INTERNATIONAL (ARCI) MODEL RULE, WHICH THE ARCI CALLS "TOURNAMENT STYLE WAGER[®]," BUT IF IT IS USED IN CALIFORNIA IT MAY BE CALLED "TURF WARS."

Billy Koch of Turf Wars said in 2008 he presented to the Board an idea for a new wager that was based on the World Poker Tour concept. He stated the wager had been renamed and was now called "Turf Wars." In 2008 the National Association of Racing Commissioners International (ARCI) approved the Turf Wars wager as part of its model rules. The ARCI version was called "Tournament Style Wager[®]." Mr. Koch stated the World Poker Tour was still involved, but on a minority scale. Pilgrim Films had been added as the Turf Wars

television branch. The marketing tool behind the wager was a television show about horse racing handicapping that hopefully would be interesting and fun. The show would center on the Turf Wars wager. Mr. Koch stated Craig Piligen, the producer of "Ultimate Fighter Championship" (UFC), was interested in doing the same thing with horse racing. Mr. Koch stated the UFC poker phenomenon was helped by the television shows. Turf Wars hoped to do a similar thing with its wager. Turf Wars was in the process of pitching the concept to the networks, and perhaps shows might be shot at Santa Anita and Oak Tree. Mr. Koch said he understood that because the ARCI approved the wager, the CHRB did not need to adopt a regulation. Turf Wars was free to negotiate with racetracks, which would then place the wager on the applications for license they submitted to the Board. Turf Wars met with various tracks, totalizator companies and advance deposit wagering (ADW) providers, and hopefully there would be a successful venture. Commissioner Choper asked if Turf Wars conducted any test marketing to see how an audience would react to the wager. Mr. Koch stated a lot of money would be put into the television project, and to ensure it was compelling, the show would be cast; it would not use random people off the street. Commissioner Choper said he simply wanted to know if Turf Wars had any idea whether the public would be interested in the concept. Drew Couto of Thoroughbred Owners of California and Turf Wars said the online National Handicapping Tournament was successful, so Turf Wars knew it was using a formula that worked. In addition, the racetracks regularly conducted smaller versions of the concept on-site. Turf Wars was taking the National Handicapping Tour concept and turning it into a broader model that would appeal to a broader audience, much like Texas Hold'em. Vice-Chairman Israel stated he read the rule and it appeared that one could win by doing nothing.

Most people would lose so nothing would happen until the last four or five races. Mr. Koch said one reason a cut was put in the rule was to make it so that one had to be in the top five percent to participate in the final leg of the wager. So there might be a player who sat on their original stake, but that would be a matter of strategy. Turf Wars played test tournaments, always with one player who sat on his original stake, and that person never won, and they rarely ended up in the top five. Vice-Chairman Israel stated the ARCI model rule included a 25 percent takeout. Mr. Couto stated that was less than the New York Pick-Six. Mr. Koch said the goal of Turf Wars was to attract new people to horse racing, and back to the racetrack. If people unfamiliar with horse racing started playing the game, Turf Wars firmly believed they would become enamored with the sport and start wagering on other races. Vice-Chairman Israel asked how much a player had to invest in Turf Wars. Mr. Koch said the buy-in was \$25, and then one received a fictional \$100 to play. Mr. Koch stated the ultimate idea was for a patron to be able to walk up to the window and state "I want to play Turf Wars Hollywood Park." He said Turf Wars was in talks with the tote companies to determine exactly how that would work. The wager should be as simple as possible and it should mimic the television show. Mr. Koch added one would be able to play Turf Wars online as well. However, Mr. Koch stated Turf Wars wanted to have tournaments on the racetrack where those who participated would actually be on the television show, so there was a possibility to be a star. That was what happened with the UFC; suddenly, the good poker players became celebrities. Chairman Harris asked if Turf Wars was patented. Mr. Koch said there was a patent pending. Turf Wars was a proprietary wager. Chairman Harris asked when Turf Wars might be available. Mr. Koch stated Turf Wars wanted to make sure the television show was

airing before it was offered at the racetrack, so people would see the wager. It would be nice to have the wager at the 2010 Santa Anita meeting.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE REQUEST FOR APPROVAL FROM NORTHERN CALIFORNIA OFF-TRACK WAGERING, INC (NCOTWINC) TO CHANGE THE CURRENT 1.20 PERCENT OFF-SITE STABLING AND VANNING FUND TAKEOUT TO 1.25 PERCENT PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19607.1(F).

Chairman Harris said Northern California Off-Track Wagering, Inc. (NCOTWINC) requested an increase in the off-site stabling and vanning fund takeout from 1.20 percent to 1.25 percent pursuant to Business and Professions Code section 19607.1(f). The request raised the takeout to its highest point under the law. Commissioner Choper said the increase was projected to raise \$175,000, which would not cover the anticipated loss through 2009 of \$800,000. He asked how the remaining \$625,000 would be covered. Robert Hartman of NCOTWINC said the fund would take steps to change how stabling and vanning was handled in Northern California. The changes should secure the stabling and vanning fund going forward. Commissioner Andreini **motioned** to approve the request of NCOTWINC to increase the current 1.20 percent off-site stabling and vanning fund takeout to 1.25 percent. Vice-Chairman Israel **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE DISTRIBUTION OF RACE DAY CHARITY PROCEEDS OF THE PACIFIC RACING ASSOCIATION IN THE AMOUNT OF \$103,377 TO 15 BENEFICIARIES.

Vice-Chairman Israel motioned to approve the request of Pacific Racing Association to distribute race day charity proceeds in the amount of \$103,377. Commissioner Derek seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE DISTRIBUTION OF RACE DAY CHARITY PROCEEDS OF THE OAK TREE RACING ASSOCIATION IN THE AMOUNT OF \$51,234 TO 9 BENEFICIARIES.

Commissioner Choper motioned to approve the request of Oak Tree Racing Association to distribute race day charity proceeds in the amount of \$51,234. Commissioner Andreini seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD ON THE APPROVAL OF SERVICE, STEWARD AND OFFICIAL VETERINARIAN CONTRACTS FOR FISCAL YEAR 2009-2010.

Executive Director Kirk Breed stated the CHRB was going into a tight fiscal year, so it was trying to reduce expenses. With regards to the contracts, he stated the CHRB reserved the right to pay or not pay, withdrawing the contracts prior to the service. Mr. Breed said Ingrid Fermin's name had inadvertently been left off the list of stewards. He stated she was assigned and had a contract. The total amount listed in the Board package items reflected the cost of Ms. Fermin's contract. Chairman Harris noted the quarter horse and harness meetings would have only one steward. Mr. Breed stated the quarter horse and harness industries would have two stewards at night, and Ferndale would have only one steward. The veterinarians would

remain the same. Commissioner Choper motioned to approve the service, steward and official veterinarian contracts for fiscal year 2009-2010. Commissioner Andreini seconded the motion, which was unanimously carried.

PUBLIC COMMENT

Richard Castro of the Pari-Mutuel Employees' Guild requested that the issue of mold at the Del Mar Surfside Race Place satellite wagering facility be placed on a future agenda. Chairman Harris commented the issue was scheduled for the July 2009 Regular Meeting at Del Mar. Chairman Harris said a group of thoroughbred owners who signed a petition asked that he read a letter. He stated the group was questioning the transparency of Thoroughbred Owners of California (TOC). Chairman Harris said he would give the petition to TOC, as the Board did not wish to inject itself into an internal TOC dispute.

MEETING ADJOURNED AT 3:08 P.M.

A full and complete transcript of the aforesaid proceedings are on file at the office of the California Horse Racing Board, 1010 Hurley Way, Suite 300, Sacramento, California, and therefore made a part hereof.

Chairman

Executive Director

PROCEEDINGS of the Regular Meeting of the California Horse Racing Board held at the Del Mar Surfside Race Place, 2260 Jimmy Durante Boulevard, Del Mar, California, on July 23, 2009.

Present: John C. Harris, Chairman
David Israel, Vice-Chairman
John Andreini, Member
Jesse H. Choper, Member
Bo Derek, Member
Jerry Moss, Member
Kirk E. Breed, Executive Director
Robert Miller, Staff Counsel

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A COMBINED HORSE RACING MEETING OF THE FOLLOWING CALIFORNIA FAIRS:

- (A) CALIFORNIA AUTHORITY OF RACING FAIRS (F) AT GOLDEN GATE FIELDS COMMENCING AUGUST 12, 2009 THROUGH AUGUST 23, 2009, INCLUSIVE;
 - (B) HUMBOLDT COUNTY FAIR (F) AT FERNDALE COMMENCING AUGUST 14, 2009 THROUGH AUGUST 23, 2009, INCLUSIVE;
 - (C) CALIFORNIA AUTHORITY OF RACING FAIRS (F) AT GOLDEN GATE FIELDS COMMENCING SEPTEMBER 9, 2009 THROUGH OCTOBER 5, 2009, INCLUSIVE.
-

Jacqueline Wagner, CHRB staff, said the California Authority of Racing Fairs (CARF) proposed to run a meeting at Golden Gate Fields (GGF) as part of its combined 2009 fair horse racing meeting. The race meeting would run from August 12, 2009 to August 23, 2009, for a total of 84 races. The race meeting would offer only thoroughbred races. The first post time was 1:45 p.m., and the meeting would run concurrently with Del Mar and the Humboldt County Fair (HCF). The advance deposit wagering (ADW) providers were XpressBet, TVG, Twin Spires and Youbet. Ms. Wagner stated the lease agreement and the certificate of workers' compensation insurance coverage were missing from the application. Chris Korby of CARF said the missing items were part of the ongoing negotiations between CARF and GGF. He stated there were no significant issues, but this was the first time such a race meeting had

been held, so the language of the agreement needed to be worked through so it was satisfactory to all parties. The lease agreement and insurance coverage would be submitted to the Board immediately upon completion, which should be sometime in the last week of July 2009. Chairman Harris asked if the bankruptcy court had to approve the agreements. Robert Hartman of GGF said the bankruptcy court was not an issue in the lease agreement. The parties were simply talking about specific terms and making sure all employees were covered. Chairman Harris commented that when the parties named the other party as the additional insured it provided overlap. Mr. Korby stated that was the direction the parties were going, but they wanted to make sure there were no gaps in coverage. Executive Director Kirk Breed asked if CARF could state for the record why it was only running thoroughbred races, and if there were any opposition from other breed organizations that stated they had sufficient horses to fill races. Mr. Korby stated there had been no opposition from the emerging breeds. In addition, the emerging breeds had the opportunity to run at HCF, which was concurrent with the GGF meeting. Chairman Harris asked if all the ADW agreements were in place. Mr. Korby stated the meeting would be offered by all the ADW platforms, as would all the racing fairs. Vice-Chairman Israel **motioned** to approve the application for license to conduct a combined fair horse racing meeting of CARF at GGF on the condition that the lease agreement and certificate of workers' compensation insurance coverage be provided. Commissioner Moss **seconded** the motion, which was **unanimously carried**. Ms. Wagner stated HCF proposed to run from August 14, 2009 through August 23, 2009, two days less than in 2008. HCF would run a total of 68 races, nine fewer races than in 2008. Ms. Wagner commented HCF was participating in the 2009-combined fair race meeting. The proposed HCF race dates

were different from the original dates allocated in November 2008. HCF was requesting to provide simulcasting on August 13, 2009, and commence live racing on August 14, 2009. The first post time was 2:07 p.m. Wednesday, Thursday, and Saturdays and Sundays, and 3:07 p.m. Friday. The ADW providers were TVG, XpressBet, Twin Spires and Youbet. The fire clearance was missing from the application, and staff recommended the Board approve the application conditioned on receipt of the clearance. Chairman Harris asked if the purse increases were due to a new formula. Stuart Titus of HCF said the purse increases were due to a reduction in the number of race dates, a consolidation of the number of races run, and additional supplemental purse funds. Chairman Harris commented the race meeting at HCF was excellent, and it brought back a lot of old-time racing. He stated it was a ways to travel, but it was worth the trip. Executive Director Breed said HCF indicated it would run Arabian and mule races in addition to thoroughbred races. He asked if HCF would run any quarter horse races, as Mr. Korby of CARF indicated HCF would run all breeds. Mr. Titus said HCF typically did not attract quarter horses, and those it did attract ended up running in the combined breed races. He added the HCF track was only a half-mile, and it was difficult to put together a contingency of quarter horses. HCF was reluctant to run mixed breed races because of its tight turns. It was not that HCF was not inviting other breeds to participate; it was just a matter of safety. Vice-Chairman Israel motioned to approve the application for license to conduct a horse racing meeting at HCF. Commissioner Moss seconded the motion, which was unanimously carried. Jacqueline Wagner, CHRB staff, said CARF proposed to run a 2009 combined fair horse racing meeting at GGF from September 9, 2009, through October 4, 2009, for a total of 16 days, or 136 races. The meeting would run only

thoroughbred races, and the first post time was 12:45 p.m. The race meeting would run concurrently with the Pomona and Oak Tree meetings. The ADW providers were XpressBet, TVG, Twin Spires and Youbet. Ms. Wagner stated the lease agreement was missing from the application, as well as the clarification of the workers' compensation issue. Commissioner Andreini motioned to approve the application for license to conduct a 2009 combined fair horse racing meeting of CARF at GGF. Vice-Chairman Israel seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A HORSE RACING MEETING OF THE CALIFORNIA EXPOSITION AND STATE FAIR (F) AT SACRAMENTO, COMMENCING AUGUST 26, 2009 THROUGH SEPTEMBER 7, 2009, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the California Exposition and State Fair (Cal-Expo) proposed to run from August 26, 2009 through September 7, 2009, which was 11 days, the same number of days as in 2008. Cal-Expo would run 115 races, or 11 fewer races than in 2008. The first post time would be 1:15 p.m. daily, and 2:45 p.m. on Fridays. The advance deposit wagering providers were Youbet, TVG, XpressBet and Twin Spires. Commissioner Choper motioned to approve the application for license to conduct a horse racing meeting of Cal-Expo. Commissioner Andreini seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE LOS ANGELES COUNTY FAIR (F) AT FAIRPLEX, COMMENCING SEPTEMBER 10, 2009 THROUGH SEPTEMBER 28, 2009, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the Los Angeles County Fair at Fairplex (LACF) proposed to run September 10, 2009 through September 28, 2009, one day less than in 2008. LACF would run 172 races, and the first post time would be 1:00 p.m. daily. LACF was still negotiating with the advance deposit wagering (ADW) providers which were projected to include TVG, Youbet, XpressBet and Twin Spires. Mike Seder of LACF noted his organization would have a 25-minute post time. LACF needed to coordinate with the north to ensure it was in sync, but it hoped to have a crisp program for the patrons. Chairman Harris commented it was important to coordinate with the north, as many fans were watching both north and south. He asked what were the exact dates of the county fair. Mr. Seder stated the fair operated from September 5, 2009 through October 4, 2009, so it would operate a week ahead of the race meeting and a week after the race meeting. Vice-Chairman Israel asked when the ADW agreements would be in place. Mr. Seder stated the ADW agreements would be in place in a few weeks, and he did not expect any problems. He added LACF no longer had an exclusive contract with TVG. Vice-Chairman Israel **motioned** to approve the application for license to conduct a horse racing meeting of LACF conditioned on the completion of the ADW agreements. Commissioner Choper **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION FOR LICENSE TO OPERATE A SIMULCAST WAGERING FACILITY AT THE SYCUAN CASINO, EL CAJON, CALIFORNIA.

Jacqueline Wagner, CHRB staff, said the Sycuan Band of the Kumeyaay Nation submitted an application to operate a simulcast wagering facility at its Sycuan Casino. Ms. Wagner stated the Sycuan Casino simulcast facility originally opened on October 7, 1999 and was closed for renovations on May 8, 2005. The new simulcast facility was located near an entrance and would share space with the poker room, and it is anticipated that would provide crossover traffic. Ms. Wagner noted that section 13 of the Sycuan compact stated the Sycuan Band of the Kumeyaay Nation was not required to obtain a simulcast license from the Board. However, the Sycuan Band was required to operate under the Board's regulations, so that was why the application was submitted. Ms. Wagner stated the Sycuan Casino proposed to begin simulcast operations on July 24, 2009, and would offer thoroughbred races Wednesday through Sunday and selected Mondays and holidays. Quarter horse races would be offered Thursday through Sunday and selected Mondays and holidays. The operating times for the simulcast facility was 10:00 a.m. through 11:30 p.m. On selected days the facility would operate from 8:00 a.m. through 12:00 a.m. The facility would be closed Monday and Tuesday. The seating included a general admission area that accommodated 68, and an additional area that accommodated 108 persons. Commissioner Moss asked if the casino was within a 20-mile radius of any racing fair. Tom Varela of Southern California Off Track Wagering, Inc., said the casino was not within a 20-mile radius of any racing fair. Vice-Chairman Israel motioned to accept the application to operate a simulcast wagering facility at

the Sycuan Casino. Commissioner Moss seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION FOR LICENSE TO OPERATE A MINISATELLITE WAGERING FACILITY AT PETE'S TAVERN, SAN FRANCISCO, CALIFORNIA, FOR A PERIOD OF UP TO TWO YEARS.

Jacqueline Wagner, CHRB staff, said the Pacific Racing Association (PRA) assisted in the completion of the application to conduct minisatellite wagering at Pete's Tavern in San Francisco, California. She stated the minisatellite would be located in San Francisco, which was in the northern zone. One method of calculating distance placed the applicant outside the 20-mile radius; however, the County of San Mateo, which was objecting to the minisatellite on behalf of the San Mateo Event Center (SMEC), contended the proposed facility was located within 20 miles of the SMEC. Ms. Wagner said the application had a number of outstanding items, which were noted in the staff analysis. Pete's Tavern proposed to operate from 10:00 a.m. to 12:00 midnight Wednesday through Sunday and on selected Mondays and holidays. Peter Goltz, representing the County of San Mateo and the County of San Mateo Jockey Club, which was the satellite wagering facility located on the County Fairgrounds, stated his clients strongly objected to the application for license to operate a minisatellite wagering facility at Pete's Tavern and the Sotto Mare Oysteria in San Francisco, California. Mr. Goltz cited Business and Professions Code section 19605.25(e), which provided that the written consent of the San Mateo County Fair shall be obtained prior to the approval of any minisatellite wagering site located within a 20-mile radius of its fairgrounds. Mr. Goltz stated the statute defined the method of measurement, which was mandatory and not discretionary. Using a

straight line, air mile or radius method, Pete's Tavern was 16.821 miles from the SMEC and the Sotto Mare Oysteria was 18.436 miles from SMEC. The two applicants were clearly within the 20-mile radius established by the Legislature. Mr. Goltz said his clients had not been contacted about the proposed minisatellite facilities, and when Magna Entertainment owed the County of San Mateo \$64,362.78 and was holding approximately \$1.2 million for all satellite wagering facilities, it was surprising that it would make financial commitments to expand through the two minisatellite facilities. Mr. Goltz stated the Board should deny both of the applications, as they did not meet the statutory requirement. Chairman Harris commented the issue seemed to be whether SMEC would give its permission, if asked. That could happen, or it could deny permission because it felt the minisatellites would damage its operation. Mr. Goltz stated there should be some conversation, but SMEC had not been contacted. Vice-Chairman Israel asked if SMEC really believed that two minisatellites with a total of 90 seats would have an adverse impact on its operations. Mr. Goltz said there would be an impact as 53 percent of SMEC's patrons were from San Francisco. He added SMEC was the only satellite wagering facility that had to fund itself and it was carrying such a large debt load that it could not afford to give up the protection provided under the law. Commissioner Andreini asked if SMEC was paying off its debt. Mr. Goltz stated SMEC was paying its debt, but it was carrying close to \$5 million in loans, so the protection provided by the law was vital. Chairman Harris said the road-map mileage showed the proposed facilities were at least 20.5 miles from SMEC, but the statute reflected radius miles versus road miles. Commissioner Choper commented the statute meant the minisatellite facilities had to be 20 miles in any direction from SMEC. He asked how that would be measured. Mr. Goltz stated that meant

one placed the point of a compass on a map, extend out 20 miles and made a circle around the point; that was a radius. Commissioner Choper said it might be a bit overstated, as the Legislature was comprised of lay people, not engineers, and everyone used the term loosely. A radius meant a distance, but how it was measured was not defined in the statute. Chairman Harris stated the simplest solution was for the parties to see if there was a compromise and come back at a future Regular Board Meeting. The industry felt the minisatellites offered hope, and a real need to tap into the San Francisco market. Many horse racing fans were not going to SMEC because the driving time was close to 45 minutes. Mr. Goltz commented the train only took 25 minutes. Robert Hartman of PRA said it was ironic that the locations of the proposed minisatellite facilities were actually within ten miles of Golden Gate Fields (GGF), which did not object because it believed the facilities were for the good of horse racing. Downtown San Francisco was potentially lucrative for the industry, which wanted new and younger customers. Commissioner Choper asked if PRA had talked to SMEC. Mr. Hartman said that based on its measurement of the distance between the facilities, PRA did not believe it needed to talk to SMEC. PRA did not believe it was infringing on SMEC's turf. Mr. Hartman stated SMEC regularly inconvenienced horse racing fans by shutting down half the facility to accommodate other activities. SMEC felt it could do this because it was protected; so making horse racing patrons angry was not an issue. Chairman Harris said it appeared legislation was required to fix the "radius" problem. Commissioner Andreini stated he commended PRA, as it had the right attitude. Those who would go to Pete's Tavern would not get in a car and drive to SMEC. For the good of horse racing minisatellite facilities needed to open all over California. Commissioner Moss said he believed the 20-mile radius constituted a

monopoly and it was not fair. Competition was good for horse racing and San Francisco was literally waiting for operations like the minisatellites to open. He stated the parties needed to discuss the issue and arrive at a solution. Commissioner Choper said if SMEC thought that talking to PRA would help solve the dilemma, the parties should work it out. However, it appeared that SMEC believed the minisatellites would cause it harm. Mr. Goltz said SMEC was arguing the minisatellites were legally impermissible, but most legal issues were resolved through negotiation. He added it was a legal issue the Board may wish to discuss with its counsel. Vice-Chairman Israel stated the Board had documents that stated the proposed facilities were outside the 20-mile radius, and he was not clear as to the definition of radius because there was the practical matter of how many miles did one have to drive. Mr. Goltz said the Board was also given documents proving the proposed facilities were within the 20-mile radius. The statute was clear on the issue and it applied to the situation before the Board. The statute did not refer to travel distance; it talked about radius, which was a defined method of measuring things. He stated the courts could take judicial notice of the common meaning of the word "radius," and would still reach the same result. Chairman Harris said if one applied the 20-mile radius, that took out nearly every location in the Bay Area. He stated he was not sure that was the intent of the legislation. The parties had to negotiate and make whole any aggrieved entity. The purpose of minisatellite wagering facilities was to expand wagering on horse racing in under represented locations. Rod Blonien, an industry representative, stated he drafted the legislation, which was part of Assembly Bill 241, by Assemblyman Price. He stated he used the word "radius" but it was not his intention for the measurement to be air miles. Business and Professions Code section 19605, which related to satellite wagering was

where the 20-mile buffer originated. However, the section did not use the term "radius." Mr. Blonien said he did not know why he used "radius" and he wished he had not. There was a statute that allowed San Francisco to have a satellite wagering facility, and over the years there had been attempts to open one, but there was always some opposition. Mr. Blonien stated PRA did a good job of finding locations for the minisatellites, but he never thought SMEC would object to a facility that was so far away in San Francisco. Mr. Blonien commented he represented Lucky Chance Card Club in Colma, which was 19 miles from SMEC in travel miles. He said in early 2009 he wrote a letter, which informed SMEC that the card room wished to open a minisatellite. It was willing to place its total commission in trust for two months to determine if there was an impact on SMEC. If there were an impact, the commission would be split between the parties. If an agreement could not be reached the impasse would be submitted to the Board for arbitration. Mr. Blonien stated the response was "no." A second attempt at reaching an agreement was made, which included the Chairman of the CHRB, but the answer was again "no." Lucky Chance Card Club was the largest card club in Northern California. It had 2,500 patrons every day, and it was a shame that they did not have the opportunity to place pari-mutuel wagers. Minisatellite wagering might not be a huge profit center for Lucky Chance, but it would incrementally help the industry. In mid July 2009 a minisatellite opened in Southern California at the Commerce Club. There was no advertising, but the numbers have steadily increased from 10,000 the first night to 42,000 the opening day at Del Mar. He asked what it would mean for the industry if the Lucky Chance Casino or Pete's Tavern were half that good. The industry had been trying for years to get slots or racinos, without success. The minisatellites were an opportunity for the industry to

grow, but what would it do now? The industry needed to get a bill to clarify the issue, and the Board could express a strong opinion that would help a lot in clarifying the law. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding the applications for license to operate a minisatellite wagering facility. John Bucalo of the Barona Casino stated his organization wanted to retain the 20-mile rule, but if it were 20-driving miles, it would be willing to consider a change. Barry Broad of the Jockey's Guild stated the definition of radius was understood by the Legislature, and it involved finding a point and drawing a circle on a map. One could only draw a circle from a specific point, and anything else was rhetorical fancy. Chairman Harris said the intent of the legislation was to get satellite wagering into underserved areas. If the Legislature wished to exempt all of San Francisco, Oakland and Palo Alto from minisatellite wagering, it would have stated so. Otherwise, the Legislature might have thought minisatellites would have to pay SMEC to operate. Mr. Broad stated the definition of radius was crystal clear, but what the Legislature thought about urban areas versus suburban areas was entirely unclear and needed to be changed. Staff Counsel Robert Miller said the word "radius" only appeared in Business and Professions Code section 19605.25(e). Traditionally, the Board used driven miles, but it did not have the legislative history, and the word radius was present, so a court would have only one way of viewing the issue: pick a point, take a compass and draw a circle. Commissioner Choper stated that Mr. Goltz and Mr. Broad made a case, but if he were sitting on a court, he would disagree. His disagreement would be based on common usage of non-engineers or mathematicians regarding the meaning of radius, as well as the general purpose of the statute. Commissioner Choper commented he would not reach his opinion because the law was inconvenient, but because of

what the person who drafted the legislation had in mind and the general purpose behind it. Jack Liebau of Hollywood Park stated Business and Professions Code section 19605(c) allowed up to three satellite wagering facilities in San Francisco. Chairman Harris said the satellite wagering facilities authorized under 19605(c) had to be through the fairgrounds of the City of San Francisco. That fair, which was the 1-A District Agricultural Association no longer existed. Mr. Goltz said the statute required a one-year test to determine the impact of the proposed facility on total State pari-mutuel revenues, which had not happened. Craig Fravel of Del Mar Thoroughbred Club said the statute was designed to give the parties the opportunity to negotiate and arrive at decent accommodations for one another. Vice-Chairman Israel said the Board should encourage the industry to change the law to take out any ambiguity regarding the 20-mile buffer. Chairman Harris stated the parties should negotiate to keep the applications moving forward, but they should realize there could be legislation to clarify the statute. He said the item would be tabled until the August 2009 Regular Board Meeting.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION FOR LICENSE TO OPERATE A MINISATELLITE WAGERING FACILITY AT SOTTO MARE OYSTERIA, SAN FRANCISCO, CALIFORNIA, FOR A PERIOD OF UP TO TWO YEARS.

Chairman Harris said the item was included in the discussion regarding the application for license to operate a minisatellite wagering facility at Pete's Tavern in San Francisco, and would be tabled until the August 2009 Regular Board Meeting.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE PROPOSED REDUCTION OF STEWARDS AT THE CURRENT QUARTER HORSE RACE MEETING AT LOS ALAMITOS AND THE AUGUST 14, 2009 THROUGH AUGUST 23, 2009 HUMBOLDT COUNTY FAIR RACE MEETING AT FERNDALE.

Barry Broad, representing the Jockey's Guild (Guild), said he understood the CHRB was facing financial difficulties, however, the agency needed to consider carefully its reduction of stewards at the current quarter horse race meeting and at the Humboldt County Fair (Ferndale). The proposed reduction of stewards affected not only safety at the racetrack, but also the integrity of the sport. The norm for stewards at a race meeting was three. That allowed disagreements to be resolved if one steward disagreed with another. There were other ways to adjudicate disputes, but they were impractical. If two stewards had to agree on an issue, the one who did not want to act was always empowered. That was arbitrary and might rise to the point of being capricious, which gave rise to legal issues. Another reason for having three stewards was for when chaos broke loose, such as when multiple horses broke down, or there were questions of who finished where or whether there was misconduct by a jockey. Mr. Broad said he did not think one or two stewards could handle such situations. The issue of safety was important, as the stewards were the "Cal-OSHA" on the track. They were the ones who made sure the jockeys played by the rules and who protected the jockeys' safety. Mr. Broad stated reducing the stewards at the quarter horse meeting and Ferndale also made California unique, as it was not happening in any other state. California was stating it could manage with fewer stewards not because it was a good idea, but because it could not afford the costs. California's decisions were financially based while other standards were being used elsewhere. The publicity from reducing stewards would indicate California horse racing was on a steep decline. Mr. Broad said that might be unfair, but that would be the

perception. Commissioner Moss stated he agreed with Mr. Broad and he motioned to maintain three stewards at all race meetings. Chairman Harris stated the reduction in stewards did not have anything to do with the CHRB budget. Since licensing fees were dropped, racing associations actually paid for their stewards in cooperation with the horsemen. The problem was that at some meetings, particularly the night meetings, a significant amount of their revenue went to the stewards. The racing associations requested the ability to economize, and it was granted. Mr. Broad said he understood the issue, but from the perspective of the jockeys who worked at Los Alamitos, it was not an easy or safe track. He stated there had to be a way to do something different, even if the costs were spread out among the tracks. If the reduction had nothing to do with money and it could be demonstrated there were no potential adverse effects, it would be a different story. The Guild realized there were financial issues, but the tracks received license fee relief in 2008, and several years ago it also received significant relief under legislation sponsored by Senator Maddy. Mr. Broad said he did not know what the stewards were paid, but they were not where the industry should be cutting, as it sent the wrong message, and it could end in the wrong result. Charles Dougherty of the California Thoroughbred Trainers (CTT) stated his organization supported keeping three stewards at race meetings. Ferndale was an historic and picturesque track, but its width and distance were problematic. There were a lot of inquiries and horses bolting, and one steward could not handle all the activity. In addition, three stewards protected licensees by enforcing majority rule. Any licensee who thought one steward might have an issue with them would feel uncomfortable going before that steward. Three stewards also precluded deadlocks that might occur if there were only two stewards. Executive Director Kirk Breed said Business and

Professions Code section 19612.8 required an association conducting a racing meeting to pay not less than the actual amount necessary to cover the cost for compensation, and any fringe benefits to stewards and official veterinarians, and to cover the cost for the race meeting as provided under Business and Professions Code section 19518. That meant the "license fee" generated by a racing association had to cover the cost of drug testing and stewards. In 2008 Ferndale, Cal-Expo harness and Los Alamitos were experiencing financial pressures. However, their situations may have changed, and if they wished to cover the cost of additional stewards, it would not be a problem. Various factions in the industry might make arguments about safety and the integrity of the sport, but the issue still came down to money; that was why the Board attempted to help. Vice-Chairman Israel asked if the racing associations had a choice. It seemed the statute stated they had to pay for the stewards that were assigned to their meetings. Chairman Harris stated the choice was that they could close down. If the extra cost was imposed on the racing associations, it was not certain they could survive. Vice-Chairman Israel asked if anyone really believed a racing association would close down because it had to pay for another steward. If the Board required that there be three stewards at a race meeting, the racing association had to figure out how to pay. The stewards were under contract, which were subject to negotiations. Perhaps the stewards would accept less per diem. People would rather have jobs than none at all. Ron Warren, a jockey, and Darrell Haire of the Guild spoke in favor of retaining three stewards at race meetings. Rod Blonien, representing Los Alamitos Race Course, stated his organization supported a reduction in the number of stewards. Mr. Blonien stated technology had changed the way stewards worked, and it was rare when the stewards did not agree on who won a race. If there were an occasion when two stewards did

not agree on an action against a licensee, the Executive Director or a “super steward” could join the conversation to determine the outcome. At the least, Los Alamitos would like to test the effect of using two stewards instead of three. Vice-Chairman Israel said he had been in the stewards’ box at several California race meetings, and despite having high definition cameras; there were no high definition monitors. That meant the stewards were looking at monitors that were the equivalent of color television sets from the sixties. Albert Christensen, a steward, spoke in favor of retaining three stewards at race meetings. Ron Charles of Magna Entertainment spoke in favor of retaining three stewards at race meetings. David Neumeister of the California Harness Horsemen’s Association spoke in favor of retaining three stewards at race meetings. Commissioner Derek stated she agreed. She said she knew the industry was experiencing economic difficulty, but she could not imagine that it would want to make cuts where safety and the integrity of the sport were concerned. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding a reduction in the number of stewards at race meetings. Commissioner Moss motioned to retain three stewards at race meetings. Vice-Chairman Israel seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE STATUS OF 2007 AND 2008 STATUTORY DISTRIBUTIONS FROM LOS ALAMITOS TO THE CALIFORNIA JOCKEYS’ WELFARE CORPORATION PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19612.9.

Ron Warren, representing the California Jockeys’ Welfare Corporation stated the issue had been resolved.

**DISCUSSION BY THE BOARD REGARDING A REPORT ON THE JUNE 8, 2009
MEETING OF THE CALIFORNIA JOCKEYS' WELFARE CORPORATION BOARD
OF DIRECTORS.**

Commissioner Derek stated the California Jockeys' Welfare Corporation (CJWC) was a nonprofit corporation that was co-managed by the Thoroughbred Owners of California and the Jockeys' Guild. The CJWC was funded by unclaimed refunds and it provided health and welfare benefits to California jockeys and their dependents. Commissioner Derek said she attended the June 8, 2009 CJWC board of directors meeting where it was reported that the health and welfare fund had a surplus. She added there was some concern expressed about maintaining the surplus. In addition, all parties reported they were happy with the current insurance provider. Chairman Harris asked if that was the medical fund, as opposed to the pension fund. Commissioner Derek said the pension fund was separate. The health and welfare fund provided health, vision, dental, disability and life insurance. Chairman Harris thanked Commissioner Derek for her report.

**DISCUSSION AND ACTION BY THE BOARD REGARDING REPORT AND
RECOMMENDATIONS FROM THE JOCKEYS' GUILD AND THE CALIFORNIA
HORSEMEN'S SAFETY ALLIANCE REGARDING PROPOSED AMENDMENTS TO
CHRB RULES 1689, SAFETY HELMETS REQUIRED, AND 1689.1, SAFETY VEST
REQUIRED.**

Sonia Pischevar of the California Horsemen's Safety Alliance (CHSA) gave a brief talk about the risks in horse racing to jockeys, exercise riders and others who rode horses. She also spoke about the formation of the CHSA and the work it did to compile information about injuries and develop solutions, which included educating the industry about injuries and recommendations regarding safety equipment. Dr. Terry Smith of Dynamic Research gave a

Power Point presentation about helmet testing and safety vest testing. Ms. Pischevar stated that after testing various helmets and safety vests, the CHSA was able to make recommendations for an amendment to Rule 1689.1, Safety Vest Required. Ms. Pischevar read the proposed text and stated it excluded trainers and owners because they did not fall under the workers' compensation insurance umbrella. With regards to Rule 1689, Safety Helmets Required, Ms. Pischevar stated the CHSA recommended making safety helmets mandatory for all persons, except trainers and owners, who are mounted on a horse at a facility under the jurisdiction of the Board. Executive Director Kirk Breed asked if a trainer would have to wear a safety helmet if he were exercising his own horse on the track. Ms. Pischevar said he would not have to wear a helmet. Vice-Chairman Israel asked if facemasks had been investigated. Ms. Pischevar stated the CHSA was looking at facemasks. Vice-Chairman Israel commented facemasks had been exceedingly effective in other sports. Barry Broad of the Jockeys' Guild (Guild) said his organization supported the CHSA proposal. If the Board wished to include owners and trainers the Guild would not object. Commissioner Derek asked if the helmet requirement would extend to the starters at the gate. Ms. Pischevar said the proposed rule changes were aimed at mounted licensees. However, that was something the racetrack could look at. Mr. Broad said the issue had not been raised, and it could be due to resistance from starters; however, he stated he would make an inquiry. Chairman Harris commented it would seem that the racetrack would mandate it, as the track was paying the workers' compensation insurance. Mr. Breed stated there were two or three proposed regulatory changes that would incorporate the new standards. He said staff recommended that the Board assign a committee to hold a hearing to determine the parameters of the regulations. Chairman Harris stated the

proposed regulations would go to a Safety Committee. He asked if Commissioner Derek would lead the committee. Commissioner Derek said she would accept the challenge.

DISCUSSION BY THE BOARD REGARDING THE REPORT FROM THE THOROUGHBRED OWNERS OF CALIFORNIA AND THE CALIFORNIA THOROUGHBRED TRAINERS CONCERNING THEIR PRESENTATION TO THE SENATE SELECT COMMITTEE HEARING ON HORSE RACING, THAT HORSE RACING IS OVER REGULATED IN CALIFORNIA.

CHRB Executive Director Kirk Breed said in the last Senate Select Committee Hearing on horse racing the California Thoroughbred Trainers and Thoroughbred Owners of California made several comments to the effect that horse racing was over regulated in California. The item was placed on the agenda to inform the Board of what the statements were. Mr. Breed stated if the industry had suggestions regarding de-regulation, or how to regulate better, it was welcome to come forward and state its ideas. Chairman Harris said he agreed it was a false perception that the industry was over regulated. The Board was trying to regulate less, but it needed some clear direction. He stated the safety issue was an example. If employers would embrace the concept, the Board would not have to act.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE REPORT FROM SCIENTIFIC GAMES CONCERNING LATE ODDS CHANGES, INCREASING THE TRANSMISSION SPEED OF ODDS DATA TO ADVANCE DEPOSIT WAGERING PROVIDERS, AND POSTING ODDS IN DECIMAL NUMBERS RATHER THAN FRACTIONS.

Mike Martin, CHRB staff, said over roughly two years he had been involved in about 20 to 30 instances where one or more patron expressed concerns about late odds changes. In each instance detailed transaction reports were obtained, and in all instances every dollar wagered

was placed prior to the start of the race. Prior to Mr. Martin's involvement, John Reagan was the Board's Totalizator, and he was involved in hundreds of such inquiries, and he never found a dollar that was wagered after a race began. Mr. Martin stated there had been instances of communication breakdown that failed to transmit the stop betting command; however, those dollars wagered were rejected by the system. Commissioner Choper asked how the stop betting command worked. Mr. Martin said the stop betting command prevented the pari-mutuel clerks from issuing tickets. If there was a communication failure the money wagered was rejected and cleared from the pools. Any person who held a ticket that was issued in error could not cash that ticket. Mr. Martin said there were refunds and some of the locations have paid persons with winning tickets. However, the point was that no past posting occurred, so why was there a problem with the perception that it happened? Mr. Martin stated that sometimes wagers came in during the last 30 seconds of wagering. They were typically computer-to-computer wagers that were placed before the stop betting command, but they were so close they were not reflected on the tote board at the start of a race. Scientific Games Racing (SGR) has stated that two years ago odds changes were coming in as late as a minute after the start of a race. Today, with existing wagering protocols, the average was about 10 to 12 seconds after the start of the race. Mr. Martin commented the timing could be improved by four seconds, but there was a cancel delay to accommodate the pari-mutuel clerks. He stated the perception was worse if one was watching television, as HRTV and TVG were as much as a minute behind the tote. Someone watching television would not know that the odds were on the tote board ten seconds after the start of the race, because to the home viewer it looked like the odds came in a minute after the start. The solution was a new wagering protocol in North

American, but that was not on the horizon. The other option was to close wagering early. Some also suggested that the perception could be helped by moving from a fractional to decimal odds. Chairman Harris stated the problem was perception rather than fact, but much of the issue was how would the industry do a better job of explaining the phenomenon to its patrons. Mr. Martin said the issue had been explained, and there was even a video on the Board's website. Commissioner Choper stated there ought to be a more creative way to educate the wagering public. The average fan did not often visit the Board's website, but he or she did read the Daily Racing Form. Articles in the racing media, as well as the racing associations' programs might help. Chairman Harris said the one solution was cutting off wagering ahead of the opening of the gate. However, that could cost the industry quite a bit of wagering income and was not worth the benefit. Vice-Chairman Israel said as long as people were losing wagers there would be someone who thought others had an unfair advantage. There was no way to ease everyone's qualms, so there would always be complaints. Curtis Linnell of the Thoroughbred Racing Protective Bureau (TRPB) stated his organization had a Wagering Integrity Unit that did a lot of work on the odds and the display of odds. The industry did not do its self any favors by how it displayed the odds. One reason was the use of fractional odds for the win pool. The odds displayed were not real odds, as they were truncated. Mr. Linnell reviewed the system of fractional odds and gave numerous examples of how it was used. He also explained at length, and in detail, decimal odds. He concluded by stating decimal odds were an international standard that was understandable throughout the world. The future of horse racing was based on a worldwide audience, and there was an increasing international component that wagered into United States' pools. Mr. Linnell stated

the TRPB recommended an industry standard for the final odds cycle immediately after the close of wagering. That standard was 95 percent of the win pool and 95 percent of the times displayed on the infield tote board at the track. He said in every study the TRPB completed the standard was exceeded. Mr. Linnell reviewed TRBP recommendations to improve patron perception, which included eliminating the four second cancel delay, adoption of the decimal odds for video and the use of both sets of odds in "legacy devices." Chairman Harris said all of the TRPB ideas were valuable, but the racetracks needed to embrace and pursue them. Commissioner Moss commented that TVG and HRTV were taking the odds feed, but there were some internal technology issues that cause delays. Craig Fravel of Del Mar Thoroughbred Club (DMTC) said he was in favor of switching to decimal odds. It would be a huge cultural shift, but once it was accomplished it would become the norm. Others thought the change should be done nationally. However, if California got together and started displaying decimal odds the customers would quickly get used to the change. Chairman Harris asked if DMTC would endorse eliminating the four-second-cancel delay. He stated he knew it was a contractual issue with the pari-mutual clerks, but that could be resolved through negotiations. Mr. Fravel stated DMTC had that conversation with Local 280 on a number of occasions. Doug Kempt of Local 280 stated his organization would like to see the four-second-cancel delay stay intact. It was the last chance a pari-mutuel clerk had to cancel bad wagers. Mr. Kempt commented computer based wagering programs slipping wagers into the pools at the last second had a much greater impact than the four-second-cancel delay. Chairman Harris said he thought the odds changes as a result of the cancel delay was not the problem so much as the delay was not a clean break. Mr. Fravel stated the four-second delay

was just one more cumulative delay. There was also the original ten-second delay, which was when the final pool was formed. With the four seconds, there were 14 seconds, and then it sometimes took 15 to 20 seconds for the graphic television display changes. By the time the final odds were displayed it could be half way through a five-and-a-half furlong race. The late odds were due to a cumulative effect, and if the technology to make the broadcast display worked quicker, the four-second delay would become less relevant. Vice-Chairman Israel stated there was no way to hasten the transmission to the television, as the technology was just not that fast. BJ Cosson of TVG said his organization changed its graphic display on the network so it was receiving a feed directly from the California host tote, and it was getting the same 14-second feed. That alleviated a lot of the problems that generated complaints to the Board. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding the past posting issue. Sherwood Chillingworth of Oak Tree Racing Association said the National Thoroughbred Racing Association (NTRA) was attempting to get racetracks to adopt a system that would superimpose the off time on the simulcast screen. The time would be based on the electronic clock in Fort Collins, Colorado, which was a national standard. The minute the race went off, the time would be superimposed on the screen, and that could be checked back against the tote companies' record of when they shut off wagering. If there were any doubt about a long delay, the superimposed time on the screen could be compared to the tote companies' stop wagering records. Chairman Harris asked if the TRPB felt past posting was a real problem. Mr. Linnell stated the TRPB investigated every incidence of alleged past posting or failure to close wagering at every one of its 47 racetracks in North America. The TRPB also investigated the recent incident at Hollywood Park. Mr. Linnell said the TRPB found that

not one dollar within the host pool was included in the price calculation from a site that had a failure to close wagering. Chairman Harris asked if the TRPB agreed that no one profited from malfunctions in California. Mr. Linnell said in TRPB's opinion that was an accurate statement. In fact, due to refunds and payments to patrons who would have otherwise won their wagers, some losses were taken. Commissioner Choper stated the study done by SGR showed that the perception that late odds changes almost always went to the winner was not correct, and that the odds changes were actually neutral. He asked if TRPB believed SGR had any reason to falsify such a report. Mr. Linnell said he had not looked at the methodology of the SGR report; however, TRPB did its own report and it found that changes right before post time would be more accurate than ones prior to that. Vice-Chairman Israel commented that was why the public was allowed to see what happened in the paddock and elsewhere. Mr. Fravel stated he did not think past posting occurred. Within the past several years there were instances where the stewards' button did not get pushed, or the communication link failed. That did not mean the industry was indifferent, and it did not mean the potential for problems was eliminated, as human error was involved. Mr. Fravel stated DMTC had gone through maybe 20 different inquiries with TRPB and he was confident that the issue of odds changing because of display shortcomings was not an indication of past posting. He added racetracks had tried closing wagering as the first horse entered the gate, and the greatest number of complaints was not from racetracks, it came from patrons. If something happened in the gate and the pools were closed, patrons could not cancel or change wagers, so the outcry would be dramatic. Racetracks did listen to patrons, and when racetracks tried new things the complaints were much more vigorous than those who complained about past posting. Cliff

Goodrich of Fairplex Park Pomona said Mr. Fravel's comments were true. Racetracks had tried closing wagering early, and if something happened in the gate, it would take ten minutes to reopen the pools; that was not practical in the conduct of a racing day. The industry was working on the problem, and through education and shortening the cycle, the perception of patrons could be changed. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding the issue of past posting. Mr. Martin stated early closure of wagering would not solve the perception that past posting occurred. If a patron really believed in past posting, the racetracks could close the pools five minutes before the start of a race, and that patron would believe it could occur somehow. Vice-Chairman Israel stated there was no such thing as a fail-safe system. However, there were redundancies to make the possibility of compromise a lot less easy to accomplish. He said if there was statistical evidence with regards to the experiments the racetracks conducted and the studies of the issue of past posting, it would be nice to have a collation of the existing information with an executive summary. That would allow the industry to see what was accomplished, and if there was an affect, and it could help the Board reach logical conclusions. Ron Charles of Magna Entertainment Corporation (MEC) stated every time MEC contacted TRPB about a wagering irregularity it was determined the wagers came from computer players and rebators. He stated he was not making a judgment about such wagers, but that was the source of many problems. From the time the horses left the gate, until the final odds were calculated, another 50 percent to 60 percent of money wagered before the start of the race went into the pools. That had the ability to dramatically sway the pools, and it fueled the perception of past posting. Vice-Chairman Israel asked if wagering were closed 30 to 90 seconds early, would those wagers hit at the closing point? Mr.

Charles stated going to a decimal system would help the perception. Another possible solution would be shutting off electronic wagering when the first horse entered the gate, but allowing patrons at live facilities to continue wagering until the bell sounded. That would give persons attending a live meeting an advantage, which would encourage attendance at racetracks. The totes had to have the money on the board so patrons would be confident that the pools were secure. Vice-Chairman Israel asked what the rationale was for the last minute wagers. Mr. Charles stated the patrons who used wagering software were not betting on one horse. They wagered on multiple horses, and if one of the horses won, they won. It was strictly mathematics and did not have anything to do with handicapping. However, it dramatically affected the pools, and when more than one computer wager landed on the same horse, it looked irregular. Commissioner Choper stated the computer wagers were trying to lock in the odds, so they wagered at the last second. Mr. Charles said he spoke with a couple of rebate shops and they would be willing to negotiate about the possibility of having their wagers posted when the first horse went in the gate. That was roughly 30 seconds prior to closing. If that happened, there would not be any late odds changes. The problem was perception, and the industry needed to look at a decimal system, and to talk to the rebate shops to arrive at a better system. Mr. Linnell stated the TRPB had data regarding the Penn National study, and information on the New York Racing Association's experiment with closing out all offshore hubs one minute prior to post time, as well as a series of due diligence reports on shops that serviced computer wagering, which could be supplied to the Board.

DISCUSSION BY THE BOARD REGARDING THE ALLOCATION OF RACE DATES AND RELATED ISSUES FOR 2010 AND BEYOND.

Chairman Harris said the allocation of race dates and related issues for 2010 and beyond was placed on the agenda to remind the industry that a racing calendar for 2010 was pending. He stated the system might need to be reinvented going forward to ensure all the different elements were taken into consideration, and it was a calendar that did not have to be changed too much along the way. Chairman Harris stated the industry should present proposals to the Board, and he urged the racing associations and fairs to work with all related parties to craft a racing schedule. Jerry Jamgotchian, a horse owner, spoke about his concerns related to the allocation of race dates. Vice-Chairman Israel stated the Board had talked about issuing multiple-year allocation of race dates. However, it was necessary to see who would own the various racetrack facilities before the Board could deal with a longer view. Magna Entertainment Corporation was in bankruptcy proceedings that would be decided by a court in Delaware and Del Mar Thoroughbred Club was attempting to renegotiate its lease with the 22nd District Agricultural Association. Once those were accomplished the Board could take a look at the future of Hollywood Park. After consolidating all of the concepts, the industry could work to craft a sensible, long-term calendar that required performance by all the racing associations. Alan Horowitz of the California Harness Horsemen's Association (CHHA) said the CHHA wished to inform the Board that it was in negotiations with the Fresno Fair about the possibility of racing harness dates, in addition to the dates at Cal-Expo. Norb Bartosik of California Exposition and State Fair (Cal-Expo) said his organization planned to conduct racing and would apply for the dates that it normally ran. Cal-Expo would be at the table to negotiate, if necessary.

DISCUSSION AND ACTION BY THE BOARD ON THE NOMINATION OF MEMBERS TO THE BOARD OF DIRECTORS OF THE CALIFORNIA THOROUGHBRED HORSEMEN'S FOUNDATION, INC.

Chairman Harris stated the California Thoroughbred Horsemen's Foundation, Inc. nominated Robert Bean; Ken Smolley and David Napster as members of its board of directors. Commissioner Derek motioned to approve the nomination of members of the board of directors of the California Thoroughbred Horsemen's Foundation, Inc., as presented. Vice-Chairman Israel seconded the motion, which was unanimously carried.

DISCUSSION BY THE BOARD REGARDING THE UPDATE FROM SURFSIDE RACE PLACE CONCERNING THE STATUS OF THE MOLD PROBLEM AT THE SURFSIDE RACE PLACE (SIMULCAST FACILITY) AT DEL MAR.

Deputy Attorney General Deborah Fletcher, representing the 22nd District Agricultural Association, which ran Surfside Race Place, stated it was clear there was damage to the facility in the winter of 2006-2007 that resulted in some water intrusion and mold contamination at that time. Ms. Fletcher stated the mold was cleared up and it had not recurred. Air quality sampling tests were conducted twice a year. The initial test, which was conducted immediately after the contamination, did show elevated levels of mold. However, since that time, every test showed that the mold levels in the air were the same as one would find in any building. Mold was ubiquitous; what was important was keeping the mold levels low. The last test was run in May 2009, and the 22nd District Agricultural Association was committed to maintaining the Surfside Race Place as a safe environment for its workers and any patrons. The biggest problem was communication. There was no protocol to report problems, so by the time a problem was known, it was out of control. It was agreed that any problem would immediately

be reported to the mutual manager, who would contact the 22nd District Agricultural Association facilities manager and risk manager. With the protocol in place, any problems should immediately be reported and cleaned up. Ms. Fletcher stated if there were any questions regarding the air quality tests, she had the authority to authorize parallel testing run at the same time, so a comparison could be made. Chairman Harris asked if there were currently any litigation. Ms. Fletcher stated there was currently no litigation. Richard Castro of the Pari-Mutuel Employees' Guild stated he was comfortable working with Ms. Fletcher, and a lot of issues had been resolved.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE UPDATE FROM THE LOS ANGELES TURF CLUB, INC., OPERATING AT SANTA ANITA PARK AND THE SIGNIFICANCE OF THE BANKRUPTCY FILING OF MAGNA ENTERTAINMENT CORPORATION ON ITS RACING OPERATIONS AND THE STATUS OF STATUTORY FUNDS THAT MAY STILL BE OWED MONEY FROM PRE AND POST BANKRUPTCY ACCOUNTS.

Gregg Scoggins representing Magna Entertainment Corporation (MEC) said on July 31, 2009, all bids must be submitted for MEC properties that were for sale. By August 7, 2009, lead bidders would be identified and entered into a stalking horse bid. On September 8, 2009, an auction of the properties would occur. On September 11, 2009, a sale order, which was the final resolution of the sale process within the bankruptcy, would be issued. On July 21, 2009, representatives of MEC, the industry and the CHRB met for the purpose of ensuring everyone understood the various rational for the positions the parties had relative to the Southern California Off Track Wagering, Inc. (SCOTWINC) claims, as well as an update of the status of the stake claims. Although no one was satisfied with the status of the issues, or that anything had materially changed, everyone had a better understanding of the various positions.

MEC had license fees and research fund payments that were due from live wagering within California, as well as advance deposit wagering (ADW) funds that were paid to Santa Anita for redistribution. Those funds arrived before the petition date, so they were caught in the bankruptcy. Mr. Scoggins stated he understood those fees qualified as priority claims, which would be paid first. Deputy Attorney General Brian Wesley stated priority tax claims and claims such as fees would be paid over a five-year period at the prevailing interest rate. Chairman Harris asked if the priority claims would be paid ahead of the secured claims. Mr. Wesley said "no," secured claims were paid in full; to the extent there was security. If there were no security for a claim it became a general claim. Priority tax claims and fees were paid over five years. Chairman Harris stated it seemed that a tax claim due to the State of California, which was really being held in trust, would be paid ahead of a secured claim because those funds were really just a debt. Mr. Wesley said priority claims were paid after secured claims. Chairman Harris asked if MEC was selling assets to raise capital and stay in business. Mr. Scoggins stated the goal was to reorganize MEC's debt, and then continue with operations. Commissioner Choper asked how California fit into MEC's plans. Mr. Scoggins stated only Santa Anita had been identified as an asset to be sold. Commissioner Choper said the Maryland tracks and Golden Gate Fields would not be sold. Mr. Scoggins stated that was correct. Chairman Harris asked if there was a deadline for the State of California to file its priority claims. Mr. Wesley said the claims were filed with the bankruptcy court.

STAFF REPORT ON THE FOLLOWING CONCLUDED RACE MEETS:

LOS ANGELES TURF CLUB AT SANTA ANITA FROM DECEMBER 26, 2008 THROUGH APRIL 19, 2009.

PACIFIC RACING ASSOCIATION AT GOLDEN GATE FIELDS AT GOLDEN GATE FIELDS FROM DECEMBER 26, 2008 THROUGH JUNE 14, 2009.

Commissioner Choper asked what could be attributed to Golden Gate Fields' (GGF) superior performance over Santa Anita's performance. If one looked at the comparative statistics the percent changes were much stronger at GGF. Ron Hartman of GGF said his organization gained momentum as it raced a long meeting. The extended race meeting turned out to be extremely positive, and there were crowds in May and June at GGF that had not been seen in decades. Vice-Chairman Israel commented GGF also had improved weather at the end of its meeting because of its length. Mr. Hartman added he believed GGF's advertising had a cumulative effect. The advertising it did in January built on the advertising in February, which helped in March, etc.

PUBLIC COMMENT

Jerry Jamgotchian, a horse owner, spoke about several issues related to horse racing. Richard Castro representing the Pari-Mutuel Employees' Guild stated he wished to thank Vice-Chairman Israel for his participation in the recent Senate Select Committee Hearing on Horse Racing. He said Vice-Chairman Israel's comments were enlightening and appreciated by the industry.

MEETING ADJOURNED AT 3:20 P.M.

A full and complete transcript of the aforesaid proceedings are on file at the office of the California Horse Racing Board, 1010 Hurley Way, Suite 300, Sacramento, California, and therefore made a part hereof.

Chairman

Executive Director

STAFF ANALYSIS
August 27, 2009

Issue: REQUEST TO AMEND PACIFIC RACING ASSOCIATION'S 2009 ALLOCATED RACE DATES TO ADD EIGHT RACE DAYS TO ITS CURRENT SCHEDULE AND THE APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE PACIFIC RACING ASSOCIATION AT GOLDEN GATE FIELDS COMMENCING OCTOBER 21, 2009 THROUGH DECEMBER 20, 2009.

Pacific Racing Association (PRA) filed its application to conduct a thoroughbred horse racing meeting at Golden Gate Fields:

- October 21 through December 20, 2009, or 42 days. The association proposes to race a total of 362 races, or 8.62 races per day. The Los Angeles Turf Club (LATC) conducted a Northern California race meeting at Golden Gate Fields (GGF) during the prior year timeframe. In 2008 LATC raced at GGF September 17 through December 21, 2008 for a total of 67 days. It raced a total of 569 races, or 8.49 races per day with an average of 7.85 runners per race. The LATC (actual) average daily purse for the 2008 meeting at Golden Gate Fields was \$153,599. The PRA (estimated) average daily purse for this meet is \$149,466.
- The proposed race dates are different from what was originally allocated to PRA. At the November 18, 2008 regular meeting of the Board, PRA was allocated race dates from October 21, 2009 through December 13, 2009, for a total of 34 racing days. To coordinate racing with Hollywood Park, PRA is requesting to change its race dates to October 21 through December 20, 2009, increasing the number of racing days from 34 to 42:

October - 2009						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

November - 2009						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

December - 2009						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Date	Add/Delete
Wednesday, November 4, 2009	Add
Thursday, November 12, 2009	Delete
Wednesday, November 18, 2009	Add
Wednesday, November 25, 2009	Add
Wednesday, December 2, 2009	Add
Wednesday, December 9, 2009	Add
Thursday, December 17, 2009	Add
Friday, December 18, 2009	Add
Saturday, December 19, 2009	Add
Sunday, December 20, 2009	Add

- Racing 5 days per week, Wednesday through Sunday, except week 4 racing 3 days, Friday through Sunday, and week 9, racing 4 days, Thursday through Sunday. With 8 races weekdays and 9 weekends and holidays.
 - Option to request administrative approval to conduct more than an average of 8.62 races each day if the horse population permits additional racing.
- Racing concurrently with Oak Tree October 21 through November 8, 2009, and Hollywood Park November 13 through December 20, 2009.
- First post 12:45 p.m. daily.
 - 1:45 p.m. Fridays, October 23 & October 30, Coordinate with Oak Tree.
 - 11:55 a.m. Friday, November 6, Breeders Cup.
 - 10:25 a.m. Saturday, November 7, Breeders Cup.
 - 11:15 a.m. Thursday, November 26, Thanksgiving Day.
 - Request the option to change post times to coordinate north/south signals and to coordinate 10 card race days with daylight savings time.
- Request Patrick Kealy be appointed horse identifier pursuant to CHRB Rule 1525.
- Wagering program will use all CHRB and ARCI rules.
 - \$2 Daily Double on all races
 - \$2 Pick 6 on last six races
 - \$1 Pick 3 on every race
 - \$1 Trifecta on every eligible race
 - \$.10 cent Superfecta on all eligible races
 - \$1 Place Pick All on all races carded
 - \$1 Pick 4 on first four and last four races
 - \$1 Pentafecta (Super High 5) in the 5th race only selecting the first five finishers in a same race. 100% payout on all tickets selecting five winners. No consolation; 100% carryover if no ticket has five winners.
 - 2 Tier – 70%/30% split; \$2 Pick (n) Pool (Pick 6) will be offered on the final six races of each card, with 70% to the major pool or carryover, and 30% to the minor pool.
 - Early wagering will not be offered.
- The Advance Deposit Wagering (ADW) providers are YouBet, TVG, Xpressbet and Twin Spires.
- Simulcasting conducted with out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing has been requested and will be completed before the beginning of the race meeting.
- A track safety inspection has been requested and will be completed before the beginning of the race meeting.
- The TOC and CTT agreements are on file.

RECOMMENDATION:

Staff recommends the Board approve the application.

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD
APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING
CHRB-17 (Rev 12/06)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

A. Name, mailing address, telephone and fax numbers of association:
Pacific Racing Association
1100 Eastshore Highway
Berkeley, California 94710
Phone (510) 559-7300 Administration Fax (510) 559-7464

B. Breed of horse: TB QH H

C. Racetrack name: **Golden Gate Fields**

D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to B&P Code Section 19490. **On file with the Board.**

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF MEETING

A. Inclusive dates for the entire meeting: **October 21, 2009 through December 20, 2009**

B. Actual dates racing will be held: **October 21-25, 28-31; November 1, 4-8, 13-15, 18-22, 25-29; December 2-6, 9-13, 17-20.**

C. Total number of days or nights of racing: **42**

D. Days or nights of the week races will be held:
 Wed - Sun Tues - Sat Other (specify)

Exceptions:

Dark days on Wednesday, November 11, 2009, Thursday, November 12, 2009 and Wednesday December 16, 2009.

E. Number of days or nights of racing per week: **5 days per week except as set forth in Item D above.**

3. RACING PROGRAM

A. Total number of races: **362**

CHRB CERTIFICATION	
Application received: 7/23/09	Hearing date: 8/27/09
Deposit received: on file	Approved date:
Reviewed: alg	License number:

Golden Gate Fields

July 22, 2009

Kirk Breed
California Horse Racing Board
1010 Hurley Way Suite 300
Sacramento, CA 95825

Re: PRA Fall Race Dates

Dear Kirk:

Pacific Racing Association respectfully requests the following race day addendums to the 2009 CHRB Fall racing calendar so as to coordinate live racing between the North (Golden Gate Fields) and the South (Hollywood Park). Based on our experience earlier this year, we have learned that the lack of a coordinated signal is detrimental to racing in the State. Therefore, we are requesting this change.

Date	Add/Delete
Wednesday, November 4, 2009	Add
Thursday, November 12, 2009	Delete
Wednesday, November 18, 2009	Add
Wednesday, November 25, 2009	Add
Wednesday, December 2, 2009	Add
Wednesday, December 9, 2009	Add
Thursday, December 17, 2009	Add
Friday, December 18, 2009	Add
Saturday, December 19, 2009	Add
Sunday, December 20, 2009	Add

The above changes would add eight race days to our current schedule making the total number of race days 42 instead of 34. Both Golden Gate Fields and Hollywood Park feel the aforementioned changes would bring continuity to the Fall schedule and would greatly benefit Northern and Southern California racing. The Thoroughbred Owners of California have been made aware of this change.

Thank you in advance for your prompt response as our Fall CHRB license application is in your Sacramento office reflecting the above changes.

Sincerely,



Robert Hartman
General Manager

Cc: CHRB Sacramento Office: Jackie Wagner, Colleen Germek
Pacific Racing Association
1100 Eastshore Highway, Berkeley, California 94710
A Magna Entertainment Corp. Facility

- B. Number of races for each day or night: **8.62 will be the average throughout the meet; we propose to conduct 8 races on weekdays and 9 races on weekends and holidays. If the horse population permits, we may run additional races as long as we do not exceed an average of 8.62 races per day for the meet. If we plan to exceed this amount, we will request administrative approval.**
- C. Total number of stakes races: **5**
(5 Overnight Stakes, 0 Non-Overnight Stakes).
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses: **Stakes schedule attached.**
- E. Will provisions be made for owners and trainers to use their own registered colors?
 Yes No If no, what racing colors are to be used:
- F. List all post times for the daily racing program:

Race 1	12:45 p.m.
Race 2	1:15 p.m.
Race 3	1:45 p.m.
Race 4	2:15 p.m.
Race 5	2:45 p.m.
Race 6	3:15 p.m.
Race 7	3:45 p.m.
Race 8	4:15 p.m.
Race 9	4:45 p.m. (When applicable)
Race 10	5:15 p.m. (When applicable)

Exceptions:

Fridays, October 23 & October 30, 2009	Coordinate with Oak Tree	1:45 p.m.
Friday, November 6, 2009	Breeders' Cup	11:55 a.m.
Saturday, November 7, 2009	Breeders' Cup	10:25 a.m.
Thursday, November 26, 2009	Thanksgiving Day	11:15 a.m.

Request the option to change post time schedules in order to coordinate North/South signals and to coordinate 10 card race days with daylight savings time.

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

4. RACING ASSOCIATION

- A. Association is a: Corporation (complete subsection C)
 LLC (complete subsection D)
 Other (specify, and complete subsection E)

- B. Complete the applicable subsection and attached Addendum, Background Information and

Golden Gate Fields Stakes Schedule *

Fall 2009

October 21-December 20, 2009

Pacific Heights (CA)

Purse \$50,000 Guaranteed

Fillies and Mares, Three Years Old and Upward

1 Mile and One Sixteenth (T)

Runs Saturday, October 24

Closes Friday, October 16

(Overnight)

Golden Nugget

Purse \$50,000 Guaranteed

Two Year Olds

Six Furlongs

Runs Saturday, November 21

Closes Saturday, November 14

(Overnight)

San Quentin

Purse \$50,000 Guaranteed

Three Year Olds and Upward

1 Mile and One Sixteenth

Runs Friday, November 27

Closes Saturday, November 21

(Overnight)

Corte Madera

Purse \$50,000 Guaranteed

Fillies, Two Years Old

1 Mile

Runs Saturday, December 5

Closes Saturday, November 28

(Overnight)

Gold Rush

Purse \$50,000 Guaranteed

Two Year Olds

1 Mile

Runs Saturday, December 12

Closes Saturday, December 5

(Overnight)

Ownership. On file with the Board.

C. CORPORATION

1. Registered name of the corporation: **Pacific Racing Association**
2. State where incorporated: **California**
3. Registry or file number for the corporation: **Federal ID #94-1585367**
California ID #173-1919-5
4. Names of all officers and directors, titles, and the number of shares of the corporation held by each:
Pacific Racing Association has only one shareholder, Magna Entertainment Corporation, a Delaware Corporation:
Frank Stronach, Chairman
Greg Rayburn, Chief Executive Officer
Ron Charles, Chief Operating Officer
Blake Tohana, Executive Vice-President and Chief Financial Officer
Frank DeMarco, Jr., Vice-President Regulatory Affairs
Mary Lyn Seymour, Vice-President and Controller
William G. Ford, Secretary
Scott Fischer, Vice-President Finance & Operations
Peter W. Tunney, Vice-President, Community Relations
Calvin Rainey, Vice-President and Assistant General Manager
5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
None
6. Number of outstanding shares in the corporation: **69,347 shares of no par value common stock.**
7. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation: **Not applicable.**
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity: **Magna Entertainment Corporation**
10. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission. The licensee may submit the audited consolidated annual financial statements of its parent owner if the parent owner is a publicly traded company and guarantees the obligations of the licensee. **2007 Magna Annual Report on file with CHRB.**

D. LLC

1. Registered name of the LLC: **Not applicable**
2. State where articles of organization are filed: **Not applicable**
3. Registry or file number for the LLC: **Not applicable**
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
Not applicable
5. Names (true names) of all members, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:

6. Are the shares listed for public trading? Yes No
 If yes, on what exchange and how is the stock listed:

7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity: **Not applicable**

8. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the California Corporations Commission. **Not applicable**

E. OTHER

1. Name(s) of partners/sole proprietor: **Not applicable**
2. If a partnership, attach partnership agreement. **Not applicable**

F. Management and Staff

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:

- Ron Charles, Chief Operating Officer; President, MEC California Operations**
- Blake Tohana, Executive Vice-President and Chief Financial Officer**
- Frank DeMarco, Jr., Vice-President Regulatory Affairs**
- William Ford, Secretary**
- Robert Hartman, General Manager**
- Peter W. Tunney, Vice-President, Community Relations**
- Calvin Rainey, Vice-President, Assistant General Manager**
- Adam Njaa, Controller of Operations**
- Jerry Aldoroty, Director of Hospitality and Sales**
- Bryan Wayte, Manager of Mutuels**
- Tom Ferrall, Publicity Manager**
- Merry Scalzo, Director of Operations**
- Kristin Finkel, Marketing Manager**
- T.W. Johnson, Security Manager**
- Michael Wrona, Announcer**
- Juan Meza, Track Superintendent**
- Richard Somers, Price Maker**
- William Vassar, Track Photographer**
- Aaron Vercruysse, Simulcast Coordinator**
- Robert Hemmer, Operations Manager**
- David Seftel, M.D., Track Physician**

2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:
Robert Hartman, General Manager

5. PURSE PROGRAM

A. Purse distribution: *Prior meet actual represents 9/17/08 through 12/21/08 (67 Days)*

1. All races other than stakes:
 Current meet estimate: **\$5,267,472.00**
 Prior meet actual: **\$8,505,696.00**

Average Daily Purse (5A1 ÷ number of days):
 Current meet estimate: **\$125,416.00**
 Prior meet actual: **\$126,950.69**

2. Overnight stakes:
 Current meet estimate: **\$250,000.00**
 Prior meet actual: **\$50,000.00**

Average Daily Purse (5A2 ÷ number of days):
 Current meet estimate: **\$ 5,952.38**
 Prior meet actual: **\$746.27**

3. Non-overnight stakes:
 Current meet estimate: **\$0.00**
 Prior meet actual: **\$543,700.00**

Average Daily Purse (5A3 ÷ number of days):
 Current meet estimate: **\$0.00**
 Prior meet actual: **\$8,114.93**

B. Stakes races:

1. Purse distribution for all stakes races:
 Current meet estimate: **\$250,000.00**
 Prior meet actual: **\$593,700.00**

Average Daily Purse (5B1 ÷ number of days):
 Current meet estimate: **\$5,952.38**
 Prior meet actual: **\$8,861.19**

2. Percentage of the purse distribution for all stakes races that will be distributed for California-bred stakes races:
 Current meet estimate: **20%**
 Prior meet actual: **9%**

Average Daily Purse (5B2 ÷ number of days):
 Current meet estimate: **.48%**
 Prior meet actual: **.13 %**

- C. Funds to be generated for all California-bred incentive awards:
 Current meet estimate: **\$522,091.52**

Prior meet actual: **\$811,775.30**

- D. Payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

Recognized Horsemen's Organization

Current meet estimate:

TOC (NTRA Contribution) **\$98,011.16**
 TOC **\$56,006.38**
 CTT (Administration) **\$28,003.19**
 CTT (Pension) **\$56,006.38**
 Total **\$238,027.11**

Prior meet actual:

TOC (NTRA Contribution) **\$156,472.96**
 TOC **\$ 89,412.55**
 CTT (Administration) **\$ 44,706.27**
 CTT (Pension) **\$ 89,412.55**
 Total **\$380,003.33**

- E. Amount from all sources to be distributed in the form of purses or other benefits to horsemen (5A+5C+5D):

Current meet estimate: **\$6,277,590.63**

Prior meet actual: **\$10,291,174.63**

Average Daily Purse (5E ÷ number of days):

Current meet estimate: **\$149,466.44**

Prior meet actual: **\$153,599.62**

- F. Purse funds to be generated from on-track handle and intrastate off-track handle:

Current meet estimate: **\$4,329,767.75**

Prior meet actual: **\$6,786,891.72**

Average Daily Purse (5F ÷ number of days):

Current meet estimate: **\$103,089.71**

Prior meet actual: **\$101,296.89**

- G. Purse funds to be generated from interstate handle:

Current meet estimate: **\$1,213,251.20**

Prior meet actual: **\$2,001,147.37**

Average Daily Purse (5G ÷ number of days):

Current meet estimate: **\$28,886.93**

Prior meet actual: **\$29,867.87**

- H. Bank and account number for the Paymaster of Purses' purse account:

Account # - On File

- I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:

Bowen & McBeth, 10722 Arrow Route, Suite 110, Rancho Cucamonga, California 91730, (909) 944-6465

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the association; **shall not** be transferred to a parent corporation outside the State of California; and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to

the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: **1325**
- B. Minimum number of stalls believed necessary for the meeting: **2000**
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **680**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: **Pleasanton - 680 Stalls**
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site. **On file.**

Complete subsections F through H if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the **1986** meeting: **1405**
- G. Estimated cost to provide off-site stalls for this meeting. Show cost per day per stall:
Stabling costs for this meet: \$511,000.00
Stabling costs per day per stall: \$10.30
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse:
Vanning fees for this meet: \$53,130.00 **Vanning fee per horse: \$115.00**

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:
 Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS	APPLICABLE RULES
Example Race:	\$1 E; \$1 Double	CHRB #1959; RCI #VE

Race #1	\$2 DD*; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 PPN%; \$.10 SF# \$1 PNP!	CHRB#1957; 1959; 1958; 1977; 1979; 1976.8; 1979.1; 1976.9
Race #2	\$2 DD*; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 PPN%; \$.10 SF# \$1 PNP!	CHRB#1957; 1959; 1958; 1977; 1979; 1976.8; 1979.1; 1976.9
Race #3	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF#; \$1 PPN%; \$1 PNP!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9
Race #4	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9
Race #5	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!; Super H5^^	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9; ARCI #004-105
Race #6	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9
Race #7	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9
Race #8	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9
Race #9	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9
Race #10	\$2 DD*; \$2 PNP @; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9

* - \$2 Daily Double on all races

@ - \$2 Pick 6 on last six races

+ - \$1 Pick 3 on every race

++ - \$1 Trifecta on every eligible race

- \$.10 cent Superfecta on all eligible races

% - \$1 Place Pick All on all races carded

! - \$1 Pick 4 on first four and last four races

^^ - \$1 Pentafecta (Super High 5) in the 5th race only selecting the first five finishers in a same race. 100% payout on all tickets selecting five winners. No consolation; 100% carryover if no ticket has five winners.

B. Maximum carryover pool to be allowed to accumulate before its distribution OR the date(s) designated for distribution of the carryover pool: December 20, 2009 for the period of October 21, 2009 through December 20, 2009.

C. List any options requested with regard to exotic wagering: 2 Tier – 70%/30% split
\$2 Pick (n) Pool (Pick 6) will be offered on the final six races of each card, with 70% to the major pool or carryover, and 30% to the minor pool.

D. Will "advance" or "early bird" wagering be offered? Yes No
If yes, when will such wagering begin:

E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract:
Scientific Games Racing, LLC, Bill Huntley, Expires: September 2012

8. ADVANCE DEPOSIT WAGERING (ADW)

A. Identify the ADW provider(s) to be used by the association for this race meeting:

Xpressbet
YouBet
TwinSpires
TVG

9. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering:
Northern California Off-Track Wagering, Inc.

- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **On file.**

- C. California simulcast facilities the association proposes to offer its live audiovisual signal:

Northern California

- Alameda County Fair, Pleasanton**
- Big Fresno Fair, Fresno**
- California State Fair & Exposition, Sacramento**
- Club One, Fresno**
- Kern County Fair, Bakersfield**
- Monterey County Fair, Monterey**
- Redwood Acres Fair, Eureka**
- San Joaquin County Fair, Stockton**
- San Mateo Event Center, San Mateo**
- Santa Clara County Fair, San Jose**
- Shasta District Fair, Anderson**
- Solano County Fair, Vallejo**
- Sonoma County Fair, Santa Rosa**
- Stanislaus County Fair, Turlock**
- Tulare County Fair, Tulare**
- Pete's Tavern, San Francisco (pending approval)**
- Sotto Mare, San Francisco (pending approval)**

Southern California

- Antelope Valley Fair, Lancaster**
- Barona Casino, Lakeside**
- California Mid-State Fair, Paso Robles**
- Del Mar Thoroughbred Club, Del Mar**
- Derby Club at Seaside Park, Ventura**
- Earl Warren Showgrounds, Santa Barbara**
- Fairplex Park, Pomona**
- Hollywood Park, Inglewood**
- Indian Fantasy Springs Casino, Indio**
- Los Alamitos Racecourse, Los Alamitos**
- National Orange Show, San Bernardino**
- Santa Anita Park, Arcadia**
- Santa Barbara County Fair, Santa Maria**
- Shalimar Sports Center, Indio**
- Sports Pavilion, Lake Perris**
- Sports Pavilion, Victorville**
- Sycuan Casino, El Cajon**
- Viejas Casino, Alpine**

- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:

**Pacific Racing Association/Golden Gate Fields
October 21, 2009 through December 20, 2009**

Out-of-State & International Imports - Full or Partial Card (Subject to Change)

OUT-OF-STATE TRACK
AQUEDUCT
CALDER RACECOURSE
FAIRGROUNDS
HAWTHORNE RACECOURSE
KEENELAND
LAUREL
LONE STAR PARK
LOUISIANA DOWNS
NORTHLANDS PARK
PHILADELPHIA PARK
PIMLICO
PORTLAND MEADOWS
REMINGTON PARK
RIVER DOWNS
STAMPEDE PARK
THISTLEDOWN
TURF PARADISE
TURFWAY PARK
INTERNATIONAL TRACK
FORT ERIE
HASTINGS

WOODBINE

E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:

American Tab, OH	Hinsdale Greyhound Park, NH	Rosecroft Raceway, MD
Arapahoe Park, CO	Hoosier Park, IN	Royal Beach Casino
Arima Race Club	Horsemen's Park, NE	Royal River Racing
Arlington International Race Course, IL	Indiana Downs, IN	Ruidoso Downs, NM
Atlantic City Casino Assn., NJ	International Racing Group	Sam Houston, TX
Atlantic City Race Course, NJ	Jackson Harness Raceway, MI	Saratoga Raceway, NY
Atokad Downs, NE	John Martin's Manor Restaurant	Scarborough Downs, ME
Balmoral Park, IL	Keeneland Association, KY	Scioto Downs, OH
Beulah Park, OH	Kentucky OTB	Seabrook Greyhound
Birmingham Race Course, AL	Lebanon Raceway, OH	Shoreline Star Greyhound Park
Blue Ribbon Downs, OK	Les Bois/Idaho	Skydancer Casino
Bluffs Run Greyhound	Lewiston Raceway Inc., ME	Southland, AR
Buffalo Raceway, NY	Lien Games, Inc., ND	Sports Center
Calder Race Course, FL	Lein Games, LLC	Sports Creek Raceway, MI
Canadian Associations	Lincoln Greyhound	Stables
Canterbury Park, MN	Lodge Belmont Greyhound Park	State Fair Park, NE
Capital District OTB	Lone Star, TX	Suffolk District OTB
Capital Sports Ply, Ltd, Australia	Louisiana Downs, LA	Suffolk Downs, MA
Casino Association	Manor Downs	Sunland Park, NM
Catskills OTB	Maryland Jockey Club, MD	Sunray Park, NM
Charlestown Race Course, VA	Maywood	Tampa Bay Downs, FL
Chester Downs & Marina LLC	Meadowlands	Tauton Dog Track, Inc.
Choctaw Racing Services, LLC, OK	Meadowlands The	Thistedown Racing, OH
Churchill Downs, KY	Meskwaki Casino	Timeout Lounge
Coeur d'Alene Greyhound, ID	Millers OTB	Tioga Downs
Coeur d'Alene Casino, ID	Mohegun Sun	Tri-State Racetrack & Gaming Center, WV
Colonial Downs, VA	Monmouth Park, NJ	Turfway Park, KY
Columbus Races, NE	Montana OTB, MT	TVG
Comanche Nation	Monticello Raceway, NY	Turf Paradise, AZ
Connecticut OTB, CT	Mount Pleasant Meadows, MI	Valley Greyhound Park
Corpus Christi Greyhound Track, TX	Mountaineer Park, WV	Vernon Downs, NY
Crystal Palace	Nevada Indian Casinos	Western Fair Raceway
Dairyland Greyhound Park, WI	Nevada Pari-Mutuel Association, NV	Western Regional OTB
Darwin All Sports	New Mexico	Wheeling Downs, WV
Delaware Park, DE	New York City Off-Track Betting, NY	Wichita Greyhound Park, KS
Delta Downs	New York Racing Association, NY	Will Rogers Downs, OK
Downs at Albuquerque, NM	Newport Jai Alai, FL	Wonderland Greyhound Park, MA
Elite Turf Club	North Dakota Horse Park, ND	Woodlands, KS
Ellis Park, KY	Northfield Park, OH	Wyoming OTB, WY
Emerald Downs, WA	Northville Racing Corp., MI	XpressBet, Inc., CA
Equus St. Thomas Racing, Inc.	Oaklawn Park, AR	Yonkers Raceway, NY
European Simulco, Austria	Ocean Downs, MD	YouBet
Evangeline Downs, LA	Oneida Bingo and Casino	Zia Park, NM
Evansville OTB	Penn National Race Course, PA	
Fair Meadows	Philadelphia Park, PA	Separate Pools:
Fairgrounds Race Course, LA	Plainfield Greyhound Park, NJ	Caymanas
Finger Lakes Race Track, NY	Plainridge Racecourse, MA	Hipodromo Presidente Remon, Panama
Fonner Park, NE	Poconos	LVDC (NV)
Foxwoods	Pojoaque	MIR/Caliente
Freehold Raceway, NJ	Portland Meadows, OR	
Geneva Lakes	Prairie Meadows, IA	
Gillespie County Downs	Raceway Park, OH	
Great Lakes Downs, MI	Racing & Gaming Services, British WI	
Greentrack	Red River Casino	
Gulf Greyhound, TX	Remington Park, OK	
Gulfstream Park, FL	Retama Park, TX	
Harrington Raceway	Riders Up OTB	
Hawthorne	River Downs, OH	
Hazel Park, MI	Rockingham Park, NH	

F. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
See 8D above.	TBD	

- G. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Los Alamitos	Per CHRB calendar	Full Card

- H. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Cal Expo Harness	Per CHRB calendar	Full Card

- I. For **ALL** racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
None			

- J. For **ALL** racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Sections 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). **Not applicable.**

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every association shall pay to its Paymaster of Purses'

account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

10. CHARITY RACING DAYS

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association: **Pacific Racing Association is agent for distribution.**
- B. Names and addresses of the trustees or directors of the distributing agent: **Pacific Racing Association will act as its own distributing agent.**
- C. Dates the association will conduct races as charity racing days OR:
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

11. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- A. Racing officials nominated:

Association Veterinarian(s)	Heather Kerr, D.V.M (Track Veterinarian)
	Joan Hurley, D.V.M. (CHRB Veterinarian)
	Diane Isbell, D.V.M. (Examining Veterinarian)
Clerk of Scales	Ken Sjoldal
Clerk of the Course	Tina Walker
Film Specialist	Ross Allardyce
Horse Identifier	Patrick Kealy
Horseshoe Inspector	Jack Hammonds
Paddock Judge	Linda Anderson
Patrol Judges	Paul Nicolo & Tammy McDuffie-Morris
Placing Judges	Ella Robinson & Myra Truitt
Starter	Todd Stephens
Timer	Richard Somers
- B. Management officials in the racing department:

Director of Racing	Sean Greely
Racing Secretary	Sean Greely
Assistant Racing Secretary	C. Gregory Brent, Jr.
Associate Racing Secretary	David Jerkens
Paymaster of Purses	Patricia Prospero
Others (identify by name and title)	
Main Track Superintendent	Juan Meza
Turf Track Superintendent	Calvin Rainey
Price Maker	Richard Somers
Stable Superintendent	Carrie Fawcett

- C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards: **Christine Niccoli
Niccoli Reporting Service, 619 Pilgrim Drive, Foster City, CA 94404-1707, (650) 573-9339**
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:
Plusmic Corp., USA, Bill O'Brien, Expires: December 31, 2010
- E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.
Pegasus Communications, Inc, Jim Porep, Jr., System maintained in house, Equipment contract expires: March 5, 2013. List of camera locations attached.
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:
Pacific Racing Association maintains Pegasus Communication timing equipment with timers located at the ¼, ½, ¾, and mil poles. Equipment contract expires March 5, 2013.

12. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.
**T.W. Johnson, Security Manager is responsible for security on site.
Security Department organizational chart is attached.
Security Department phone number (510) 559-7370
Stable Security phone number (510) 559-7533
T.W. Johnson cell phone number (510) 418-3161**
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: **29**
1. Attach a written plan for enhanced security for graded stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns. **Attached**
 2. Detention Barns:
 - A. Attach a plan for use of graded stakes or overnight races.
**6 hour surveillance prior to race in Graded Stakes with purses of \$100,000 or over
24 hour surveillance in detention barn for Trainers with high-test results and repeat offenders**
 - B. Number of security guards in the detention barn area during a 24-hour period.
Four Security Guards
 - C. Describe number and location of surveillance cameras in detention barn area.
Attached

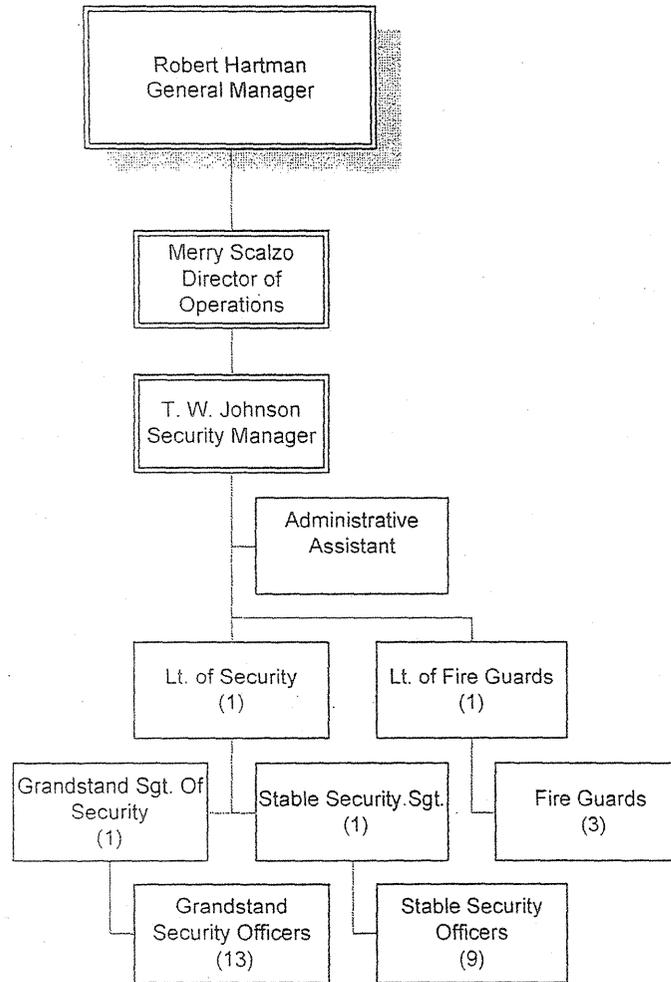
**Attachment to Golden Gate Fields License I Application
11 (E):**

Track Camera Equipment:

There are a total of seven (7) cameras placed at the following strategic locations around the race track:

7/8 Pole
3/8 Pole
1/4 Pole
Paddock
Starting Gate
(2) Pan Cameras on Roof

GOLDEN GATE FIELDS 2009
SECURITY DEPARTMENT ORGANIZATIONAL CHART
ATTACHMENT 12A



Attachment to Golden Gate Fields License Application
12B (1) and 12B (2):

SECURITY CONTROLS

Graded Stakes and Races of \$100,000 or more

The following procedures have been put in place at Golden Gate Fields to ensure that proper security surveillance guidelines for races of \$100,000 or more are followed:

- Carrie Fawcett, Stable Superintendent, provides a list of starters to T. W. Johnson, Director of Security which includes the following information:
 1. Name of horse
 2. Name of trainer
 3. Barn number
 4. Stall number
- Supplemental security staff, provided by a licensed security contractor and licensed by the CHRB, are called in the morning of the race to meet with the Director of Security for the following instruction:
 - A. An overview of the race track operating procedures
 - B. A briefing of their duties throughout the day
 - C. All guards are asked to sign out for their specific video camera
 - D. A form is provided by the CHRB to each guard which is to be signed by the attending veterinarian when administering medication to bleeders.
 - E. Each guard is given a video camera to record ALL activities involving individuals entering and exiting their assigned stall. Instruction is given to first record the posted number on the stall to confirm that the camera is directed at the assigned horse.
 - F. Instruction is given to monitor any and all suspicious activity and to contact the Director of Security if and when suspicious activity occurs.
 - G. Guards are instructed to position themselves as close to the horse's stall without jeopardizing safety.
 - H. The horse and handler will be followed on foot by each guard to the receiving barn before the race.
 - I. After all horses are safely in the receiving barn, the guards are instructed to meet in the Security office with the Director of Security. The guards sign that they have returned their video camera and participate in a discussion of the day's surveillance activities.
- Surveillance videotapes are saved until all test results have received a negative result.

**Attachment to Golden Gate Fields License Application
12B (2) and 12C (1):**

Detention Barn Surveillance:

Barn #44 contains 27 stalls and is utilized as our Transit and Detention Barn. The surveillance system in place contains cameras strategically placed to monitor entrances and exits along with a camera monitoring each stall.

The camera equipment is connected to a digital recording system which is kept in a secured area with a power back-up in place.

Stable Gate Surveillance:

Cameras are strategically placed to monitor all activities at the Main Stable Gate and the Horsemen Walk-In Gate.

3. TCO2 Testing:

A. Number of races to be tested, and number of horses entered in each race to be tested.
Every horse in every race has been tested since early January 2005

B. Plan for enhanced surveillance for trainers with high-test results.
24 Hour detention and video surveillance prior to the race

C. Plan for detention barns for repeat offenders.
Assigned to detention barns with 24 hour surveillance

D. Number of security personnel assigned to the TCO2 program.
As needed per the direction of CHRB staff

C. Describe the electronic security system:

1. Location and number of video surveillance cameras for the detention barn and stable gate.
Attached

D. For night racing associations. Describe emergency lighting system: **Not Applicable.**

13. EMERGENCY SERVICES

A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:

**Brad Winding Turf Rescue, LLC, 19615 Barclay Road, Castro Valley, CA 94546,
(510) 581-8470**

B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:

Pleasanton – American Medical Response, 640-143rd Ave., San Leandro, CA 94577, 510-895-7600

C. Describe the on-track first aid facility, including equipment and medical staffing: **Attached**

D. Name and emergency telephone number of the licensed physician on duty during the race meeting:
(If quarter horse racing association see D(1):

Dr. David Seftel

Office Number: 510-559-7375, Cell Number: 650-520-6204

1. Name address and emergency telephone number of hospital located within 1.5 miles of the racetrack, which whom an agreement is in place to provide emergency medical services:

N/A

E. Name, address and emergency telephone number of the hospital to be used for admittance and treatment of emergency injuries in the event of an on-track injury to a jockey:

Alta Bates Summit Medical Center, 2450 Ashby, Berkeley, CA 94705 (510) 204-4444

F. Attach, in English and Spanish, the emergency medical plan procedures that will be posted in each jockey's room to be used in the event of an on-track injury to a jockey: **Attached**

G. Name of health and safety manager and assistant manager responsible for compliance of health and safety provisions pursuant to B& P Code 19481.3(d):

Roy Roenbeck, Director of Safety and Compliance

Calvin Rainey, Assistant General Manager, serves as Assistant Safety Manager.

GOLDEN GATE FIELDS
ATTACHMENT 12B (3)

EXHIBIT A

Track is entitled to perform physiological tests consisting of the taking of blood samples from owners' horses entered in races to be conducted at the 2008/2009 race meets. It is the understanding of the parties that such samples will be tested for bicarbonate levels. Trainers of horses showing a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, and owners' horses within their control, will be subject to the following:

- 1st Incidence** - For the first test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, subject to surveillance for a period of 45 days from the date set by the TCO₂ Committee. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that TRACK deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 30 days from the date set by the TCO₂ Committee, will be quarantined to a Protection Barn beginning at noon on the day before said horse is scheduled to compete. The costs of such quarantine/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant for stall renovation, per day, being born by the trainer or owner of such horse.
- B. 2nd Incidence** - For the second test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, which occurs within three years of a prior incidence, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, under surveillance for a period of 75 days from the date set by the TCO₂ Committee. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that TRACK deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 60 days from the date set by the TCO₂ Committee, will be quarantined to a Protection Barn beginning at noon the day before said horse is scheduled to compete. The costs of such quarantine/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant for stall renovation, per day, being born by the trainer or owner of such horse.

- C. **3rd Incidence** - For the third test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, which occurs within three years of a prior incidence, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, under surveillance for a period of 105 days from the date set by the TCO₂ Committee. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that TRACK deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 90 days from the date set by the TCO₂ Committee, will be quarantined to a Protection Barn beginning at noon the day before said horse is scheduled to compete. The costs of such quarantine/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant for stall renovation, per day, being born by the trainer or owner of such horse.

Track further agrees that it shall enforce these penalties when imposed as a result of similar contract provisions with other racing associations in California. By way of example only, Track agrees that should any horse running at its meet be subject to detention barn confinement as the result of a positive at another association, Track will continue to require detention barn confinement for the remainder of said 30 day period. Also by way of example, should a trainer have a TCO₂ positive or positives at a race meet other than its own and a subsequent positive at Track's race meet or at another associations meet, Track will enforce paragraph B, and may, at its discretion, enforce paragraph C above as though the original positive(s) had taken place at its meet.



Description of GGF Medical Clinic (Live Racing)

Services (Mission)

- Pre-race examinations on jockeys;
- Preventive & curative medical services for jockeys;
- Urgent care facility for jockeys;
- Assist CHRB in assessment of any impaired individuals;
- Urgent care for patrons & GGF employees.

Staffing

- Physician Medical Director ("Track Physician");
- Full-time Medical Assistant;
- Part-time Medical Assistant "Intern".

Equipment

- Advanced cardiac life support (ACLS) equipment;
- 12-Lead EKG;
- Lung function testing equipment;
- Ultrasound (for internal organ injury assessment);
- Blood work & hematology supplies & equipment;
- Basic surgical care supplies & equipment.

Availability

- One-hour before first posted race until one-to-two hours following last posted race;
- Extended hours for necessary follow-up care and/or upon request from track management or CHRB.

PROCEDIMIENTOS MÉDICOS EN EMERGENCIAS

PARA LESIONES DE JOCKEYS EN LA PISTA

"PRIMERA RESPUESTA"

- En caso de accidente, los comisarios y/o escoltas deberán contactar inmediatamente al Médico de Pista ("Jockey Abajo") usando el canal de radio n°7 (*salvo que el Médico de Pista sea testigo directo del accidente*);
- La Ambulancia para Humanos de GGF (con personal de emergencias médicas contratado por GGF) y el Médico de Pista (transportado a través del camión de "chase" o "Vet" de GGF) deberá acudir en forma inmediata al lugar del accidente;
- Los médicos que asistan deberán estar equipados con soporte vital cardíaco avanzado (ACLS) y otros equipos y elementos necesarios para el tratamiento médico;
- El Médico de Pista hará una "evaluación en el lugar" de las lesiones del jockey.



"EVALUACIÓN EN EL LUGAR"

- En base a la "evaluación en el lugar" de lesiones por parte del Médico de Pista, se tomará una decisión acerca de si tratar al jockey lesionado en el lugar o pedir transporte de emergencia médica para un tratamiento en un hospital o centro de salud;
 - Si se considera suficiente el tratamiento en el lugar, la Ambulancia para Humanos de GGF trasladará al jockey lesionado directamente a la Clínica Médica de GGF; o,
 - Si se considera necesario un tratamiento fuera del lugar, se usará el "911" para pedir una ambulancia del Departamento de Bomberos de la Ciudad de Albany (*un camión del Departamento de Bomberos también acudirá*).



"TRATAMIENTO DE LA LESIÓN"

- Si el jockey lesionado recibe tratamiento en la Clínica Médica de GGF, el Médico de Pista será el que proporcione atención primaria a menos que (o hasta que) el Médico de Pista dé de alta al paciente en base a su juicio médico;
- Si se requiere que acuda la ambulancia del Departamento de Bomberos de la Ciudad de Albany, el jockey lesionado será transferido a esta ambulancia (*acompañado por el Médico de Pista*) en cualquiera de los siguientes lugares para luego ser trasladado a un hospital local;
 - Si se considera que las lesiones son menos severas, el jockey será trasladado por la Ambulancia Humana de GGF a una ubicación fuera de la pista para ser recogido por la ambulancia del Departamento de Bomberos de la Ciudad de Albany; o,
 - Si se considera que las lesiones son severas y no puede moverse al jockey, la ambulancia del Departamento de Bomberos Ciudad de Albany será conducida por el personal de seguridad de GGF directamente sobre la pista para recoger al paciente.

EMERGENCY MEDICAL PROCEDURES FOR ON-TRACK INJURY TO JOCKEYS

"FIRST RESPONSE"

- In the event of an accident, the Stewards and/or Outriders shall immediately contact the Track Physician ("Jockey Down") using Radio Channel #7 *(or the accident may very well be witnessed directly by the Track Physician)*;
- The on-track GGF Human Ambulance (manned by GGF-contracted EMTs) and the Track Physician (transported via the GGF "chase" or "Vet" truck) shall respond immediately to the site of the accident;
- The attending medical professionals shall arrive equipped with advanced cardiac life support (ACLS) and other necessary acute medical treatment equipment & supplies;
- An "on-site evaluation" of injuries to the jockey(s) shall be made by the Track Physician.



"ON-SITE EVALUATION"

- Based on the Track Physician's "on-site evaluation" of injuries, a decision shall be made to either treat the injured jockey(s) on-site or to request emergency medical transport for off-site treatment at a hospital trauma center;
 - If on-site treatment is deemed sufficient, the GGF Human Ambulance shall transport the injured jockey(s) directly to the GGF Medical Clinic; or,
 - If off-site treatment is deemed necessary, "911" shall be used to summon a City of Albany Fire Dept. ambulance *(a Fire Dept. truck shall also respond)*.



"INJURY TREATMENT"

- If the injured jockey(s) is treated at the GGF Medical Clinic, the Track Physician shall be the primary care provider unless (or until) the Track Physician surrenders custody of the patient based on his/her medical judgment;
- If the City of Albany Fire Dept. ambulance is summoned to respond, the injured jockey(s) shall be transferred to this ambulance *(accompanied by the Track Physician)* at either of the two following locations for transport to a local hospital;
 - If the injuries are deemed less severe, the jockey will be transported by the GGF Human Ambulance to an off-track location for pick-up by the City of Albany Fire Dept. ambulance; or,
 - If the injuries are deemed severe and the jockey(s) cannot be moved, the City of Albany Fire Dept. ambulance will be escorted by GGF security personnel directly onto the track for patient pickup.

In consultation with the Track Physician, an "Accident/Injury Investigation Report" must be completed by track management following completion of the above-noted procedures.

(REV 1.0, JUNE 2007)

- H. Attach a fire clearance from the fire authority having jurisdiction over the premises.
Berkeley fire clearance on file.
Albany fire clearance attached.
- I. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details): **Liberty International - #WC1-B71-072827-039**
- J. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation.
Attached.

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall pursuant to B&P Code 19481.3 maintain, staff, and supply an on-track first aid facility, that may be either permanent or mobile, and which shall be staffed and equipped as directed by the board. A qualified and licensed physician shall be on duty at all times during live racing, except that this provision shall not apply to any quarter horse racing at the racetrack if there is a hospital situated no more than 1.5 miles from the racetrack and the racetrack has an agreement with the hospital to provide emergency medical services to jockeys and riders. An ambulance licensed to operate on public highways provided by the track shall be available at all times during live racing and shall be staffed by two emergency medical technicians licensed in accordance with Division 2.5 (commencing with Section 1797) of the Health and Safety Code, one of whom may be an Emergency Medical Technician Paramedic, as defined in Section 1797.84 of the Health and Safety Code. (b) Each racing association and racing fair shall adopt and maintain an emergency medical plan detailing the procedures that shall be used in the event of an on-track injury. The plan shall be posted in each jockey room in English and Spanish. (c) Prior to every race meeting, the racing association or racing fair shall contact area hospitals to coordinate procedures for the rapid admittance and treatment of emergency injuries. (d) Each racing association or racing fair shall designate a health and safety manager and assistant manager, who shall be responsible for compliance with the provisions of this section and one of whom shall be on duty at all times when live racing is conducted. The health and safety manager may, at the discretion of the racing association, be the person designated to perform risk management duties on behalf of the association.

14. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, other than those already identified, and the goods and/or services to be provided by each:

- Tip Sheets** **Jack's Blue Card, 127 Sun Avenue, Hayward, CA 94544**
- Armored Car Services** **Loomis Armored Car, P.O. Box 44196, San Francisco, CA 94144**
- Track Physician** **Dr. David Seftel, Conocen Corp., 20066 Austin Lane, Castro Valley, CA 94546**
- Official Program** **Del Mar Graphics, 1100 Eastshore Highway, Albany, CA 94706**
- Jockey's Laundry** **F. Lorene Dutton, Bailey's Mobile Laundry, 3263 Vineyard Ave., Pleasanton, CA 94566**
- Starting Gate** **Mike Costello, United Puett Starting Gate Co., P.O. Box 18, S. Salem, NY 10590**
- Track Photographer** **Bill Vassar, Vassar Photography, 1167 Sapphire Drive, Livermore, CA 94550**



City of Albany

1000 SAN PABLO AVE. • ALBANY, CALIF. 94706 • TELEPHONE (510) 528-5775 • FAX (510) 528-5774

FIRE DEPARTMENT
FIRE PREVENTION BUREAU

June 23, 2009

Calvin Rainey
Vice-President and Assistant General Manager
Golden Gate Fields
1100 Eastshore Highway
Albany, CA 94706

Dear Mr. Rainey

On June 11 & 15, 2009, this office under the Fire Prevention Code, NFPA 1, conducted a Fire and Life Safety inspection and the Fundamental Requirements listed in the *Life Safety Code*, NFPA 101, Chapter 2, the 2007 California Fire Code and California Code of Regulations. Listed below are the results of the inspection and code references. All areas of Golden Gate Fields Race Track, within the jurisdiction of the Albany Fire Department have been inspected. Areas that have been inspected include the Administration Offices, kitchens, public areas and non-public areas of the Club House & Turf Club, public areas and non-public areas of A & B Decks, snack shops on all levels, underground level, Jockeys building, Equine Hospital and the Corporation Yard.

GENERAL

These buildings are in good condition. Housekeeping in the public and non-public areas are maintained, fire extinguishers and existing exit/panic hardware and egress doors are in operational condition. Several of the emergency illumination devices need replacement of their back-up battery; all other emergency illumination devices and Exit signs are in good working order. The fire alarm system had an annual test in February 2009 with no deficiencies or problems noted at that time. However, recent problems with the Fire Alarm System is indicating that the FACP (Fire Alarm Control Panel) is getting old and a new upgraded FACP may be in the near future. If the fire alarm system fails, notification to the fire department and fire watch of the all facilities at GGF shall commence immediately. All other Fire & Life Safety requirements appear to be in order.

Letter of Correction Notices for GGF Main Building – Administration Offices, Public & Non Public Areas Turf Club, Club House, A & B Decks, Jockeys Room, Equine Hospital and Corporation Yard shall follow under separate cover.

Conditional Fire Clearance

Conditional fire clearance is granted to Golden Gate Fields for the August 12, 2009 through December 20, 2009 Racing Season. Including California Authority of Racing Fairs (CARF) August 12, 2009 – August 23, 2009 and September 9, 2009 – October 4, 2009; and the Pacific Racing Association (GGF) October 21 – December 13, 2009 and December 16, 2009 – December 20, 2009. During the course of the August/December 2009 Racing Season, the Albany Fire Prevention Bureau will conduct periodic Fire & Life Safety Inspections. In the event of a flagrant Fire or Life Safety violation, their August – December 2009 clearance will be revoked.

If you have any questions, please do not hesitate to contact me at (510) 528-5775.

Sincerely,



Brian J. Crudo
Battalion Chief/Fire Marshal

cc: Marc McGinn, Fire Chief
Andrea Ogden, C.H.R.B.
Peter Tunney, Vice-President, GGF
Robert Hartman, General Manager, GGF
Merry Scalzo, Director of Operations, GGF
Roy Roenbeck, Director of Safety and Compliance, GGF

Ref. No. 320005955745

CERTIFICATE OF INSURANCE

Aon Reed Stenhouse Inc.
20 Bay Street
Toronto ON M5J 2N9
tel 416-868-5500 fax 416-868-5580

Re: Evidence of Insurance

California Horse Racing Board
Attention : Insurance Department
1010 Hurley Way
Sacramento, CA 95825
USA

Insurance as described herein has been arranged on behalf of the Insured named herein under the following policy(ies) and as more fully described by the terms, conditions, exclusions and provisions contained in the said policy(ies) and any endorsements attached thereto.

Insured

Magna Entertainment Corp a/o Pacific Racing Association
a/o Golden Gate a/o MI Developments Inc.
375 Magna Drive
Aurora, ON L4G 7L6

Coverage

Commercial General Liability	Insurer	Zurich American Insurance Company	
Policy #	GLO 9302183-07		
Effective	01-Apr-2009	Expiry	01-Apr-2010
Limits of Liability	Bodily Injury & Property Damage, Each Occurrence USD2,000,000 Policy may be subject to a general aggregate and other aggregates where applicable		
US Workers Comp/Employers Liability	Insurer	Liberty Mutual Insurance Company	
Policy #	WC1-B71-072827-039		
Effective	01-Jan-2009	Expiry	01-Jan-2010
Limits of Liability	Workers Compensation		

THIS CERTIFICATE CONSTITUTES A STATEMENT OF THE FACTS AS OF THE DATE OF ISSUANCE AND ARE SO REPRESENTED AND WARRANTED ONLY TO THE INSURED. OTHER PERSONS RELYING ON THIS CERTIFICATE DO SO AT THEIR OWN RISK.

Aon Reed Stenhouse Inc.



Dated: 30-March-2009
Issued By: Chan, Chunhang
Tel: 416-868-5691

THE POLICY CONTAINS A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE
OR, IN THE CASE OF AUTOMOBILE INSURANCE,
THE POLICY CONTAINS A PARTIAL PAYMENT OF LOSS CLAUSE

15. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

A. Describe any promotional plans:

The tentative 2009 Fall promotional/giveaway schedule is listed below (subject to change).

October 21, 2009 - Opening Day

- Direct Mail Offer – Fans on GGF Mailing List will receive two complimentary Turf Club Admission Passes and Valet Parking.

October 22, 2009

- Direct Mail Offer – Fans on GGF Mailing List will receive two complimentary Turf Club Admission Passes and Valet Parking.
- Senior Thursday – Senior Citizens 62 and Older will receive FREE Club House or FREE Grandstand Admission with a THOROUGHBREDS card.

October 23, 2009

- Direct Mail Offer – Fans on GGF Mailing List will receive two complimentary Turf Club Admission Passes and Valet Parking.

October 24, 2009

- Hooded Sweatshirt Giveaway where all fans will receive one giveaway item with paid admission while supplies last.
- Saturday Handicapping Contest.

October 25, 2009

- NFL \$1 Day – Fans will receive \$1 General Admission, \$1 General Parking, \$1 Program, \$1 Hot Dog, \$1 Soda, and \$1 Beer. Fans can watch all football games from the NFL ticket in a new designated NFL zone.

October 29, 2009

- Senior Thursday – Senior Citizens 62 and Older will receive FREE Club House or FREE Grandstand Admission with a THOROUGHBREDS card.

October 31, 2009

- Ghostly Gate Fields – Halloween Family Day.
- Saturday Handicapping Contest.

November 1, 2009

- NFL \$1 Day – Fans will receive \$1 General Admission, \$1 General Parking, \$1 Program, \$1 Hot Dog, \$1 Soda, and \$1 Beer. Fans can watch all football games from the NFL ticket in a new designated NFL zone.

November 5, 2009

- Senior Thursday – Senior Citizens 62 and Older will receive FREE Club House or FREE Grandstand Admission with a THOROUGHBREDS card.

November 6, 2009 – Breeders' Cup

- CMC Mystery Mutuel Voucher – Fans on GGF Mailing List will receive a complimentary voucher.

November 7, 2009 – Breeders' Cup

- CMC Mystery Mutuel Voucher – Fans on GGF Mailing List will receive a complimentary voucher.
- Saturday Handicapping Contest.

November 8, 2009

- NFL \$1 Day – Fans will receive \$1 General Admission, \$1 General Parking, \$1 Program, \$1 Hot Dog, \$1 Soda, and \$1 Beer. Fans can watch all football games from the NFL ticket in a new designated NFL zone.
- Toys-4-Tots Toy Drive.

November 12, 2009

- Senior Thursday – Senior Citizens 62 and Older will receive FREE Club House or FREE Grandstand Admission with a THOROUGHBREDS card.

November 14, 2009

- Wall Clock Giveaway where all fans will receive one giveaway item with paid admission while supplies last.
- Weiner Nationals Championship at UC Berkeley football game half-time festivities.
- Saturday Handicapping Contest.

November 15, 2009

- NFL \$1 Day – Fans will receive \$1 General Admission, \$1 General Parking, \$1 Program, \$1 Hot Dog, \$1 Soda, and \$1 Beer. Fans can watch all football games from the NFL ticket in a new designated NFL zone.

November 19, 2009

- Senior Thursday – Senior Citizens 62 and Older will receive FREE Club House or FREE Grandstand Admission with a THOROUGHBREDS card.

November 21, 2009

- Food Drive.
- Saturday Handicapping Contest.

November 22, 2009

- NFL \$1 Day – Fans will receive \$1 General Admission, \$1 General Parking, \$1 Program, \$1 Hot Dog, \$1 Soda, and \$1 Beer. Fans can watch all football games from the NFL ticket in a new designated NFL zone.

November 26, 2009 - Thanksgiving

- Senior Thursday – Senior Citizens 62 and Older will receive FREE Club House or FREE Grandstand Admission with a THOROUGHBREDS card.

November 27, 2009

- Day on Us - Fans on GGF Mailing List will receive two Complimentary Turf Club Admission Passes, Valet Parking, Complimentary Racing Form and a Program.

November 28, 2009

- Day on Us - Fans on GGF Mailing List will receive two Complimentary Turf Club Admission Passes, Valet Parking, Complimentary Racing Form and a Program.
- Saturday Handicapping Contest.

November 29, 2009

- Day on Us - Fans on GGF Mailing List will receive two Complimentary Turf Club Admission Passes, Valet Parking, Complimentary Racing Form and a Program.
- NFL \$1 Day – Fans will receive \$1 General Admission, \$1 General Parking, \$1 Program, \$1 Hot Dog, \$1 Soda, and \$1 Beer. Fans can watch all football games from the NFL ticket in a new designated NFL zone.

December 3, 2009

- Senior Thursday – Senior Citizens 62 and Older will receive FREE Club House or FREE Grandstand Admission with a THOROUGHBREDS card.

December 5, 2009

- Grab Bag Giveaway where all fans will receive one giveaway item with paid admission while supplies last.
- Saturday Handicapping Contest.

December 6, 2009

- NFL \$1 Day – Fans will receive \$1 General Admission, \$1 General Parking, \$1 Program, \$1 Hot Dog, \$1 Soda, and \$1 Beer. Fans can watch all football games from the NFL ticket in a new designated NFL zone.

December 10, 2009

- Senior Thursday – Senior Citizens 62 and Older will receive FREE Club House or FREE Grandstand Admission with a THOROUGHBREDS card.

December 11, 2009

- Daily Racing Form Handicapping Contest.

December 12, 2009

- Daily Racing Form Handicapping Contest.

December 13, 2009

- NFL \$1 Day – Fans will receive \$1 General Admission, \$1 General Parking, \$1 Program, \$1 Hot Dog, \$1 Soda, and \$1 Beer. Fans can watch all football games from the NFL ticket in a new designated NFL zone.
- Daily Racing Form Handicapping Contest.

B. Number of hosts and hostesses employed for meeting:

4 Customer Service Representatives

5 Group Sales Representatives

C. Describe facilities set aside for new fans:

Project Rover – Initiated a customer service outreach program called “Project Rover” that brings customer service representatives directly to the fans.

Customer Service – Our customer service center is open year round with trained customer service representatives to assist fans with general racing information, maintain our frequent fan club known as the THOROUGHBREDS, and assist with XpressBet sign ups and account maintenance.

NFL End Zone – A specific area in the Grandstand designated as the “NFL End Zone” where fans can watch all the football games shown on the NFL ticket on \$1 Sundays during the race meet. The area will be furnished with several plasma televisions, game area, and sufficient seating to enjoy the day’s football games.

Manager on Duty Program – This program was designed to ensure interaction between managers, employees and the fans. There are 16 managers in rotation who are assigned specific days in which they interact with the fans to help with any questions while doing a site inspection for safety and cleanliness.

Group Sales Contest Area – All group attendees can enter contests for prizes which creates a festive atmosphere where people can mingle and share their handicapping prowess.

D. Describe any improvements to the physical facility in advance of the meeting that directly benefit:

1. Horsesmen

- Renovated Tapeta® synthetic racing surface by adding wax and fibers.
- Maintain the Owner/Trainer Lounge that includes a business center and morning workout viewing area in close proximity to the Paddock.
- Extensive repairs/renovations to the barn area bathrooms.
- Barn area repairs to dormitories including general repairs, flooring, window replacements, etc.
- Replaced/repared ~40 fire extinguisher boxes in the barn area.

2. Fans

- Creating a new, designated area in the Grandstand named the "NFL End Zone" which includes the addition of ~15 televisions, games, etc. for fans to watch football games broadcast through the NFL Ticket.
- Added new concession tents to provide upgraded areas for fans to purchase \$1 items on NFL \$1 Sundays.

2. Facilities in the restricted areas Equine Hospital

16. SCHEDULE OF CHARGES

A. Proposed charges, note any changes from the previous year:

Admission (general)	\$4.00
Admission (club house)	\$6.00
Admission (turf club)	\$10.00 Weekdays
Admission (turf club)	\$15.00 Weekends & Holidays
Reserved seating (general)	N/A
Reserved seating (clubhouse)	\$3.00 (No charge with Thoroughbreds card)
Parking (general)	\$4.00
Parking (preferred)	\$8.00
Parking (valet)	\$8.00
Programs (on-track)	\$2.25
(off-track)	\$2.25

Thoroughbred Club Members

General Admission:		Club House Admission:	
1-3 Visits	\$3.00	1-3 Visits	\$4.00
4-8 Visits	\$2.50	4-8 Visits	\$3.50
9-15 Visits	\$2.00	9-15 Visits	\$3.00
16-20 Visits	\$1.50	16-20 Visits	\$2.50
Over 20 Visits	\$1.00	Over 20 Visits	\$2.00
		Reserved seating	Free

Thoroughbred Club Prepaid Admissions

Valid during live and ITW

TB Club Members can purchase a minimum of 30 Prepaid G/A admissions @ \$1.75 each
 TB Club Members can purchase a minimum of 15 Prepaid C/H admissions @ 3.50 each

B. Describe any "Season Boxes" and "Turf Club Membership" fees:

Turf Club – Full Season Single Membership	\$ 1,000.00
Turf Club – Full Season Dual Membership	\$ 2,000.00
Top of the Stretch – Full Season Membership	\$ 500.00
Club House Box (4 seats, no admission)	\$ 450.00
Club House Season Pass (Admission only)	\$ 400.00
Grandstand Season Pass (Admission only)	\$ 200.00

C. Describe any "package" plans such as combined parking, admission and program: None

17. JOCKEYS/DRIVERS' QUARTERS

A. Check the applicable amenities available in the jockeys/drivers' quarters:

<input checked="" type="checkbox"/> Corners (lockers and cubicles)	How many	<input type="text" value="23"/>
<input checked="" type="checkbox"/> Showers	<input checked="" type="checkbox"/> Steam room, sauna or steam cabinets	<input checked="" type="checkbox"/> Lounge area
<input checked="" type="checkbox"/> Masseur	<input checked="" type="checkbox"/> Food/beverage service	<input checked="" type="checkbox"/> Certified platform scale

- B. Describe the quarters to be used for female jockeys/drivers:
Fifteen by twenty foot room accessed from a community hallway. The room has a television and bed with an attached shower room, sink and toilet.

18. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing was completed by (name) _____ on (date) _____
CHRB to schedule inspection with Carrie Fawcett, Stable Superintendent.
- B. Number of rooms used for housing on the backstretch of the racetrack: **128**
- C. Number of restrooms available on the backstretch of the racetrack:
18 with showers, 7 in office areas.
- D. Estimated ratio of restroom facilities to the number of backstretch personnel:
1 restroom for every 12 people.

19. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line:

5,280

 feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
Inner and outer railings are metal gooseneck. Coverings are Rider Protection Rail by Horsemen's Track & Equipment, Inc. Approximate height of the top of the inner railing is 42 inches.
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474:
Juan Meza
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On File**
- E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **Not applicable.**

20. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): **No exceptions.**
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044.
CTT Agreement on file with the Board.
TOC Agreement on file with Board.
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). **Not applicable.**
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **No exceptions.**
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): **No exceptions.**

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

21. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

Robert Hartman
Print Name


Signature

General Manager
Print Title

7/19/09
Date

20. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): **No exceptions.**
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044.
CTT Agreement on file with the Board.
TOC Agreement on file with Board.
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). **Not applicable.**
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **No exceptions.**
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): **No exceptions.**

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

21. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

Print Name

Signature

Print Title

Date

STAFF ANALYSIS
REPORT FROM THE PACIFIC RACING ASSOCIATION
AND DISCUSSION BY THE BOARD REGARDING THE STATUS OF
THE APPLICATION FOR LICENSE TO OPERATE A
MINISATELLITE WAGERING FACILITY AT
PETE'S TAVERN, SAN FRANCISCO, CALIFORNIA, AND
SOTTO MARE OYSTERIA, SAN FRANCISCO, CALIFORNIA

Regular Board Meeting
August 27, 2009

BACKGROUND

At the July 23, 2009, Regular Board Meeting, Pacific Racing Association (PRA) submitted applications for license to operate a minisatellite wagering facility at Pete's Tavern in San Francisco, California, and the Sotto Mare Oysteria, in San Francisco, California. The County of San Mateo, on behalf of the San Mateo Event Center (SMEC), raised objections to both applications. The objections were based on the claim by the County of San Mateo that both applicants were located within a 20-mile radius of the SMEC. After an extended discussion regarding the applications and the intent of the enabling statute was held, the Board determined it would table consideration of the applications to give the parties time to negotiate an agreement. At that time Chairman Harris stated the parties should realize there could be legislation to clarify the intent of the 20-mile buffer with regards to the placement of minisatellites in San Francisco and surrounding areas.

Subsequent to the July meeting of the Board, PRA has submitted a request to withdraw the applications for license to operate a minisatellite wagering facility at Pete's Tavern and Sotto Mare Oysteria, in San Francisco, California, due to business related decisions. They request the right to reapply upon the resolution of the 20-mile limitation.

RECOMMENDATION

This item is presented for Board discussion. A representative of the PRA is prepared to provide a report to the Board.

Golden Gate Fields

August 14, 2009

Kirk Breed
California Horse Racing Board
1010 Hurley Way Suite 300
Sacramento, CA 95825

Re: PRA Minisatellite Applications

Dear Kirk:

Pacific Racing Association is requesting the withdrawal of the Pete's Tavern and Sotto Mare Oysteria mini-satellite applications due to business related decisions. We respectfully request the right to reapply at a later date if there is some resolution regarding the 20-mile limitation. Thank you in advance for your consideration.

Sincerely,



Robert Hartman
General Manager

Cc: CHRB Sacramento Office; Jackie Wagner, Andrea Ogden

STAFF ANALYSIS

August 27, 2009

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE OAK TREE RACING ASSOCIATION AT SANTA ANITA SEPTEMBER 30, 2009 THROUGH NOVEMBER 8, 2009.

Oak Tree Racing Association filed its application to conduct a thoroughbred horse racing meeting at Santa Anita:

- September 30 through November 8, 2009, or 31 days, 5 more than 2008. The association proposes to race 268 races, or 8.65 per day. In 2008 they raced 8.35 races per day with an average of 8.87 runners per race. The (actual) average daily purse for the 2008 meet was \$450,695. The (estimated) average daily purse for this meet is \$377,214.
- The race dates proposed are the dates the Board allocated.

September - 2009						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7 H	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

October - 2009						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
4	5	6				
11	12	13				
18	19	20				
25	26	27				

November - 2009						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

- Racing 5 days per week, Wednesday through Sunday, with 8 races weekdays, 9 opening day, weekends and Monday, October 12. 10 Saturday, October 3, California Cup Day. 9 races Friday, November 6, Breeders Cup. 10 races November 7, Breeders Cup.
- Racing concurrently with the Fresno District Fair (exception October 14th) and Pacific Racing Association.
- First post 1:00 p.m. weekdays and 12:30 p.m. weekends and holidays.
 - 12:00 p.m. October 3, California Cup Day
 - 11:25 a.m. Friday, November 6, Breeders Cup (tentative)
 - 10:10 a.m. Saturday, November 7, Breeders Cup.(tentative)
 - 12:00 p.m. Sunday, November 8, Closing Day
- Request Jennifer Paige to be appointed horse identifier pursuant to CHRB Rule 1525.
- A track safety inspection has been requested and will be completed before the beginning of the race meet.
- Wagering program will use CHRB and ARCI rules.
 - Early wagering 8:30 a.m. to 10:00 a.m.
- The Advance Deposit Wagering (ADW) providers are Twin Spires, YouBet, TVG and Xpressbet.
- Simulcasting conducted with other out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.

- Inspection of backstretch worker housing has been requested and will be completed before the beginning of the race meeting.

RECOMMENDATION:

Staff recommends the Board approve the application.

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD
APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING
CHRB-17 (Rev 12/06)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

A. Name, mailing address, telephone and fax numbers of association:

Oak Tree Racing Association
Santa Anita Park
285 W. Huntington Drive
Arcadia CA 91007

Telephone: 626/574-6345 or 574-7223
Fax Phone: 626/447-2940

B. Breed of horse: TB QH H

C. Racetrack name: Santa Anita Park

D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to B&P Code Section 19490.

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF MEETING

A. Inclusive dates for the entire meeting: September 30 through November 8, 2009

B. Actual dates racing will be held: September 30
October 1,2,3,4,7,8,9,10,11,12,14,15,16,17
18,21,22,23,24,25,28,29,30,31
November 1,4,5,6,7,8

C. Total number of days or nights of racing: 31 Days

D. Days or nights of the week races will be held:
 Wed - Sun Tues - Sat Other (specify)

E. Number of days or nights of racing per week: 5 Days
Exception: 6 days Monday, October 12 through Sunday, October 18

CHRB CERTIFICATION

Application received: 10/30/09
Deposit received: 10K
Reviewed: *[Signature]*

Hearing date: 8/27/09
Approved date:
License number:

3. RACING PROGRAM

- A. Total number of races: Estimate 268 (Includes Cal. Cup and Breeders' Cup)
- B. Number of races for each day or night: 8 races weekdays
 9 races Opening Day, Weekends and Monday, October 12; (*) with the option to program 10 races on such days.
 10 races Saturday, October 3, 2009 Cal. Cup Day
 9 races Friday, November 6, 2009 (Breeders' Cup) and
 10 races Saturday, November 7, 2009 (Breeders' Cup)
- C. Total number of stakes races: 40 Including California Cup Day and Breeders' Cup Days
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses.

See stakes schedule attached. Note: BC stakes not listed.

- E. Will provisions be made for owners and trainers to use their own registered colors?
 Yes No If no, what racing colors are to be used:

- F. List all post times for the daily racing program:

	Weekdays	Fridays (Except November 6)	Weekends & Holidays
Race 1	1:00 p.m.	2:00 p.m.	12:30 p.m.
Race 2	1:30 p.m.	2:30 p.m.	1:00 p.m.
Race 3	2:00 p.m.	3:00 p.m.	1:30 p.m.
Race 4	2:30 p.m.	3:30 p.m.	2:00 p.m.
Race 5	3:00 p.m.	4:00 p.m.	2:30 p.m.
Race 6	3:30 p.m.	4:30 p.m.	3:00 p.m.
Race 7	4:00 p.m.	5:00 p.m.	3:30 p.m.
Race 8	4:30 p.m.	5:30 p.m.	4:00 p.m.
Race 9	5:00 p.m. (When applicable)	4:30 p.m. (When applicable)	
Race 10	5:30 p.m. (When Applicable)	5:00 p.m. (When applicable)	

Exceptions:

California Cup Day, October 3, 2009	12:00 PM
Breeders' Cup Friday, November 6, 2009	11:25 AM (Tentative)
Breeders' Cup Saturday, November 7, 2009	10:10 AM (Tentative)
Closing Day, Sunday, November 8, 2009	12:00 PM

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

4. RACING ASSOCIATION

- A. Association is a: Corporation (complete subsection C)
 LLC (complete subsection D)
 Other (specify, and complete subsection E)

RACE DATE	RACE	2008 PURSE	2009 PURSE	AGE	DISTANCE
Wed, Sep 30	THE MORVICH HANDICAP (G III)	\$100,000+	\$100,000	\$90,000 3 & UP	abt 6 1/2 F (T)
Sat, Oct 3	CALIFORNIA CUP CLASSIC	\$250,000	\$200,000	3 & UP (CA)	1 1/8 M
Sat, Oct 3	CALIFORNIA CUP MILE	\$175,000	\$125,000	3 & UP (CA)	1 M (T)
Sat, Oct 3	CALIFORNIA CUP MATRON	\$150,000	\$100,000	F/M, 3 & UP (CA)	1 1/16 M
Sat, Oct 3	CALIFORNIA CUP SPRINT	\$150,000	\$100,000	3 & UP (CA)	6 F
Sat, Oct 3	CALIFORNIA CUP DISTAFF	\$150,000	\$100,000	F/M, 3 & UP (CA)	abt 6 1/2 f (T)
Sat, Oct 3	CALIFORNIA CUP JUVENILE (COLTS & GELDINGS)	\$125,000	\$100,000	2 YO (CA)	7 F
Sat, Oct 3	CALIFORNIA CUP JUVENILE (FILLIES)	\$125,000	\$100,000	F, 2 YO (CA)	7 F
Sat, Oct 3	CALIFORNIA CUP DISTANCE HANDICAP	\$100,000	\$75,000	F/M, 3 & UP (CA)	1 1/4 M (T)
Sat, Oct 3	CALIFORNIA CUP STARTER HANDICAP	\$50,000	\$50,000	3 & UP (CA)	1 1/2 M (T)
Sat, Oct 3	CALIFORNIA CUP STARTER SPRINT HANDICAP	\$50,000	\$50,000	3 & UP (CA)	6 F
Sun, Oct 4	THE OAK LEAF STAKES (G I)	\$250,000	\$300,000*	\$225,000 F, 2 YO	1 1/16 M
Sun, Oct 4	THE NORFOLK STAKES (G I)	\$250,000	\$300,000*	\$225,000 2 YO	1 1/16 M
Sat, Oct 10	THE GOODWOOD STAKES (G I)	\$500,000	\$350,000	\$250,000 3 & UP	1 1/8 M
Sat, Oct 10	THE YELLOW RIBBON STAKES (G I)	\$400,000	\$300,000	\$275,000 F/M, 3 & UP	1 1/4 M (T)
Sat, Oct 10	THE LADY'S SECRET STAKES (G I)	\$250,000	\$300,000*	\$225,000 F/M, 3 & UP	1 1/16 M
Sat, Oct 10	THE OAK TREE MILE (G II)	\$200,000	\$150,000	\$135,000 3 & UP	1 M (T)
Sun, Oct 11	THE CLEMENT L. HIRSCH TURF CHAMPIONSHIP (G I)	\$250,000	\$300,000	\$275,000 3 & UP	1 1/4 M (T)
Sun, Oct 11	THE ANCIENT TITLE STAKES (G I)	\$250,000	\$300,000*	\$225,000 3 & UP	6 F
Mon, Oct 12	THE LOUIS R. ROWAN STAKES (formerly the Pine Tree Land Stakes)	\$65,000	\$65,000+	F/M, 3 & UP	6 1/2 F
Sat, Oct 17	THE SEN. KEN MADDY HANDICAP (G III)	\$100,000+	\$100,000	\$90,000 F/M, 3 & UP	
Sat, Oct 24	THE HAROLD C. RAMSER, SR. HANDICAP (G III)	\$100,000+	\$100,000	\$90,000 F, 3 YO	1 M (T)
Sat, Oct 31	THE JACK GOODMAN STAKES	\$75,000+	\$65,000+	2 YO	6 F
Sun, Nov 1	THE ANOAKIA STAKES	\$75,000+	\$65,000+	F, 2 YO	6 F
Fri, Nov 6	THE BREEDERS' CUP				
Fri, Nov 6	THE LAS PALMAS HANDICAP (G II)	\$250,000	\$200,000	F/M, 3 & UP	1 M (T)
Sat, Nov 7	THE BREEDERS' CUP				
Sat, Nov 7	THE OAK TREE DERBY (G II)	\$150,000	\$150,000	3 YO	1 1/8 M (T)
Sat, Nov 7	THE DAMASCUS STAKES	\$100,000+	\$100,000	3 YO	7 F
Sun, Nov 8	THE CASCAPEDIA STAKES	\$100,000+	\$65,000+	F, 3 YO	7 F
				\$2,105,000	

Supplemental nominations available for all stakes...

**Pending TOC Approval

+ Added Money * Includes Breeders' Cup Fund Money

B. Complete the applicable subsection and attached Addendum, Background Information and Ownership. Addendum A on file with the Board.

C. CORPORATION

1. Registered name of the corporation: Oak Tree Racing Association
2. State where incorporated: California
3. Registry or file number for the corporation: D5468-730
4. Names of all officers and directors, titles, and the number of shares of the corporation held by each:

Dr. Jack K. Robbins	President and Director
Sherwood C. Chillingworth	Executive Vice President, Director
Thomas R. Capehart	Vice-President-Secretary, Director
Dr. Rick M. Arthur	Vice-President-Assistant Secretary, Director
John H. Barr	Vice-President, Director
Richard Mandella	Vice-President, Director
Warren B. Williamson	Vice-President, Director
Robert W. Zamarripa	Vice-President, Director

Note: There are no shares of stock, but there are eight membership certificates issued; One to each Director. Oak Tree Racing Association is a not-for-profit and Non-dividend paying corporation.

5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each: None. Each Director owns one membership.
6. Number of outstanding shares in the corporation: Eight
7. Are the shares listed for public trading? Yes No
 If yes, on what exchange and how is the stock listed:
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation: Thomas R. Capehart, Vice President-Secretary
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity: N/A
10. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission. The licensee may submit the audited consolidated annual financial statements of its parent owner if the parent owner is a publicly traded company and guarantees the obligations of the licensee.
 Financial statements as of May 31, 2008, are presently being prepared by our independent auditors, Vicenti, Lloyd & Stutzman. It is anticipated that these statements will be completed by late August and will be promptly forwarded to the Board. Latest available statements as of May 31, 2007 are on file with CHRB.

D. LLC N/A

E. OTHER N/A

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.

F. Management and Staff

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:

Dr. Jack K. Robbins	President and Director
Sherwood C. Chillingworth	Executive Vice President & Managing Officer, Director
Thomas R. Capehart	Vice-President-Secretary, Director
Dr. Rick M. Arthur	Vice-President-Assistant Secretary, Director
John H. Barr	Vice-President, Director
Richard Mandella	Vice President, Director
Warren B. Williamson	Vice-President, Director
Robert W. Zamarripa	Vice-President, Director
Ron Charles	President, Los Angeles Turf Club, Incorporated
George Haines II	General Manager
Candace Coder-Chew	Director of Print & Graphics
Aaron Vercruysse	Director of Simulcast
Jason Spetnagel	Director of Facility & Grounds
Allen Gutterman	Director of Marketing
Randy Hartzell	Director of Mutuels
Dick Honaker	Director of Operations & Security
Gina Lavo	Controller
Pete Siberell	Director of Community Services & Special Projects
Ken Walker	Director of Industrial Relations
Amy J. Zimmerman	Director of Broadcasting
Nina Zukin	Director of Information Services
Trevor Denman	Public Address Commentator
Jay Cohen	Hornblower

2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:

Sherwood C. Chillingworth, Executive Vice President & Managing Officer,
Oak Tree Racing Association

5. PURSE PROGRAM

The 28 figure is used in the purse distribution category to keep the numbers consistent with prior and future meets. Cal Cup is always excluded as well as the Breeders' Cup both this year and last. The 29 figure is used under purse funds generated again excluding Breeders' Cup to keep consistency.

A. Purse distribution: *(All numbers exclude Breeders' Cup and California Cup days.)*

All races other than stakes: (28 days)
 1. Current meet estimate: \$6,720,000 (Not including \$26,300,000 in total
 Prior meet actual: \$6,577,000 Breeders' Cup distribution.)

Average Daily Purse (5A1 ÷ number of days):

Current meet estimate: \$ 240,000
 Prior meet estimate: \$ 285,990

2. Overnight stakes:
 Current meet estimate: \$ 260,000
 Prior meet actual: \$ 225,000

Average Daily Purse (5A2 ÷ number of days):

Current meet estimate: \$ 9,285
 Prior meet estimate: \$ 9,782

3. Non-overnight stakes: \$ 2,105,000
 Current meet estimate: \$ 2,200,000
 Prior meet actual:

Average Daily Purse (5A3 ÷ number of days):

Current meet estimate: \$ 75,178
 Prior meet estimate: \$ 95,652

B. Stakes races:

1. Purse distribution for all stakes races:
 Current meet estimate: \$2,365,000
 Prior meet actual: \$2,425,000

Average Daily Purse (5B1 ÷ number of days):

Current meet estimate: \$ 84,464
 Prior meet actual: \$ 106,521

2. Percentage of the purse distribution for all stakes races that will be distributed for California-bred stakes races:
 Current meet estimate: \$1,000,000 (Not included in stakes figure.)
 Prior meet actual: \$1,325,000

Average Daily Purse (5B2 ÷ number of days): Based on 31 days.

Current meet estimate: \$ 32,258
 Prior meet actual: \$ 50,961

C. Funds to be generated for all California-bred incentive awards:

Current meet estimate: \$1,210,000
 Prior meet actual: \$1,120,000

D. Payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

Recognized Horsemen's Organization

Current meet estimate:		Prior meet actual:	
NTRA	\$ 37,000	NTRA	\$ 31,000
TOC	\$ 92,000	TOC	\$ 85,200
CTT	*\$ 138,000	CTT	*\$ 127,800
	*Pension Fund \$ 91,900		*Pension Fund \$ 85,191
	*Administration \$ 46,010		*Administration \$ 42,609
TOTAL	\$ 267,000	TOTAL	\$ 244,000

E. Amount from all sources to be distributed in the form of purses or other benefits to horsemen (5A+5C+5D):

Current meet estimate: \$10,562,000
 Prior meet actual: \$10,366,000

Average Daily Purse (5E ÷ number of days): (28 Days)

Current meet estimate: \$ 377,214
 Prior meet actual: \$ 450,695

F. Purse funds to be generated from on-track handle and intrastate off-track handle:

Current meet estimate: \$ 7,124,000 29 Days; excluding Breeders' Cup
 Prior meet actual: \$ 6,630,500

Average Daily Purse (5F ÷ number of days):

Current meet estimate: \$ 276,270
 Prior meet actual: \$ 245,655

G. Purse funds to be generated from interstate handle: 29 Days; excluding Breeders' Cup

Current meet estimate: \$ 2,549,900
 Prior meet actual: \$ 2,426,958

Average Daily Purse (5G ÷ number of days):

Current meet estimate: \$ 87,927
 Prior meet actual: \$ 101,123

H. Bank and account number for the Paymaster of Purses' purse account:

CitiBank, 787 W. 5th Street 29th Floor, Los Angeles, CA 90071, paid through
 Paymaster of Purses Account #On file

- I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:
Bowen, McBeth Co., 10722 Arrow Route, Suite 110, Rancho Cucamonga, CA 91730
Telephone: (909) 944-6465

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the association; **shall not** be transferred to a parent corporation outside the State of California; and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held:
1950
- B. Minimum number of stalls believed necessary for the meeting: 1853
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: 2500
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site:
- | | | |
|----------------------|------------------------|--------------|
| Hollywood Park 1,500 | San Luis Rey Downs 500 | Fariplex 500 |
|----------------------|------------------------|--------------|
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site.
SCOTWINC agreement on file with CHRB

Complete subsections F through H if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the **1986** meeting: 1,950
- G. Estimated cost to provide off-site stalls for this meeting. Show cost per day per stall:
\$496,000 (\$8.00/day/stall; excluding vaning costs)
- H. Estimated cost to provide vaning from off-site stalls for this meeting. Show fees to be paid for vaning per-horse:
- | |
|-----------------------------------|
| \$ 91,500 Estimated vaning cost. |
| \$180 RT for Hollywood and Pomona |
| \$320 RT for San Luis Rey Downs |

7. PARI-MUTUEL WAGERING PROGRAM

A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS					APPLICABLE RULES	
Example Race:	\$1 E; \$1 Double					CHRB #1959; RCI #VE	
Race #1	\$1E	\$2DD	\$1PK3	\$1PNP4	\$1PPN	CHRB #1959, 1957, 1977, 1976.9, 1976.8	
Race #2	\$1E	\$2DD	\$1PK3			CHRB #1959, 1957, 1977	
Race #3	\$1E	\$2DD	\$1PK3		\$2PNP6	CHRB #1959, 1957, 1977, 1976.9	
Race #4	\$1E	\$2DD	\$1PK3	\$1PNP5	\$2PNP6	CHRB #1959, 1957, 1977, 1976.9 (PK 5-6)	
Race #5	\$1E	\$2DD	\$1PK3	\$1PNP4	\$1PNP5	\$2PNP6	CHRB #1959, 1957, 1977, 1976.9 (PK 4-6)
Race #6	\$1E	\$2DD	\$1PK3	\$1PNP4	\$1PNP5	\$2PNP6	CHRB #1959, 1957, 1977, 1976.9 (PK 4-6)
Race #7	\$1E	\$2DD	\$1PK3	\$1PNP4	\$1PNP5		CHRB #1959, 1957, 1977, 1976.9 (PK 4-5)
Race #8	\$1E	\$2DD	\$1PK3	\$1PNP4		Super H5	CHRB #1959, 1957, 1977, 1976.9, ARCI 004-105
Race #9	\$1E	\$2DD				Super H5	CHRB #1959, 1957, ARCI 004-105
Race #10	\$1E	\$2DD				Super H5	CHRB #1959, 1957, ARCI 004-105

- Rolling \$2 Daily Doubles beginning with Race #1. (CHRB #1957)
- \$1 Trifecta on all eligible races. (CHRB #1979)
- Superfecta (with a minimum of \$0.10) on all eligible races. (CHRB #1979.1)
- Incoming simulcasts will follow host track format.
- \$1 Place PK-8 on 8-race program; Place PK-9 on 9-race program, Place PK-10 on 10-race program. Alternate runner provision (CHRB #1976.9) or if not marked, Closing Line Favorite evidenced by the amounts wagered in the win pool. [All \$1 Wagers] No carryover. Pay all tickets with most winners. (CHRB 1976.8)
- \$2 PNP-6 last six live races 70% Carryover, 30% Minor. Alternate runner provision. (CHRB #1976.9)
- \$1 PNP-5 last five live races. Mandatory payout daily. Pay all tickets with most winners. (CHRB #1976.9)
- \$1 PNP4 last four live races. (CHRB #1976.9) Mandatory payout daily.
- \$1 Super High-Five selecting the first five finishers in a same race. 100% payout on all tickets selecting five winners. No consolation; 100% carryover if no ticket has five winners. Super High-5 will be carded as last race of the day [Applicable rule: ARCI 19599 – T PICK (N) POSITION (X) POOLS]
- Additional deduction provided by subdivision (a) of Section 19611.5 will be made.
- No PK-5 offered on guaranteed PK-6 days.
- ARCI 004-105; Section T (Pick N position X pools)

B. Maximum carryover pool to be allowed to accumulate before its distribution OR the date(s) designated for distribution of the carryover pool: Sunday, November 8, 2009.

C. List any options requested with regard to exotic wagering: N/A

D. Will "advance" or "early bird" wagering be offered? Yes No
 If yes, when will such wagering begin: 8:30 AM – 10:00 AM

E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract:

8. ADVANCE DEPOSIT WAGERING (ADW)

A. Identify the ADW provider(s) to be used by the association for this race meeting:

Providers include: Twin Spires
YouBet
TVG
Xpress Bet

9. SIMULCAST WAGERING PROGRAM

A. Simulcast organization engaged by the association to conduct simulcast wagering:
Southern California Off-Track Wagering, Inc.

B. Attach the agreement between the associations and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools.
Agreement on file with CHRB.

C. California simulcast facilities the association proposes to offer its live audiovisual signal:

- | | |
|---|--|
| Alameda County Fair | Monterey County Fair – 7 th DAA |
| Antelope Valley Fair | National Orange Show |
| Barona Casino | Redwood Acres Fair – 9 th DAA |
| Bay Meadows | San Bernardino County Fair – 28 th DAA |
| Cal. Expo | San Joaquin Fair – 2 nd DAA |
| Desert Expo | Santa Barbara County Fair – 37 th DAA |
| Earl Warren Showground's – 19 th DAA | Santa Clara County Fair |
| ExpoCentre | Shasta District Fair – 27 th DAA |
| Fairplex | Solano County Fair |
| Fantasy Springs Casino | Sonoma County Fair |
| Fresno District Fair – 21 st DAA | Stanislaus County Fair, Turlock Satellite |
| Fresno Club One Wagering Facility | Sycuan Casino |
| Golden Gate | Ventura County Fair – 31 st DAA |
| Hollywood Park | Viejas Casino & Turf Club |
| Kern County Fair – 15 th DAA | Surfside Race Place at Del Mar |
| Lake Perris Sports Pavilion | 24 th District Agricultural Association |
| Los Alamitos | |

D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:
See (E) Common Pool Sites and Separate Pool/Flat Fee Sites.

E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:

EXPORT SIMULCAST SITE REQUEST – Subject to Change/Additions & Subject to Breeders Cup Int'l Add-Ons

Amwest Entertainment	North Dakota	Bluffs Run Greyhound Park & Casino, Iowa
Arapahoe Park	Colorado	Boyd Gaming, dba Delta Downs Louisiana
Arima Race & Sports Book	Trinidad	Buffalo Trotting Association New York
Arlington International Racecourse, Illinois		Calder Race Course Florida
Atlantic City Casino Assn.	New Jersey	Canterbury Park Minnesota
Atlantic City Race Course	New Jersey	Capital District OTB New York
Atokad Downs	Nebraska	Capital Sports Pty Ltd. Australia
Balmoral Park/Maywood	Illinois	Catskill OTB New York
Bettor Racing OTB (Royal River), South Dakota		Charles Town Races West Virginia
Beulah Park	Ohio	Choctaw Racing Services, LLC, Oklahoma
Birmingham Race Course	Alabama	Churchill Downs Kentucky
Blue Ribbon Downs	Oklahoma	Churchill Downs Sports Spectrum, Kentucky

Coeur d' Alene Casino	Idaho	New York Racing Association	New York
Colonial Downs	Virginia	Newport Jai-Alai	Rhode Island
Columbus Races	Nebraska	Northfield Park	Ohio
Connecticut OTB	Connecticut	Northville Racing Corp.	Michigan
Corpus Christi Greyhound Race Track, Texas		Oaklawn Park	Arkansas
Crystal Palace Casino	Bahamas	Ocean Downs	Maryland
Dairyland Greyhound Park	Wisconsin	Penn National Race Course	Pennsylvania
Delaware Park	Delaware	Philadelphia Park	Pennsylvania
Dover Downs	Delaware	Plainridge Race Course	Massachusetts
Downs at Albuquerque	New Mexico	Portland Meadows	Oregon
Ellis Park	Kentucky	Prairie Meadows	Iowa
Emerald Downs	Washington	Raceway Park	Ohio
European Simulco	Austria	Racing & Gaming Services, Inc.,	British WI
Evangeline Downs	Louisiana	Remington Park	Oklahoma
Fair Meadows at Tulsa	Oklahoma	Retama Park	Texas
Fairgrounds Race Course	Louisiana	River Downs	Ohio
Fairmount Park	Illinois	Rockingham Park	New Hampshire
Finger Lakes Race Track	New York	Rosecroft Raceway	Maryland
Fonner Park	Nebraska	Ruidoso Downs	New Mexico
Freehold Raceway	New Jersey	Saginaw Harness Raceway	Michigan
Geneva Lakes Kennel Club	Wisconsin	Sam Houston Race Park, LTD	Texas
Gillespie County Fair Race Meet	Texas	Saratoga Raceway	New York
Great Lakes Downs	Michigan	Scarborough Downs	Maine
Hawthorne National LLC	Illinois	Scioto Downs	Ohio
Hazel Park	Michigan	Southland Greyhound Park	Arkansas
Hinsdale Greyhound Park	New Hampshire	Sports Creek Raceway	Michigan
Hoosier Park	Indiana	State Fair Park	Nebraska
Horsemen's Park	Nebraska	Stevenson & Associates, Inc. (Common), Florida	
Indiana Downs	Indiana	Suffolk Downs	Massachusetts
International All Sports Limited	Florida	Suffolk OTB	New York
Jackson Harness Raceway	Michigan	Sunland Park	New Mexico
Keeneland Association	Kentucky	Sunray Park	New Mexico
Las Vegas Dissemination Co.	Nevada	The Green Track	Alabama
Lebanon Raceway	Ohio	The Greyhound Park at Post Falls,	Idaho
Les Bois Park	Idaho	The Meadows	Pennsylvania
Lewiston Raceways, Inc.	Maine	The Texas Hub at Gulf Greyhound,	Texas
Lien Games, Inc.	North Dakota	Thistledown Racing	Ohio
Lincoln Park	Rhode Island	Tri-State Racetrack & Gaming Center, WV	
Lone Star Race Park Ltd.	Texas	Turf Paradise	Arizona
Louisiana Downs	Louisiana	Turfway Park	Kentucky
LVDC / Elite Turf Club	Nevada	Twin Spires ADW	
LVDC / Tribal Locations	Nevada	Western Regional OTB	New York
Manor Downs	Texas	Wheeling Downs	West Virginia
Maryland Jockey Club	Maryland	Wichita Greyhound Park	Kansas
Midway Slots & Simulcast	Delaware	Wonderland Greyhound Park	Massachusetts
Monmouth Park	New Jersey	Woodlands	Kansas
Montana Simulcast Partners	Montana	Wyoming OTB	Wyoming
Monticello Raceway	New York	XpressBet, Inc.	California
Mount Pleasant Meadows	Michigan	Yonkers Raceway	New York
Mountaineer Park	West Virginia	Youbet / I.R.G.	California
Nassau/Suffolk OTB	New York	Zia Park	New Mexico
Nevada Pari-Mutuel Association	Nevada		
New Jersey Sports & Exposition Authority, NJ			
New York City Off-Track Betting	New York		

Canada Pools:

Assiniboia Down., CAN
 Charlottetown, CAN
 Clinton Raceway, CAN
 Connaught Park-Aylmer, CAN

Dresden, CAN
 Elmira Raceway, CAN
 Evergreen Park Grande Prairie, Can
 EX Park IVR, CAN
 Flamboro Downs, CAN
 Fort Erie Racetrack, CAN

Fraser Downs, CAN
 Fredericton Raceway, CAN
 Georgian Downs, CAN
 Grand River, CAN
 Hanover Raceway, CAN
 Hastings Park, CAN
 Hiawatha, CAN
 Hippodrome De Aylmer, CAN
 Hippodrome de Montreal, CAN
 Hippodrome de Quebec, CAN
 Hippodrome De Trois-Rivieres, CAN
 Inverness Raceway, CAN
 Kawartha Downs, CAN
 Marquis Downs, CAN
 Mohawk Racetrack, CAN

Northlands Park, CAN
 Picov Downs, CAN
 Quinte Raceway, CAN
 Rideau Carleton Raceway, CAN
 Rocky Mountain Turf Club, CAN
 St. John's, CAN
 Stampede Park, CAN
 Sudbury Downs, CAN
 Summerside-PEI, CAN
 TBC Teletheatres, CAN
 Truro Raceway, CAN
 Western Fair Raceway, CAN
 Windsor Raceway, CAN
 Woodbine, CAN
 Woodstock-Ontario, CAN

Separate Pools

Caliente: Mexico, Central & South America,
 Presidente Remon, Panama

- F. For THOROUGHBRED racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
--------------------	------------	---

*Subject to Change-Some signals will be full card but for the most part will be partial card, with the exception of Canadian Imports which do not count against the 32-race/day-import average.

Track	Dates	Races
Aqueduct - AQU:	Sept.-Nov.	Selected Feature and/or Stakes Races
Calder Race Course - CRC:	Sept.-Nov.	Selected Feature and/or Stakes Races
Fairground @ La. Downs:	Sept.-Nov.	Selected Feature and/or Stakes Races
Fort Erie - Canada:	Sept.-Nov.	Full Card
Gulfstream Park - GP:	Sept.-Nov.	Selected Feature and/or Stakes Races
Hastings - HST:	Sept.-Nov.	Full Card
Hawthorne - HAW:	Sept.-Nov.	Selected Feature and/or Stakes Races
Keeneland - KEE:	Sept.-Nov.	Selected Feature and/or Stakes Races
Laurel Park - LRL:	Sept.-Nov.	Selected Feature and/or Stakes Races
Lone Star Park - LS:	Sept.-Nov.	Selected Feature and/or Stakes Races
Louisiana Downs - LAD:	Sept.-Nov.	Selected Feature and/or Stakes Races
Northlands Park - NP:	Sept.-Nov.	Full Card
Oaklawn Park - OP:	Sept.-Nov.	Selected Feature and/or Stakes Races
Philadelphia Park - PHA:	Sept.-Nov.	Selected Feature and/or Stakes Races
Pimlico - PIM:	Sept.-Nov.	Selected Feature and/or Stakes Races
Portland Meadows -	Sept.-Nov.	Selected Feature and/or Stakes Races
Remington Park - RP:	Sept.-Nov.	Selected Feature and/or Stakes Races
River Downs - RD:	Sept.-Nov.	Selected Feature and/or Stakes Races
Stampede Park - STP:	Sept.-Nov.	Full Card
Tampa Bay Downs - TAM:	Sept.-Nov.	Selected Feature and/or Stakes Races
Thistledown - TDN:	Sept.-Nov.	Selected Feature and/or Stakes Races
Turf Paradise - TUP:	Sept.-Nov.	Selected Feature and/or Stakes Races
Turfway Park - TP:	Sept.-Nov.	Selected Feature and/or Stakes Races
Woodbine - WO:	Sept.-Nov.	Full Card

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
--------------------	------------	---

- G. For QUARTER HORSE racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be

held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": N/A

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track Race Dates Full Card or Selected Feature and/or Stakes Races

H. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": N/A

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track Race Dates Full Card or Selected Feature and/or Stakes Races

I. For **ALL** racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported: N/A

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track Breed of Horse Race Dates Number of Races to be Imported

J. For **ALL** racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Section 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). N/A

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vaning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

10. CHARITY RACING DAYS

A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association:

Oak Tree Charitable Foundation, 285 W. Huntington Drive, Arcadia, CA 91007

B. Names and addresses of the trustees or directors of the distributing agent:

Dr. Jack K. Robbins	President and Director
Sherwood C. Chillingworth	Executive Vice President, Director
Dr. Rick M. Arthur	Vice-President-Assistant Secretary, Director
John H. Barr	Vice-President, Director

Thomas R. Capehart	Vice-President-Secretary, Director
Richard Mandella	Vice President, Director
Warren B. Williamson	Vice-President, Director
Robert W. Zamarripa	Vice-President, Director

285 W. Huntington Drive, Arcadia, CA 91007

- C. Dates the association will conduct races as charity racing days OR:
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

11. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- A. Racing officials nominated:

Association Veterinarian(s)	Dr. Jill Bailey
Clerk of Scales	Kevin Colosi
Clerk of the Course	Melanie Stubblefield
Film Specialist	Ruben Hernandez
Horse Identifier	Jennifer Paige
Horseshoe Inspector	Victor Tovar
Paddock Judge	Ken Goldberg
Patrol Judges	Ruben Hernandez, Dawn Jackson, Ken Goldberg
Placing Judges	Bob Moreno, Lisa Jones
Starter	Jay Slender
Timer	Jeff Tufts
- B. Management officials in the racing department:

Director of Racing	Michael J. Harlow
Racing Secretary	Rick Hammerle
Assistant Racing Secretary	Richard Wheeler
Paymaster of Purses	Cece Connor
Others (identify by name and title)	
Assistant Clerk of Scales	Charles McCaul
- C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:

Ms. Barbara Weinstein
9582 Hamilton Avenue, Suite 265
Huntington Beach CA 92646, 714/964-7102
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:

Plusmic Corporation USA/Bill O'Brien Expires December 31, 2009.

- E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks. In-house Video System:

MAJOR VIDEO EQUIPMENT LISTING

Cameras

- All cameras, except ENG cameras, are BTS LDK 91 or BTS LDK 100 broadcast color cameras.
- All cameras are equipped with Fujinon lens and Vinten camera Support Equipment.
- All cameras (except the 2 wireless) are on triax camera control systems.
- ENG cameras are Sony DVW-700 digital betacams.
- Enclosed saddling stall cameras are high-8 lock-down cameras.

Camera Positions

- | | |
|---|--|
| 1) 3/8 tower on grass 55:1 lens | 12) walking ring 14:1 lens |
| 2) 3/8 tower on dirt 55:1 lens | 13) east saddling barn (remote) 7:1 lens |
| 3) hillside/square box on hill grass (remote) 18:1 lens | 14) west saddling barn (remote) 7:1 lens |
| 4) 1/4 tower on both grass and dirt 24:1 lens | 15) studio 18:1 lens |
| 5) tight pan camera on both grass and dirt 70:1 lens | 16) infield speaker pole (remote) 18:1 lens |
| 6) loose pan camera on both grass and dirt 36:1 lens | 17) ENG camera 20:1 lens |
| 7) 7/8 tower on grass 55:1 lens | 18) East saddling barn enclosed saddling stall (lock-down) |
| 8) 7/8 tower on dirt 55:1 lens | 19) West saddling barn enclosed saddling stall (lock-down) |
| 9) Winner's circle 24:1 lens | 20) 5/16 Camera outside of main track rail 14:1 lens |
| 10) wireless starting gate and saddling barn 18:1 lens | |
| 11) wireless lower finish line and interviews 14:1 lens | |

Public

- 250 - 13" Gateway Flat Screen Monitors
- 30 - 42" LG Plasma Monitors
- Over 600 - 9" Sony receivers
- Over 500 - 27" Sony receivers
- Over 350 - 32" Sony receivers
- Over 75 - 13" Sony receivers
- Over 150 - 10" Sony receivers
- 150 - 20" Sony receivers
- 8 - Barco Video Projectors
- 40'x53' Display Ad Large screen LED video board
- Barco LED Screens
- 32' x 18' Barco mobile LED video board

Control Room Equipment

- | | |
|---|--|
| • 1 - Tektronix 4-channel digital profile file server | • GVG video DAs |
| • 1 - Digital Betacam VTP | • 1 - GVG GF-40 character generator/paint system |
| • 2 - Composite Digital Video Tape recorders | • 1 - GVG DSS-4 stillstore |
| • 6 - Betacam record/play VCRs with slo-mo | • 1 - Quanta character generator |
| • 2 - Betacam record/play VCRs | • Sony video monitors |
| • 1 - 3/4" Umatic record/play VCR | • 5 - Tektronix WFM and V-scopes |
| • 1 - 3/4" Umatic VCR | • 1 - GVG 100 video switchers |
| • 5 - Digital Beta cam VCR's | • 2 - Soundcraft Delta audio mixers |
| • 1 - GVG IPS-110 Editor | • 1 - GVG 251 Editor |
| • 2 - Hi 8 record/play VCR | • 30 - Jerold TV Modulators |
| • 6 - VHS record/play VCR | • 2 - Chyron MAX! Graphics Generators |
| • 1 - BTS 128x128 video router with 64x64 stereo audio follow | • 2 - Chyron Maxine! Graphics Generators |
| • 1 - GVG 3000 composite digital switcher w/dual MEs, PVW/PGM | • Abekes Dveous digital effects machine |
| • 1 - Dual channel GVG DPM 700 digital effects system | • Sony DVD Recorder/Players |

Number and location of cameras for dirt and turf tracks:

- 1 Tight Pan
- 1 Loose Pan
- 1 7/8th camera *dirt*
- 1 7/8th camera *turf*
- 1 RF Starting Gate camera
- 1 3/8th camera *dirt*
- 1 3/8th camera *turf*
- 1 3/16th camera *dirt*
- 1 3/16th camera *turf*
- 1 ¼ pole camera
- 1 hillside camera *turf*
- 1 5/16th camera *dirt/turf*

- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:

Electronic timing systems on both dirt and turf courses, maintained and operated by Santa Anita personnel. Systems backed by hand timing.

12. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.

Richard Honaker, Director of Operations & Security

Lou Scalera, Chief of Security

Front Side Security Office (626) 574-6406

Stable Security Office (626) 574-6469

Organizational Chart: (Attached Exhibit 12-A)

- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis:

1 Chief of Security

1 Stable Security Manager

7 Investigators

1 Dispatcher/Child Care

40 Security Guards

1 Risk & Office Manager

1 Fire Marshall

13 Gatemen

1 Stable Credentials Secretary

1. Attach a written plan for enhanced security for graded stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns.

Each horse entered in a graded race is assigned a contracted security officer, licensed by the CHRB. Each of these officers will be trained by LATC Stable Security management, the CHRB and one or more track veterinarians. Each officer is issued a hand-held digital video camera and a log sheet to record [in writing and electronically] all activity including persons entering the stall with the horses entered. Each security officer is briefed before starting surveillance a minimum of six (6) hours prior to the post time of the given race.

SANTA ANITA PARK Security Live Racing

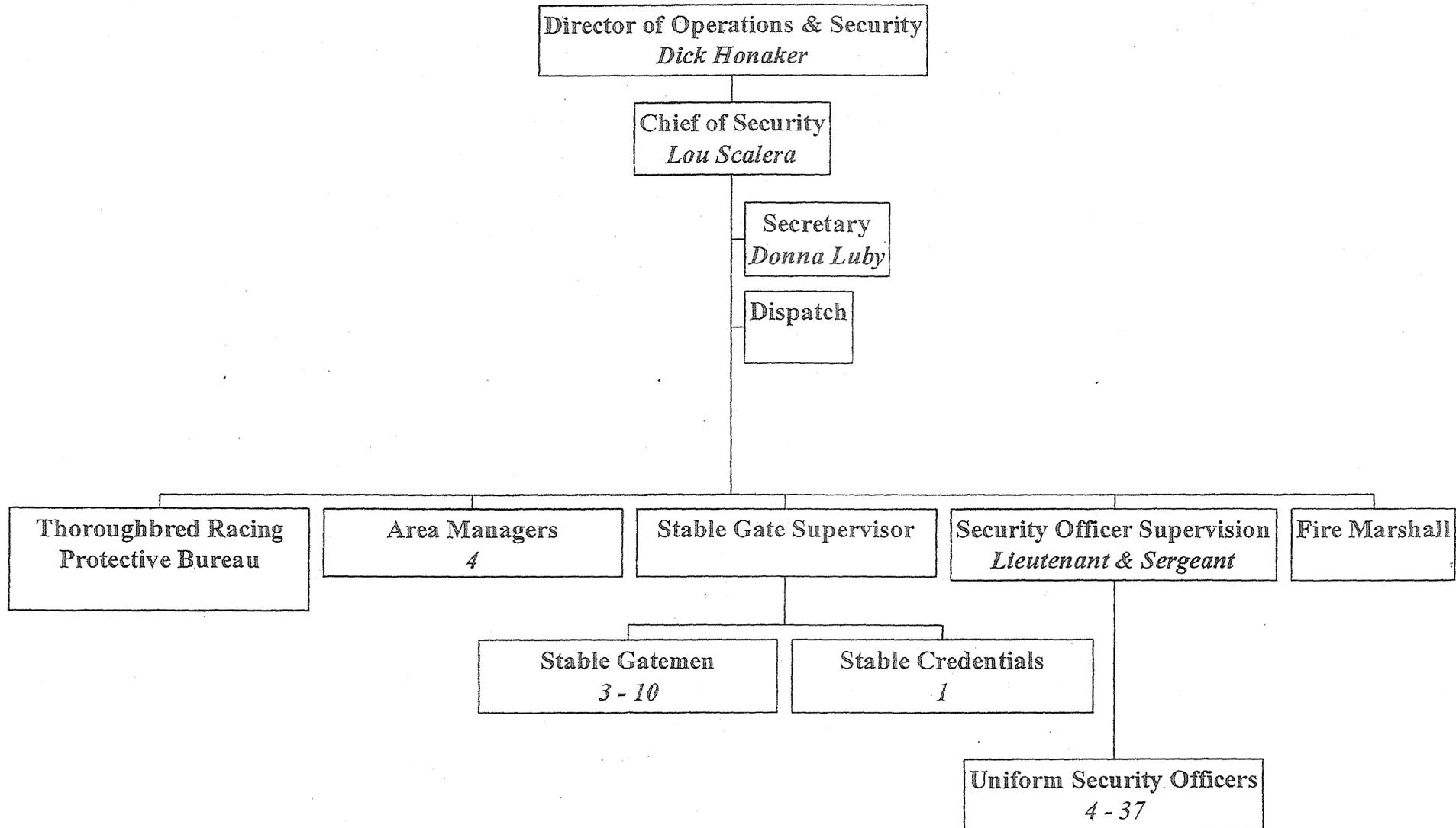


Exhibit 12B-3

OAK TREE RACING ASSOCIATION
Santa Anita Park

2009 Testing Policy & Procedures

The Trainer goes into the TCO2 surveillance-quarantine-protection barn within 72 hours of the CHRB's notice to the public that there has been a complaint filed against a trainer for a TCO2 violation.

1st Offense – For the first test that results in a total carbon dioxide (TCO2) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, subject to surveillance for a period of 45 days from the date set by the TCO2 Committee. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that Track deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 30 days from the date set by the TCO2 Committee will be quarantined to a Protection Barn beginning at noon on the day before said horse is scheduled to compete. The costs of such quarantine/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant, for stall renovation per day being born by the trainer or owner of such horse.

2nd Offense – For the second test that results in a total carbon dioxide (TCO2) of 37 millimoles per liter of plasma or more, which occurs within 3 years of a prior incidence, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, under surveillance for a period of 75 days from the date set by the TCO2 Committee. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that Track deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 60 days from the date set by the TCO2 Committee will be quarantined to a Protection Barn beginning at noon the day before said horse is scheduled to compete. The costs of such quarantine/surveillance including, but not limited to \$150.00 for security and \$25.00 for stall renovation per horse/entrant, for stall renovation per day being born by the trainer or owner of such horse.

3rd Offense – The third test that results in a total carbon dioxide (TCO2) of 37 millimoles per liter of plasma or more, which occurs within 3 years of a prior incidence, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, under surveillance for a period of 105 days from the date set by the TCO2 Committee. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that Track deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 90 days from the date set by the TCO2 Committee will be quarantined to a Protection Barn beginning at noon the day before said horse is scheduled to compete. The costs of such quarantine/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant, for stall renovation per day being born by the trainer or owner of such horse.

2. Detention Barns:
 - a. Attach a plan for use of graded stakes or overnight races.

As defined in contractual agreements with TOC, CTT and CHRB directives. (See Exhibit 12B-3)

- b. Number of security guards in the detention barn area during a 24-hour period.
See 12-2a above.

- c. Describe number and location of surveillance cameras in detention barn area.
LATC operates a detention barn located at Barn 121, stalls 9, 10, 11, 12, 12A, 14, 20 and 21 with each having a camera installed offering a wide angle view of the entire stall. In addition, on the outside of stalls 4, 7, 12A and 14, cameras have been installed offering wide-angle views of the shed row from both directions. The stable gates are included with the cameras as mentioned above and all of these cameras are controlled by the same measures.

3. TCO2 Testing:

- A. Number of races to be tested, and number of horses entered in each race to be tested.
All horses will be tested.
 - B. Plan for enhanced surveillance for trainers with high-test results.
Contractual obligations with TOC, CTT and CHRB directives will be followed. (Exhibit 12-B3)
 - C. Plan for detention barns for repeat offenders.
(Exhibit 12B-3)
 - D. Number of security personnel assigned to the TCO2 program.
As needed.

- C. Describe the electronic security system:

Electronic security system consists of video cameras with the ability to pan, tilt and zoom remotely. Camera monitors and control points are managed from secure locations. Video recordings are maintained on hard drives.

Location and number of video surveillance cameras for the detention barn and stable gate.

LATC operates a detention barn located at Barn 121, stalls 9, 10, 11, 12, 12A, 14, 20 and 21 with each having a camera installed offering a wide angle view of the entire stall. In addition, on the outside of stalls 4, 7, 12A and 14, cameras have been installed offering wide-angle views of the shed row from both directions. The stable gates are included with the cameras mentioned in question 2-C above, and all of these cameras are controlled by the same measures.

- D. For night racing associations. Describe emergency lighting system: N/A

13. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:
Huntington Ambulance Service, PO Box 145, Sunset Beach, CA 90742, (714) 325-0363
 - B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:
Hollywood Park: Huntington Ambulance Service (same as above)
Fairplex: Cole-Shaefer Ambulance, 324 N. Towne Ave., Pomona, CA 91767 (909) 622-1273
San Luis Rey Downs: North County Fire Protection District (located within 1 mile) Dial: "911"

- C. Describe the on-track first aid facility, including equipment and medical staffing:

Description of Santa Anita First Aid Office
(Live Racing)

SERVICES (Mission)

- Yearly Jockey Physicals;
- Preventive and curative medical services for jockeys;
- Urgent care facility for jockeys;
- Urgent care for patrons and Santa Anita employees.

STAFFING

- Contracted Track Physician;
- Contracted two EMTs;
- Licensed Emergency Ambulance

EQUIPMENT

- Basic First Aid Supplies (i.e. bandages and wound care);
- Oxygen equipment;
- Backboard, cervical collars, and splints;
- Blood pressure monitoring.

AVAILABILITY

- When gates open until after last race

- D. Name and emergency telephone number of the licensed physician on duty during the race meeting:
Dr. Andreas T. Subadya (626) 212-0492
- E. Name, address and emergency telephone number of the hospital to be used for admittance and treatment of emergency injuries in the event of an on-track injury to a jockey:
Arcadia Methodist Hospital, 300 W. Huntington Drive, Arcadia, CA 91007 (626) 445-4441
- F. Attach, in English and Spanish, the emergency medical plan procedures that will be posted in each jockey's room to be used in the event of an on-track injury to a jockey:
Exhibits 13-F Attached.
- G. Name of health and safety manager and assistant manager responsible for compliance of health and safety provisions pursuant to B& P Code 19481.3(d):
George Haines, General Manager
Mary Saenz, Safety Manager
- H. Attach a fire clearance from the fire authority having jurisdiction over the premises.

Attached.
- I. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details):
AIG Policy # on file

Exhibit 13-F (English)

OAK TREE RACING ASSOCIATION

EMERGENCY MEDICAL PROCEDURES
FOR ON-TRACK INJURY TO JOCKEYS

“FIRST RESPONSE”

- In the event of an accident, LATC Trackside Human Ambulance “Unit 41T “ which is manned by LATC-contracted EMTs and is following the horses and jockeys in the race will respond immediately to the site of the accident. The attending EMT’s shall arrive equipped with basic cardiac life support (BCLS), AED, and full C-spine equipment
- An “on-site evaluation” of injuries to the jockey(s) shall be made by Unit 41T.



“ON-SITE EVALUATION”

- Based on the EMT’s “on-site evaluation” of injuries , a decision shall be made to either treat the injured jockey(s) on-site or to transport to Methodist Hospital Emergency Room.
 - If on-site treatment is deemed sufficient, Unit 41T shall transport the injured jockey(s) directly to the First Aid Office where the Track Physician will be primary care provider or,
 - If off-site treatment is deemed necessary Unit 41 will have the Security Department (channel 1) contact the emergency room and advised them of the situation. Unit 41 will then transport jockey(s) to Methodist Hospital Emergency Room.



“INJURY TREATMENT”

- If the injured jockey(s) is treated at the First Aid Office the Track Physician shall be the primary care provider unless or until the Track Physician surrenders custody of the patient based on his/her medical judgment;
 - If deemed necessary Unit 41T will transport the injured jockey(s) to Methodist Hospital.
 - If more than two jockeys need to be transported to the hospital, the City of Arcadia Fire Department will be requested for assistance in transportation.

OAK TREE RACING ASSOCIATION

Exhibit 13-F (Spanish)

PROCEDIMIENTO MEDICO de EMERGENCIAS
PARA HERIDAS A JINETES EN LA PISTA

“PRIMEROS AUXILIOS”

- En el evento de un accidente, la ambulancia humana de LATC “Unidad 41T” es manejada por las EMT’s contractados por la LATC, seguiran a los caballos y jinetes en la carrera para responder inmediatamente al sitio del accident. El EMT arrivara con el equipo cardiaco basico (BCLS), AED, y equipo para la espina dorsal.
- Un evaluacion de las heridas al jinete seran hechas en sitio del accidente por la Unidad 41T.



“EVALUACION EN EL SITIO DEL ACCIDENTE”

- La decision de transporter al jinete a la sala de emergencias del Hispital Methodista o de ser tratado en la oficina de primeros auxilios del hipodromo sera basada en la evaluacion hecha por el EMT en el sitio del accidente sobre las heridas sufridas.
 - Si el tratamiento es suficiente en el sitio del accidente. La Unidad 41T transportara al jinete directamente a la oficina de primeros auxilios donde el doctor del hipodromo sera el proovedor medico primario.
 - Si se cree que es necesario la Unidad 41T se comunicara con el departamento de seguridad (Canal 1) para que ellos le informen a la sala de emergencias y avisen sobre la situacion. La Unidad 41T entonces transportara el jintete a la Sala de Emergencias del Hospital Methodista.



“TRATAMIENTO DE LAS HERIDAS”

- Si el jinete herido es tratado en la oficina de primeros auxilios, el doctor del hipodromo sera el proovedor medico primario al no ser que el doctor del hipodromo entregue custodia del paciente basado en su dictamen medico;
 - Si se cree necesario la Unidad 41T transportara al jinete al Hospital Methodista.
 - Si mas de dos jinetes necesitan transportacion al hospital, se le pedira a al Departamento de Bomberos de la Ciudad de Arcadia de sus asistencia en la transportacion.



City of Arcadia

Fire Department

Tony L. Trabbie
Fire Chief

June 22, 2009

California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825

RE: Los Angeles Turf Club Fire Clearance (Oak Tree Meet)

To Whom It May Concern:

The Arcadia Fire Department, Bureau of Fire Prevention conducted a Fire and Life Safety Inspection of the facilities at Los Angeles Turf Club to be used for the 2009 Oak Tree Meet.

It is requested that this letter be accepted as the report of that inspection. During this inspection no serious fire or life safety code violations were noted, and all permitted uses may continue.

In accordance with regulations as adopted by the California Horse Racing Board, this letter may be accepted as a fire clearance from this office for the 2009 Oak Tree Racing Meet at Los Angeles Turf Club, Arcadia, California.

Sincerely,

Mark Krikorian
Fire Marshal

cc: George Haines, General Manager, L.A.T.C.
Mary Saenz, Office Operations, L.A.T.C.
Jason Spetnagel, Director of Facilities & Grounds, L.A.T.C.
Doug Thorneberry, Asst. Facility Manager, L.A.T.C.
Jerry Gardner, Fire Safety Consultant, L.A.T.C.
Mike Miser, Fire Marshal, L.A.T.C.

- J. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation.

(Certificate Attached)

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall pursuant to B&P Code 19481.3 maintain, staff, and supply an on-track first aid facility, that may be either permanent or mobile, and which shall be staffed and equipped as directed by the board. A qualified and licensed physician shall be on duty at all times during live racing, except that this provision shall not apply to any quarter horse racing at the racetrack if there is a hospital situated no more than 1.5 miles from the racetrack and the racetrack has an agreement with the hospital to provide emergency medical services to jockeys and riders. An ambulance licensed to operate on public highways provided by the track shall be available at all times during live racing and shall be staffed by two emergency medical technicians licensed in accordance with Division 2.5 (commencing with Section 1797) of the Health and Safety Code, one of whom may be an Emergency Medical Technician Paramedic, as defined in Section 1797.84 of the Health and Safety Code. (b) Each racing association and racing fair shall adopt and maintain an emergency medical plan detailing the procedures that shall be used in the event of an on-track injury. The plan shall be posted in each jockey room in English and Spanish. (c) Prior to every race meeting, the racing association or racing fair shall contact area hospitals to coordinate procedures for the rapid admittance and treatment of emergency injuries. (d) Each racing association or racing fair shall designate a health and safety manager and assistant manager, who shall be responsible for compliance with the provisions of this section and one of whom shall be on duty at all times when live racing is conducted. The health and safety manager may, at the discretion of the racing association, be the person designated to perform risk management duties on behalf of the association.

14. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, other than those already identified, and the goods and/or services to be provided by each:

HANDICAPPERS

Bob's Card Incorporated (CHRB-25A and CHRB-87 on file with CHRB.)
Tiffany Bohland
6288 Highland Meadows Drive
Medina, OH 44256

Winners Card Corp. (CHRB-25A and CHRB-87 on file with CHRB.)
% Don Harris
924 Knob Hill Avenue
Redondo Beach, CA 90277-4538

Baedeker's Incorporated (CHRB-25A and CHRB-87 on file with CHRB.)
Mr. Robert Baedeker
130 W. El Portal
San Clemente, CA 92672

Duke Racing Selections (CHRB-25A and CHRB-87 on file with CHRB.)
c/o Harry Acquarelli
6632 West 87th Street
Los Angeles, CA 90045

ACORD CERTIFICATE OF LIABILITY INSURANCE DATE (MM/DD/YYYY)
6/2/2009

PRODUCER (415)957-0600 FAX: (415)957-0577
 MOC Insurance Services
 License No. 0589960
 44 Montgomery St., 17th Fl.
 San Francisco CA 94104

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
 Oak Tree Racing Association
 Santa Anita Racetrack
 285 W. Huntington Drive
 Arcadia CA 91007

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Interstate Fire/Casualty	22829
INSURER B: Fireman's Fund Insurance	21873
INSURER C: Commerce & Industry Ins.	
INSURER D:	
INSURER E:	

COVERAGES
 THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

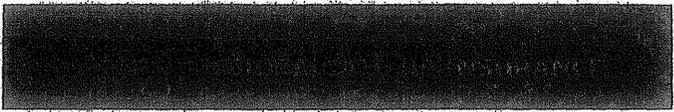
INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJ <input type="checkbox"/> LOC		4/1/2009	4/1/2010	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPIOP AGG \$ 2,000,000 Liquor Liability 2,000,000
B		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		4/1/2009	4/1/2010	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> Garagekeepers Legal		4/1/2009	4/1/2010	AUTO ONLY - EA ACCIDENT \$ 1,000,000 OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
B		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$N/A		4/1/2009	4/1/2010	EACH OCCURRENCE \$ 15,000,000 AGGREGATE \$ 15,000,000 \$ \$ \$
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below		4/1/2009	4/1/2010	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
		OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

CERTIFICATE HOLDER
 California Horse Racing Board
 Attn: Andrea Ogden
 1010 Hurley Way, Room 300
 Sacramento, CA 95825

CANCELLATION
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
 AUTHORIZED REPRESENTATIVE
 Tracy Cink/TCI 

Ref. No. 320005926383



Aon Reed Stenhouse Inc.
20 Bay Street
Toronto ON M5J 2N9
tel 416-868-5500 fax 416-868-5580

Re: Evidence of Insurance

California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 91007
USA

Insurance as described herein has been arranged on behalf of the Insured named herein under the following policy(ies) and as more fully described by the terms, conditions, exclusions and provisions contained in the said policy(ies) and any endorsements attached thereto.

Insured

Magna Entertainment Corp a/o Oaktree Racing
Association, Inc a/o MI Developments Inc.
285 West Huntington Drive
Arcadia, CA 91007
USA

Coverage

US Workers Comp/Employers Liability	Insurer	Liberty Mutual Insurance Company	
Policy #			
Effective	01-Jan-2009	Expiry	01-Jan-2010
Limits of Liability	Workers Compensation		

Cancellation / Termination

The Insurer will endeavour to provide THIRTY (30) days written notice of cancellation/termination to the addressee except that statutory or policy conditions (whichever prevails) will apply for non-payment of premium.

THIS CERTIFICATE CONSTITUTES A STATEMENT OF THE FACTS AS OF THE DATE OF ISSUANCE AND ARE SO REPRESENTED AND WARRANTED ONLY TO California Horse Racing Board. OTHER PERSONS RELYING ON THIS CERTIFICATE DO SO AT THEIR OWN RISK.

Aon Reed Stenhouse Inc.

Dated : 08-January-2009
Issued By : Chan, Chunhang
Tel : 416-868-5691

Faint background text and stamps, including a vertical stamp on the right that reads "2009 JAN 20 AM 10:15".

**THE POLICY CONTAINS A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE
OR, IN THE CASE OF AUTOMOBILE INSURANCE,**

THE POLICY CONTAINS A PARTIAL PAYMENT OF LOSS CLAUSE



Triangle Turf Winners
 c/o William Archer
 1 Scott Street
 Gardnerville, NV 89410

(CHRB-25A and CHRB-87 on file with CHRB)

Today's Racing Digest, Inc.
 Jason Karches
 2080 Las Palmas Drive
 Carlsbad, CA 92009

(Exempt from CHRB-25A and CHRB-87)

15. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

A. Describe any promotional plans.

- Direct mail offering "Day on Us" to patrons including free parking, program and admission on Opening Day
- Collectable Stein given out to fans on Opening Day, Wednesday, September 30
- Breeders' Cup Challenge giveaway on Saturday, October 10 - TBD
- \$500,000 Guaranteed Pick 4 on Saturday, October 10 -TBD
- Cal Cup Day T-Shirt Giveaway on Saturday October 3
- \$500,000 Guaranteed Pick 4 on Cal Cup Day
- Direct mail offer to patrons with two Clubhouse passes and one mystery mutuel voucher valid during the 3rd week
- Other various direct mail offers sent to segments of the mailing list throughout the season
- Dollar Day promotions on October 13 with \$1 admission, programs, beer, hotdogs, sodas and popcorn
- Premium Giveaway to THOROUGHBREDS Members on October 18 – Item TBD
- Burbank Road Kings Car Show in the infield on October 19
- Breeders' Cup THOROUGHBREDS admission discounts
- Breeders' Cup ticket drawings
- Various Bounceback free admission passes given out during the season
- Seniors free general admission every Thursday (62 and older)
- Family Fun Days in the infield every Sunday
- Handicapping Challenge Contest
- ShowVivor online contest with a \$10,000 prize pool
- \$300,000 Guaranteed Pick 4 on weekends
- \$200,000 Guaranteed Pick 4 on weekdays
- Free Fridays and \$1 Food items every Friday

B. Number of hosts and hostesses employed for meeting: Patron Service Representatives on weekdays and 6 on weekends.

C. Describe facilities set aside for new fans:

Jim Quinn and other handicappers will hold handicapping seminars adjacent to walking ring on weekends primarily for new 15. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

- ### D. Describe any improvements to the physical facility in advance of the meeting that directly benefit:
1. Horsemen: Installed Cushion Track.
 2. Fans: General maintenance and cleaning of the facility as needed.
 3. Facilities in the restricted areas: Continuing repair program to improve overall barn conditions.

16. SCHEDULE OF CHARGES

A. Proposed charges, note any changes from the previous year:

ALL prices exclude Breeders' Cup days, November 6 and 7, 2009

Admission (general)	\$	5.00
Admission (clubhouse)	\$	8.50
Admission (turf club)	\$	20.00
Reserved seating (general)		Free
Reserved seating (clubhouse)	\$	5.00 (Sold on premium days only.)
	\$	7.50 (Daily box seat, sold every day.)
Parking (general)	\$	4.00
Parking (preferred)	\$	6.00
Parking (valet)	\$	10.00
Programs (on-track)	\$	2.25
(off-track)	\$	2.25

B. Describe any "Season Boxes" and "Turf Club Membership" fees:

Excludes Breeders' Cup days, November 6 and 7, 2009

Turf Club Season admission:	One Card -	\$250.00 (Adjusted for 29 days)
	Two Cards -	\$450.00 (Adjusted for 29 days)
Season Box Seat:	Per Seat -	\$130.00 per seat (Adjusted for 29 days)
	4 Seat Box-	\$520
	6 Seat Box-	\$780
Season Valet:	\$140.00	(Adjusted for 29 days; excludes Breeders' Cup)

C. Describe any "package" plans such as combined parking, admission and program: N/A

17. JOCKEYS/DRIVERS' QUARTERS

A. Check the applicable amenities available in the jockeys/drivers' quarters:

<input checked="" type="checkbox"/> Corners (lockers and cubicles)	How many	<input type="text" value="40+"/>
<input checked="" type="checkbox"/> Showers	<input checked="" type="checkbox"/> Steam room, sauna or steam cabinets	<input checked="" type="checkbox"/> Lounge area
<input checked="" type="checkbox"/> Masseur	<input checked="" type="checkbox"/> Food/beverage service	<input checked="" type="checkbox"/> Certified platform scale

B. Describe the quarters to be used for female jockeys/drivers:
 Same amenities as above, but in separate quarters.
 They share food and beverage service area.

18. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing will be completed by CHRB before the race meet begins.
- B. Number of rooms used for housing on the backstretch of the racetrack: 445
- C. Number of restrooms available on the backstretch of the racetrack:
29 Restrooms (116 toilets, 99 lavatories, 45 urinals, 64 showers)
- D. Estimated ratio of restroom facilities to the number of backstretch personnel: 47

19. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line:

5,200

 feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.

Inside rail of the main track has metal goosenecks with a 6 inch aluminum rail and covering. Main track outside rail is a 4 inch round rail on a metal gooseneck. Turf Course has metal gooseneck with a 4 inch round rail with safety netting. The outside turf rail is a 2 inch metal rail.

- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474:
George Haines, Vice President-General Manager
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On file**
- E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. N/A

20. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): No exceptions.
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. Pending TOC agreement.
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). No exceptions.
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): No exceptions.
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): No exceptions.

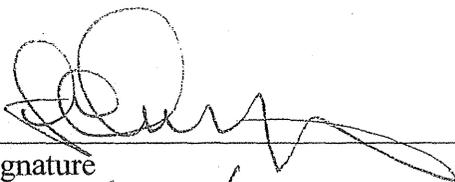
NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

21. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

Sherwood C. Chillingworth
Print Name

Executive Vice President
Print Title



Signature

6/29/09

Date

STAFF ANALYSIS

August 27, 2009

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE BIG FRESNO FAIR AT FRESNO OCTOBER 7-18, 2009.

Fresno District Fair filed its application to conduct a horse racing meeting at Fresno:

- October 7-18, 2009, or 10 days, one less than 2008. The fair proposes to race a total of 108 races, nine more than 2008.
- At the April 24, 2009 regular meeting, the Board approved a request from the California Authority of Racing Fairs (CARF) to designate the allocated race dates of the San Joaquin County Fair (9 days), Alameda County Fair (15 days), Solano County Fair (5 days), the two CARF at Golden Gate Fields meets (29 days), the Humboldt County Fair (9 days) and the Big Fresno Fair (10 days) as a combined fair horse racing meeting. The total number of race dates allocated to the fairs participating in the combined fair horse racing meeting is 77 days.
- The proposed race dates are the approved dates allocated to the fair.

October – 2009						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

- Racing 6 days the first week and 4 days the second week with 12 races per day.
- Number of horses available determines the number of daily races programmed by breed.
 - 2008 Race Meeting: Average number of runners per race (TB): 8.03
 - 2008 Race Meeting: Average number of runners per race (Arabian): 7.45
 - 2008 Race Meeting: Average number of runners per race (Quarterhorse): 8.00
 - 2008 Race Meeting: Average number of runners per race (Mules): 7.36
- Racing concurrently with the Oak Tree Racing Association with the exception of October 14th.
- First post 12:45 p.m. Saturday and Sunday, 1:15 p.m. Monday, Wednesday, Thursday and Friday.
- Specific changes from the 2008 license application:
 - New: Reserved seating clubhouse \$10.00.
 - Programs off-track no charge in 2008 to \$2.25.
- Request Darrell Sparks be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.

- Wagering program will use CHRB and ARCI rules.
 - Early wagering will not be offered.
- The Advance Deposit Wagering (ADW) providers are TVG, Twin Spires, Xpressbet, and Youbet.com
- Simulcasting conducted with other out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing has been completed.

Specific information **still needed** to complete this application includes:

1. Fire clearance.

RECOMMENDATION:

Staff recommends the Board approve the application, contingent upon receipt of the fire clearance.

STATE OF CALIFORNIA
 CALIFORNIA HORSE RACING BOARD
APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF A CALIFORNIA FAIR
 CHRB-18 (Rev.12/06)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting of a California fair as authorized by Article 6.5 of the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and in accordance with applicable provisions and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT FAIR ASSOCIATION

A. Name, mailing address, telephone and fax numbers of fair:

21st District Agricultural Association
The Big Fresno Fair
1121 South Chance Avenue
Fresno, Ca. 93702
(559) 650-3247; FAX (559) 650-3226

B. Fair association is a: District Fair County Fair Citrus Fruit Fair
 California Exposition and State Fair Other qualified fair

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF RACE MEETING

A. Inclusive dates of race meeting: October 7, 8, 9, 10, 11, 12, 15, 16, 17, 18, 2009
 B. Dates racing will NOT be held: Tuesday & Wednesday, October 13th and 14th, 2009
 C. Total number of racing days: 10

3. RACING PROGRAM

A. Total number of races: 108
 B. Number of races by breed:

<input type="text" value="84"/>	Thoroughbreds	<input type="text" value="5"/>	Quarter Horses	<input type="text" value="0"/>	Appaloosas
<input type="text" value="10"/>	Arabians	<input type="text" value="0"/>	Paints	<input type="text" value="9"/>	Mules

C. Number of races daily: **Mon/Wed/Thur/Fri-10 Races Daily. Sat/Sun- 12 Races Daily**

	1 st Sun.	2 nd Sun.	1 st Wed.	2 nd Wed.	1 st Thurs.	2 nd Thurs.	1 st Fri.	2 nd Fri.	1 st Sat.	2 nd Sat.
Thoroughbred	9	9	8	8	8	8	8	8	9	9
Other Breeds	3	3	2	2	2	2	2	2	3	3
Total	12	12	10	10	10	10	10	10	12	12

CHRB CERTIFICATION

Application received: 7/16/09
 Reviewed: *[Signature]*

Hearing date: 8/27/09
 Approved date:
 License number:

D. Total number of stakes races by breed:

<input type="text" value="2"/>	Thoroughbreds	<input type="text" value="1"/>	Quarter Horses	<input type="text" value="0"/>	Appaloosas
<input type="text" value="2"/>	Arabians	<input type="text" value="0"/>	Paints	<input type="text" value="2"/>	Mules

E. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each.

EMERGING BREEDS OVERNIGHT STAKES SCHEDULE

Saturday, October 10, 2009 Arabians, 3 Years Old & Up Six Furlongs	California ARC Gold Cup	\$ 11,000 Guaranteed (Includes \$2,000 from ARAC)
Sunday, October 11, 2009 Mules, 3 Year Olds 350 Yards	AMRA World Championship Futurity.	\$ 9,000 Guaranteed
Sunday, October 18, 2009 Quarter Horses, 2 Years Old 400 Yards	Fresno Quarter Horse Futurity 16 th Running	\$ 10,000 Guaranteed
Sunday, October 18, 2009 Mules, 3 Years Old & Up 440 Yards	Fresno AMRA Gold Cup 15 th Running	\$ 9,000 Guaranteed
Saturday, October 17, 2009 Arabians, 3 Years Old & Up 1 1/16 Miles	K Cuch Jedah Stakes 12 th Running	\$11,000 Guaranteed (Includes \$2,000 from ARAC)

THOROUGHBRED STAKES SCHEDULE

Friday, October 16, 2009 Thoroughbreds 3 Years Old & Upward Fillies & Mares, Six Furlongs	The Harvest Futurity 4 th Running	\$ 50,000 Guaranteed
Sunday, October 18, 2009 Thoroughbreds, 3 Years Old & Upward, Six Furlong	Bulldog Stakes 17 th Running	\$ 50,000 Guaranteed

F. Will provisions be made for owners and trainers to use their own registered colors?

Yes No If no, what racing colors are to be used:

G. List all post times for the daily racing program:

	MON/WED/THURS/FRI	SATURDAY/SUNDAY
Race #1	1:15 p.m.	12:45 p.m.
Race #2	1:45 p.m.	1:15 p.m.
Race #3	2:15 p.m.	1:45 p.m.
Race #4	2:45 p.m.	2:15 p.m.
Race #5	3:15 p.m.	2:45 p.m.
Race #6	3:45 p.m.	3:15 pm
Race #7	4:15 p.m.	3:45 p.m.
Race #8	4:45 p.m.	4:15 p.m.
Race #9	5:15 p.m.	4:45 p.m.
Race #10	5:45 p.m.	5:15 p.m.
Race #11		5:45 p.m.
Race #12		6:15 p.m.

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813.

4. FAIR ASSOCIATION

- A. Names of the Fair Directors:
- | | |
|-------------------------------|---|
| Larry Serpa, President | Richard "Tim" Bakman, Vice-President |
| Joseph De Los Santos | Debbie Jacobsen |
| Ardie Der Manouel | Vernon Jones |
| Elizabeth Hudson | Wangyee Vang |
| | William "Bill" White |
- B. Names of the directors serving on the Racing Committee or otherwise responsible for the conduct of the racing program:
Chief Executive Officer John C. Alkire; Director Ardie Der Manouel
- C. Name and title of the fair manager or executive officer and the names and titles of all department managers and fair staff, other than those listed in 9B, who will be listed in the official program:
- | | |
|---|--|
| John C. Alkire, CEO | Stacy Rianda, Deputy Manager II |
| Bryan Wayte, Pari-Mutuel Manager | Lauri King, Deputy Manager I |
| Steve Wood, Track Superintendent | Daniel White, Chief of Racing |
| John Heinrich, Maintenance Supervisor II | Frank Mirahmadi |

5. PURSE PROGRAM

- A. Purse distribution:
- All races other than stakes:
Current meet estimate: **969,295**
Prior meet actual: **782,429**

Average Daily Purse (5A1 ÷ number of days):
Current meet estimate: **96,930**
Prior meet actual: **71,130**

2. Overnight stakes:
 Current meet estimate: **50,000**
 Prior meet actual: **54,000**

Average Daily Purse (5A2 ÷ number of days):
 Current meet estimate: **5,000**
 Prior meet actual: **4,910**

3. Non-overnight stakes:
 Current meet estimate: **50,000**
 Prior meet actual: **50,000**

Average Daily Purse (5A3 ÷ number of days):
 Current meet estimate: **5,000**
 Prior meet actual: **4,545**

- B. Funds to be generated for all California-bred incentive awards:
 Current meet estimate: **41,748**
 Prior meet actual: **34,790**

- C. Payment to each recognized horsemen's organization contracting with the fair:

	Current meet estimate:	Prior meet actual:
CTT	2,836	2,363
TOC	5,671	4,726
NTRA	1,589	1,324
PCQHRA	2,556	2,130
CWAR	0	0
ARAC	7,278	6,065
AMRA	7,595	6,329
CHBPAPEN	8,508	7,090
CTHF	8,508	7,090
Total:	44,541	37,117

- D. Amount from all sources to be distributed at the meeting in the form of purses or other benefits to horsemen (5A+5B+5C):
 Current meet estimate: **1,155,584**
 Prior meet actual: **958,336**

Average Daily Purse (5D ÷ number of days):
 Current meet estimate: **115,558**
 Prior meet actual: **87,121**

- E. Purse funds to be generated from on-track handle and intrastate off-track handle:
 Current meet estimate: **856,194**
 Prior meet actual: **507,164**

Average Daily Purse (5E ÷ number of days):

Current meet estimate: **85,619**

Prior meet actual: **46,106**

F. Purse funds to be generated from interstate handle:

Current meet estimate: **125,387**

Prior meet actual: **0**

Average Daily Purse (5F ÷ number of days):

Current meet estimate: **12,539**

Prior meet actual: **0**

G. Bank and account number for the Paymaster of Purses' purse account:

West America Bank – Account # on file.

H. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:

Disher Accountancy Corp., 1816 Maryal Drive, Sacramento, Ca. 95864 (916) 482-4224

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the fair and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt into such liability account. In the event the fair is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the fair shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The fair is entitled thereafter to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the fair is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the fair may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

A. Number of usable stalls available for racehorses at the track where the meeting is held:

624 stalls plus 60 portable stalls.

B. Minimum number of stalls believed necessary for the meeting: **624**

C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **None**

D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: **N/A**

E. Attach each contract or agreement between the fair and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site. **N/A**

Complete subsections F through H if the fair will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

F. Total number of usable stalls made available **on-site** for the **1986** meeting: **1,037**

G. Estimated cost to provide **off-site** stalls for this meeting. Show cost per-day per stall: **N/A**

H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse: N/A

7. PARI-MUTUEL WAGERING PROGRAM

A. Pursuant to B&P Code Section 19599; and with the approval of the CHRB, fairs may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

TYPE OF WAGERS	APPLICABLE RULES
Example Race \$1 E; \$1 Double	CHRB #1959; RCI #VE
Exacta (E)	CHRB #1959
Quinella (Q)	CHRB #1958
Pick 3 (PK3)	CHRB #1977
Daily Double (DD)	CHRB #1957
Trifecta (TRI)	CHRB #1979
Superfecta (SF)	CHRB #1979.1
Place Pick (n) Pool (PPN)	CHRB #1976.8
Pick (n) Pool (PNP)	CHRB #1976.9
Select 4 (PK4)	CHRB #1978
\$1 Super H5	ARCI #004-105 Section T "Pick N position x Pools"

<u>Race #</u>	<u>Type of Wagers</u>
Race #1	\$1 E, \$1 PK3, \$.50 PK4, \$1 PNP, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF
Race #2	\$1 E, \$1 PK3, \$.50 PK4, \$1 PNP, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF
Race #3	\$1 E, \$1 PK3, \$.50 PK4, \$1 PNP, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF
Race #4	\$1 E, \$1 PK3, \$.50 PK4, \$1 PNP, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF
Race #5	\$1 E, \$1 PK3, \$.50 PK4, \$1 PNP, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF
Race #6	\$1 E, \$1 PK3, \$.50 PK4, \$1 PNP, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF
Race #7	\$1 E, \$1 PK3, \$.50 PK4, \$1 PNP, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF
Race #8	\$1 E, \$1 PK3, \$.50 PK4, \$1 PNP, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF
Race #9	\$1 E, \$1 PK3, \$.50 PK4, \$1 PNP, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF
Race #10	\$1 E, \$1 PK3, \$1 PNP, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF
Race #11	\$1 E, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF
Race #12	\$1 E, \$1 TRI, \$2 Q, \$2 DD, \$.10 SF, \$1 Super H5

B. Maximum carryover pool to be allowed to accumulate before its distribution OR the date(s) designated for distribution of the carryover pool: **October 18, 2009, last day of race meet.**

C. List any options requested with regard to exotic wagering:
\$1 PNP when applicable; and \$.10 SF when applicable
\$.50 pk4 on first race and last 4 races
@\$2 Pick 6 on last 6 races
\$1 Pentafecta selecting the first five finishers in the same race. 100% payout on all tickets selecting five winners. No consolation; 100% carryover if no ticket has five winners. Note: Superfecta will be offered in the race. Super High-5 will be carded as the last race of the day.

D. Will "advance" or "early bird" wagering be offered? Yes No
 If yes, when will such wagering begin:

- E. Type(s) of pari-mutuel or totalizator equipment to be used by the fair and the simulcast organization, the name of the person(s) supplying equipment, and expiration date of the service contract: **Scientific games Racing (Autotote), George Brannon, September 30, 2012**
Equipment description on file with Board.

8. ADVANCE DEPOSIT WAGERING (ADW)

- A. Identify the ADW provider(s) to be used by the association for this race meeting:
TVG
TwinSpires
Xpressbet
YOUBET

9. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering: **Northern California Off-Track Wagering, Inc. (NCOTWINC)**
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **On file.**
- C. California simulcast facilities the association proposes to offer its live audiovisual signal:

NORTHERN CALIFORNIA

Alameda County Fair, Pleasanton
 Big Fresno Fair, Fresno
 California State Fair & Exposition, Sacramento
 Club One, Fresno
 Golden Gate Fields, Albany
 *Humboldt County Fair, Ferndale
 Jockey Club at San Mateo, San Mateo
 Kern County Fair, Bakersfield
 Monterey County Fair, Monterey
 **Redwood Acres Fair, Eureka
 San Joaquin County Fair, Stockton
 Santa Clara County Fair, San Jose
 Shasta District Fair, Anderson
 Solano County Fair, Vallejo
 Sonoma County Fair, Santa Rosa
 Stanislaus County Fair, Turlock
 Tulare County Fair, Tulare

*Open during two-week Ferndale Fair Racing

**Closed during Ferndale Fair Racing

***Closed for renovation

SOUTHERN CALIFORNIA

Barona Valley Ranch Resort & Casino, Lakeside
 Cabazon Fantasy Springs Casino, Indio
 Derby Club, Seaside Park, Ventura
 Earl's Place at Earl Warren Fairgrounds, Santa Barbara
 Fairplex Park, Pomona
 Horsemen's Club,, Santa Barbara
 Los Alamitos Race Course, Los Alamitos
 Santa Anita Park, Arcadia
 Shalimar Sports Center, Indio
 Sports Center, San Bernardino
 Sports Pavillion at The Farmers Fair, Lake Perris
 Sports Pavillion, San Bernardino Cty. Fair, Victorville
 Surfside Race Place at Del Mar, Del Mar
 ***Sycuan Gaming Center, El Cajon
 Viejas Casino & Turf Club, Alpine
 Watch & Wager, Antelope Valley Fgds, Lancaster

- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:

D. & E. UNDER E.

- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:

Amwest Entertainment, OR
Arapahoe Park, CO
Arma Race Club
Arlington International Race Course, IL
Atlantic City Casino Assn., NJ
Atlantic City Race Course, NJ
Atokad Downs, NE
Balmoral Park, IL
Bangor, ME
BetPad Ltd.
Beulah Park, OH
Birmingham Race Course, AL
Blue Ribbon Downs, OK
Bluffs Run Greyhound
Buffalo Raceway, NY
Calder Race Course, FL
Canadian Associations
Canterbury Park, MN
Capital District OTB
Capital Sports Ply, Ltd, Australia
Casino Association
Catskills OTB
Charlestown Race Course, VA
Chester Downs & Marina LLC
Choctaw Racing Services, LLC, OK
Churchill Downs, KY
Coeur d'Alene Greyhound, ID
Coeur d'Alene Casino, ID
Colonial Downs, VA
Columbus Races, NE
Comanche Nation
Connecticut OTB, CT
Crystal Palace
Cyprus Boyou OTB
Dairyland Greyhound Park, WI
Darwin All Sports
Delaware Park, DE
Delta Downs
Downs at Albuquerque, NM
Elite Turf Club 1-8, NV
Ellis Park, KY
Emerald Downs, WA
Equus St. Thomas Racing, Inc.
Evangeline Downs, LA
Evansville OTB
Fair Meadows
Fair Grounds Race Course, LA
Finger Lakes Race Track, NY
Fonner Park, NE
Foxwoods Casino,
Freehold Raceway, NJ
Geneva Lakes
Gillespie County Downs
Global Wagering Solutions (MEC) MagnaBet
Great Lakes Downs, MI
Greentrack
Gulf Greyhound, TX
Gulfstream Park, FL
Harrington Raceway
Hawthorne
Hazel Park, MI
Hinsdale Greyhound Park, NH
Hoosier Park, IN
Horsemen's Park, NE
Indiana Downs, IN
International Racing Group
Jackson Harness Raceway, MI
John Martin's Manor Restaurant
Keeneland Association, KY
Kentucky OTB
Lebanon Raceway, OH
Les Bois/Idaho
Lewiston Raceway Inc., ME
Lien Games, Inc., ND
Lincoln Greyhound
Lodge Belmont Greyhound Park
Lone Star., TX
Louisiana Downs, LA
Manor Downs
Maryland Jockey Club, MD
Maywood Park, IL
Meadowlands, NJ
Meadowlands, The
Meskwaki Casino
Millers OTB
Mohegun Sun
Monmouth Park, NJ
Montana OTB, MT
Monticello Raceway, NY
Mount Pleasant Meadows, MI
Mountaineer Park, WV
Nassau Regional OTB, NY
Nebraska State Fair Park, NE
Nevada Indian Casinos
Nevada Pari-Mutuel Association, NV
New York City Off-Track Betting Assn., NY
New York Racing Association, NY
Newport Jai Alai, FL
Northfield Park, OH
Oaklawn Park, AR
Ocean Downs, MD
Penn National Race Course, PA
Phumelela Gold
Philadelphia Park, PA
Pinnacle Race Course
Plainfield Greyhound Park, NJ
Plainridge Racecourse, MA
Pocono Downs, PA
Portland Meadows, OR
Potawatomi Casino
Prairie Meadows, IA
Premier Turf Club
Presque Isle Downs
Race 2 Day
Raceway Park, OH
Racing World
Racing US
Racing & Gaming Services, British WI
Raynham Taunton Greyhound Park
Remington Park, OK
Retama Park, TX
River Downs, OH
Rockingham Park, NH
Rocky Mountain Turf Club
Royal River Racing
Ruidoso Downs, NM
Running Aces Harness Park
Sam Houston, TX
Saratoga Raceway, NY
Scarborough Downs, ME
Scioto Downs, OH
Seabrook Greyhound
Shoreline Star Greyhound Park
Skydancer Casino
Sol Mututel Ltd.
Southland, AR
Sports Center
Sports Creek Raceway, MI
Stables, The
State Fair Park, NE
Suffolk Regional OTB, NY
Suffolk Downs, MA
Sunland Park, NM
SunRay Park, NM
Tampa Bay Downs, FL
The Greyhound Park @ Post Falls
The Racing Channel
The Racing Channel International
Thistledown Racing, OH
Timeout Lounge
Tioga Downs
Tri-State Racetrack & Gaming Center, WV
Turf de Venezuela
Turfway Park, KY
TVG
Twin Spires/AmTAB
Turf Paradise, AZ
Valley Greyhound Park
Vernon Downs, NY
Victor Chandler
Western Regional OTB
Wheeling Downs, WV
Wichita Greyhound Park, KS
Will Rogers Downs, OK
Wonderland Greyhound Park, MA
Woodlands, KS
Wyoming OTB, WY
XpressBet, Inc., CA
Yavapai Downs, AZ
Yonkers Raceway, NY
YouBet
Zia Park, NM

Separate Pools:
Caymanas Park, JAM
Hipodromo Presidente Remon, Panama
LVDC (NV)
MIR/Caliente
Hipodromo Camerero (PR)

- F. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

October 7 - 18, 2009

Out-of-State & International Imports - Full or Partial Card (Subject to Change)

DOMESTIC	
BEULAH PARK	10/7-10/18
BELMONT	10/7-10/18
CALDER RACECOURSE	10/7-10/18
CHARLES TOWN	10/7-10/18
DELAWARE	10/7-10/18
HAWTHORNE	10/7-10/18
HOOSIER PARK	10/7-10/18
KEENELAND	10/9-10/18
LAUREL PARK	10/7-10/18
MEADOWLANDS	10/7-10/18
MOUNTAINEER	10/7-10/18
PENN NATIONAL	10/7-10/18
PHILADELPHIA PARK	10/7-10/18
PORTLAND	10/7-10/18
REMINGTON PARK	10/7-10/18
SUFFOLK DOWNS	10/7-10/18
TURF PARADISE	10/7-10/18
TURFWAY PARK	10/8-10/8
ZIA PARK	10/7-10/18
INTERNATIONAL	
WOODBINE	10/7-10/18
HASTINGS	10/7-10/18
SAN ISIDRO	10/7-10/18
HIPPODROMO CHILE	10/7-10/18
MARONAS	10/7-10/18
NORTHLANDS PARK	10/7-10/18
FORT ERIE	10/7-10/18
SUBJECT TO CHANGE	

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
See 8D above.	TBD	

- G. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Los Alamitos	Per CHRB calendar	Full Card

- H. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held,

and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Cal Expo Harness	Per CHRB calendar	Full Card

- I. For ALL racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
None			

- J. For ALL racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Sections 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). **Not applicable.**

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

10. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- A. Racing officials nominated:

Association Veterinarian(s)	Shan Collette - DVM Track Fitness Veterinarian Don Dooley – CHRB Veterinarian
Clerk of Scales	Cheryl White
Clerk of the Course TB	Dolores Collins
EB	Dolores Collins
Film Specialist	Danny Winick
Horse Identifier	Darrell Sparks
Horseshoe Inspector	Maurice Fitzpatrick
Patrol Judge	Danny Winick
Paddock Judge/Patrol Judge	Mathew Nichols
Placing Judges	Mathew Nichols/Myra Truitt
Starter	Robert Mooneyhan
Timer	Melody Truitt

- B. Management officials in the racing department:
- | | |
|----------------------------|----------------|
| Chief of Racing | Daniel White |
| Racing Secretary | Tom Doutrich |
| Assistant Racing Secretary | Lisa Jones |
| Paymaster of Purses | Victoria Layne |
- Others (identify by name and title)
- C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:
Esquire Deposition Services, 516 W. Shaw, Suite 200, Fresno, Ca. 93704 (559) 261-2324
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:
Plusmic Corporation USA, Bill O'Brien Expires December 7, 2010
- E. Photopatrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.
Pegasus Communications, Inc., Jim Porep Expires April 30, 2013
Equipment Description: 5 Cameras – (3 towers, 1 pan, 1 hand-held)
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:
Permanently installed system-laser, Pegasus Communications, Inc., Jim Porep, expires April 30, 2013

11. SECURITY CONTROLS

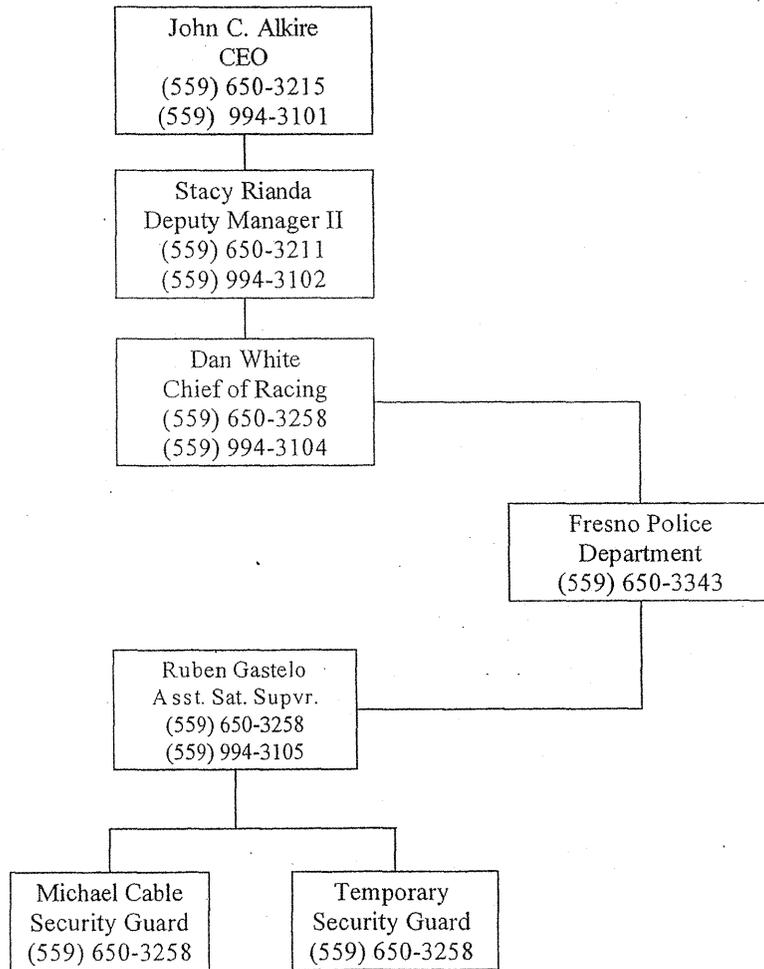
- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers. **Daniel White, Chief of Racing**
Office: (559) 650-3258; Cell: (559) 994-3104
Organizational Chart Attached
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis:
Grandstand Security Guards: 4 Security Guards plus 2 Fresno Police Officers.
Stable Gate Area Security Guards: 6 Gatemen; 2 Stable Area Patrol; 4 Security Guards; and an on-grounds stall superintendent lives in the backside area and makes rounds throughout the night checking the horses and stalls.
1. Attach a written plan for enhanced security for graded/stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns. **N/A**
 2. Detention Barns: **N/A (The Fair is not running graded stakes)**
 - A. Attach a plan for use of graded stakes or overnight races.
 - B. Number of security guards in the detention barn area during a 24-hour period. **N/A**
 - C. Describe number and location of surveillance cameras in detention barn area. **N/A**

Item #11-A

Security Organizational Chart

A number of security controls are made available during the Fair's live race meet and is coordinated by Fair Management and the Director of Racing. The grandstand is conducted by grandstand Security Guards as well as the Officers of the Fresno Police Department Command Center, who patrols all four floors of the grandstand and patrols the outside horse racing seats of the grandstand. Security Guards are assigned in the stable area, if and when issues arise and escalate, Fair Management and the Command Center become involved as needed and make necessary arrests and/or ejections. The Chief of Racing and Fair Management will work closely with CHRB staff in the backstretch area on a daily basis throughout the run of the Fair.

**21st District Agricultural Association
The Big Fresno Fair
2009**



3. TCO2 Testing:

- A. Number of races to be tested, and number of horses entered in each race to be tested.
All Thoroughbred races and all horses.
- B. Plan for enhanced surveillance for trainers with high-test results.
Trainer with high test results will be moved to the detention area.
- C. Plan for detention barns for repeat offenders.
Ten (10) stalls adjacent to test barn, which are under 24-hour video surveillance.
- D. Number of security personnel assigned to the TCO2 program.
One (1) 24-hour security guard when detention stalls are occupied.

C. Describe the electronic security system.

Money Room and Tote Room – security system includes motion sensors, door contact sensors monitored by Prestog; Money Room Manager carries a panic button.
Grandstand – security system includes motion sensors, door contacts monitored by ADT Security Services.

- 1. Location and number of video surveillance cameras for the detention barn and stable gate.
Will work with CARF to provide cameras for the detention barn (TC02 Testing Trailer) and will conduct random security patrols throughout the barn area in conjunction with CHRB investigators.

12. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:
American Ambulance, 2011 E. Tulare Street, Fresno, Ca. 93721 (559) 443-5900
- B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites: **None**
- C. Describe the on-track first aid facility, including equipment and medical staffing:
American Ambulance shall provide an Advanced life Support (ALS) ambulance with two EMT's at racetrack workouts from 0630 hours until 1000 hours daily and from 12 Noon to end of racing each day for the duration of the Big Fresno Fair, October 7-18, 2009.
American Ambulance, 2011 E. Tulare Street, Fresno, CA 93721 (559) 443-5900
- D. Name and emergency telephone number of the licensed physician on duty during the race meeting:
Sequoia Community Health Centers, John L. Maffeo, MD (559) 457-5227
- E. Name, address and emergency telephone number of the hospital to be used for admittance and treatment of emergency injuries in the event of an on-track injury to a jockey:
Community Medical Centers, 2823 Fresno Street, Fresno, Ca. 93715 (559) 459-6000.
- F. Attach, in English and Spanish, the emergency medical plan procedures that will be posted in each jockey's room to be used in the event of an on-track injury to a jockey:
See attached

Item 12-F in English

EMERGENCY MEDICAL PLAN PROCEDURE

In case of an accident to a jockey on the racetrack during the Big Fresno Fair's Race Meet, October 7-18 2009, or at any time during the meet, the jockey is to immediately report injury to the track physician and/or the American Ambulance EMT's.

When a horse and jockey go down during workouts and/or during the race meet, the track ambulance, horse ambulance, and the track veterinarian go immediately to the scene of the accident. Depending on the severity of the injury, the jockey will either be transported to the Hospital and/or taken to the Jockey's Quarters for the track physician to evaluate the severity of injuries. When it is known that the horse is severely injured, the horse ambulance travels immediately to the scene of the accident and a screen blocking the public's view of the injured horse will be set up prior to be taken off the track by the horse ambulance.

A Fair staff official will be advised immediately when a horse and jockey go down during a workout and/or during the race meet in order to obtain the necessary information regarding the accident and notifying the owner/trainer and family member of the injured. This will help to facilitate the expediency of the paperwork for the employee, owner/trainer, and file the required information to the hospital in order for them to get reimbursed.

Item 12-F in Spanish

PLAN DE PROCEDIMIENTOS EN CASO DE EMERGENCIA

En caso de un accidente a un jinete durante la Big Fresno Fair, del 7 al 18 de Octubre, o en cualquier momento durante el evento, el jinete deberá de reportar el accidente al medico designado o los paramedicos de emergencia.

Cuando un jinete junto con el caballo caen durante el entrenamiento o durante la carrera, la ambulancia del hipodromo o de caballos junto con el veterinario presente, iran inmediatamente al lugar del accidente. Dependiendo de la severidad del caso, el jinete sera transportado al hospital o al Jockey's Quarters para que el médico de la pista evalúe la severidad de las heridas. Cuando se sabe que un caballo está gravemente herido, la ambulancia de caballos ira inmediatamente al lugar del accidente y pondra una pantalla para taparle la vista al publico antes de que lo levanten.

El personal official de al feria sera avisado inmediatamente cuando un jinete junto con el caballo caen durante un entrenamiento o durante la carrera, para obtener la información necessary acerca del accidente y notificar al dueño/entrenador y familia del jinete. Esto ayudará a facilitar la preparacion de documentos para el empleado, el dueño/entrenador, y asi consigan un reembolso rapido.

- G. Name of health and safety manager and assistant manager responsible for compliance of health and safety provisions pursuant to B& P Code 19481.3(d):
John C. Alkire, CEO; and Stacy Rianda, Deputy Manager II
- H. Attach a fire clearance from the fire authority having jurisdiction over the premises.
Fire Marshall is scheduled to inspect Fresno Fair's portable horse stalls approximately September 12th.
- I. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the fair for payment of workers' compensation.
Attached

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall pursuant to B&P Code 19481.3 maintain, staff, and supply an on-track first aid facility, that may be either permanent or mobile, and which shall be staffed and equipped as directed by the board. A qualified and licensed physician shall be on duty at all times during live racing, except that this provision shall not apply to any quarter horse racing at the racetrack if there is a hospital situated no more than 1.5 miles from the racetrack and the racetrack has an agreement with the hospital to provide emergency medical services to jockeys and riders. An ambulance licensed to operate on public highways provided by the track shall be available at all times during live racing and shall be staffed by two emergency medical technicians licensed in accordance with Division 2.5 (commencing with Section 1797) of the Health and Safety Code, one of whom may be an Emergency Medical Technician Paramedic, as defined in Section 1797.84 of the Health and Safety Code. (b) Each racing association and racing fair shall adopt and maintain an emergency medical plan detailing the procedures that shall be used in the event of an on-track injury. The plan shall be posted in each jockey room in English and Spanish. (c) Prior to every race meeting, the racing association or racing fair shall contact area hospitals to coordinate procedures for the rapid admittance and treatment of emergency injuries. (d) Each racing association or racing fair shall designate a health and safety manager and assistant manager, who shall be responsible for compliance with the provisions of this section and one of whom shall be on duty at all times when live racing is conducted. The health and safety manager may, at the discretion of the racing association, be the person designated to perform risk management duties on behalf of the association.

13. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:

COMPANY	OWNER	ADDRESS	CONCESSION SERVICE
C & C Concessions	Charles Giordano	P. O. Box 1651 Ontario, Ca. 91762	Food & Beverage, Alcoholic & Non-Alcoholic Beverage
Speeda Sound	Mike King	5617 W. San Madele Fresno, Ca. 93722	Sound Equipment
Winner's Circle Restaurant	Don Fowler	1100 Howe Avenue #450 Sacramento, Ca. 95825	Cafe
Bob's Card, Inc.	Tiffany Bohland	6288 Highland Meadows Medina, OH 44256	Tip Sheets
Cal Horse	Rick Harris	26807 Proveda Mission Viejo, Ca. 92691	Tip Sheets
Vassar Photography	Bill Vassar	5075 Double Point Way Discovery Bay, CA 94505	Winner's Circle Photos
Silver Bar Leasing	Tracy Foote	2445 S. Fruit Fresno, Ca. 93706	Portable Stalls
1 Sound View Loop	CARF Contract	South Salem, NY 10590	Starting Gate
Bailey Mobile Laundry	Frances Lorene Dutton	1129 Avenida Sevilla #7-B Walnut Creek, Ca. 94595-3741	Jockeys Laundry

July 7, 2009

To: California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825
Attn: Colleen

Re: Big Fresno Fair/21st DAA
1121 S. Chance Avenue
Fresno, CA 93702

Please be advised that the Big Fresno Fair/21st DAA is a member of the California Fair Services Authority (CFSA), and participates in the following self-insurance and loss pooling programs which are administered by CFSA:

I. COMPREHENSIVE GENERAL LIABILITY PROGRAM

- A. Primary Coverage \$750,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
- B. Excess Coverage \$9,250,000 in excess of \$750,000
Coverage provided by Allied World Assurance Company
Term: 01/01/2009 to 01/01/2010

II. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

- A. Primary Coverage \$500,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
- B. Excess Coverage (a) Workers' Compensation: Statutory Limit in excess of \$500,000
(b) Employers' Liability: \$4,500,000 in excess of \$500,000
Coverage provided by CSAC Excess Insurance Authority
Term: 07/01/2009 to 07/01/2010

CFSA represents to the California Horse Racing Board that within the above limits, terms and provisions of the coverage stated, to the extent provided by law, CFSA will provide defense, payment, and indemnification on loss funding in accordance with the terms of the contractual assumption of the Big Fresno Fair/21st DAA as set forth in the California Horse Racing Board's "Insurance Requirements".

You will be given at least thirty (30) days notice of any change in the foregoing information. We trust that this commitment will satisfy your insurance requirements.

Please feel free to contact this office on all matters including possible claims.

Sincerely,

Laanne Lewellen
Laanne Lewellen
Risk Analyst

Delmar Graphics	Del Scott	7806 Honors Court Pleasanton, CA 94588	Program Printing
NOTWINC	Bryan Wayte	11875 Dublin Blvd. Dublin, Ca. 94568	Armored Car Service

14. ON- TRACK ATTENDANCE/FAN DEVELOPMENT

A. Describe any promotional plans:

The 2009 Big Fresno Fair will operate its ten days of live horse racing October 7-18 with two dark days on Tuesday, October 13th and Wednesday, October 14th. All dedicated horse racing television spots are run on local television stations and cable and promotions of the Fresno Fair's Race Meet will also be included in radio spots and in all publicity materials; Hispanic Announcer on board both Sundays. (see attached)

B. Number of hosts and hostesses employed for meeting: 6

C. Describe facilities set aside for new fans: Weekend and Holiday Handicapping Seminars

D. Describe any improvements to the physical facility in advance of the meeting that directly benefits:

1. Horsemen –**For the 2009 year, we focused on improving our Barn Area, with a complete rebuilding of two barns and all stall doors were repaired or replaced. In 2008, planted several hundred trees around the racetrack; upgraded the tote board and rock/fountain area; remodeled and upgraded several horse stalls and tack rooms; and for the fourth year, offering the Owner/Trainer Appreciation BBQ and giving away awards for the Special Trainer, Top Jockey Thoroughbred, Top Jockey Mixed Breed, and Top Groom.**

2. Fans - **Started in 2007 and finished in 2008, built a beautiful VIP deck outside the Turf Club of the grandstand overlooking the paddock and racetrack for race fans; started in 2007 and completed for the 2008 race meet, beautified the Kings Canyon Gate Entrance to the Infield Parking lot with a 40-foot replica of the original historic grandstand of 1890, which includes a life-size horse and jockey running across the front of the entrance; painted several Clydesdale murals on the 2nd and 4th floors of the grandstand making it more pleasant for race fans; started in 2007 and completed in 2008 a new gate entrance on Kings Canyon Avenue entrance to increase efficiency and safer for fair patrons; and again this year, inviting the fifteen outlying cities in Fresno County to a "Day at the Races" for their city; and have the Mule World Championships for 2009 Race Meet.**

3. Facilities in the restricted areas – **Upgraded and installed behind the pari-mutuel lines tire-derived rubber tile products on the floor for the comfort of the Pari-Mutuel Clerks; installed brick rubber matting in the detention barn on the backside.**

15. SCHEDULE OF CHARGES

A. Proposed charges, note any changes from previous year:

Admission (general)	-	\$8.00	\$5.00 Child	\$7.00 Seniors
Admission (clubhouse)		\$10.00		
Reserved seating (general)		\$4.00		
Reserved seating (clubhouse)		\$10.00		
Parking (general)		\$5.00		



1121 S. Chance Avenue
Fresno, Ca. 93702
(559) 650-3247

PROMOTION OF LIVE HORSE RACING AT THE 2009 BIG FRESNO FAIR

The tradition of live horse racing at The Big Fresno Fair is an extremely important part of our Fair celebration and is therefore integrated into all global fair positioning as it relates to marketing and advertising of our annual Fair event. Listed below are the more concentrated efforts to help promote the Live Racing attraction at the 2009 Big Fresno Fair.

Paid Buy

Although reference to live horse racing is included in our global fair advertising, an additional live horse racing buy is purchased annually, allowing us to target a more specific demographic for live horse racing, based on agency research regarding the average horse racing enthusiast.

- TV
 - o Dedicated Horse Racing TV Spot is run on English & Spanish language local broadcast and cable TV. Minimum \$19,000 paid schedule with an anticipated \$40,000 or more in promotional added value.
- Radio
 - o Live Horse Racing to be promoted on the top Fresno Stations. Minimum of \$18,000 paid schedule with an anticipated \$40,000 or more in promotional added value.
- Print
 - o AA Section - Main Fair tab will include Live Horse Racing Section – Distribution 200,000. Approximate value \$22,000.
 - o Dedicated Horse Racing ads to run in the Sports section of local newspaper. Approximate value \$6,000.
 - o Live Horse Racing included in approx. \$4,000 of advertising in local Spanish Language newspaper, Vida En El Valle.
 - o Live Horse Racing to be included in approximately \$20,000 of additional global Fair print promotion in The Fresno Bee.

On Grounds Promotion

- Grandstand Seat Promotional Giveaway
 - o Promotional Sponsor TBD
 - o Goal is to help generate additional attendance on traditionally slower race days.
- KMJ as an official Radio sponsor of Live Horse Racing at The Big Fresno Fair
 - o KMJ RV – Most widely listened to local news stations broadcasts the most popular local news talk radio show live from the infield the 11 racing days of Fair.
 - o Track announcer feed plugged into RV for race updates transmitted to station throughout the day.
- Bulldog Stakes
 - o Contest – Patrons are encouraged to wear Red to celebrate the Fresno State Bulldog Stakes & be entered to win cash prizes at the races.

-
- VIP Suite
 - Sponsors, Friends of the Fair & Satellite Wagering VIP are offered a private location where they can enjoy the live racing venue effectively working as additional incentive for securing sponsorship funding.
- Live Horse Racing Sponsorship
 - Sponsors and cities within the County of Fresno are included in race sponsorship packages which help stimulate interest in the live horse racing venue as a place to entertain business partners and encourages additional parties during live horse racing.

Additional Promotional Advertising

- Website
 - Dedicated page to promote Live Racing at The Big Fresno Fair.
 - URL links offered as added value from several live racing sponsor sites.
 - Dedicated email blasts to Fair's email newsletter subscriber list promoting live racing at the Fair.
- Collateral
 - Reference to Horse Racing in all collateral and print promotion created for global Fair initiatives--Daily schedules, flyers & posters.

Public Relations/Earned Media

The Big Fresno Fair Public Relations Department strategically plans news coverage suggestions and organizes interviews, information and planning for on-site media prior to and during The Big Fresno Fair. As part of planning, an entire section of the annual media kit is designated to include live horse racing information and is distributed to all local TV and Radio stations and print media. Examples from 2008 include:

- Minimum 4 stations broadcast their morning news shows live from The Big Fresno Fair's race track including interviews with trainers, experts on betting and jockeys.
- Minimum 8 packaged news stories were aired during the event. Topics included backstretch improvements, local racing horse owners and trainers, wagering tips, track safety and information for the layperson.

Schedule Presale Promotions & Fair-time Discount Days

Unlimited Ride Carnival Wristband

- \$10 off Unlimited Ride Carnival Wristband (normally \$30 during Fair)
- Available for purchase starting Wednesday, July 15th at 9a.m. until Tuesday, October 6th at Midnight.
- Available for purchase throughout the 2009 Fair for \$30.

Corporate Ticket Packs

- The Corporate Pack includes 20 adult admission tickets for \$120 (\$6 each) good for any day at The Big Fresno Fair.
- Available for purchase starting Wednesday, July 15th at 9a.m. until Tuesday, October 6th at Midnight.

Season Passes

- Good for use any day of the Fair; cost is \$20

Parking (preferred)	\$8.00
Parking (Chance Lot)	\$12.00
Parking (valet)	N/A
Programs (on-track)	\$1.00
(off-track)	\$2.25

B. Describe any "Season Boxes" or other special accommodation fees:

**Box seats are sold in advance - \$642.00 (Box of 4)
Daily box seats are sold individual at \$5/ea. (if available)**

C. Describe any "package" plans such as combined parking, admission and program:

New for 2009, Season Passes will be sold for \$20.00 which allows the fairgoer admission to the fair everyday of the Fair, a total of 12 days for only \$20.00. Also, this year the Big Fresno Fair is proud to announce that it has been selected as the 2009 Feature Fair by the Western Fairs Association. This is the first time that a California Fair has been selected, which is quite an honor. We will host executives from Fairs across Western North America and are anticipating approximately 120 - 150 participants. We have chosen Friday, October 15th to showcase the horse racing aspect.

16. JOCKEYS' QUARTERS

A. Check the applicable amenities available in the jockeys' quarters:

- Corners (lockers and cubicles) How many
- Showers Steam room, sauna or steam cabinets Lounge area
- Masseur Food/beverage service Certified platform scale

B. Describe the quarters to be used for female jockeys:

Quarters for female jockeys are the same as the men's quarters. Built in 1990 and 1991. Separate locker rooms, restrooms, sauna room, bunkroom, and shower room for female jockeys.

17. BACKSTRETCH EMPLOYEE HOUSING

A. Inspection of backstretch housing completed by CHRB Investigator Martin Snezek on June 19, 2009.

B. Number of rooms used for housing on the backstretch of the racetrack:
126 tack rooms.

C. Number of restrooms available on the backstretch of the racetrack:
Four trailers—two, 48-foot restroom trailers with five restrooms each available for both men and women; and two, 28-foot shower trailers with four showers and 1 restroom each available for both men and women.

D. Estimated ratio of restrooms to the number of backstretch personnel:
**1 - Receiving Barn; 58 in RV Trailer Park; 3 Portable Toilets (2 @Gate #10; 1 @Gap)
1 - Racing Secretary's Office; 1 - Winner's Circle Café.**

18. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: **Approximately** 5.129 **feet.**
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
Inner rail, metal (powder coated); outer rail, metal, aluminum and galvanized chainlink; inner rail supports, metal gooseneck; inner rail top shield is made of sheet metal; shield is 39" above the track surface.
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474: **Track Masters, Inc., Steve Wood**
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On file**
- E. If the fair is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **N/A**

19. DECLARATIONS

- A. All labor agreements, concession and service contracts, and other agreements necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state):
No Exceptions
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. **On file at CHRB.**
- C. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **No Exceptions**
- D. Absent natural disasters or causes beyond the control of the fair, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the fair except as follows (if no exceptions, so state): **No Exceptions**

STAFF ANALYSIS
PUBLIC HEARING AND ACTION BY THE BOARD REGARDING THE
PROPOSED AMENDMENT OF
CHRB RULE 1606, COUPLING OF HORSES
TO ELIMINATE THE REQUIREMENT THAT DIFFERENT TRAINERS TRAIN
UNCOUPLED THOROUGHBRED HORSES OWNED BY DIFFERENT
PARTNERSHIPS WITH AT LEAST ONE OWNER IN COMMON, BUT WHOSE
OWNERSHIP IS NOT A MIRROR IMAGE,

Regular Board Meeting
August 27, 2009

BACKGROUND

Business and Professions Code section 19420 provides that the Board shall have jurisdiction and supervision over meetings in this State where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings. Business and Professions Code section 19440 states the Board shall have all powers necessary and proper to enable it to carry out the purposes of this chapter. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. Business and Professions Code section 19562 provides the Board may prescribe rules, regulations, and conditions under which all horse races with wagering on their results shall be conducted in this State. Business and Professions Code section 19703 states the Board shall adopt rules governing, permitting and regulating mule racing and wagering on the races under the pari-mutuel system.

At the February 2008 Regular Board Meeting, the Pari-Mutuel/ADW and Simulcast Committee (committee) recommended the Board waive (under Rule 1406, Suspension of Rule) the coupling requirements of Rule 1606 for all non-overnight stakes races. The committee also endorsed a proposed amendment to Rule 1606 to allow the uncoupling of thoroughbred horses owned by different partnerships whose composition were not mirror images, but there was at least one partner with ownership interest in each partnership, and a different trainer trained each horse. After a 45-day public comment period the Board adopted the amendment to Rule 1606, which became effective November 28, 2008.

At its June 5, 2009, Regular Meeting the Board heard a request by Chairman Harris that Rule 1606 be amended to eliminate subparagraph 1606(b)(2), which requires that uncoupled horses owned by partnerships be trained by different trainers. The Board directed staff to initiate a 45-day public comment period to amend Rule 1606.

ANALYSIS

The proposed amendment to Board Rule 1606 would delete subsection (b)(2), which requires that uncoupled horses owned by partnerships be trained by different trainers. This would allow the uncoupling of horses entered in the same race that are owned by different partnerships, whose composition are not mirror images, but where at least one partner has ownership interest in each partnership.

RECOMMENDATION

This item is presented for public hearing and action by the Board. No comments were received during the 45-day public comment period.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 6. ENTRIES AND DECLARATIONS
PROPOSED AMENDMENT OF
RULE 1606. COUPLING OF HORSES

Regular Board Meeting
August 27, 2009

1606. Coupling of Horses.

(a) Two or more horses shall be coupled as a single wagering interest and as an entry when such horses are owned in whole or in part by the same person or persons.

(b) Subsection (a) of this regulation does not apply when two or more thoroughbred horses, each owned by different partnerships whose composition are not mirror images, are entered in the same race, and

(1) There is at least one partner who has an ownership interest in each of the partnerships, and

~~(2) Each horse is trained by a different trainer.~~

(c) Quarter horse races are exempt from subsection (a) of this regulation.

Authority: Sections 19420, 19440 and 19590,
Business and Professions Code.

Reference: Section 19401,
Business and Professions Code.

CALIFORNIA HORSE RACING BOARD

AUGUST 27, 2009
REGULAR BOARD MEETING

There is no board package material for Item 8

CALIFORNIA HORSE RACING BOARD

AUGUST 27, 2009
REGULAR BOARD MEETING

There is no board package material for Item 9

CALIFORNIA HORSE RACING BOARD

AUGUST 27, 2009
REGULAR BOARD MEETING

There is no board package material for Item 10

STAFF ANALYSIS
DISCUSSION AND ACTION REGARDING THE
PROPOSED AMENDMENT OF
CHRB RULE 1866. VETERINARIAN'S LIST
TO PROHIBIT A HORSE PLACED ON THE VETERINARIAN'S LIST
AS INJURED, UNSOUND OR LAME, FROM WORKING OUT WITHIN 72 HOURS
OF BEING PLACED ON THE LIST WITHOUT PERMISSION OF THE
OFFICIAL VETERINARIAN

Regular Board Meeting
August 27, 2009

BACKGROUND

Business and Professions Code section 19440 provides that the Board shall have all powers necessary and proper for it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. Business and Professions Code section 19562 provides that the Board may prescribe rules, regulations and conditions under which all horse races with wagering on their results shall be conducted in this State.

Board Rule 1866, Veterinarians List, states the official veterinarian shall maintain a Veterinarian's List of those horses determined to be unfit to compete in a race due to physical distress, unsoundness, or infirmity.

An amendment to Rule 1866 was discussed at the July 24, 2009, Medication Committee (committee) meeting. The committee determined it would recommend the Board direct staff to initiate a 45-day public comment period for the proposed amendment to Rule 1866.

ANALYSIS

The proposed amendment to Rule 1866 adds a new subsection 1866(b), which provides that a horse placed on the Veterinarian's List as injured, unsound or lame may not work out for 72 hours after being placed on the list without permission of the official veterinarian. A new subsection 1866(b)(1) states the official veterinarian may require any horse placed on the Veterinarian's List to undergo a veterinary examination prior to training at any facility under the jurisdiction of the Board. For the purpose of the regulation "workout" is defined in a new subsection 1866(e) as an exercise session at near or close to full speed.

RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 15. VETERINARY PRACTICES
PROPOSED AMENDMENT OF
RULE 1866. VETERINARIAN'S LIST

Regular Board Meeting
August 27, 2009

1866. Veterinarian's List.

(a) ~~The Official Veterinarian~~ official veterinarian shall maintain a Veterinarian's List of those horses determined to be unfit to compete in a race due to veterinary treatment, physical distress, injury, lameness, unsoundness or infirmity.

(1) When a horse is placed on the Veterinarian's List, the trainer of such horse shall be notified within 72 hours.

(b) A horse placed on the Veterinarian's List as injured, unsound or lame may not workout for 72 hours after being placed on the list without the permission of the official veterinarian.

(1) The official veterinarian may require any horse placed on the Veterinarian's List to undergo a veterinary examination prior to resuming training at any facility under the jurisdiction of the Board.

(c) A horse placed on the Veterinarian's List shall be removed from the ~~List~~ list only after having established or demonstrated to the satisfaction of the ~~Official Veterinarian or the Racing Veterinarian~~ official veterinarian or racing veterinarian that the horse is then raceably sound and in fit physical condition to exert its best effort in a race.

(d) A horse may be required to perform satisfactorily in a ~~work-out~~ workout or qualifying race to demonstrate its physical fitness, and if so a blood and/or urine post-work test sample shall be taken from the horse and the provisions of this article shall apply to such official work-out in the same manner as to a scheduled race.

(e) For the purpose of this regulation, "workout" means an exercise session at near or close to full speed.

Authority: Sections 19440 and 19562,
Business and Professions Code.

Reference: Sections 19440 and 19562,
Business and Professions Code.

STAFF ANALYSIS
DISCUSSION AND ACTION BY THE BOARD REGARDING THE
PROPOSED AMENDMENT OF
CHRB RULE 1890. POSSESSION OF CONTRABAND
TO PROHIBIT THE POSSESSION AT A FACILITY UNDER THE JURISDICTION OF
THE BOARD OF ANY VETERINARY TREATMENT OR
MEDICATION, WHICH HAS NOT BEEN PRESCRIBED OR LABELED IN
ACCORDANCE WITH RULE 1840, VETERINARY PRACTICES AND TREATMENTS
RESTRICTED, AND RULE 1864, LABELING OF MEDICATIONS

Regular Board Meeting
August 27, 2009

BACKGROUND

Business and Professions Code section 19420 provides that jurisdiction and supervision over meetings in California where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings, is vested in the California Horse Racing Board (Board). Business and Professions Code section 19440 states the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. Business and Professions Code section 19460 provides that all licenses granted under this chapter are subject to all rules, regulations, and conditions from time to time prescribed by the Board. Business and Professions Code section 19580 states the Board shall adopt regulations to establish policies, guidelines and penalties relating to equine medication to preserve and enhance the integrity of horse racing in California. Business and Professions Code section 19581 provides that no substance of any kind shall be administered by any means to a horse after it has been entered to race in a horse race, unless the Board has, by regulation, specifically authorized the use of the substance and the quantity and composition thereof.

Board Rule 1890, Possession of Contraband, states no person other than a veterinarian licensed by the Board, shall have in his possession on the premises during any recognized race meeting any drug which is a narcotic, stimulant, or depressant, or any hypodermic syringe of hypodermic needle or similar device which may be used for injection.

At the July 24, 2009, Medication Committee (committee) meeting a proposed amendment to Rule 1890 was discussed. The committee determined it would recommend that the Board direct staff to initiate a 45-day public comment period regarding the proposed amendment.

ANALYSIS

The proposed amendment to Board Rule 1890 expands the prohibition on possession of narcotic, stimulant or depressant drugs to include any other drug substance or medication that may be injected. In addition, a new subsection (b) prohibits any person other than a veterinarian licensed by the Board from having in his possession any veterinary treatment or

any medicine, medication or other substance recognized as a medication, which has not been prescribed and labeled in accordance with the provisions of Rule 1840, Veterinary Practices and Treatments Restricted, and Rule 1864, Labeling of Medications. Under the proposed amendment, the prohibited substances may not be in the possession of any person other than a licensed veterinarian at any facility under the jurisdiction of the Board. This expands the scope of the regulation to include recognized training facilities, in addition to the premises of during any recognized race meeting.

RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 16. GENERAL CONDUCT
RULE 1890. POSSESSION OF CONTRABAND

Regular Board Meeting
August 27, 2009

1890. Possession of Contraband.

(a) No person other than a veterinarian licensed by the Board, shall have in his possession ~~on the premises during any recognized meeting~~ at a facility under the jurisdiction of the Board any drug which is a narcotic, stimulant, or depressant, or any other substance or medication that has been prepared or packaged for injection by a hypodermic syringe or hypodermic needle, or any hypodermic syringe or hypodermic needle or similar instrument which may be used for injection.

(b) No person other than a veterinarian licensed by the Board, shall have in his possession at a facility under the jurisdiction of the Board any veterinary treatment or any medicine, medication, or other substance recognized as a medication, which has not been prescribed in accordance with Rule 1840 of this division and labeled in accordance with Rule 1864 of this division.

(c) No person shall have in his possession on the premises during any recognized meeting any electrical stimulating or shocking device commonly known as a battery, or any mechanical stimulating device, or any other appliance, which might affect the speed or actions of a horse.

(d) The stewards may permit the possession of drugs or appliances by a licensee for personal medical needs under such conditions as the stewards may impose.

Authority: Sections 19420, 19440 and 19580,
Business and Professions Code.

Reference: Sections 19460, 19580 and 19581,
Business and Professions Code.

STAFF ANALYSIS
DISCUSSION AND ACTION REGARDING THE
PROPOSED AMENDMENT OF
CHRB RULE 1867. PROHIBITED VETERINARY PRACTICES
TO PROVIDE THAT THE PRESENCE OF ANY DRUG SUBSTANCE PROHIBITED
UNDER THIS RULE FOUND IN A TEST SAMPLE OBTAINED CONSISTENT
WITH THE BOARD'S RULES SHALL APPLY IN THE SAME MANNER AS
TO A HORSE ENTERED TO RACE

Regular Board Meeting
August 27, 2009

BACKGROUND

Business and Professions Code section provides that the Board shall adopt regulations for the control of horse racing. Business and Professions Code section 19562 states the Board may prescribe rules and regulations under which all horse races with wagering on their results shall be conducted in California. Business and Professions Code section 19580 requires the Board to adopt regulations to establish policies, guidelines, and penalties relating to equine medication in order to preserve and enhance the integrity of horse racing in California.

Board Rule 1867, Prohibited Veterinary Practices, lists specific drugs, substances and medications that are prohibited, and states the possession or use on the premises of a facility under the jurisdiction of the Board of any drug, substance or medication, the use of which may endanger the health and welfare of the horse, or the safety of the rider or driver, is a prohibited veterinary practice.

At the July 24, 2009, Medication Committee (committee) meeting a proposed amendment to Rule 1867 was discussed. The committee determined it would recommend that the Board direct staff to initiate a 45-day public comment period regarding the proposed amendment.

ANALYSIS

The proposed amendment to Rule 1867 enhances the list of prohibited drug substances by adding "analogs" to certain drugs. In addition, growth hormone and analogs are added to the list. The proposed amendment also adds a new subsection "(c)" to provide that the presence of any drug, substance or medication described in article 15 in any test sample obtained consistent with the Board's rules shall apply to the sample in the same manner as to a scheduled race.

RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 15. VETERINARY PRACTICES
PROPOSED AMENDMENT OF
RULE 1867. PROHIBITED VETERINARY PRACTICES.

Regular Board Meeting
August 27, 2009

1867. Prohibited Veterinary Practices.

For purposes of this division, prohibited veterinary practices means:

(a) The the possession and/or use on the premises of a facility under the jurisdiction of the Board of any drug, substance or medication specified below, for which a recognized analytical method has not been developed to detect and confirm its administration; or the use of which may endanger the health and welfare of the horse, or the safety of the rider or driver, or alter equine performance.

(1) Erythropoietin (EPO) and analogs

(2) Darbepoietin and analogs

(3) Snake venom

(4) Snail venom

(5) Growth hormone and analogs

(b) The the possession and/or use on the premises of a facility under the jurisdiction of the Board of any drug, substance or medication that has not been approved by the United States Food and Drug Administration (FDA) for use in the United States.

(c) The presence of any drug, substance or medication described in this article in any test sample obtained consistent with Rules 1858, 1859 and 1859.25 of this article, and the provisions of this article, shall apply to such sample in the same manner as to a scheduled race.

The Board may grant an exception to this subsection if the person or persons seeking the exemption submits written documentation that demonstrates an FDA exemption has been obtained pursuant to Guide 1240.3025 of the FDA Center for Veterinary Medicine (CVM) Program Policy and Procedures Manual, which is hereby incorporated by reference. Guide 1240.3025 of the FDA CVM Program Policy and Procedures Manual may be obtained at the California Horse Racing Board's headquarters office.

Authority: Sections 19440, 19562 and 19580,
Business and Professions Code.

Reference: Sections 19580 and 19581,
Business and Professions Code.

STAFF ANALYSIS
DISCUSSION AND ACTION REGARDING THE
PROPOSED AMENDMENT OF CHRB RULE
1843.6. TOTAL CARBON DIOXIDE TESTING
TO AUTHORIZE THE EQUINE MEDICAL DIRECTOR AND THE STEWARDS
AS WELL AS THE OFFICIAL VETERINARIAN TO DIRECT THAT BLOOD
SAMPLES BE TAKEN FROM A HORSE FOR THE PURPOSES OF TCO₂ TESTING

Regular Board Meeting
August 27, 2009

BACKGROUND

Business and Professions Code section 19580 provides that the Board shall adopt regulations relating to equine medication to preserve and enhance the integrity of horse racing. Business and Professions Code section 19581 states that no substance of any kind shall be administered by any means to a horse after it has been entered to race unless the Board has, by regulation, specifically authorized the use of the substance and the quantity and composition thereof.

Board Rule 1843.6, Total Carbon Dioxide Testing, provides that the official veterinarian may direct a veterinarian licensed by the Board or a registered veterinary technician licensed by the Board to collect blood sample(s) from a horse for the purpose of testing for total carbon dioxide (TCO₂) concentrations.

At the July 24, 2009, Medication Committee (committee) meeting a proposed amendment to Rule 1843.6 was discussed. The committee voted to recommend that the Board direct staff to initiate a 45-day public comment period regarding the proposed amendment.

ANALYSIS

The proposed amendment to Board Rule 1843.6 will allow the Equine Medical Director or the stewards – in addition to the official veterinarian – to direct a veterinarian licensed by the Board or a registered veterinary technician licensed by the Board to collect blood sample(s) from a horse for the purpose of testing for total carbon dioxide (TCO₂) concentrations. In addition, the proposed amendment would allow the Equine Medical Director to designate a horse or horses for TCO₂ testing. This expands the list of Board officials who may select horses for TCO₂ testing, and who may direct that samples be collected for TCO₂ testing.

RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 15. VETERINARY PRACTICES
PROPOSED AMENDMENT OF
RULE 1843.6. TOTAL CARBON DIOXIDE TESTING

Regular Board Meeting
August 27, 2008

1843.6. Total Carbon Dioxide Testing.

(a) At the direction of the Equine Medical Director, the stewards or the official veterinarian, a veterinarian licensed by the Board or a registered veterinary technician licensed by the Board may collect blood sample(s) from a horse for the purpose of testing for total carbon dioxide (TCO₂) concentrations. Such blood sample(s) shall be collected under the provision of Rule 1859 of this article, and may be collected pre-race or post-race.

(1) The owner or trainer of a horse selected for testing may request that a duplicate sample be taken. Such request shall be made prior to the collection of the official sample. The costs related to obtaining, handling, shipping and analyzing the duplicate sample shall be the responsibility of the owner or trainer who requested such sample.

(2) If the Board in its discretion determines the duplicate sample cannot be analyzed within five days after the sample is collected, the findings of the official sample shall be final.

(b) Any horse on a facility under the jurisdiction of the Board may be selected by the Equine Medical Director, the stewards or the official veterinarian for TCO₂ testing.

(c) Any owner, trainer, or other person responsible for a horse who refuses or fails to permit the taking of test sample(s) from such horse shall be deemed in violation of Rule 1930 of this division and shall have the horse declared ineligible to race by the stewards.

(d) TCO₂ levels in the blood serum or plasma shall not exceed:

- (1) 37.0 millimoles per liter of serum or plasma.
 - (2) TCO₂ levels in excess of 37.0 millimoles shall be considered a Class three-medication violation for administrative purposes.
- (e) The provisions of Rule 1859.25 of this article shall not apply to blood sample(s) collected for TCO₂ testing.

Authority: Sections 19420, 19440, 19580 and 19582.5,
Business and Professions Code.

Reference: Sections 19581 and 19582,
Business and Professions Code.

STAFF ANALYSIS
DISCUSSION AND ACTION REGARDING THE
PROPOSED AMENDMENT OF
CHRB RULE 1858. TEST SAMPLE REQUIRED
TO REDUCE THE MINIMUM NUMBER OF "OTHER" HORSES DESIGNATED FOR
TESTING FROM SIX TO ONE HORSE, AND TO AUTHORIZE THE
EQUINE MEDICAL DIRECTOR TO DESIGNATE SUCH HORSES FOR TESTING AS
WELL AS THE STEWARDS AND OFFICIAL VETERINARIAN

Regular Board Meeting
August 27, 2009

BACKGROUND

Business and Professions Code section 19440 provides that the California Horse Racing Board shall have all powers necessary and proper to enable it to carry out the purposes of this Chapter. Business and Professions Code section 19562 states that the Board may prescribe rules, regulations, and conditions under which all horse races with wagering on their results shall be conducted in California. Business and Professions Code section 19580 provides that the Board shall adopt regulations to establish policies, guidelines, and penalties relating to equine medication in order to preserve and enhance the integrity of horseracing in California.

Board Rule 1858, Test Sample Required, currently requires blood and urine samples to be collected from the winner of every race, horses placing second or third in a stakes race with a gross purse of \$75,000 or more, and not less than six or more than nine other horses selected from the racing program.

At the July 24, 2009, Medication Committee (committee) meeting a proposed amendment to Rule 1858 was discussed. The committee determined it would recommend that the Board direct staff to initiate a 45-day public comment period regarding the proposed amendment.

ANALYSIS

The proposed amendment to Board Rule 1858 will lower the minimum number of "other" horses designated each day for testing from not less than six to not less than one. The proposed amendment also provides that the Equine Medical Director - in addition to the stewards and official veterinarian - may designate for testing the "other" horse or horses.

RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 15. VETERINARY PRACTICES
PROPOSED AMENDMENT OF
RULE 1858. TEST SAMPLE REQUIRED

Regular Board Meeting
August 27, 2009

1858. Test Sample Required.

Blood and urine test samples shall be taken daily from the winner of every race, from horses finishing second and third in any stakes race with a gross purse of \$75,000 or more, and from not less than one ~~six~~ or more than nine other horses designated for testing by the Equine Medical Director, the stewards or the official veterinarian. Every horse within the inclosure or entered in any race is subject to testing and no owner, trainer or other person having the care of a horse shall refuse to submit it for testing when directed by the Equine Medical Director, the stewards or the official veterinarian.

Authority: Sections 19440, 19562 and 19580,
Business and Professions Code.

Reference: Section 19580(b),
Business and Professions Code; and
Sections 337f, 337g and 337h,
Penal Code.

STAFF ANALYSIS
DISCUSSION AND ACTION REGARDING THE
PROPOSED AMENDMENT OF
CHRB RULE 1859. TAKING, TESTING AND REPORTING OF SAMPLES
TO PROVIDE THAT URINE, BLOOD OR OTHER OFFICIAL TEST SAMPLES MAY BE
TAKEN UNDER THE DIRECTION OF THE EQUINE MEDICAL DIRECTOR
AS WELL AS THE OFFICIAL VETERINARIAN

Regular Board Meeting
August 27, 2009

BACKGROUND

Business and Professions Code section 19420 states jurisdiction and supervision over meetings in California where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings, is vested in the California Horse Racing Board. Business and Professions Code section 19440 provides that the Board shall have all powers necessary and proper to enable it to carry out the purposes of this Chapter. Business and Professions Code section 19562 states that the Board may prescribe rules, regulations, and conditions under which all horse races with wagering on their results shall be conducted in California.

Board Rule 1859, Taking, Testing and Reporting of Samples, provides that urine, blood or other official test samples shall be taken under the direction of the official veterinarian or his or her designee.

At the July 24, 2009, Medication Committee (committee) meeting a proposed amendment to Rule 1859 was discussed. The committee determined it would recommend that the Board direct staff to initiate a 45-day public comment period regarding the proposed amendment to Rule 1859.

ANALYSIS

The proposed amendment to Board Rule 1859 provides that urine, blood or other official test samples may be taken under the direction of the Equine Medical Director, in addition to the official veterinarian or a designee. The proposed amendment also eliminates subsection 1859(b), which requires discarding an official test sample when the laboratory fails to detect a prohibited drug substance. The Board currently does not discard such test samples; instead, they are frozen for possible future testing as determined by the Board.

RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 15. VETERINARY PRACTICES
PROPOSED AMENDMENT OF
RULE 1859. TAKING, TESTING AND REPORTING OF SAMPLES

Regular Board Meeting
August 27, 2009

1859. Taking, Testing and Reporting of Samples.

(a) Urine, blood or other official test samples shall be taken under the direction of the official veterinarian, the Equine Medical Director or their designee. All samples shall be taken in a detention area approved by the Board, unless the official veterinarian or the Equine Medical Director approves otherwise. The taking of any test sample shall be witnessed, confirmed or acknowledged by the trainer of the horse being tested or ~~their~~ his or her agent or employee, and may be witnessed by the owner, trainer or other person designated by them. All official test samples shall be sent to the official laboratory approved and designated by the Board, in such manner as the Board may direct. All required samples shall be in the custody of the official veterinarian, ~~their~~ his or her assistants or other persons approved by ~~them~~ the official veterinarian, from the time they are taken until they are delivered to the custody of the official laboratory.

~~(b) If the official laboratory fails to detect in the official test samples, a prohibited drug substance, as defined in this article, the official sample shall be discarded immediately.~~

~~(e)~~(b) The Executive Director and the Equine Medical Director shall immediately be notified by the official laboratory of each finding that an official test sample contains a prohibited drug substance, as defined in this article. The official laboratory shall further

provide all information and data on which the finding is based to the Equine Medical Director, and shall transmit its official report of the finding to the Executive Director within five (5) working days after the initial notification is made.

~~(d)~~(c) The Board has the authority to direct the official laboratory to retain and preserve by freezing samples for future analysis.

~~(e)~~(d) The fact that purse money has been distributed prior to the issuance of a laboratory report shall not be deemed a finding that no drug substance prohibited by this article has been administered, in violation of these rules, to the horse earning such purse money.

Authority: Sections 19420, 19440, 19562 and 19577,
Business and Professions Code.

Reference: Sections 19401, 19440 and 19577,
Business and Professions Code.

STAFF ANALYSIS
DISCUSSION AND ACTION BY THE BOARD ON AMENDING
CHRB RULE 1685, EQUIPMENT REQUIRED,
TO ALLOW THE USE OF ALTERNATE TYPES OF WHIPS WITH THE
TEMPORARY SUSPENSION OF CHRB RULE 1685'S LIMIT ON AUTHORIZED
WHIPS, AS TO THE CONFIGURATION OF PERMISSIBLE WHIPS

Regular Board Meeting
August 27, 2009

BACKGROUND

Business and Professions Code section 19420 provides that the Board shall have jurisdiction and supervision over meetings in California where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings. Business and Professions Code section 19440 states the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of Chapter 4, Business and Professions Code. Responsibilities of the Board shall include, but not be limited to, adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. Business and Professions Code section 19481 provides that in performing its responsibilities, the Board shall establish safety standards governing equipment for horse and rider.

Board Rule 1685, Equipment Required, sets the weight; type of "popper;" and length of whips authorized for use by jockeys. Specifically the rule states: "No bridle shall weigh more than two (2) pounds, nor shall any whip weigh more than one-half pound. No whip shall be used unless it has affixed to the end a looped "popper" made of leather or other material approved by the stewards, not less than one and one-quarter (1 1/4) inches in width, and not over three (3) inches in length, and be "feathered" above the "popper" with not less than three (3) rows of "feathers" made of leather or other material approved by the stewards, each feather not less than one (1) inch in length. No whip shall exceed thirty-one (31) inches in length. All whips are subject to inspection and approval by the stewards.

At the July 19, 2007 Regular Board Meeting, representatives of the Jockeys' Guild (Guild) requested the Board approve the use of an alternative whip. While the current CHRB rules on the use and construction of whips are designed to prevent abuses, the Guild representatives explained that the newly designed whip would take another step to promote the health and safety of racehorses. The alternative whip was described as being "kinder" to horses due to its materials and construction. The most notable difference between traditional whips and the alternative whip was the additional of a softer, padded material on the tip that was rounded without hard edges. The whip was

described as “equine friendly” and the Guild representative stated most jockeys preferred it.

At the July 19, 2007 Regular Board Meeting the Guild stopped short of requesting that the Board mandate the use of the new whip because of design problems that increased its cost and limited its availability. At the meeting the Board temporarily suspended Rule 1685’s limit on authorized whips expressly also allowing use of a specified “kinder whip” with a tip, or “popper” that was narrower than the traditional whips authorized by Rule 1685. The Board also suspended action on amending Rule 1685 to require the use of the alternative whip until such time as the Guild brought the matter back for consideration. Compared to the whip authorized by Rule 1685, the alternative whip authorized under the July 2007 suspension of Rule 1685 had a narrower popper, was made of softer material, and had padding to make the tip nearly round in configuration (eliminating hard edges on the sides). The authorized alternative whip also had to have a longer popper than those authorized by Rule 1685, extending as far up as the handle on some models. For alternative whips with poppers six inches or greater in length, feathers or loose leather strips were not required.

ANALYSIS

The Guild has reported that advancements have been made in the design of the new “kinder” styles of whip, especially in the use of more durable materials. Now, in 2009, the whips are more affordable and readily available. As a result of this progress, the Guild has requested that the Board reconsider amending Rule 1685 to require the whip’s use.

The Guild has also requested that the Board again waive Rule 1685 to specifically allow for use of the newly designed whips. Such a waiver would supercede the 2007 waiver, and authorize the use of the new “kinder” alternative whips, which are slightly shorter and lighter than traditional whips and have soft, rounded, padded material at the tip. This would be in addition to the whips currently described in Rule 1685. The suspension would be effective until the completion of the regulatory process.

RECOMMENDATION

This item is presented for Board discussion and action.

Staff recommends that Rule 1685 be suspended under Rule 1406, Suspension of Rule, to allow for the use of the alternative whips. In addition, staff recommends the issue be sent to the Safety Committee for development of language to amend Rule 1685.

Guild and industry representatives will bring samples of the new whips to the meeting and respond to any questions.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 8. RUNNING THE RACE
RULE 1685. EQUIPMENT REQUIRED

Regular Board Meeting
August 27, 2009

1685. Equipment Requirement.

No bridle shall weigh more than two (2) pounds, nor shall any whip weigh more than one-half (1/2) pound. No whip shall be used unless it has affixed to the end a looped "popper" made of leather or other material approved by the stewards, not less than one and one-quarter (1 1/4) inches in width, and not over three (3) inches in length, and be "feathered" above the "popper" with not less than three (3) rows of "feathers" made of leather or other material approved by the stewards, each feather not less than one (1) inch in length. No whip shall exceed thirty-one (31) inches in length. All whips are subject to inspection and approval by the stewards.

Authority: Sections 19420 and 19440,
Business and Professions Code.

Reference: Sections 19441.2 and 19481,
Business and Professions Code.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 5. RACING OFFICIALS
RULE 1528. JURISDICTION OF STEWARDS TO SUSPEND OR FINE

Regular Board Meeting
August 27, 2009

1528. Jurisdiction of Stewards to Suspend or Fine.

The stewards' jurisdiction in any matter commences at such time as entries are taken for the first day of racing at the meeting and extends until thirty (30) days after the close of such meeting. However, the Executive Director of the Board may delegate the authority to adjudicate any matter occurring at any racing meeting to another Board of Stewards if the matter is not resolved after the conclusion of the thirty (30) days. The stewards may suspend the license of anyone whom they have the authority to supervise or they may impose a fine or they may exclude from all inclosures in this State or they may suspend, exclude and fine. All such suspensions, fines or exclusions shall be reported immediately to the Board.

Authority: Section 19440,
Business and Professions Code.

Reference: Section 19440,
Business and Professions Code.

CALIFORNIA HORSE RACING BOARD
BUSINESS AND PROFESSIONS CODE
SECTION 19440

Regular Board Meeting
August 27, 2009

19440. (a) The board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the board shall include, but not be limited to, all of the following:

(1) Adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering.

(2) Administration and enforcement of all laws, rules, and regulations affecting horse racing and pari-mutuel wagering.

(3) Adjudication of controversies arising from the enforcement of those laws and regulations dealing with horse racing and pari-mutuel wagering.

(4) Licensing of each racing association and all persons, other than the public at large, who participate in a horse racing meeting with pari-mutuel wagering.

(5) Allocation of racing dates to qualified associations in accordance with law.

(b) The board may delegate to stewards appointed pursuant to Article 5 (commencing with Section 19510) any of its powers and duties that are necessary to carry out fully and effectuate the purposes of this chapter.

CALIFORNIA HORSE RACING BOARD

AUGUST 27, 2009
REGULAR BOARD MEETING

There is no board package material for Item 14

STAFF ANALYSIS
UPDATE FROM THE THOROUGHBRED OWNERS OF CALIFORNIA (TOC)
AND DISCUSSION BY THE BOARD REGARDING THE
CALIFORNIA RETIREMENT MANAGEMENT ACCOUNT (CARMA)
AND ITS FIRST 18 MONTHS OF OPERATION

Regular Board Meeting
August 27, 2009

BACKGROUND

At the May 2007 Regular Board Meeting the Thoroughbred Owners of California (TOC) presented a proposal to form a TOC managed California Retirement Management Account (CARMA) for retired thoroughbred horses. At the July 2007 Regular Board Meeting staff was directed to notice a proposed amendment to Rule 1467 to implement the CARMA program. The amendment to Rule 1467 became effective May 8, 2008.

Under the CARMA program the paymaster of purses deducts 0.3 percent of the net purse earned by any thoroughbred horse at a thoroughbred racing association or fair meeting, for deposit into the CARMA. The program is optional, and horsemen may opt-out of the CARMA by submitting the appropriate paperwork to the paymaster. The CARMA, which was established by the TOC, is a charitable trust fund for the benefit of California Thoroughbred retirement/rehabilitation facilities. The horsemen's organization is required to submit to the Board an annual audited financial statement regarding the CARMA within 90 days of the close of the horsemen's organization's fiscal year.

RECOMMENDATION

This item is presented for Board discussion. A TOC representative is prepared to give an update on the CARMA.

STAFF ANALYSIS
UPDATE AND DISCUSSION BY THE BOARD REGARDING SACRAMENTO HARNESS
ASSOCIATION'S FINANCIAL STATUS AND RESOLUTION OF LIABILITIES

Regular Board Meeting
August 27, 2009

BACKGROUND

The Sacramento Harness Association (SHA) ended its racing operations on March 1, 2008. As of April 2008, SHA's liabilities were approximately \$3.36 million. According to a letter dated September 15, 2008 from Ivan L. Axelrod, President of SHA, the following had transpired:

- SHA has reached and executed an agreement with Christo Bardis, (a major SHA creditor) to settle the amounts owed to him. The total amount owed to Bardis, as of October 31, 2007, was \$599,619. Bardis will receive an upfront sum and the right to participate in any further disbursements by SHA.
- SHA has reached an agreement, not yet executed, with Cal-Expo. Cal-Expo took over the operation of the harness meet when SHA ceased operations. Under the provisions of the agreement, Cal-Expo receives all of the SHA's equipment and may participate in further disbursements by SHA.
- SHA currently is negotiating with the various satellite facilities to arrive at a settlement for satellite fees owed by SHA that would be fair for all parties.

On November 10, 2008, Deputy Attorney General Derry L. Knight provided a legal opinion on whether the monies held by Southern California Off Track Wagering, Inc. (SCOTWINC) were to be considered "trust funds" and whether the various simulcast facilities should be considered a "priority debt" if SHA files for bankruptcy protection. According to the legal opinion the monies held by SCOTWINC are not considered "trust funds" they are residual funds owed to SHA due to an overpayment. Further, the funds are not held in trust by SCOTWINC for the benefit of the various satellites. The debt owed to the various satellites is mandatory based on the statutes; however, it does not have priority over general creditor obligations.

ANALYSIS

On July 29, 2009, Ivan Axelrod was contacted for a status report. He indicated there were not sufficient funds to pay all vendors. SHA negotiated with the vendors to come to a mutual agreement. SHA has recently paid an agreed-upon amount to Christo Bardis and the satellite facilities. According to Mr. Axelrod, SHA was planning to send a check to Cal Expo's attorney the week of July 27, 2009. The check will be held by Cal Expo until its Board meeting in September 2009. In June 2009, SHA paid all remaining creditors an agreed upon settlement of 40 percent of what was originally owed. Mr. Axelrod indicated SHA planned to close out the operations legally and file a final tax return in the near future.

RECOMMENDATION

This item is presented as a status report.

CALIFORNIA HORSE RACING BOARD

AUGUST 27, 2009
REGULAR BOARD MEETING

There is no board package material for Item 17

DISCUSSION AND ACTION BY THE BOARD REGARDING THE
UPDATE FROM THE LOS ANGELES TURF CLUB, INC., OPERATING AT
SANTA ANITA PARK AND THE SIGNIFICANCE OF THE BANKRUPTCY
FILING OF MAGNA ENTERTAINMENT CORPORATION ON ITS
RACING OPERATIONS AND THE STATUS OF STATUTORY FUNDS
THAT MAY STILL BE OWED MONEY FROM PRE AND POST
BANKRUPTCY ACCOUNTS

Regular Board Meeting
August 27, 2009

BACKGROUND

On March 5, 2009, Magna Entertainment Corporation (MEC) filed voluntary petitions for relief under Chapter 11 of the US Bankruptcy Code. At the March 19, 2009, Regular Board Meeting, the Board discussed the significance of the bankruptcy filing of MEC on its subsidiaries operating in California, Los Angeles Turf Club, Inc., and Pacific Racing Association. At its April 24, 2009, and June 5, 2009, Regular Meetings, the Board heard presentations by MEC representatives and interested parties regarding the progress of the bankruptcy proceedings and the sale of certain MEC California assets.

At the June 5, 2009, Regular Board Meeting MEC representatives reported that definitive bids for the assets identified for sale were to be filed on July 31, 2009. The bids would be evaluated between July 31, 2009 and August 7, 2009, to determine the highest and best offer, which would then be designated the stalking horse bidder for the particular asset or group of assets. On September 8, 2009, a bidding auction would allow other parties to offer higher bids or better terms than the stalking horse bid. The auction would result in the final successful bidder for any asset or assets; however, the bankruptcy court would ultimately decide whether it would approve the winning bidder. The Board also heard an extensive discussion regarding an industry petition that was filed with the bankruptcy court to force the distribution of pre-petition funds, such as advance deposit wagering fees and satellite wagering fees, and MEC's objection to the petition. The Board urged the parties to present their positions: why MEC felt its objection to the petition was appropriate, and why the industry believed the funds owed were different from funds owed general creditors and should have a priority position.

At its July 23, 2009 Regular Meeting the Board heard from representatives of MEC regarding the MEC bankruptcy proceedings. The dates for the bidding auction process, as reported at the June 5, 2009, Regular Board Meeting, had not changed. The Board was informed that industry and Board staff met with MEC representatives to discuss the Southern California Off Track Wagering, Inc. claims; however, no resolution was reached. An extensive discussion of payment of priority claims was heard. Priority tax claims and claims for fees would be paid in full over a five-year period with interest at the prevailing interest rate. The Board was informed that the State had filed its proofs of claim regarding taxes and fees owed it by MEC.

RECOMMENDATION

This item is presented for Board discussion and action