



APPEARANCES

COMMISSIONERS

Keith Brackpool, Chairperson

David Israel, Vice Chairperson

John Harris

Jesse H. Choper

Richard A. Rosenberg

Jerry Moss

Bo Derek

STAFF

Kirk Breed, Executive Director

Robert Miller, Staff Counsel

Rick Arthur, DVM, Equine Medical Director

Mike Marten

Jackie Wagner

ALSO PRESENT

Richard Castro, Local 280

Mark Russo, Angel's Share International

Richard Eckfield, Savvy Seniors at the Track

Michael Peterson, Ph.D., University of Maine

Frank Stronach

Sherwood Chillingworth

Chris Korby, CARF

John Bucalo, Barona Casino

Guy Lamothe, TOC

Cory Wellman

John Alkire, California Authority of Racing Fairs

Rich Tedesco

Arnold Zetcher, TOC, Chairman

John Sadler, CTT, President

Mace Siegel

Jack Liebau

Robert Hartman, Golden Gate Fields

Doug McCann, Farrington's Bar

Peter Miller, CTT

Matthew Chew

Richard Mandella

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PROCEEDINGS BEGIN AT 10:10 A.M.

(The meeting was called to order at 10:10 a.m.)

MR. BREED: This is the meeting of the California Horse Racing Board, and -- and I'd like to bring this meeting to order. This is the regular noticed meeting of the California Horse Racing Board on Thursday, August 19th, 2010, commencing at 10:00 a.m. at the Del Mar Surfside Race Place, Downstairs General Admission Area, 2260 Jimmy Durante Boulevard, Del Mar, California.

Present at today's meeting are: Keith Brackpool, Chairman; David Israel, Vice Chairman; Jesse Choper, Member; Bo Derek, Member; John Harris, Member; Jerry Moss, Member; and Richard Rosenberg, Member.

Before we go to the business of the meeting I need to make a few comments. One, the Board invites public comment on the matter appearing on the meeting agenda. The Board also invites comments from those present today on matters not appearing on the agenda during a public comment period if the matter concerns horse racing in California.

In order to ensure all individuals have an opportunity to speak and the meeting proceeds in a timely fashion I will strictly enforce the three minute time limit rule for each speaker. The three minute time limit rule will be enforced during discussion of all matters on -- stated on the agenda, as well as during the public comment period.

1           There is a public comment sign-in sheet for each  
2 agenda matter on which the Board invites comments. Also,  
3 there's a sign-in sheet for those wishing to speak during the  
4 public comment period for matters not on the Board's agenda if  
5 it concerns horse racing in California. Please print your name  
6 legibly on the public comment sign-in sheet.

7           When a matter is opened for public comment, your name  
8 will be called. Please come to the podium and introduce  
9 yourself by stating your name and organization clearly. This  
10 is necessary for the court reporter to have a clear record of  
11 all who speak.

12           When your three minutes are up the Chairman will ask  
13 you to return to your seat so others can be heard. When all  
14 the names have been the called the Chairman will ask if there  
15 is anyone else who would like to speak on the matter before the  
16 Board. Also, the Board may ask questions of individuals who  
17 speak.

18           If a speaker repeats himself or herself the Chairman  
19 will ask if the speaker has any new comments to make. If there  
20 are none the speaker will be asked to let others make comments  
21 to the Board.

22           Thank you very much, Mr. Chairman.

23           CHAIRMAN BRACKPOOL: Thank you. Good morning,  
24 everybody. We're going to start this in just a second with the  
25 agenda items. I am going to make one -- sorry. I am going to

1 make one change to the order of the agenda. And that is after  
2 we've gone past number two, public comment, we're going to  
3 immediately go to item number eight, which is the Oak Tree  
4 issue, as we have various presenters who have time -- time  
5 schedule issues. So we will -- we'll work through that.

6 The first order of the morning is to approve the  
7 minutes of the meeting of July 22nd. I am reminded that on the  
8 very first page the minutes incorrectly name Del Mar as the Del  
9 Mar Turf Club, as opposed to the Del Mar Thoroughbred Club.

10 So that change is noted, Jackie?

11 MS. WAGNER: It is.

12 CHAIRMAN BRACKPOOL: Any other comments on the  
13 minutes from anybody? Do I have a motion to approve the  
14 minutes?

15 COMMISSIONER ROSENBERG: Move.

16 COMMISSIONER MOSS: Second.

17 CHAIRMAN BRACKPOOL: So I have a motion from Commissioner  
18 Rosenberg and a second by Commissioner Moss. Item approved.

19 Moving on to public comment, the first order of --  
20 first speaker is Richard Castro from Local 280. And I don't  
21 know, is this Mike's writing or Richard's writing, "CHRB LIR?"  
22 Richard, you'll have to indulge us as to exactly what this  
23 comment is. I can't read what it says.

24 MR. CASTRO: Chairman Brackpool, Commissioners, my  
25 name is Richard Castro, representing Local 280.

1           What I tried to write on that card that you're  
2 looking at is CHRB license.

3           CHAIRMAN BRACKPOOL: Oh. Thank you.

4           MR. CASTRO: I -- I haven't gotten a letter since the  
5 last meeting. I want to resolve this issue. I haven't heard  
6 whether you're going to allow me on the racetrack in a  
7 restricted area without a CHRB license.

8           CHAIRMAN BRACKPOOL: I actually read the minutes this  
9 morning which -- and it said here that I had asked staff to  
10 look into the matter. And -- and Kirk had said that Local 280  
11 concerns would be passed on to Staff Counsel.

12           So where are we on -- on that, counsel?

13           MR. MILLER: Robert Miller, Staff Counsel, California  
14 Horse Racing Board.

15           A letter is in the works to -- to the law firm that  
16 represents Mr. Castro. We're not going to require him to have  
17 a license. We are going to point out, however, that the idea  
18 of access in an employment setting is between the union and the  
19 employer. And the California Horse Racing Board is not the  
20 employer, so it's a different issue. But than what was  
21 proposed there by -- by your representative. So -- but in any  
22 event, we're not going to require you to have a license. But I  
23 understand when we say that, then you were going to go get a  
24 license.

25           MR. CASTRO: I -- I promise you, I will voluntarily

1 go and get a CHRB license. Yes, I will.

2 MR. MILLER: Based on that representation, then the  
3 matter is resolved.

4 CHAIRMAN BRACKPOOL: Thank you, Richard.

5 MR. CASTRO: Yeah. I thank you, also. And  
6 there's --

7 CHAIRMAN BRACKPOOL: Sir, I'm going to have you come  
8 back for your second one so that we don't violate the terms of  
9 our agreement with the public. I have another card from you on  
10 another issue that I'm going to have you come back here in just  
11 a second.

12 MR. CASTRO: Okay.

13 CHAIRMAN BRACKPOOL: It's not in order.

14 The next speaker is Mark Russo from Angel's Share  
15 International. I think you can also use the --

16 CHAIRMAN BRACKPOOL: Use the -- yeah.

17 CHAIRMAN BRACKPOOL: -- the stand-up one as --

18 MR. BREED: Yeah.

19 CHAIRMAN BRACKPOOL: -- as the preferred.

20 MR. RUSSO: OKAY.

21 CHAIRMAN BRACKPOOL: We normally use this for when  
22 we -- in -- in an issue.

23 MR. RUSSO: Well, good morning. My name is Mark  
24 Russo. I am a marketing professional. I have a winery in the  
25 Napa Valley. I'm not associated with the Del Mar racetrack or

1 any of the owners or trainers here. I've been working with  
2 horses, training them and riding them for nearly 50 years, so  
3 I'd like to think I know a little bit about horses. I'm a  
4 dressage rider. Not a very good one. And as a former zoo  
5 employer and administrator I've had the opportunity to work  
6 with just about any kind of animal you can think of, including  
7 dolphins and Orcas. I have a short statement I'd like to read.

8 I'm here today to talk because I'm concerned about  
9 the high number of horses breaking down while racing at Del  
10 Mar. Sadly, there's been a history of horses breaking down  
11 here, despite Del Mar spending approximately \$10 million on  
12 PolyTurf, Del Mar remains a venue with a high rate of racing  
13 injuries requiring horses to be euthanized.

14 A lot of people think the issue is the poly track.  
15 The track is not the problem. The problem is racing horses at  
16 too young of an age, the fact that two-year-old horses are  
17 routinely run at Del Mar and throughout California. The  
18 veterinary evidence is undisputable. Horses are just not  
19 structurally mature at two years of age. They're not able to  
20 withstand the excessive demands of racing. Their bones aren't  
21 fully developed and they break down. The two-year-olds which  
22 do surprise racing later break down in their life in their  
23 remaining years of racing.

24 So racing young horses before they're ready to go is  
25 an underlying and unacknowledged factor in the disturbing

1 race -- in the disturbing rate of mid-race collapse and the  
2 resulting deaths of many horses, a tragedy that the public at  
3 Del Mar is subjected to viewing.

4           In the brief season that's been underway five horses  
5 have already painfully and fatally broken down during races  
6 from racing stress.

7           By the year of three years of age all of the bones in  
8 a horse have matured, except of the spine. And I know that  
9 horse -- in horse racing the trainers and the owners are  
10 anxious to get their horses on the track and running. We need  
11 to reduce the devastating industry -- devastating injuries to  
12 young horses and extend their useful lives.

13           So I'm requesting that the minimum acceptable age to  
14 race a horse be established at no less than three years of age.  
15 I also request that special attention be given to verifying the  
16 documentation of the age of the horse. It has to be verified.  
17 It can't be faked.

18           In a recent study talking about the skeletal  
19 maturation of horses, and I'm happy to give you the citation of  
20 this by Dr. Deb Bennett, she states, quote,

21           "If all the two-year-olds that were taken off the track  
22 tomorrow, 90 percent of the illegal drugs would also  
23 disappear."

24           That's an interesting fact.

25           CHAIRMAN BRACKPOOL: We're -- we're at the three minutes.

1 We need to --

2 MR. RUSSO: Oh.

3 CHAIRMAN BRACKPOOL: -- wrap this up.

4 MR. RUSSO: Well --

5 CHAIRMAN BRACKPOOL: If you have something more to add --

6 MR. RUSSO: Horse racing, we want to make the experience  
7 of visiting the racetrack a better experience for the guests,  
8 as well as -- as for the horses.

9 And if I may make a personal comment, 30 years ago I  
10 authored a resolution at the Oakland Zoo, where I was working,  
11 which was passed by our board of trustees that said we would  
12 not take animals out of the wild. We would only take animals  
13 that were captively bred and deal with animal brokers that  
14 could prove that those animals were captively bred. We were  
15 the only zoo to ever do that. The industry actually laughed at  
16 us, and other zoos wouldn't support us. And they said, you  
17 know, we're -- we're going to be out of business in two years.

18 Forty years later there's not a single zoo that takes  
19 animals out of the wild. So we changed an industry simply  
20 because we did the right thing.

21 CHAIRMAN BRACKPOOL: We -- we hear your point.

22 MR. RUSSO: And we would like you to do the right  
23 thing.

24 CHAIRMAN BRACKPOOL: Thank you.

25 MR. RUSSO: Thank you very much.

1                   CHAIRMAN BRACKPOOL: Thank you very much.

2                   Next speaker is Richard and Helen Nielsen- Eckfield,  
3 Savvy Seniors at the Track.

4                   MR. ECKFIELD: And, Mr. Chairman, we'll use the  
5 standing mike because that's -- that's just faster. I'm  
6 Richard Eckfield. My wife, Helen Nielsen-Eckfield is standing  
7 next to me. We do write two columns, *Savvy Seniors at the*  
8 *Track* and *Savvy Seniors, Frugal and Active* which are carried in  
9 a number of papers throughout the state, and three magazines.  
10 In the three minutes we'd like to tell you some exciting  
11 progress made with regard to two of the projects to improve the  
12 racing at Del Mar.

13                   The first is the successful formation of an advocacy  
14 group we call the Riders of the Buttgenbach, a group which is,  
15 frankly, more like a posse with the intent of helping us  
16 implement the two projects we started with Steve Buttgenbach  
17 back in August of 2006. As hopefully you recall Steve ideas --  
18 Steve's idea of the best thing that could be done for racing at  
19 Del Mar involved the installation of some 1,000 new stalls at  
20 the pole ground horse park area and the connection of that area  
21 to the track via the construction of a limited use horse trail,  
22 equestrian trail, along the San Dieguito River and on to the  
23 beach.

24                   Steve disliked the amount of vetting that was needed  
25 at Del Mar. A thousand extra stalls would dramatically reduce

1 or eliminate that. He also loved the idea of the horses,  
2 again, going back to the beach. It's very difficult with the  
3 light here.

4 But anyway, our discussions of -- of those on that  
5 point with groups of environmental -- with environmental  
6 concerns over the past four years have focused exclusively on  
7 the horse poop. It should be -- and we've tried to tell you  
8 that the horse poop can be controlled, not only on the trail or  
9 on the beach, but even in the water. The trails' use would be  
10 limited to horses involved in the third round events. Just as  
11 now, when a horse using the trail to the paddock that crosses  
12 the clubhouse entrance leaves a deposit there, there's a crew  
13 on hand to immediately clean it up. The same practice applies  
14 to the poop on the track and the -- and the rest of the trail  
15 system within the current track area. It's a simple matter of  
16 extending the mandatory poop patrol to the Buttgenbach Trail.

17 We are happy to report to you that experiments  
18 conducted -- it was this last week -- with fresh-from-the-horse  
19 poop conclusively shows that horse poop floats in the ocean.  
20 And the cleaning up of even water droppings is possible.

21 As we -- as we have gotten back to those  
22 environmental groups that had the poop concerns we were told,  
23 and I quote, "No shit, the problem is doable."

24 We're also happy to report that progress to get a  
25 permanent stop installed right behind the stretch run turn and

1 with a little bureaucratic cooperation from the transit  
2 planners or a little arm twisting from our new posse of writers  
3 we believe that stop can be ready and implement and operational  
4 by the time new weeks of racing come to Del Mar from the  
5 closing of Hollywood Park.

6 I'm two paragraphs away from being done.

7 CHAIRMAN BRACKPOOL: Yeah. We're into the last  
8 minute, sir. Please.

9 MR. ECKFIELD: Okay. However, you should know that  
10 there is an insurgent effort on the part of the fair staff and  
11 a certain political leader to attempt to install a very  
12 dysfunctional so-called temporary stop south of the river, deep  
13 in the neighborhoods, which appears to play to a ploy to  
14 attempt to bypass the provision in the RFP where the racing  
15 concession -- winner of the Del Mar concession is required to,  
16 in effect, pay the \$4 million needed for the permanent stop.  
17 We don't believe that that -- that ploy will -- will take  
18 place.

19 I just want to say last, for your information, I will  
20 give you a copy of a very fine article in the Union Tribune by  
21 Ed Soresky regarding the current poly track -- polymer coated  
22 racing surface versus going back to dirt. We urge you to read  
23 it. And we sincerely thank your CHRB staff for her consistent  
24 support of our efforts. Thank you very much, sir.

25 CHAIRMAN BRACKPOOL: Thank you. My 12-year-old son

1 would have loved that presentation. Okay. After -- which one?

2 Richard Castro on a public comment. I understand the  
3 other one was a question. So -- so today I'm going to allow  
4 you to come back on another subject.

5 MR. CASTRO: Richard Castro representing Pari-Mutuel  
6 Employees Guild.

7 So what you're telling me is that I should list one  
8 card with three subjects?

9 CHAIRMAN BRACKPOOL: The public comment period is  
10 three minutes per person, not three minutes on any subject  
11 anybody decides to talk about. But, Richard, carry on.

12 MR. CASTRO: Okay. I -- I don't think this is going  
13 to happen, but I want to tell it to everybody's attention, we  
14 have a clause in our contract to have a kiosk, which I believe  
15 should be up and running in -- in September. We have not had  
16 discussions where this kiosk is going to be, who they're going  
17 to hire, and -- and other information like that. And I just  
18 want to call attention to everybody that we're serious about  
19 having that kiosk. And I guess I need to give you guys 15 days  
20 notice that if it doesn't happen there could be a labor  
21 problem. So I'm verbally giving you that notice, and I will  
22 reduce it to writing.

23 I don't think it's going to happen. I'm comfortable  
24 that the employer will follow through with us, but so far they  
25 haven't. And I'm just trying to be up front with you all.

1           CHAIRMAN BRACKPOOL: Thank you, Richard.

2           MR. CASTRO: That's all.

3           CHAIRMAN BRACKPOOL: Thank you very much. Okay.

4           As I said, we're going to go slightly out of order.  
5 At this point we're going to go to item number eight. Item  
6 number eight is the discussion and action by the board on the  
7 application for a license to conduct a horse racing meeting of  
8 the Oak Tree Racing Association at Santa Anita Park Race Track,  
9 commencing September 29th, 2010 through October 31st, 2010,  
10 inclusive.

11           I'm going -- before we get to that, Jackie, I am  
12 going to first of all ask Dr. Peterson to -- to give us a  
13 presentation. I'm sure almost everybody here is aware that  
14 there have been repeated comments and concerns about condition  
15 of the racetrack and would it be in a position where it would  
16 be able to host a meeting of Oak Tree beginning on September  
17 29th. There were so many issues raised, so many people arguing  
18 either side, that we at the CHRB decided that we would go out  
19 and independently retain Dr. Peterson who is one of the most  
20 renowned experts in his area of synthetic surfaces and ask him  
21 to give us a report. Where we go with this whole issue will,  
22 obviously, be somewhat dependent on both the report, the  
23 reaction to the report, and further comment.

24           So with that, Dr. Peterson, if you would just --

25           DR. PETERSON: You need me to use the microphone;

1 correct?

2 CHAIRMAN BRACKPOOL: Please. Because otherwise the  
3 people on the webcast won't be able to -- to hear.

4 DR. PETERSON: I normally work a little more like a  
5 televangelist and have to move around, so I'll do my best on  
6 that. This is based on --

7 MR. BREED: Introduced yourself, please.

8 DR. PETERSON: Pardon? I'm -- my name is Michael  
9 Peterson. I go by Mick. I'm a professor at the University of  
10 Maine. I'm also the Executive Director of the Racing Surfaces  
11 Testing Laboratory, which is a nonprofit consortium supported  
12 by the industry to develop standardized testing for the racing  
13 industry. I've worked with both dirt and synthetic surfaces.  
14 I've tested approximately 60 racetracks and major training  
15 centers around the United States. And the Racing Surfaces  
16 Testing Laboratory now has a database representing materials at  
17 over 30 racetracks, including all three or four, however you  
18 count them, of the major states with racing.

19 What I'm going to be talking about today is the  
20 testing that was done -- that I did last week on Santa Anita on  
21 their surface. Before I get started, though, it's important to  
22 understand what I can and can't say about the surface.

23 My goal in this work is to measure the performance.  
24 I have equipment that I've developed called the Biomechanical  
25 Hoof Tester. And then there's the laboratory test, the

1 performance of the material. This is not the be-all and end-  
2 all. There's -- there's a lot of judgment. We're dependent on  
3 the trainers and the owners and the other people that are  
4 deeply involved in the industry to interpret what this means.

5           The one thing that is clear when we look at racing  
6 surfaces is that consistency should lead to a safer track  
7 surface. That philosophy is underlying -- underlying  
8 everything that I've done on this -- or in this area for the  
9 last 15 years. Longer term we need to understand the risk, but  
10 this is a long term project because this is an epidemiological  
11 study at that point. And the fact remains that racing has per  
12 thousand starts relatively few fatalities, and it takes a large  
13 number of starts to meet -- to develop anything statistically  
14 significant. What I can evaluate is whether the track is  
15 consistent and if it matches the performance at other tracks.

16           So to give you an idea of what I found at Santa  
17 Anita, using the Biomechanical Hoof Tester I found that the  
18 peak loads on the hoof, as well as the shear strength was well  
19 within the normal range, and the consistency was quite good on  
20 the surface. I measured it at both 7 and 14 feet off the rail  
21 to look at the fairness of the surface and it looked quite  
22 good. This test is best understood as the -- representing the  
23 first contact of the hoof on the surface, and this machine is  
24 part of the story.

25           Another part of the story is, though, what the horse

1 feels as they continue to move forward. And to understand the  
2 issues that I see with Santa Anita, it takes a little bit of  
3 background work. The typical synthetic track has a cushion on  
4 the top with the same composition as the pad. Underneath that  
5 is a pad that's reset daily or weekly. Then there's the porous  
6 asphalt, or in some cases the geo-textile which allows the  
7 water to drain through this top surface into the base with the  
8 rock and this drainage system.

9           The harrow is used to fluff this cushion, and that's  
10 done multiple times per day. The pad that's below the fluff,  
11 they usually reset daily at most racetracks. And that's  
12 either -- it's either done with a power harrow or with a  
13 cultivator.

14           Santa -- Santa Anita's design and maintenance is  
15 unlike the other synthetic tracks. The surface is a separated  
16 fiber and fine material with a waxy hardpan layer underneath  
17 it. The membrane is a plastic variation of a geo-textile, the  
18 base with rock and drains. This pad, in this case this waxy  
19 hardpan, is like a false base. And what's critical on a track  
20 like this is that it should be consistent around.

21           There's a number of different dirt track designs, and  
22 this represents one of the -- this is more similar to the dirt  
23 track designs that are quite common on the East Coast. The  
24 synthetic track, the traditional synthetic track looks a lot  
25 more like the California tracks looked when they were -- when

1 they were dirt. But these are sort of two traditions that have  
2 developed in horse racing.

3           Here's a picture of what this hardpan looks like.  
4 There's -- there's a hard surface. With a spade you can remove  
5 this top surface, and approximately three-and-a-half inches of  
6 the loose cushion is on top of that, and then underneath there  
7 is a hard, hard surface layer.

8           To look at this I used the ground penetrating radar  
9 that allows us to look down inside the track and look at a  
10 cross section. This gives you an idea of what you'd want  
11 ideally on the surface, is you'd want very consistent layering  
12 of the track where you can see where a harrow goes and the --  
13 and the harrow goes here, and a cutting harrow or a power  
14 harrow or rototiller, and it layers to -- to produce the  
15 support for the horse.

16           This is data from Santa Anita that was taken last  
17 week. What we see when we look at the ground penetrating radar  
18 is that we see that the track is deep on the turns and shallow  
19 around the finish line. There are also some issues associated  
20 with the chute where we have some unevenness in the chute.  
21 These two -- the difference between these two images is this  
22 one has to be rescaled because of the depth of the issue on the  
23 surface.

24           Again, if you thinking the goal here is -- if you  
25 recall that the goal here is to produce a consistent surface

1 for a race horse the -- the question here would be as you're  
2 starting out of the chute you want to make sure that there  
3 isn't a sudden transition for the horse.

4           This is an example of one of the areas of concern I  
5 have on the track. This is at the wire. If you look at this,  
6 this is a cross section of the track with the inside rail and  
7 the outside rail. Here we're going into the depth of the  
8 track. To kind of orient yourself, here's the drain pipes  
9 inside the track, which we can see in this image. And the  
10 issues here are that it's deep on the inside rail, and then  
11 some unevenness in the material. Now this is very fixable.  
12 But if you recall that hardpan layer under there, that hardpan  
13 layer should be flat and consistent because the -- the -- the  
14 toe during break over will contact that hardpan.

15           The other test I did was to check the hardness of the  
16 base. Using a spade I removed the surface of the material and  
17 looked at that. What we'd ideally want is for there to be a  
18 relatively small variation in -- in the surface as we go across  
19 it. At the quarter pole, half pole, three-quarter pole and  
20 wire area we see quite a bit of difference. At the wire there  
21 had been some repair of the surface, so this is not probably as  
22 much of a concern because this will be rolled out normally.  
23 But the concern here is really the consistency of this hardpan  
24 layer. It should be consistent hardness if we're going to have  
25 a track of this design.

1           One of the more fundamental issues that is associated  
2 with the Santa Anita track is this is a comparison of the size  
3 of the sand particles in three different synthetic surfaces.  
4 This is the -- blue is the top layer of the Santa Anita track.  
5 And these are two other synthetic tracks, actually, as luck  
6 would have it, of two different other manufacturers of  
7 synthetic track surfaces. What we see here is that on most of  
8 these synthetic surfaces we have a single peak. And on Santa  
9 Anita we have two peaks in the sand.

10           Basically, what we're talking about is you've got big  
11 particles of sand and little particles of sand. The little  
12 particles can fit inside the little ones, and it allows it to  
13 compact. And if you look at the size of this it's about point  
14 one millimeter, and then point three millimeters. So -- so  
15 there's -- so there's a significant -- it's about three times  
16 larger than the others. So you can picture this kind of  
17 fitting together and then it compacts down, especially with the  
18 wax in polymer.

19           The other thing about Santa Anita is there's  
20 characteristics to the track that respond a lot more -- respond  
21 to moisture much more like a dirt track than a synthetic track.  
22 If we look at a dirt track what you see if -- if we look at --  
23 this is the compaction of the material with different moisture  
24 content. So basically this is when you roll it before --  
25 before it's going to rain, this is -- this is the curve that

1 you'd use to pick out how much moisture you want in the track  
2 to pack it down before a rain. What we see on this dirt track  
3 is that we can get it much harder. We can compact it and keep  
4 the rain out of the surface.

5           On a synthetic track it's relatively insensitive to  
6 the moisture content, and you can't even get over the larger  
7 moisture content because the water continues to drain through.  
8 At Santa Anita it can hold quite a bit more moisture. This is  
9 a qualitative observation a number of people have had that  
10 it's -- that it acts like a sponge, it holds a lot of moisture,  
11 and we see that there's quite a bit of difference in the amount  
12 of compaction of different moisture contents. This is an issue  
13 that is -- is -- is particularly important during the winter  
14 race -- winter race meets. So this gives you an idea how much  
15 more moisture Santa Anita will hold than the -- than the other  
16 synthetic track.

17           This is a fresh track, a newly installed synthetic  
18 track. This is a track after it's been worn and used several  
19 years and is ready for re-waxing, and this is Santa Anita.  
20 This is the moisture content. Santa Anita can hold as much as  
21 22 percent moisture content. Even with a worn synthetic  
22 racetrack you would not expect it to go much over 16 percent,  
23 so it's a significant difference, so it's a big step up.

24           The other concern was Santa Anita's rocks in the  
25 surface. From one 8-foot-wide path 30 feet from the rail

1 around the oval this is the number of rocks that were picked  
2 just from the surface. Plus this rock in the top left I picked  
3 up of -- seven feet off the rail as -- as a part of my testing.  
4 So -- so -- so -- so the rock issue is -- is -- is -- is a  
5 significant concern.

6           So in summary, the Santa Anita track is not like  
7 other synthetic tracks. The material is separated with a  
8 hardpan layer on top. The issues of concern are that the pan  
9 layer is inconsistent in the depth and the hardness. You can  
10 see the depth map with a color map of the -- looking at the top  
11 surface you can see the shallow and deep areas. Any -- any  
12 repair, the sand is a significant challenge for this. And the  
13 track is very sensitive to moisture content and can not drain  
14 like dirt or synthetic. The other thing is, that -- that's not  
15 on that list, is -- is the rocks are obviously a concern.

16           Now there's an important caveat on here, is that the  
17 track was very safe in the Winter of 2010. And that needs to  
18 be -- that -- that's the decision that needs to be made in the  
19 whole process because the -- the -- the number of catastrophic  
20 injuries is quite low, and I'm sure other people will address  
21 that. But the concerns here that I'm -- that I -- that I'm  
22 presenting are the philosophy is that the track should be  
23 consistent as the horse travels around the route and that it  
24 should not be significantly different than other tracks. And  
25 those -- the concern here is that the track does vary

1 significantly around the track, and that is the primary  
2 concern.

3 I need to note here, the work through the nonprofit  
4 laboratory that's been supportive, and I particularly want to  
5 note Oak Tree Racing Association which provided the funding  
6 originally for the -- for the radar and the support from  
7 California has gone on for a number of years, which is greatly  
8 appreciated. Thank you.

9 CHAIRMAN BRACKPOOL: Dr. Peterson, before I ask --  
10 open it up to questions from the commissioners here, if you  
11 could go back to the previous slide just for a moment. That's  
12 a summary.

13 Is there a conclusion to the, I guess, simple  
14 question, which is: In your expert opinion is the track safe  
15 to run a race meet on?

16 DR. PETERSON: I can not state -- I can not -- I --  
17 the -- the issue of safety is difficult, because that really  
18 addresses the issue of the epidemiological risk.

19 What I can tell you is I, given the -- given the  
20 base, the -- the -- the false base on there and the  
21 inconsistency of the false base, I have significant concerns  
22 about the track.

23 CHAIRMAN BRACKPOOL: Let me open it up to questions.  
24 Commissioner Rosenberg?

25 COMMISSIONER ROSENBERG: Dr. Peterson, did you

1 examine during testing on the Santa Anita surface prior to this  
2 testing that you did originally during these last 12 months?

3 DR. PETERSON: No. And that's a major, major --  
4 that's -- that's a major limitation with this. And -- and  
5 what -- what -- when -- when Chairman Brackpool asked the  
6 safety issue, if we would have had the same data before we had  
7 the exceptional winter race meet and we could have compared  
8 before and after, that would have been the critical piece of  
9 information. And that's -- that's where I -- I would love to  
10 see this go.

11 COMMISSIONER ROSENBERG: So you have no -- you have  
12 no information on what had changed or did change since the end  
13 of the last meeting?

14 DR. PETERSON: No, sir. No, sir. And I may  
15 continue, that is what -- for Churchill downs what I'm doing is  
16 I do it at the beginning of every race meet, and at intervals  
17 during every race meet, and before every major event, the  
18 Kentucky Derby, I -- I -- I do -- I do a complete evaluation of  
19 the surface, then we can see if things have changed over time.  
20 And that's really, at this point, the only -- only thing  
21 that -- only approach we can take.

22 CHAIRMAN BRACKPOOL: Commissioner Israel.

23 VICE CHAIRMAN ISRAEL: Your other surveys where  
24 you've done incremental testing has past proven to be prologued  
25 so that you can extrapolate going forward how the track will

1 behave because -- or -- or -- or might -- the exemplary meet  
2 last winter not be a prologue going forward here at Santa  
3 Anita?

4 DR. PETERSON: Yeah. I -- I -- you know, the  
5 scientific answer is that we certainly can't extrapolate  
6 from -- from -- from -- from a couple data points and -- and  
7 predict the future. And -- and what -- what -- what we do know  
8 is that these tests do correlate to performance issues, and  
9 I've got a couple papers if you're -- if you're interested, and  
10 we see performance issues that are tied to that. And that's  
11 really the first step -- step to looking at it. But -- and we  
12 do see changes over time.

13 VICE CHAIRMAN ISRAEL: So a track that was safe six  
14 months ago might have deteriorated and not be safe today?

15 DR. PETERSON: And that is really the philosophy  
16 behind a constant monitoring. So the -- the -- the goal would  
17 be -- well, my -- my -- my -- my first success on this with the  
18 ground penetrating radar was at -- was at -- was at Fairplex  
19 when Steve Wood was taking care of that, with the ground --  
20 with the Biomechanical Hoof Tester we saw a dramatic drop off  
21 in the peak loads. Used -- used the ground penetrating radar,  
22 found -- found a low spot at the base in the same location.  
23 Steve Wood and his crew were able to scrape off the surface,  
24 relay the base and put it back.

25 The goal there was that we did that before the horses

1 got hurt. And -- and what you don't want to do is you don't  
2 want to be tracking injuries and saying -- and -- and -- and  
3 adapting the surface based on injuries. And -- and -- and that  
4 was essentially a wash off to the infield, which a wash off to  
5 the infield would be something you couldn't predict.

6 CHAIRMAN BRACKPOOL: Commissioner Harris.

7 COMMISSIONER HARRIS: Well, I know the rock issue is  
8 a concern. Those rocks are coming up from the bottom -- the --  
9 the base. I mean, are they constantly just working their way  
10 up or, that is, could there be that many rocks in other tracks  
11 you see?

12 DR. PETERSON: That's -- that's -- I -- I -- I rarely  
13 see that many -- that many large rocks. And -- and -- and --  
14 and mathematically it's called the Brazil Nut problem, where  
15 the Brazil Nuts all end up on the top of your -- on top of your  
16 mixed nut package, and -- and it's because it's size related.  
17 So -- so -- so from the -- so there's the mathematical  
18 brainwork that gave us that Brazil Nuts go to the top. So  
19 that's --

20 CHAIRMAN BRACKPOOL: Is that part of your Ph.D.?

21 DR. PETERSON: No. No. I didn't actually work on  
22 anything that -- that fundamental.

23 CHAIRMAN BRACKPOOL: Oh, I didn't say that.

24 Commissioner Choper.

25 COMMISSIONER CHOPER: Is there anything that can be

1 done in the next six weeks? I mean, you have -- you obviously  
2 have something in mind that is a model situation. And you  
3 pointed out how this differs from the model situation.

4 To what extent can anything be done in the next six  
5 weeks to bring that if not to, at least close to the model  
6 situation?

7 DR. PETERSON: The -- the -- the -- the two options  
8 really are to either create a pad on the surface, which the  
9 sand makes quite challenging, or to just level -- level the  
10 false space. My concerns are primarily associated with that --  
11 with that false base, the -- the -- the hardpan layer under  
12 there not being level and consistent. And so if there's -- if  
13 there's a way to make that level and consistent then I -- I --  
14 I believe that that would -- that -- that would address the  
15 issue. And -- and I -- that would be up to the maintenance  
16 personnel to -- to -- to tell you whether they think that they  
17 can do that.

18 Because if -- if -- if we had a model of the material  
19 that was -- if it was more similar to some of the other  
20 synthetic racetracks I could give you a much more definitive  
21 answer. This has -- this has both the wax and the polymer in  
22 it, and it's got the sand that -- that -- that's bimodal  
23 distribution.

24 COMMISSIONER CHOPER: I'm sorry. I missed that last  
25 point. You -- you -- you say this is different than -- I mean,

1 I understand all the synthetics are -- I mean, they're --  
2 they're very different. But I didn't quite get your last point  
3 If we had a model of what?  
4 DR. PETERSON: If we had a model -- if we had -- if  
5 we -- if we had other similar tracks where we'd addressed these  
6 issues --  
7 COMMISSIONER CHOPER: Yes.  
8 DR. PETERSON: -- then -- then --  
9 COMMISSIONER CHOPER: But we don't.  
10 DR. PETERSON: But we don't.  
11 COMMISSIONER CHOPER: Yeah.  
12 DR. PETERSON: We don't. And -- and -- and that's  
13 what's -- that's the challenge with Santa Anita and that's the  
14 challenge they've been facing since -- since -- since quite  
15 early.  
16 COMMISSIONER CHOPER: So let me just see if I  
17 understand what you've said. You said if the maintenance  
18 people could within the time allotted carry out what you  
19 believe would significantly address the apparent problems,  
20 right, then that would be very useful?  
21 DR. PETERSON: Yes.  
22 CHAIRMAN BRACKPOOL: Commissioner Rosenberg.  
23 COMMISSIONER ROSENBERG: You were adding up data over  
24 the years, as -- as the expert that you are, can you make a  
25 determination or an opinion on whether synthetic tracks are

1 safer or as safe or less safe than dirt tracks?

2 DR. PETERSON: The -- the safety issue is best  
3 addressed through the epidemiological data that comes out of,  
4 you know, the -- the -- the -- the -- the necropsy program  
5 and -- and -- and the Equine Injury Database, and -- and also  
6 the -- the career-ending did-not-finish data stats.

7 What I can tell you about the synthetic tracks are  
8 they have removed from the equation a variability, the -- the  
9 moisture -- moisture content and uses a traditional synthetic  
10 tracks, the ones that aren't worn out. And so what you see  
11 instead of variation to the track due to moisture you see  
12 variation of the track due to temperature.

13 The other thing that the synthetic tracks have done  
14 is, frankly, in a lot of places the base has been repaired, and  
15 that's been a huge advantage.

16 So by the time you take the variability due to  
17 moisture content out of the equation and you take -- and you  
18 repair the base, I think there have been some huge  
19 improvements. I mean, we really have to just look at the  
20 catastrophic injury rates at -- at -- at most of the tracks  
21 when they first transitioned.

22 We have a lot of challenges with the synthetic  
23 tracks. And I think it's clear if you look at the data that  
24 there are some dirt tracks that are exceptional, and -- and --  
25 and -- and you look at the injury rates and the consistencies.

1           So my data -- my data suggests that there are dirt  
2 tracks that are as consistent as synthetic tracks. The  
3 challenge is to handle the moisture. We can handle temperature  
4 a lot more easily than we can water, because when you spray the  
5 water on the synthetic track, the -- the -- not -- not Santa  
6 Anita, I'm saying the ones with enough wax on them, you're  
7 essentially cooling it off. It's like a swamp cooler. And so  
8 you -- you -- you bring the wax back.

9           And the other thing that happens to the wax is the  
10 wax -- we've talked about this honeymoon period where --  
11 where -- where the -- where the wax changes over -- over time.  
12 There's a Ph.D. student who is finishing his dissertation  
13 that's on synthetic racetrack surface waxes. And one of the  
14 things he's done is looked at the oil additions, the high-oil-  
15 content wax additions to the synthetic surfaces. That's what  
16 Hollywood Park has been using, the results from his  
17 dissertation on their renovations. And the other synthetic  
18 tracks have been using those on -- on their renovations through  
19 PolyTurf.

20           So I know that was a long answer to a simple  
21 question. But the -- the -- the safety, like I said, I really  
22 can't speak to. That's -- that's more for the epidemiological  
23 piece that I think is ongoing.

24           What is -- what I can speak to is the consistency.  
25 And the consistency of the synthetic tracks when properly put

1 together is better than a lot of the dirt tracks.

2 CHAIRMAN BRACKPOOL: Last question, Commissioner  
3 Israel.

4 VICE CHAIRMAN ISRAEL: I have two questions. Is  
5 there an expiration date that can be applied to these synthetic  
6 tracks where they have to be replaced?

7 DR. PETERSON: Just about everything can be fixed on  
8 them, except for the sand. And -- and if the sand begins to  
9 wear out inconsistently you hit your expiration date.

10 VICE CHAIRMAN ISRAEL: And that's what's happened  
11 here?

12 DR. PETERSON: Well, this sand was bimodal -- this  
13 sand distribution was this way from the beginning.

14 VICE CHAIRMAN ISRAEL: Oh. Okay.

15 DR. PETERSON: And so what we're seeing is we see  
16 wear. We see a little bit of wear at Del Mar. At Arlington  
17 Park this year they essentially rotated the tires. They took  
18 the bottom of the outside, put it to the top of the inside,  
19 took the top of the inside and put it in the bottom of the  
20 outside. And it's just like rotating the tires on your car,  
21 you get a lot more miles off the tires if you -- if you'll go  
22 out and rotate them.

23 VICE CHAIRMAN ISRAEL: Okay. I have one more  
24 question. If you owned a horse that was worth \$3 million would  
25 you enter that horse in a \$300,000 stakes race on October 1st

1 at Santa Anita on this track if you -- even if you were -- if  
2 you were guaranteed to win?

3 DR. PETERSON: Boy, that's -- that's something --  
4 that's -- that's -- that's a tough one. Frankly, I -- frankly,  
5 I'd have to defer to somebody who knew -- knew -- knew -- knew  
6 more about -- one of the things when you're talking to an  
7 individual is there's individual risk and there's statistical  
8 risk.

9 And this is where the trainer's knowledge is --  
10 and -- and -- and -- and the rider's knowledge and -- and --  
11 and the owner's judgment is invaluable. And I'll tell you  
12 what, I -- I give them -- I give -- I tell them what I know  
13 about the surface and I'd defer to people who knew the horse.  
14 Because we've -- we've seen -- we've seen the differences of  
15 horses on different surfaces. And -- and, you know, some will  
16 take it and some won't.

17 VICE CHAIRMAN ISRAEL: Okay. Thanks.

18 CHAIRMAN BRACKPOOL: Dr. Peterson, I -- I'd most like  
19 to thank you for the speed at which you undertook this  
20 assignment. I know you had to juggle a lot of different things  
21 to make this work. We only were able to contact you 11 days  
22 ago. And I think on behalf of everybody here we'd like to  
23 thank you for making yourself so accessible and done so quick.  
24 I know you had to divert from an international trip back here.  
25 So I'd like to -- I'd like to thank you for that.

1           The -- the second person that I'd like to invite to  
2 speak to -- the second person I'd like to speak to the issue of  
3 track surface at Santa Anita right now is the -- the Chairman  
4 of MID, Frank Stronach.

5           MR. STRONACH: Well, good morning.

6           CHAIRMAN BRACKPOOL: Good morning.

7           MR. STRONACH: And I did build a few new tracks,  
8 mainly Gulfstream Park. Then the training track at Palm  
9 Meadows, which is identical to Gulfstream Park and Laurel.  
10 Right. The problem that I've seen, and I've been involved in  
11 racing and done about every aspect in regards to the horses,  
12 what I've seen is the tracks usually -- that the base wasn't  
13 right. Okay. Because you've got to imagine, when the heavy  
14 water trucks drive over it they leave dents. And when you put  
15 the cushion on usually the cushion that's deep in those dents  
16 where that the water trucks made. Correct? And then water  
17 would accumulate there. And this is where you have most of  
18 your injuries.

19           So I think it's very crucial when you build a dirt  
20 track that you have a solid-solid base with a good drainage  
21 system. So that's from dirt to dirt tracks.

22           The synthetic tracks, as long as you use wax and  
23 oils, in my opinion, it's futile. It does nothing. You can --  
24 no way you get consistency. And I said from the day one when  
25 we were mandated I don't like it, it won't work. And, of

1 course, it's always easier to say it doesn't work. But  
2 scientifically it doesn't make sense because there's no way you  
3 can control all the -- the factors like rain, heat and --  
4 and -- and -- and coolness. So synthetic tracks, I'm  
5 concerned. I would never put anyone -- any more in one of my  
6 racetracks.

7 That is the one I -- if you'd like to address the --  
8 a few other matters --

9 CHAIRMAN BRACKPOOL: Please.

10 MR. STRONACH: -- while I'm here sitting here.

11 I had the privilege yesterday to -- to talk, to  
12 interface and make statements and remarks to California  
13 horsemen, horse owners and trainers. And I told them that I  
14 had lunch with you, the Chairman of the Racing Board, and the  
15 Vice Chairman, and I told them I was really pleased that we had  
16 a very constructive lunch. During the lunch I kind of  
17 explained that the model is broken. And the only way we could  
18 get back to a sound footing or a good foundation place where  
19 California racing could, again, be viable and healthy is we  
20 have to sit down and go over issue by issue by issue; right?  
21 Because if things don't -- obviously, if things don't make  
22 economic -- economically no sense, then we're -- we're all  
23 dead.

24 The factors will tell it doesn't make sense because,  
25 again, I'm stating Einstein's -- his -- one of his favorite --

1 favorites was is -- saying was insanity is when you do things  
2 over and over and over again and you expect different results.  
3 And that, to me, is where we are now in -- in -- in horse  
4 racing. And I realize the Horse Racing Board is relatively  
5 new. It's not -- it's always easy to blame somebody else in,  
6 you know, in the past.

7 But I think I detected a lot of goodwill yesterday  
8 that is a sincere hope and -- and that we can work together and  
9 come to solutions where we get horse racing back from the --  
10 on -- on sound footing.

11 So again, I want to -- that -- that's the message I  
12 gave yesterday to the horsemen. And some might not have been  
13 here. I wanted to repeat the same thing here.

14 CHAIRMAN BRACKPOOL: And perhaps talk about what your  
15 plans are for the track surface.

16 MR. STRONACH: Yes. I -- good thing that you  
17 reminded me of that because was primarily the main issue  
18 with -- with horse owners and horse trainers. I made the  
19 commitment during lunch that we will immediately do the  
20 engineering, immediately gather the material which I used  
21 for -- call it a new turf track at Santa Anita. So we are  
22 committed to that and course has said that we, after that, if  
23 Oak Tree decides to run there at -- at -- because safety issues  
24 were -- were -- were mentioned here and that's -- the one thing  
25 is I think it's the same track that we had in the wintertime

1 there. So -- but at any rate, it's up to Oak Tree, it's up to  
2 the horsemen if they want to run there or not.

3 But we would be happy if they run there. If -- if  
4 for one reason we -- the rest of them say, no, we don't want to  
5 do it, that's -- we would have no -- we would have no problem  
6 saying, look, yes, we promised the lease or the same. We -- we  
7 would say do whatever you think is best for the horses. And --  
8 and so that's the one side.

9 And -- but we have committed to a new turf track.  
10 And I also said that I will send out some horses. Okay?

11 CHAIRMAN BRACKPOOL: Thank you, Frank.

12 MR. STRONACH: And, again, thank you.

13 CHAIRMAN BRACKPOOL: Let me just -- before you go let  
14 me clarify two -- a couple of -- a couple of things.

15 Without revisiting history there is currently a  
16 mandate in place. And so the -- the structural way we will  
17 have to address this is your team here will have to make an  
18 application to us that we will hear at the September meeting  
19 for a change of service. That will have to be accompanied,  
20 obviously, with expert opinions, methods for safety, bonding  
21 requirements, all of the things that we're going to -- to want.  
22 So Scott and George will be working with Kirk and his team,  
23 and -- and feel free to call and we'll -- we'll work through  
24 that. But that is an application process that has to go.

25 We obviously have to make absolutely sure that

1 whatever we change to is better than what we have and we learn  
2 from all of the mistakes. So it's not just we are changing.  
3 It has -- there's got to be methodology as to how we change.

4           And the other thing I just want to clarify for when  
5 we carry on after you've left with the Oak Tree discussion,  
6 your position, I think I'm just repeating what you said, but  
7 just for clarification, is -- if -- if Oak Tree decides it does  
8 want and the horsemen, they do want to race at that meet you'll  
9 honor that, and if they decide they're going elsewhere because  
10 of the concerns about the -- the track and/or the timing of  
11 the -- the replacement you would not consider that in any way,  
12 shape or form a breach of contract or a breach of lease, you  
13 would just --

14           MR. STRONACH: Absolutely.

15           CHAIRMAN BRACKPOOL: -- you would --

16           MR. STRONACH: I will invest that. And we want to do  
17 what's best for the horses.

18           VICE CHAIRMAN ISRAEL: And one other item is, is  
19 you're sure that the calendar could be met, that you'll be open  
20 for training at least a couple of weeks before December 26th  
21 and you'll be able to race on December 26th?

22           MR. STRONACH: I -- I have been personally involved  
23 because it meant a lot to me, the racetracks. And we have a  
24 great record on safety, you know?

25           VICE CHAIRMAN ISRAEL: Right.

1 MR. STRONACH: And we have, especially in Florida, we  
2 have enormous amount of rainfalls. You know, so I'm -- I'm --  
3 I'm -- I'm -- I'm definitely sure that we can be in the first  
4 weekend, the latest the second weekend in December, that  
5 horsemen have a chance to work the horses there, etcetera, and  
6 train on that track.

7 VICE CHAIRMAN ISRAEL: Okay.

8 MR. STRONACH: I feel very confident.

9 CHAIRMAN BRACKPOOL: Thank you.

10 VICE CHAIRMAN ISRAEL: Great. Thank you.

11 CHAIRMAN BRACKPOOL: Any other commissioners?

12 Anything further, Mr. Stronach?

13 MR. STRONACH: Huh-uh.

14 COMMISSIONER HARRIS: When would you be able to start  
15 on the track as far as permitting and digging the dirt and all  
16 that? When is the earliest you can start?

17 MR. STRONACH: We -- if Oak Tree runs the meet there  
18 we would do it the day after the last races of Oak Tree because  
19 we -- by that time we would have all the materials on hand  
20 stored close by to -- so that we -- there's not a lot of  
21 trucking involved so it's -- so we can really speed up the  
22 process. And -- and should Oak Tree decide not to run then we  
23 would -- we would start as soon as we have the material on  
24 hand.

25 And there is a horsemen's committee which we have

1 been interfacing with the last few weeks or months whereby we  
2 would draw on their experience. They have visited lots of -- a  
3 lot of horse tracks. And so we'd be very happy to work  
4 together with them to find the best surface.

5           CHAIRMAN BRACKPOOL: Maybe to rephrase your question  
6 slightly, John, the question I asked of both George and --  
7 and -- and Scott and -- and -- and Frank was is there a  
8 difference as to when you could start if Oak Tree runs or  
9 doesn't run? And the answer that I got back is there is no  
10 difference because all of the pre-work that has to be done is  
11 non-construction. It's permitting, it's ordering the soil, the  
12 engineering, the design, the expert opinions, etcetera.

13           So again, maybe to rephrase the question, what is the  
14 earliest date, and I ask your entire team if you're not aware  
15 of the detail, Frank, but what is the earliest date that you  
16 could reasonably begin physical construction?

17           MR. STRONACH: Again, I'm -- I'm -- it's very  
18 important to me. I'm very -- I'm very much aware. Physically,  
19 the day after the last horse race, okay, we can start  
20 construction. Naturally, if -- I don't know how quick the  
21 bureaucracy works in California. If you don't get the permit  
22 to -- to construct the track in January then, naturally, we  
23 couldn't do that. This is assuming that we get the -- the  
24 permit to construct it within the next two or three weeks.

25           CHAIRMAN BRACKPOOL: Thank you very much.

1           COMMISSIONER HARRIS: Well, I think it's important  
2 that the Racing Board work with him on the permitting process  
3 and try to issue that.

4           CHAIRMAN BRACKPOOL: That's what I'm saying, working to --  
5 we -- we have a structure set up where we're going to do that.  
6 I think it's an excellent idea.

7           Thank you for that.

8           MR. STRONACH: Okay. You're welcome.

9           CHAIRMAN BRACKPOOL: Thank you, Frank.

10          MR. STRONACH: Thank you.

11          CHAIRMAN BRACKPOOL: Thank you. I would now like to  
12 ask Sherwood Chillingworth to come forth on behalf of -- you  
13 can come to this one --

14          MR. CHILLINGWORTH: All right.

15          CHAIRMAN BRACKPOOL: -- Chillie, for this purpose.

16          I'm going to get Jackie to -- Jackie, I'm going to  
17 get to the details of everything in a moment. I want to get to  
18 the big issue of the track first.

19          MR. CHILLINGWORTH: Good morning to you all.

20          CHAIRMAN BRACKPOOL: Good morning.

21          MR. CHILLINGWORTH: Sherwood Chillingworth, Oak Tree  
22 Racing.

23          I've heard the testimony here. And -- and one of the  
24 things I want to make clear is we've been in action here for --  
25 for Oak Tree for 42 years, looking out for the welfare of the

1 horse and the horsemen. So we're not a Johnny-come-lately in  
2 this -- in this position. And we wouldn't be asking for this  
3 if we didn't think it was safe.

4 I just want to let you know that we have -- I know  
5 there's a group of trainers who would like to not race at Santa  
6 Anita this year. And we also have a group of trainers who  
7 think the track is perfectly safe and will testify to that.  
8 Most importantly is that we talked yesterday with Rich Tedesco  
9 who you know as a track man both here and at Oak Tree. And one  
10 of the inconsistencies in the surface is the fact that the  
11 track has not been dressed for over two months for racing. So  
12 it's just kind of deteriorated where it is. And it takes maybe  
13 two or three weeks to -- to stir up the surface and get it back  
14 into a consistent manner.

15 Secondly, he tells me, and he's already started this  
16 morning, that he can move the surface back and work the sewage  
17 compacted base over the membrane and do it in a couple weeks,  
18 and maybe even less than that. He told me ten days but I'm  
19 trying to be conservative about it.

20 Those are the two items, apparently, that people  
21 object to, inconsistency in the track, and the fact that  
22 there's a hardpan now above the membrane. And he thinks he can  
23 eliminate both of those. And he'll come on later on.

24 And we would like in the interim to have a meeting  
25 with the owners and the trainers separately. We'll probably go

1 out here somewhere and talk about. And then come back with a  
2 more specific statement.

3 CHAIRMAN BRACKPOOL: Well, I think that's an  
4 excellent idea, because I think that we need to get as much  
5 unanimity of opinion on this issue as -- as -- as possible.  
6 Safety, safety, safety; that is the -- the paramount issue that  
7 this Board is concerned with.

8 MR. CHILLINGWORTH: No. I --

9 CHAIRMAN BRACKPOOL: So --

10 MR. CHILLINGWORTH: I actually agree with you.

11 CHAIRMAN BRACKPOOL: Why don't we -- why don't we do  
12 this, why don't we allow you to go somewhere that we can't hear  
13 you, because the noise will come back --

14 MR. CHILLINGWORTH: Right.

15 CHAIRMAN BRACKPOOL: -- go somewhere, have your  
16 meeting, and try and be back inside of an hour. We will carry  
17 on with as many of the other items as we can and we'll get back  
18 to this item and -- and see where we are and where it leads us.

19 MR. CHILLINGWORTH: Good. There's one secondary  
20 consideration. I know the safety of the horse is paramount.  
21 But as you know, we've been on a roller coaster here and we've  
22 switched back and forth on mountain road, meaning we're going  
23 to be here, we're going to be here, we're here, we're there.  
24 Last we heard we were going to be at Santa Anita.

25 We've concluded all kinds of contracts and

1 promotional agreements with -- that will bring us \$200,000, we  
2 can get our purse money. All this, I think, goes away if we  
3 have to move over to Santa Anita.

4 CHAIRMAN BRACKPOOL: But it doesn't trump safety.

5 MR. CHILLINGWORTH: No. Our --

6 CHAIRMAN BRACKPOOL: It doesn't trump safety.

7 MR. CHILLINGWORTH: No. But it has to come safely.

8 I'm -- I state that firmly, that the horse comes first. And  
9 our commitments, financially and otherwise, are secondary.

10 CHAIRMAN BRACKPOOL: Okay. So we will pause this  
11 item, whatever the current -- yes, Commissioner Rosenberg?

12 COMMISSIONER ROSENBERG: Just clarification. You  
13 just heard the report on the safety of the track. And I  
14 presume you've had no time to discuss the matter with your  
15 board of directors. But what's the purpose of the meeting with  
16 the horsemen and the trainers now without having a position on  
17 the part of your -- the -- the -- the track itself?

18 MR. CHILLINGWORTH: Well, I think that the purpose of  
19 this is trying to see if we can reach a consensus without  
20 having to have, you know, a disgruntled group on both sides.  
21 And this is an opportunity to do that. It may not work. So  
22 I'm -- that's the reason for it. And I hope it works, but it  
23 may not.

24 CHAIRMAN BRACKPOOL: Okay. Commissioner Choper?

25 COMMISSIONER CHOPER: Can I just -- will Rich Tedesco

1 and Dr. Peterson be at that meeting, as well?

2 MR. CHILLINGWORTH: Yes.

3 COMMISSIONER CHOPER: Good. Well, I -- you can't  
4 lose anything by it --

5 CHAIRMAN BRACKPOOL: No.

6 COMMISSIONER CHOPER: -- it seems to me.

7 MR. CHILLINGWORTH: No.

8 CHAIRMAN BRACKPOOL: Everybody's here. Go have your  
9 meeting.

10 MR. CHILLINGWORTH: Fine.

11 CHAIRMAN BRACKPOOL: And we'll -- and let us know  
12 when you're ready and we'll get back to the item.

13 MR. CHILLINGWORTH: All right. Thank you.

14 VICE CHAIRMAN ISRAEL: Chillie, there's a board room  
15 upstairs that Craig might be able to get you into.

16 CHAIRMAN BRACKPOOL: All right. We'll do that.  
17 Okay.

18 We will go back to the regular part of the meeting,  
19 item number three.

20 Can I just read this, Jackie?

21 MS. WAGNER: Yes.

22 CHAIRMAN BRACKPOOL: You don't need to present this?

23 MS. WAGNER: Yes.

24 CHAIRMAN BRACKPOOL: Discussion and action by the  
25 board regarding the distribution of race day charity proceeds

1 of the Del Mar Thoroughbred Club in the amount of \$148,843 to  
2 18 beneficiaries. That list is in our board book under 3-2.

3 Anybody have any questions?

4 COMMISSIONER CHOPER: Move that we accept it.

5 CHAIRMAN BRACKPOOL: Okay. Commissioner Choper  
6 moves. Do I have a second?

7 VICE CHAIRMAN ISRAEL: Second.

8 CHAIRMAN BRACKPOOL: Second, Commissioner Israel.  
9 All in favor?

10 ALL COMMISSIONERS: Aye.

11 CHAIRMAN BRACKPOOL: Okay. Item number four, Jackie,  
12 will you come up and present this one?

13 MR. BREED: If -- if we need to direct anybody to  
14 this meeting room, you all, please take your conversations to  
15 wherever it is you're going to meet because it's hard to hear  
16 him here.

17 VICE CHAIRMAN ISRAEL: You better say that again.  
18 Your -- your mike wasn't on.

19 MR. BREED: Hello? Can I have your attention? Would  
20 everybody go to your meeting room and take your conversations  
21 there so we can conduct our business in here? Thank you.

22 CHAIRMAN BRACKPOOL: Go ahead, Jackie. Item number  
23 four.

24 MS. WAGNER: Good morning. Jacqueline Wagner, CHRB  
25 staff.

1           This item is being presented to the Board to update  
2 the Board on the status of an assignment that we reached after  
3 our April 2010 regular Board meeting. At that time we  
4 discussed the simulcast wagering facility standards. And staff  
5 was instructed to establish a set of minimum standards that --

6           CHAIRMAN BRACKPOOL: All right. Hold on, Jackie.

7           Please, if we're going to be in this meeting we're  
8 going to be in this meeting. All of you who are up in the  
9 back, we can't hear anything as the noise comes over.

10          Carry on.

11          MS. WAGNER: After that April meeting staff was  
12 instructed to establish a set of minimum standards that would  
13 address our simulcast wagering facilities. And among those  
14 standards we were instructed to include a time period to fix  
15 any problems and to provide the board with increased  
16 jurisdiction over the continuing operation of our current  
17 simulcast facilities.

18          Subsequent to that meeting staff did develop proposed  
19 drafts that would include an amendment to an existing rule and  
20 the addition of two other rules. In developing these standards  
21 we have met with industry representatives via conference call.  
22 The representatives are from the Thoroughbred Horse Owners of  
23 California, TOC, CARF, SCOTWINC, NOTWINC and CRMS (phonetic).  
24 And we have been working to finalize a proposal that we hope to  
25 have before the Board for consideration in October. The

1 proposals are in your package as just to give you an idea of  
2 where we're going.

3           We had, subsequent to this package, ad a second  
4 conference call and we are still in discussions in terms of  
5 developing a proposal.

6           CHAIRMAN BRACKPOOL: Okay. I've read these  
7 proposals. And this is -- this is exactly what we wanted to  
8 get going --

9           MS. WAGNER: Uh-huh.

10           CHAIRMAN BRACKPOOL: -- you know, annual licensing,  
11 standards, etcetera. I actually thought that Chris Korby's  
12 comment about not trying to define what audio visual equipment  
13 is because technology is changing so quickly is sensible,  
14 etcetera.

15           It's going to -- the balance here is going to be how  
16 do we have, you know, objective criteria when, plainly, there's  
17 going to be subjective decision making in there somehow. And  
18 that's going to -- that's going to be there.

19           Rather, I think, than try and micro -- rather than  
20 try to micromanage the -- the -- the issue from -- form here,  
21 my question that arose out of this is do we have the right  
22 people in total involved in these discussions? Because right  
23 now it appears you have the satellite operators. You have  
24 CARF, which is obviously intricately involved with the  
25 satellite operators. But I didn't see too many of the other

1 people who would perhaps have a slightly different view as to  
2 how well they were working at this stage.

3           So that was -- that was my comment, is that we need,  
4 in between now and the October meeting, to -- more than just a  
5 conference call. It's probably, you know, a very large  
6 conference call or a meeting. We need to -- to really think  
7 who else we need to have input into this.

8           Richard, would you like to speak to that, because  
9 this really does fall under marketing?

10           COMMISSIONER ROSENBERG: I just have one more  
11 questions first.

12           CHAIRMAN BRACKPOOL: Please.

13           COMMISSIONER ROSENBERG: The biannual license you're  
14 talking about proposing, is that -- how does that apply to  
15 existing satellite facilities? Does that invalidate? Are they  
16 grandfathered in or are they -- you were able to apply for them  
17 too?

18           MS. WAGNER: What -- what we were envisioning is once  
19 this rule -- once the procedure is adopted we would love to  
20 have the current facilities submit an application to the Board  
21 for consideration. And those applications would -- would be  
22 more in line to update the Board as to what is going on  
23 currently. Because, quite frankly, we don't have all of those  
24 applications that were submitted back in the 1980s.

25           COMMISSIONER ROSENBERG: Do we have authority to

1 limit them to the two-year term as opposed to -- I understood  
2 there was no term initially.

3 MS. WAGNER: There is no term initially. I would  
4 have to defer to counsel, and we can --

5 COMMISSIONER ROSENBERG: Yeah.

6 MS. WAGNER: -- get an answer on that.

7 But going forward, that was one of the deficiencies  
8 of our current procedure since there is no -- no term. What  
9 has transpired is once they were -- came before the Board back  
10 in 1980 they were --

11 COMMISSIONER ROSENBERG: Right.

12 MS. WAGNER: -- up and ready to go and there was no  
13 requirement to come back before the Board just to inform them  
14 of what's going on.

15 COMMISSIONER ROSENBERG: I have another questions.  
16 Is -- are they going to be treated individually or separately?

17 MS. WAGNER: Individually.

18 COMMISSIONER ROSENBERG: Individually. So --

19 MS. WAGNER: It will be each individual satellite  
20 facility.

21 COMMISSIONER ROSENBERG: And will there be specific  
22 requirements in regard to how many people they've served in the  
23 past and like how many -- you know, because so many of these  
24 facilities occupy a 20-mile zone and not really serving a lot  
25 of people. You know, now that may be their fault or not their

1 fault, and you've got your promotions and facility and  
2 whatever. And perhaps some requirement should be made as to  
3 how many people they've served in the past and what their  
4 physical setup is and what must be required for them to, you  
5 know, pass the test to continue.

6 CHAIRMAN BRACKPOOL: I would love it if we could do  
7 that. I'm not sure --

8 MS. WAGNER: Okay.

9 CHAIRMAN BRACKPOOL: -- how much the law will permit  
10 us to go there because they are somewhat grandfathered in and  
11 the 20-mile radius does --

12 COMMISSIONER ROSENBERG: Yeah.

13 CHAIRMAN BRACKPOOL: -- does exist. But I think what  
14 we can do, as we talked about before, is issue a set of  
15 criteria that if they don't meet they get closed down now. You  
16 know, then we'd be in the --

17 COMMISSIONER ROSENBERG: Yeah.

18 CHAIRMAN BRACKPOOL: -- potential position of not  
19 having one that is there. But, yes, we -- that's where it's  
20 going to have to go.

21 John?

22 COMMISSIONER HARRIS: Yeah. I'm a little worried  
23 about, you know, sort of the anti-government, I guess. I don't  
24 know why I'm on a board like this in the first place. But do  
25 we really need -- we've gotten by for all this time without a

1 lot of regulations. Do we really need more regulations? I  
2 mean, are we really getting anywhere or are we just making life  
3 more cumbersome for the parties who hopefully can muddle along  
4 on their own without the -- I mean, it's just --

5 CHAIRMAN BRACKPOOL: I think that that's the problem,  
6 they're muddling along.

7 COMMISSIONER HARRIS: Well --

8 CHAIRMAN BRACKPOOL: And I think that --

9 COMMISSIONER HARRIS: Well, you've got to muddle  
10 along with more regulations.

11 COMMISSIONER ROSENBERG: Well, but they're stopping  
12 other enterprises from opening --

13 CHAIRMAN BRACKPOOL: Right.

14 COMMISSIONER ROSENBERG: -- because of the 20-mile  
15 rule.

16 COMMISSIONER HARRIS: Well, the 20-mile rule actually  
17 isn't really addressed by the standards though.

18 CHAIRMAN BRACKPOOL: Well, it is if we -- if we end  
19 up closing them down. I mean, the problem right now is the 20-  
20 mile rule exists and it's a monopoly, and you don't have to  
21 perform in order to maintain that monopoly. And I think what  
22 we're saying is if you're going to have any form of moralistic  
23 radius you have to be able to perform. And if you don't  
24 perform you should close down.

25 COMMISSIONER HARRIS: Well, it seems like the ones

1 that are trying to exercise their 20-mile radius power is  
2 basically San Mateo, who actually does have a very nice  
3 facility. So it's not really so much the standards, it's  
4 just -- it's the spirit of cooperation in growing the  
5 satellites, I think.

6 CHAIRMAN BRACKPOOL: Maybe. Maybe. Do we have any  
7 from that -- Chris Korby.

8 MR. KORBY: Is this microphone on?

9 CHAIRMAN BRACKPOOL: Yeah. Yeah. They're on.

10 MR. KORBY: Chris Korby, California Authority of  
11 Racing Fairs. I was just hoping to speak to Commissioner  
12 Rosenberg's question about the term of the agreement under  
13 relicensure. I think that's something that -- that this  
14 working group could take under consideration over the  
15 recommendation about how that would -- how that would commence  
16 and how it would happen in the future, along with any other  
17 questions or concerns that people have.

18 We at CARF are actively engaged in working with this  
19 committee and -- and feel it's appropriate that the standards  
20 are updated from time to time. So we're very open to working  
21 with the rest of the industry on any of these questions.

22 CHAIRMAN BRACKPOOL: Okay. I have a public speaker  
23 on this issue, John Bucalo.

24 MR. BUCALO: John Bucalo, Barona Casino, Offtrack  
25 Betting Manager.

1 Chairman Brackpool and Vice Chairman Israel and  
2 distinguished Members of the Board, I would like to comment.  
3 When whatever committee is put -- giving their input on  
4 satellite facilities there is absolutely no communication with  
5 the satellite and the managers of this -- the sitting  
6 satellites. So whatever is expected has never been initiated  
7 or spoke to, to any of us. And we think we should have a  
8 participation.

9 And we work very hard at Barona Casino to develop  
10 horse players. We make announcements all day long telling them  
11 about the big stake races coming, small things that attribute  
12 in a big way to -- to gaining people to our facility. We give  
13 giveaways. By the way, we finance those -- those monies for  
14 promotions we've had. I've mentioned in the past, they've  
15 never been allocated to the satellites for satellite  
16 promotions, yet they're being taken out of the handle. But we  
17 finance our own promotions to get our players there and to  
18 develop horse players. And we give food and beverage.  
19 Beverages are complimentary. We give up a lot of revenue just  
20 to attract horse players and develop them into horse players.

21 CHAIRMAN BRACKPOOL: I think your comment's a very  
22 good comment. That's part of why I want to see this group  
23 expanding. I don't know that you'd be pro or against. You'd  
24 be offering a third way different opinion, so I think that's  
25 very good.

1           So maybe, Jackie, someone could get me a suggested  
2 expanded list of who could join in this conversation so that  
3 when we get -- get this back we know that it's -- it's a pretty  
4 inclusive group.

5           MS. WAGNER: And what we might do, Mr. Chairman, is  
6 once we have developed a proposal that staff feels comfortable  
7 with in terms of presenting to the Board we might schedule a  
8 committee meeting prior to the Board meeting for the -- for the  
9 bodies to come together to look and evaluate the proposal that  
10 we have -- staff has put together before it even reaches you.

11           CHAIRMAN BRACKPOOL: I think that would be -- that  
12 would be very good. And we need to involve Commissioner  
13 Rosenberg --

14           MS. WAGNER: Yes.

15           CHAIRMAN BRACKPOOL: -- submitting that.

16           MS. WAGNER: I was going to suggest that would be --

17           CHAIRMAN BRACKPOOL: That -- that would be excellent.

18           MS. WAGNER: -- Commissioner Rosenberg's committee.  
19 So we would work together. Once the proposal -- we come  
20 together with a proposal that we feel comfortable to present --

21           CHAIRMAN BRACKPOOL: Yeah.

22           MS. WAGNER: -- we'll schedule the meeting.

23           CHAIRMAN BRACKPOOL: It should be baked by the time  
24 it comes to the Board meeting --

25           MS. WAGNER: Absolutely.

1 CHAIRMAN BRACKPOOL: -- not --

2 MS. WAGNER: That's the goal.

3 CHAIRMAN BRACKPOOL: oh. Okay.

4 MS. WAGNER: That is the goal.

5 CHAIRMAN BRACKPOOL: He's before you. John?

6 COMMISSIONER HARRIS: Is -- we're -- this  
7 minisatellite is one of the hosts we have. I'm not really  
8 clear in the regulations. Do they -- the impact those, as  
9 well, I guess. But my concern is we don't put something in  
10 regulation that might hamper the ability of a minisatellite to  
11 open.

12 CHAIRMAN BRACKPOOL: Oh, I don't think it will be  
13 that at all. I think a minisatellite has probably got an  
14 advantage because it's coming in new. And what we're trying to  
15 do is have uniform standards as to the quality and quantity of  
16 audio and visual, services, etcetera, that are there. So I  
17 don't think it's that.

18 MR. BUCALO: I think I'd like to say, one thing that  
19 should be kept in mind is the small commission that the  
20 satellites receive, which is 2.33 percent. It doesn't give a  
21 lot of latitude to the satellite facility to do a lot as far as  
22 expanding services.

23 CHAIRMAN BRACKPOOL: That will be part of your  
24 conversation.

25 MR. BUCALO: Thank you very much, sir.

1           CHAIRMAN BRACKPOOL: Chris?

2           MR. KORBY: Chris Korby, California Authority of  
3 Racing Fairs.

4           Jackie actually anticipated my suggestion, which was  
5 that the committee hold a public session --

6           CHAIRMAN BRACKPOOL: Right.

7           MR. KORBY: -- at least one public meeting.

8           MS. WAGNER: Right.

9           CHAIRMAN BRACKPOOL: Thank you.

10          MR. KORBY: And I would support that.

11          CHAIRMAN BRACKPOOL: Thank you very much. All right.  
12 So that -- that item is -- is -- is moved along because there's  
13 no action item, apart from a report.

14          We got to item number five, discussion and action by  
15 the Board regarding the proposed addition of CHRB 1500.1,  
16 Jockeys Subject to Testing, to allow random drug testing of  
17 jockeys and apprentice jockeys.

18          MS. WAGNER: Jacqueline Wagner, CHRB staff. At  
19 the -- the January meeting of this board the topic of random  
20 drug testing of California licensed jockeys was last discussed.  
21 In response to that staff has put together the proposed  
22 addition of CHRB 1500.1, Jockeys Subject to Testing, which  
23 would provide the framework under which California jockeys and  
24 apprentice jockeys would be subject to random drug testing.

25          The rules are in the -- in the packet for the Board's

1 review. Again, this is a still a working document. And I  
2 would like to add that subsequent to the preparation of this  
3 particular item staff did receive a request from the Harness  
4 Association to include harness drivers in this proposal.

5           The proposal does a number of things. Under the  
6 proposal jockeys or apprentice jockeys and harness drivers  
7 would be prohibited from having in their body or possession on  
8 the grounds under the jurisdiction of the Board any illegal  
9 drugs. It sets out the parameters under which the program  
10 would be run. In addition, it -- it does provide for jockeys'  
11 blood sample program.

12           And staff would like to let the Board know that this  
13 is something that we have been working on, and it is not  
14 something that we just developed in a box. We do have other  
15 racing jurisdictions that are currently running similar  
16 programs.

17           COMMISSIONER HARRIS: May I --

18           CHAIRMAN BRACKPOOL: Yes, John.

19           COMMISSIONER HARRIS: I was the one that originally  
20 brought this up. I think it's an important thing that we do.  
21 I mean, it's just like the trucking industry, all kinds of  
22 industries today have similar programs, and many other states  
23 do. I would also like to see some version of it in our annual  
24 jockey physical that the jockeys have to pass, the annual  
25 physical, which -- which we need to review the adequacy of

1 that. But as part of that I think there's should be drug  
2 screening in that, as well as these random opportunities. I  
3 think it would be cumbersome to do everybody, but we can try it  
4 with -- start with the jockeys.

5 CHAIRMAN BRACKPOOL: Commissioner Derek, were you  
6 trying to say -- no?

7 Commissioner Rosenberg?

8 COMMISSIONER ROSENBERG: Just a question. You  
9 pointed out in your comments that the term, the board should  
10 decide what it means by random and how it wishes to apply these  
11 regulations --

12 MS. WAGNER: There's still a couple of items that  
13 need to be remedied and we are going to need time to continue  
14 to develop that. What we mean by that is there are some racing  
15 jurisdictions that specifically state that they will take one  
16 random -- one -- one drug test from each jockey, three in a  
17 race, three tests from each jockey, four tests per day. Those  
18 things have not been decided in terms of what we are going to  
19 propose to the CHRB. And what we need to take into  
20 consideration is the number of random drug tests that we do  
21 require or we end up doing, what impact? The budget will be  
22 impacted on that because --

23 COMMISSIONER HARRIS: Yeah.

24 MS. WAGNER: -- somebody has to pay -- pay for that.  
25 So those are some to the things --

1 COMMISSIONER ROSENBERG: Well --

2 MS. WAGNER: -- that we haven't --

3 COMMISSIONER ROSENBERG: -- you might ask the  
4 jurisdictions that have these different random times, get  
5 information from them, what they think about it --

6 MS. WAGNER: Yeah.

7 COMMISSIONER ROSENBERG: -- too, too frequent, not  
8 frequent enough --

9 MS. WAGNER: Okay.

10 COMMISSIONER ROSENBERG: -- and so forth. I think  
11 that -- we might as well draw from the experience that other  
12 people have with this. I have no idea. I mean -- I mean, I  
13 don't know --

14 MS. WAGNER: They've suggested.

15 COMMISSIONER ROSENBERG: -- maybe someone else does.  
16 But that's -- I don't think we want to leave that.

17 MS. WAGNER: Correct.

18 CHAIRMAN BRACKPOOL: Okay. We need to bring this to  
19 a resolution, not at this meeting but -- but -- but shortly. I  
20 don't want these to keep coming back and then have a think  
21 session out loud, and keep coming back and have another think  
22 session out loud. This has dragged on for quite some time  
23 there now.

24 So let us say that by the October meeting you will  
25 have a proposed rule for us that we can have ready to -- to put

1 out for the 45 day comment --

2 MS. WAGNER: Okay.

3 CHAIRMAN BRACKPOOL: -- and we ask you to do that. I  
4 don't want these items to just keep coming back and keep coming  
5 back. It's --

6 VICE CHAIRMAN ISRAEL: In order to expedite, have --  
7 have you been working with the Jockeys' Guild to craft these  
8 rules?

9 MS. WAGNER: We have not sent -- sent this particular  
10 proposal directly to the Jockeys' Guild, but we will do that.  
11 That is part of our plan.

12 VICE CHAIRMAN ISRAEL: Sooner rather than later --

13 MS. WAGNER: Absolutely.

14 VICE CHAIRMAN ISRAEL: -- so we can expedite that  
15 aspect of it, also.

16 MS. WAGNER: Absolutely.

17 CHAIRMAN BRACKPOOL: Again, so that when you come  
18 back in front of us in October you'll tell us whether they're  
19 for it or against it or what modifications they're asking for,  
20 or whatever.

21 MS. WAGNER: Great.

22 CHAIRMAN BRACKPOOL: Does that satisfy everybody?

23 COMMISSIONER ROSENBERG: Yeah.

24 COMMISSIONER HARRIS: Yeah.

25 CHAIRMAN BRACKPOOL: Okay. All right. Moving on,

1 item number six, I'm not actually sure there's anybody left  
2 from TOC in the room to talk about their -- their election. I  
3 have Guy down as a speaker, and he walks in. Good timing.

4 So, Guy, this is your presentation moment on item  
5 number six, the -- the TOC election. Well, were you waiting  
6 outside until I said that, or was that just coincidence?

7 MR. LAMOTHE: It was not coincidence. Guy Lamothe,  
8 Thoroughbred Owners of California. Modern technology.

9 CHAIRMAN BRACKPOOL: Oh.

10 VICE CHAIRMAN ISRAEL: Oh. You had a snitch in here,  
11 in other words.

12 MR. LAMOTHE: Well, it's like ultimate fighting up  
13 there. You lock them into the octagon --

14 VICE CHAIRMAN ISRAEL: Oh. Okay.

15 MR. LAMOTHE: -- and you don't come out until you get  
16 it; right?

17 VICE CHAIRMAN ISRAEL: All right.

18 MR. LAMOTHE: Just kidding.

19 CHAIRMAN BRACKPOOL: Okay. We wish you were.

20 MR. LAMOTHE: Okay. Item number six?

21 CHAIRMAN BRACKPOOL: Yes.

22 MR. LAMOTHE: So we're here to report that we --  
23 we -- the TOC Board appointed officers of the company. And as  
24 you see in your package, which I'm reading from it now. I'm  
25 sorry, I'm a little out of breath sprinting down here. So

1 we're happy to announce that we've appointed Arnold Zetcher as  
2 Chairman. We have two vice chairman, one in the south and one  
3 in the north, Brian Boudreau and Keith Pronske, respectively,  
4 joining the -- and they're part of the executive committee.  
5 Joining that executive committee are: Pete Parrella as  
6 Treasurer; Pablo Suarez, Secretary; and Mike Pegram as the At-  
7 Large Member. And then rounding out our board, Madeline  
8 Auerbach, Marty Bach, Bob Baffert, David Bloom, Ron Ellis, Cal  
9 Fischer, Billy Koch, Ed Moser, and Don Valpredo.

10 CHAIRMAN BRACKPOOL: Nice.

11 MR. LAMOTHE: Are there any questions?

12 CHAIRMAN BRACKPOOL: I think this was put on by Vice  
13 Chair Israel when you had the elections but you weren't quite  
14 sure what the -- who was going to be --

15 VICE CHAIRMAN ISRAEL: Who was going to be the board.

16 CHAIRMAN BRACKPOOL: -- who was going to be where.

17 And so I actually think that this -- you -- you had your  
18 actions one day after our last Board meeting --

19 MR. LAMOTHE: Yeah.

20 CHAIRMAN BRACKPOOL: -- so we carried it over as an  
21 agenda item. But, honestly, I think all of us know what  
22 happened and we've had multiple telephone calls in between. So  
23 I think this was more informative substance but important for  
24 us.

25 VICE CHAIRMAN ISRAEL: So go back upstairs and fix

1 that.

2 MR. LAMOTHE: Correct. We're on record.

3 CHAIRMAN BRACKPOOL: Okay.

4 MR. LAMOTHE: Thank you very much.

5 CHAIRMAN BRACKPOOL: Thank you, Guy. We -- we just  
6 had to do that. Thank you.

7 MR. LAMOTHE: All right.

8 CHAIRMAN BRACKPOOL: Item number seven, a report from  
9 Commissioner Derek on the Medication and Track Safety  
10 Committee.

11 COMMISSIONER DEREK: Yes. It was August 6th in this  
12 room, we had a Medication and Track Safety Committee meeting.  
13 It was very well attended. I thought was fairly dull, but  
14 things have been happening in the meantime that I'm very happy  
15 to report.

16 We had an update and discussion to require the use of  
17 safety reins. Hall of Fame Jockey Chris McCarron told us of  
18 his personal experiences having reins break or come apart  
19 during a race. These are extremely dangerous situations. And  
20 Chris believes that mandating a safety rein is in his words,  
21 "simply common sense." We're waiting for a safety standard to  
22 be published by the end of this month, and then the regulation  
23 can move forward.

24 Executive Director Breed reported on the track safety  
25 program. Data is being collected from multiple tracks. CHRB

1 has obtained track surface testing equipment and asked  
2 personnel to conduct testing. They are working with Dr. Mick  
3 Peterson, University of Maine. All of this testing is to use  
4 these performance parameters to create surface safety  
5 standards. And from my understanding a lot of this data and  
6 information was just used in testing Santa Anita just recently  
7 and proved invaluable.

8           We had a discussion about creating continuing  
9 education for licensees responsible for equine health and  
10 welfare to include trainers and veterinarians. The plan is to  
11 have a demonstration at the next Track and Safety Medication  
12 meeting at U.C. Davis sometime this fall.

13           And I'd also like to report that in the spirit of  
14 continuing education for licensees responsible to equine  
15 welfare, our Safety Steward Luis Jauregui and Darrell Haire  
16 have committed to a program for apprentice jockeys. Beginning  
17 this Sunday morning apprentice jockeys will go over films of  
18 their rides for the previous week. This is based on the  
19 successful program in Europe and some other racing tracks. And  
20 I'd like to thank Darrell and Luis for taking on this project.  
21 I believe California horse racing will benefit from this  
22 continuing education.

23           There was a discussion regarding the transparency and  
24 transferability of veterinary records. There's a lot of  
25 resistance on this from trainers. We spoke about the benefits

1 to the horse assuring medical records of race horses with a new  
2 trainer. Commissioner Harris even volunteered to provide  
3 medical records of his horses that are sold or claimed at  
4 races. Needless to say, we are still discussing this.

5           We had on the agenda to discuss medications prior to  
6 sale of at horse auctions conducted at CHRB enclosures. Unlike  
7 racing medication rules drugs are allowed within 72 hours of  
8 the time the horses are put for sale as long as the drug is  
9 reported. Before we could even really discuss this Ken Lloyd  
10 of Barretts got up and told us that Barretts would adopt the  
11 same rules that Keeneland just amended. And I would like to  
12 thank him very much for stepping up, doing the right thing for  
13 our race horses now, instead of waiting for the California  
14 Horse Racing Board to change the rule.

15           We had a very interesting discussion regarding the  
16 feasibility of amending the use of the whip. I'd like to thank  
17 Chris McCarron, again, for explaining to us why he didn't feel  
18 changing the rule to counting whip strikes would benefit  
19 racing.

20           I'd like to thank Trevor Denman for taking the time  
21 to explain to us why he feels changing the use of whip rule is  
22 so important to change the public perception that horse racing  
23 is abusive to horses.

24           I'd also like to thank Scott Chaney for explaining to  
25 us why as a steward he believes the rules must be made similar

1 to the Canadian rules. He made a very good argument that  
2 unless the rules are simple, clear and consistent there will  
3 not be uniform enforcement from track to track in California.

4 I'd also like to report that since our discussion Cal  
5 Expo has announced that effective with the start of the  
6 summer/fall/winter final season on August 13th new rules will  
7 apply and be enforced by the stewards. I'd like to thank them  
8 for taking this voluntary measure for the benefit and well-  
9 being of our horses.

10 We had an update from CARMA. I'd like to thank  
11 Madeline Auerbach and Lucinda Mandella for coming to update us  
12 about this great program. Since it's inception in 2008 CARMA  
13 has granted up \$414,000, which has provided care to over 400  
14 thoroughbreds. I think it's most encouraging that 80 percent  
15 of horse owners participated in this voluntary program.

16 We also discussed restricting the use of DMSO prior  
17 to racing. And I believe that we are still working with -- on  
18 that and will come up with a satisfactory solution.

19 That's it.

20 CHAIRMAN BRACKPOOL: I'd to thank Commissioner Derek  
21 for -- for that. I think it does show you the value of these  
22 committees when people put in the time and efforts, an  
23 extraordinary amount of -- of information. And Commissioner  
24 Harris. You're right.

25 And I am clearly pleased with some of the preventive

1 things we're talking about now, such as these apprentice  
2 ride -- apprentice jockeys reviewing their rides. And sort of  
3 read the stewards' minutes. There are far too many that called  
4 in the apprentice rider and explained to him what we expect  
5 here of how -- this is a very, very good thing to -- to have.  
6 And hopefully it cuts down on some of that.

7           COMMISSIONER HARRIS: That was an excellent meeting  
8 we had. And one of the important things as we start the  
9 process of -- as we said, of the rules, we do need some rules  
10 on some of these things, like continuing education for -- for  
11 trainers. And it's just so normal. And most -- most of our  
12 industry needs to have a pattern or a program of continuing  
13 education. And we really will have to really get that going.

14           And also the transparency of the vet records as a  
15 provision. And particularly in the necropsy program right now,  
16 I guess technically we can subpoena and get records for  
17 necropsies. But it should be that that's just a given and that  
18 the necropsy that follows are -- are provided, clearly.  
19 Because not -- not so much to point fingers at anyone, it's  
20 just the develop the data to really know what -- what we've  
21 got. And also several of us were at the Horse Safety and  
22 Welfare Summit at Keeneland. And that's an excellent resource  
23 to go back to, to look at a lot of these safety issues.

24           One of the things that -- they've got the study, it's  
25 all on -- on their website, of different ways to sort out the

1 data on -- on fatalities. And one of the things that came up  
2 today is somebody was, you know, concerned about two-year-old  
3 racing. That's -- two-year-old racing has, you know, a better  
4 safety record than other ages.

5 VICE CHAIRMAN ISRAEL: And -- and there's a study  
6 recently, I'm sure Dr. Arthur can speak to this, that horses  
7 that are raced as two-year-olds do better and are healthy as  
8 they get older and continue racing.

9 COMMISSIONER HARRIS: So --

10 EQUINE MEDICAL DIRECTOR ARTHUR: That's -- that's  
11 absolutely right, Commissioner Israel.

12 COMMISSIONER HARRIS: Yeah. So I think the key in  
13 all this stuff is -- is to look at sound science. And so many  
14 people just sort of shoot from the hip on some of this.  
15 They're not looking at what -- what the science is.

16 And one thing that also came up were the claiming, or  
17 a hot potato claim, where a person runs a horse that there's  
18 some likelihood it may not be very good probably, it has some  
19 chance of breaking down, and you run it for the purpose of --  
20 of losing it. We need, you know, more kinds of things, with I  
21 think some of these things are doing. If a horse doesn't  
22 finish and was claimed then that -- that claim is voided.

23 CHAIRMAN BRACKPOOL: We had that on the agenda back  
24 in, I believe, January. And -- and that's something that we --  
25 we should consider having bring back on the agenda; right?

1           COMMISSIONER DEREK: Yes. I'd -- I'd like to work  
2 with -- with staff to -- to bring that back on the agenda.

3           CHAIRMAN BRACKPOOL: Right. Let's do that. I  
4 mean -- is that it for you, John?

5           COMMISSIONER HARRIS: Yeah.

6           CHAIRMAN BRACKPOOL: I mean, I just think this was an  
7 extraordinary amount of information and -- and really good. So  
8 what would be great is if we could take the items that you  
9 think now are ready to go to staff, the rules or actions or  
10 whatever, move them along. And then perhaps update us on some  
11 of the others that -- that are there. I don't know whether the  
12 whip is something that, you know, we'd sort of like to hear  
13 where the other jurisdictions are on the issue. And that would  
14 be an interesting presentation at some stage to -- to hear.  
15 Not to say we shouldn't be leading edge, but I'd at least like  
16 to hear --

17           COMMISSIONER DEREK: Well, I -- I --

18           CHAIRMAN BRACKPOOL: -- what they are.

19           COMMISSIONER DEREK: Yes. They're --

20           VICE CHAIRMAN ISRAEL: What is the Canadian rule?

21           COMMISSIONER DEREK: The Canadian -- there -- there  
22 are various ones. You can't raise the whip above your  
23 shoulder. When you're striking on the horse's shoulder it must  
24 be backhanded. You can't strike a horse more than two times  
25 without putting your hand back on the reins. So I -- and --

1 and I have to say Canada was very resistant, but they're very  
2 proud of -- of their races now and they're very happy with it.

3 CHAIRMAN BRACKPOOL: And Europe is a specific number  
4 of times, isn't it?

5 COMMISSIONER DEREK: Europe is also, so -- but it  
6 changes from --

7 CHAIRMAN BRACKPOOL: From country to country.

8 COMMISSIONER DEREK: -- from country to country.

9 CHAIRMAN BRACKPOOL: Yeah. Yeah.

10 EQUINE MEDICAL DIRECTOR ARTHUR: Mr. Chairman,  
11 Dr. Arthur, Equine Medical Director.

12 CHAIRMAN BRACKPOOL: Please.

13 EQUINE MEDICAL DIRECTOR ARTHUR: The Canadian rule  
14 and the British rule are in the Medication packet for last  
15 month, so you'll be able to read those. They do work  
16 effectively.

17 I would like to say I'm -- I'm very excited and  
18 pleased with the direction that Commissioner Derek has taken on  
19 this. Animal welfare issues are paramount. Safety is  
20 paramount, jockeys and -- and horses, and a very reasonable  
21 approach. And I think we have a lot on the agenda. And  
22 California has been and -- and hopefully will continue to be on  
23 the cutting edge of these issues.

24 CHAIRMAN BRACKPOOL: Commissioner Rosenberg.

25 COMMISSIONER ROSENBERG: Yes. I -- I read the rules

1 that were promulgated on the changes in harness racing rules  
2 and some of the whipping. And I'm curious, was that something  
3 that was proposed by Cal Expo to the racetrack itself? No? Or  
4 was it --

5 COMMISSIONER DEREK: Yes. I believe it was.

6 COMMISSIONER ROSENBERG: Yeah.

7 MR. BREED: It's a house rule.

8 COMMISSIONER DEREK: It's a house rule until -- until  
9 the rule is formal.

10 COMMISSIONER ROSENBERG: So in theory individual  
11 tracks could do the same thing in the thoroughbred area;  
12 correct?

13 COMMISSIONER DEREK: Yes. And two years ago,  
14 actually, Del Mar made the cushion whip a house rule before it  
15 became a Horse Racing rule.

16 VICE CHAIRMAN ISRAEL: And -- and supplied the whips  
17 at Del Mar.

18 COMMISSIONER DEREK: And supplied the whips. It  
19 was -- it was -- and -- and I encourage any -- anyone who has  
20 ideas, don't -- don't hesitate to contact us because --

21 COMMISSIONER ROSENBERG: Yeah. I would commend the  
22 harness -- the people who do -- the Cal Expo people.

23 COMMISSIONER DEREK: Yes.

24 COMMISSIONER ROSENBERG: There's very, very many  
25 changes in the whipping of harness horses.

1                   COMMISSIONER DEREK:  And there's a rumor that Los  
2 Alamitos Might be considering doing something similar, a house  
3 rule.  And I -- I hope that they do.

4                   CHAIRMAN BRACKPOOL:  Great.  I think that's  
5 excellent.

6                   Can I ask one question?  Where are we on the helmet  
7 issue?  We approved the -- the -- the helmet issue, and I'm  
8 still not seeing helmets.

9                   VICE CHAIRMAN ISRAEL:  We're in a waiting game.

10                  COMMISSIONER DEREK:  I think our trainers.  I see  
11 the --

12                  CHAIRMAN BRACKPOOL:  No.

13                  VICE CHAIRMAN ISRAEL:  No.  No.  No.

14                  CHAIRMAN BRACKPOOL:  I think that's the starting  
15 gate.

16                  VICE CHAIRMAN ISRAEL:  The gate.  The gate.  Put the  
17 gate up.

18                  COMMISSIONER DEREK:  The starting gate.  Yes.

19                  MS. WAGNER:  Jackie Wagner, CHRB staff.  I have  
20 something I needed to announce to the board.  Prior to my  
21 leaving the -- the helmet rule was approved by the Office of  
22 Administrative Law on the 16th of August this month.  It will  
23 become effective September the 15th.  When I get back to the  
24 office I'll be -- we will be sending out the notifications to  
25 the appropriate parties.  But we did get a final approval from

1 the Office of Administrative Law.

2 CHAIRMAN BRACKPOOL: Have -- have the various people  
3 been notified, I guess that would be Fairplex and then Oak  
4 Tree, that that is going to be a requirement, they have to  
5 purchase the helmets?

6 MS. WAGNER: They will be notified tomorrow.

7 VICE CHAIRMAN ISRAEL: And -- and the fairs?

8 MS. WAGNER: Everyone will be notified because the  
9 rule has been adopted and it is final.

10 CHAIRMAN BRACKPOOL: Good. Okay.

11 VICE CHAIRMAN ISRAEL: All right.

12 CHAIRMAN BRACKPOOL: I just wanted to -- I hadn't  
13 seen them on, so --

14 COMMISSIONER MOSS: One -- one last question. Is --  
15 and Rick mentioned cutting edge. On the safety reins, are we  
16 the first state to consider mandating the use of safety reins?

17 EQUINE MEDICAL DIRECTOR ARTHUR: I don't know. I  
18 haven't been on that issue. I know Jackie has spent quite a  
19 bit of time on it. It -- it was a safety standards issue on  
20 the safety reins.

21 MS. WAGNER: Right. And, you know, I -- I just don't  
22 recall right off the top, so I can get that information back to  
23 you.

24 But I don't know that prior to this going forward and  
25 establishing a rule specifically for California we were waiting

1 for the ASTM to develop a nationwide standard, and that is  
2 where we are. That standard has been developed. We are  
3 waiting for that to be published. As was presented at the  
4 Medication Committee meeting, that publication should occur at  
5 the end of August, beginning of September. As soon as that is  
6 done we will have a standard with which we can require  
7 California reins to agree to.

8 VICE CHAIRMAN ISRAEL: How many manufacturers are  
9 there competing for this approval?

10 MS. WAGNER: That was part of the problem, as well.  
11 When we started the -- the process I believe there were two to  
12 three manufacturers. And -- and we were concerned about a  
13 monopoly on giving a monopoly to any one manufacturer. Whether  
14 or not there are more manufacturers of those reins I just can  
15 not say off the top of my head. I don't recall. I can  
16 certainly get that information to you.

17 COMMISSIONER MOSS: And has it been discussed that --  
18 to make it a voluntary situation whereby a jockey can recommend  
19 or -- or ask that every trainer use his particular safety  
20 reins, and therefore not requiring a mandate --

21 MS. WAGNER: We're --

22 COMMISSIONER MOSS: -- so that it will be up to the  
23 jock so we're not --

24 MS. WAGNER: We're -- we're not going to be requiring  
25 one specific manufacturer. As long as the rein meets the

1 established standard from the ASTM the jockeys would be able to  
2 choose from whoever they would want.

3 CHAIRMAN BRACKPOOL: Well, was that your question --

4 COMMISSIONER MOSS: Yeah.

5 CHAIRMAN BRACKPOOL: -- were the rule to be mandated?

6 COMMISSIONER MOSS: Well, I didn't know if the  
7 question was: Was there a rule that had arrived on this thing,  
8 or is it still up for discussion?

9 MS. WAGNER: We are still developing the rule.

10 COMMISSIONER HARRIS: Because right now they can use  
11 safety reins. It seems logical that if safety reins are out  
12 there that jockeys wouldn't really encourage their use, that --  
13 that somehow they need a rule to do it.

14 MS. WAGNER: Right.

15 COMMISSIONER DEREK: Well, I think they need --  
16 they -- they do need a rule. Because it's very difficult for a  
17 rider to demand a certain rein.

18 VICE CHAIRMAN ISRAEL: Yeah. Especially if it's not  
19 a prominent jock and --

20 COMMISSIONER DEREK: Yeah.

21 VICE CHAIRMAN ISRAEL: -- the trainers trying to get  
22 him out. He's not going to have a hell of a lot of leverage.

23 COMMISSIONER HARRIS: Well, it seems like it would  
24 become a standard, really, that -- that -- because the -- the  
25 owners and trainers are responsible for workers compensation

1 injuries. And if there's some higher likelihood of injury  
2 that's just even worse.

3           COMMISSIONER DEREK: Well, one thing that Chris  
4 mentioned that I thought was interesting is he mentioned some  
5 cases where some of our top trainers had not put the buckle on  
6 right or something. And he mentioned that as -- as a specific  
7 reason why we just have these safety reins, because it came  
8 from the best riders and the best trainers. And if they can  
9 make a mistake it's inevitable. I mean --

10           EQUINE MEDICAL DIRECTOR ARTHUR: Commissioner  
11 Israel's point is -- is the same point that the jockeys brought  
12 up, it's very difficult -- you know, certainly Garrett Gomez  
13 could have -- ask for any -- for any rein he wants, but some  
14 young apprentice can't necessarily. There have been -- the CTT  
15 have been involved in this and they've had a lot of safety  
16 reins out amongst trainers. And some trainers -- in fact, I  
17 think Howard Zucker says he uses all safety reins. So it's one  
18 of those things that's involved.

19           CHAIRMAN BRACKPOOL: Stay there a moment now. Okay.  
20 So I think that's -- that's terrific. So if we -- if we could  
21 get these starting to move forward so that, you know, we're not  
22 waiting months and months in between the ones. But, again, I  
23 thank you.

24           We have one public speaker on this, Cory Wellman.

25           MS. WELLMAN: I assume that what I'm going to talking

1 about -- thank you, Mr. Chairman and Vice Chairman, for  
2 allowing me to speak today -- I'm going to talk about safety.  
3 And I did speak about this at the TOC meeting last year. And I  
4 feel that the information about breakdowns and fatalities are  
5 just only a partial, a quorum of what really we should be  
6 looking at. I feel that a large part of our loss of horse  
7 population has to do with horses getting hurt in the morning,  
8 leaving the track and never coming back. We have no records.  
9 We have don't know what percentage of that is.

10 I would love to see some sort of --

11 VICE CHAIRMAN ISRAEL: Implementation.

12 MS. WELLMAN: -- implementation of some rule that  
13 states when the vans leave here to go to the farms, what is the  
14 reason for it? Do they come back? When they come back to the  
15 track and they have to sign in have they had an injury in the  
16 past and they've gotten over it?

17 I don't know if there's any way that we could  
18 possibly do that when horses leave to go to the farms, what are  
19 they leaving for, what is the injury? But I just don't think  
20 that fatalities is the total picture that we need to be looking  
21 at.

22 So I thank you for your time.

23 CHAIRMAN BRACKPOOL: Thank you. Thank you. Okay.

24 Well, let --

25 EQUINE MEDICAL DIRECTOR ARTHUR: Can -- could I

1 comment on that very quickly.

2 CHAIRMAN BRACKPOOL: Please.

3 EQUINE MEDICAL DIRECTOR ARTHUR: We -- we've had a  
4 lot of discussions at the Track Safety and Medication Committee  
5 on trying to get non-fatal injuries. The reason the Horse  
6 Racing Board monitors those is because of 1846.5. We have a  
7 very extensive necropsy program.

8 We have had efforts to look at why the wastage of  
9 horses occurs. There's an ongoing Racing Jockey Club Research  
10 Foundation Grant that is -- is experimenting with ways to  
11 monitor non-fatal injuries. Fatal injuries are the tip of the  
12 iceberg. And a small portion of the horses that leave are  
13 horse racing, and we understand that.

14 COMMISSIONER MOSS: Just one question. Did we -- in  
15 fact, Bo might have brought this up. But on -- on fatalities,  
16 are -- are the vet records available on those horses for the  
17 count?

18 EQUINE MEDICAL DIRECTOR ARTHUR: We can look at our  
19 -- the records that are submitted on the confidentials. But in  
20 the longhand format it's virtually impossible to look at.

21 There is a rule that we -- that is being examined by  
22 the counsel, Bob Miller, and Jackie right now that we looked at  
23 in May and -- and the committee voted to send forward where if  
24 a horse dies within the enclosure the medical records would be  
25 made available upon request, so we don't have to go through the

1 subpoena process. We've primarily done that on high profile  
2 cases or jockey injuries and would like to make it a little --  
3 that as part and parcel of the necropsy program, which only  
4 makes sense.

5 COMMISSIONER MOSS: Right.

6 MS. WELLMAN: Could I just -- I'm sorry. I forgot  
7 one more thing and --

8 CHAIRMAN BRACKPOOL: Please.

9 MR. MILLER: Miss, could you please state your name  
10 and --

11 MS. WELLMAN: Cory Wellman.

12 MR. MILLER: Thank you.

13 MS. WELLMAN: I've been racing and breeding in the  
14 state for over 30 years.

15 I would also like to say that I feel that these  
16 injuries that they're leaving the tracks with today are very  
17 different from what we had on dirt tracks. And if you talk to  
18 the trainers and the owners I think they would back that up.  
19 So I don't know why there's different types of injuries and I  
20 don't know why they're occurring. It's not like seeing chips  
21 where horses used to go the farm for, you know, a minor little  
22 procedure, they took the chip out, and three months later they  
23 were back and training at the track. We're not seeing that  
24 today.

25 CHAIRMAN BRACKPOOL: Thank you. Thank you.

1 EQUINE MEDICAL DIRECTOR ARTHUR: If I may respond to  
2 that.

3 CHAIRMAN BRACKPOOL: Please.

4 EQUINE MEDICAL DIRECTOR ARTHUR: And -- and we -- if  
5 you look at the Equine Injury Database which was discussed in  
6 Lexington, they're trying to get nationwide data on this. And,  
7 yes, different services do have different type of -- types of  
8 injuries. In fact, from the Southern California Equine  
9 Foundation a paper is being presented at the AAEP in -- in  
10 December, American Association of Equine Practitioners, and  
11 describes how injuries have changed from the surfaces. And  
12 certainly there is a decrease in arthroscopic surgeries  
13 associated with them. But the evidence certainly is suspicious  
14 if there's an increase in rear-end injuries and we really don't  
15 know why, but we've changed the surface. And I think we  
16 understand that. And Dr. Sue Stover is looking at this very  
17 same issue at U.C. Davis.

18 So I -- I understand what Cory is talking about. I  
19 think everybody recognizes that and is trying to figure out the  
20 whys and wherefores.

21 CHAIRMAN BRACKPOOL: Okay. Thank you.

22 I see people on their way back in from the various  
23 meetings before. There are -- people are still walking in. So  
24 maybe we'll -- we'll do Fresno, and then we'll -- we'll --  
25 we'll get to Oak Tree in just one second.

1           So can we have -- this is item number nine,  
2 discussion and action by the Board for a license to conduct a  
3 horse racing meeting of the Big Fresno Fair at Fresno  
4 commencing October the 6th, 2010 through October 17th, 2010,  
5 inclusive.

6           VICE CHAIRMAN ISRAEL: Is the little Fresno Fair held  
7 in the spring or something?

8           COMMISSIONER HARRIS: That's out of Mr. Harris's  
9 place.

10          VICE CHAIRMAN ISRAEL: Well, that would be the  
11 gigantic Fresno Fair.

12          CHAIRMAN BRACKPOOL: There's little in Fresno.

13          VICE CHAIRMAN ISRAEL: If it's -- if it's at Harris's  
14 place.

15          MS. WAGNER: Jacqueline Wagner, CHRB staff. The  
16 application before you is from the Fresno District Fair as  
17 it's -- the Big Fresno Fair. They're proposing to run from  
18 October 6th to 17th. This is ten days, the same number of days  
19 that -- that they ran in 2009

20                 They will be racing six days the first week and four  
21 days the second week, ten races on Monday, Wednesday, Thursday  
22 and Friday, and twelve races on Saturday and Sunday. They will  
23 be racing concurrently with the Oak Tree Racing Association.  
24 Their first post time is 12:15 on Saturdays and Sundays. They  
25 have a 1:15 post on Monday, Wednesdays, Thursdays and Fridays.

1           Their wagering program will utilize both CHRB rules  
2 and the ARCI. Their ADW providers are TVG, Twin Spires,  
3 XpressBet and Youbet.

4           We only have one outstanding item on this application  
5 which is a fire code.

6           CHAIRMAN BRACKPOOL: I noticed that. That's --

7           MS. WAGNER: And I understand they cured it last  
8 week. So they will be submitting the document to us.

9           VICE CHAIRMAN ISRAEL: It's definitely the fewest  
10 ever.

11           CHAIRMAN BRACKPOOL: It would have been the first  
12 application we've ever received to get everything complete. So  
13 I'm glad you didn't break the record for everybody.

14           VICE CHAIRMAN ISRAEL: No. She said it's complete.

15           CHAIRMAN BRACKPOOL: No. No. At the time we got the  
16 package.

17           VICE CHAIRMAN ISRAEL: Oh, yeah.

18           MS. WAGNER: CHRB staff -- staff would recommend that  
19 the Board adopt the application as presented. And we do have a  
20 representative from the Fresno Fair.

21           CHAIRMAN BRACKPOOL: Let's -- let's just hear a  
22 couple of words about what you're doing to do and what you  
23 think you've improved on from last year and --

24           MR. ALKIRE: Chairman Brackpool, distinguished  
25 Members of the Board, my name is John Alkire. I'm the CEO of

1 the Big Fresno Fair.

2 I did take the liberty of sending a letter and some  
3 pictures to folks. I think talk is cheap. I think it's  
4 important to show you what we're actually doing at the Big  
5 Fresno Fair.

6 The big, bottom line is that we want to get the point  
7 across, we are reinvesting in our product each and every year  
8 and we continue to do so; 2010 will be no different. We are  
9 investing \$225,000 in our backside Winner's Circle Restaurant.  
10 It will be our new facility for downsizing our satellite  
11 wagering facility from the grandstand. I have sent a letter to  
12 the Executive Director requesting to be on the agenda for next  
13 month to seek approval to officially move from the main  
14 grandstand, the old swamp cooler's 60-year-old facility, down  
15 to a smaller more meaner, leaner, more fiscally responsible  
16 operation.

17 As far as promotions this year, in light of the  
18 challenging economical times that we are all facing throughout  
19 the state and throughout racing we have doubled up on our  
20 promotions this -- this year, more than we ever have in the  
21 past. We're doubling up with our radio ESPN giveaways. We are  
22 also working with the local food bank.

23 We'll have a -- for the first time ever, a pint for a  
24 pass to come out to the races. We are hooked up, also, with a  
25 partnership with a food bank out on the Westside. We have 30

1 percent unemployment, a huge water shortage there. It's  
2 devastated that west part of the San Joaquin Valley. So we're  
3 doing a Feed the Need. This will be our second year. Last  
4 year we had the largest food drive. Bring three cans of free,  
5 get in the fair free and go to the races free. We gathered up  
6 about 28.6 ton of food last year. This year we -- we fell  
7 we're going to even beat that number.

8           Huell Howser with the PBS Channel is coming with the  
9 California Golden Fairs. Fresno was selected as one of those  
10 fairs. We've been in operation for 127 years. So horse racing  
11 will be showcased that day because we have been racing for over  
12 127 years.

13           Our Hispanic shows have traditionally gone a lot on  
14 the weekends. We charge for those shows. For this and this  
15 year only we're going to offer both of those concerts on  
16 Sundays for free. We're trying to open up the doors again and  
17 try to bring more people in and -- and showcase racing.

18           Luckily we have, on October 8th, *Secretariat* is going  
19 to be coming out, the movie. We've already teamed up with  
20 Galaxy Theaters. And if you come to watch the movie you get a  
21 chance to come and see live racing at the Big Fresno fair.

22           CHAIRMAN BRACKPOOL: Yeah. That's a good idea.

23           MR. ALKIRE: We also have, because of the calendar,  
24 10/10/10, October 10th of 2010. So we have a number of  
25 promotions we're doing with Save Mart, food giveaways, again,

1 to help the folks out on the Westside.

2           Fresno State University, this is their centennial  
3 celebration. So we have hooked up with them with a lot of  
4 giveaways, again, trying to get a younger group of folks to  
5 come in from the university, develop some new customers. We'll  
6 have our Bulldog Stakes, traditional as always.

7           Our attendance usually runs about 83,000 to 85,000  
8 annually to come to the races, overall Fair attendance, about  
9 150,000.

10           Our safety record for the last two years, knock on  
11 wood, we've been blessed. We haven't lost one horse, no  
12 fatalities in the last two years. We run a natural surface.  
13 We consistently put dollars into that track every year, about  
14 \$40,000 to \$50,000 a year thanks to CARF and FNE.

15           We would appreciate your support today and request  
16 your approval for our 2010 race meet.

17           CHAIRMAN BRACKPOOL: Well, I consider the -- I had  
18 the -- the pleasure of going to the Fresno Fair last year, and  
19 I really enjoyed it. I thought it was -- I thought it was  
20 terrific and certainly a great product. I really like these  
21 photographs you've sent. They're full of energy, vitality,  
22 etcetera.

23           But my only question was on the third page. There's  
24 a picture of what purports to be Commissioner Harris, and he  
25 has never looked this young. This can not be. Is this a stunt

1 double?

2 MR. ALKIRE: No. With -- with -- with that mural,  
3 also, there's a picture of Senator Maddy. And Senator Maddy,  
4 along with Commissioner Harris, have done a tremendous amount  
5 to improve the racing at the Big Fresno Fair.

6 CHAIRMAN BRACKPOOL: I understand. I -- no. I  
7 thought this was a really good -- a really good presentation.

8 MR. ALKIRE: Thank you.

9 CHAIRMAN BRACKPOOL: And maybe, Chris, we could have  
10 the -- the other fairs give us a photographic background, as  
11 well.

12 MR. KORBY: I will carry that back.

13 CHAIRMAN BRACKPOOL: Please. Because it's actually  
14 very helpful, because it's difficult to get to every one of  
15 these fairs. I've been to a couple of them in the last few  
16 weeks. But this is -- this is really helpful.

17 VICE CHAIRMAN ISRAEL: Right.

18 CHAIRMAN BRACKPOOL: It's -- it's terrific.

19 VICE CHAIRMAN ISRAEL: And they should -- they should  
20 PhotoShop Harris, too.

21 COMMISSIONER HARRIS: Yeah. Definitely. I wish they  
22 would. It's pretty amazing the job they do there in getting  
23 people to the races. Because Fresno is quite a ways from any  
24 major tracks, which is a unique opportunity to really -- with  
25 8,500 a day attendance is -- you know, far surpasses the normal

1 weekly at regular tracks. In fact, it's -- it's -- it gets  
2 people into the game and it's just -- it's a great job.

3 CHAIRMAN BRACKPOOL: Well, there are two things you  
4 say that I think on a marketing concepts were really  
5 interesting there. The idea of the -- of the tickets for  
6 Secretariat.

7 COMMISSIONER DEREK: Yes.

8 CHAIRMAN BRACKPOOL: A lot of other tracks here could  
9 be doing the same type of promotion. I think it's a really  
10 interesting idea.

11 COMMISSIONER DEREK: It's a good idea.

12 CHAIRMAN BRACKPOOL: I also particularly like your  
13 idea about the Fresno State Bulldogs going to -- to -- to the  
14 college and -- and recruiting, you know, a great demographic  
15 for us to try to attract to our industry, etcetera. So a  
16 couple of really innovative good marketing ideas there.

17 MR. ALKIRE: Thank you.

18 CHAIRMAN BRACKPOOL: Commissioner Rosenberg.

19 COMMISSIONER ROSENBERG: On this subject, sort of  
20 indirectly, it would be helpful -- this it to staff --

21 MS. WAGNER: Uh-huh.

22 COMMISSIONER ROSENBERG: -- if when a license  
23 application is prepared and the information is given to us to  
24 look at if they could highlight some of the total dollar  
25 amounts for specific items so we can compare this over a period

1 of a year to see what has this fair spent, what has this fair  
2 spent, what has this fair spent. And I realize there are  
3 different considerations, number of days, etcetera, budget.  
4 But it would be very helpful. And the same thing as racetrack  
5 licenses.

6 Is that possible?

7 MS. WAGNER: Yes.

8 MR. ALKIRE: Absolutely. It should -- it should be.

9 CHAIRMAN BRACKPOOL: Well, given that we have a  
10 completed application, and I would be more than happy to make  
11 the -- the recommendation, a motion that we -- we approve  
12 the -- the application.

13 COMMISSIONER HARRIS: I'll second.

14 CHAIRMAN BRACKPOOL: Commissioner Harris seconds.

15 All in favor?

16 AYE COMMISSIONERS: Aye.

17 CHAIRMAN BRACKPOOL: Okay. Have a very good fair.

18 Thank you.

19 MR. ALKIRE: Thank you, Mr. Chair.

20 CHAIRMAN BRACKPOOL: Mr. Chillingworth, are we ready  
21 to resume item number eight?

22 MR. CHILLINGWORTH: I think so.

23 CHAIRMAN BRACKPOOL: Could you be a little more  
24 definitive than that?

25 MR. CHILLINGWORTH: I don't know whether I can speak

1 to their points.

2 CHAIRMAN BRACKPOOL: Well, I'll have the other  
3 parties come and speak. Don't worry about that. Don't you be  
4 speaking for the others. Speak for yourself, please. I am  
5 going to ask CTT and TOC, seriously, to come forth and give me  
6 their -- their -- their views, as well.

7 MR. CHILLINGWORTH: Highly suggested. Sherwood  
8 Chillingworth with Oak Tree.

9 All we have to say is that we've been running at  
10 Santa Anita for 41 years. Based upon Mr. Stronach's discussion  
11 yesterday and this morning, this is our last year. And  
12 obviously we'd like to finish up where we started 41 years ago.

13 I know the protection of the horse is paramount, and  
14 we think we can solve that problem. I've asked Rich Tedesko to  
15 describe what he plans to do with the track that he thinks will  
16 make it perfectly safe if it isn't already.

17 The other thing is we already signed all kinds of  
18 contracts. We have taken in probably \$750,000 to \$1 million in  
19 receipts, many of which came from group advance which we will  
20 have to return the money. I'm sure it will be more difficult  
21 to get them to come to Hollywood, not because Hollywood isn't a  
22 good place but it's farther from where these people are based.

23 CHAIRMAN BRACKPOOL: Okay.

24 MR. CHILLINGWORTH: We -- I guess our position is we  
25 don't think the track is unsafe now. And we think if there is

1 any question about that there are remedial things we can do to  
2 satisfy Dr. Peterson's report.

3 And I think let's go to Rich. Where are you, Rich?

4 MR. TEDESCO: Rich Tedesko, Track Superintendent,  
5 Santa Anita. I'm going to address first the membrane at Santa  
6 Anita Race Track that everybody was talking about. We are at  
7 this moment addressing that problem with Santa Anita and taking  
8 the surface back, doing the initial part of it, the 30 feet of  
9 the running lane and moving out to the middle. We're exposing  
10 that membrane and we are going to start remediating that right  
11 membrane to -- to make it a kinder and -- and more consistent  
12 surface.

13 I've talked to the horsemen here and I feel that the  
14 track is safe. And I'm going back.

15 And we'll talk about the rocks. The rocks have been  
16 there two years. We were going through a period where  
17 everybody saw that the track was not draining when cushion  
18 track was there. Were removed the entire surface. We did it  
19 at night, with no lights, just lights on the equipment, and we  
20 reconstructed the bottom of the track. At that time when the  
21 equipment was rolling they -- there was times they would clip  
22 the blacktop.

23 That's how it got in there. That's how the small  
24 black rocks started, and that's where they ended up until we  
25 took the entire surface off and we put it in the parking lot

1 and we got rid of the blacktop. We tried to screen it. It  
2 would not screen onto that particle size. It would only screen  
3 to about three-quarters to an inch. So those -- those rocks  
4 are smaller. Some of them are a little larger.

5 Now as far as the drainage rocks that we're talking  
6 about, I explained to them that everybody who has a synthetic  
7 surface, in the process of doing your Monday maintenance,  
8 that's when I do mine, there's time when we clip that -- that  
9 membrane. And we had Scott repair it and put it back together,  
10 and also clean up any rocks and debris that we brought up.

11 Now we did our best to do that. Occasionally one of  
12 those larger rocks do show up, but that's part of the game.  
13 You'll find rocks at the best track in the country, you'll find  
14 the rocks somewhere. That -- that's part of what we're doing.

15 I -- I feel that the track is safe. And then, John,  
16 you asked the question, would you run a \$3 million horse on  
17 that race, I ran millions of horses -- millions of dollars  
18 worth of horses on Breeder's Cup on that same track and that  
19 was the very same track.

20 CHAIRMAN BRACKPOOL: What I'd like to do is now ask  
21 somebody from TOC, and also somebody from CTT to come forth and  
22 give me their view on where they are.

23 And we have -- Commissioner Choper, you want to  
24 question --

25 COMMISSIONER CHOPER: No. Go ahead. You said what I

1 was going to ask him.

2 CHAIRMAN BRACKPOOL: Okay.

3 MR. CHILLINGWORTH: While we're waiting, I think  
4 Rich --

5 CHAIRMAN BRACKPOOL: We're not waiting.

6 MR. CHILLINGWORTH: -- forgot about one thing -- I  
7 thought there were people coming up -- that -- that the  
8 inconsistency of the track that Mick Peterson pointed out has  
9 resulted in the track not being dressed for racing for over two  
10 months. That way you don't harrow the track. The track  
11 settles in different places.

12 CHAIRMAN BRACKPOOL: Right.

13 MR. CHILLINGWORTH: And that's a very simple --  
14 that's a very simple thing to correct.

15 CHAIRMAN BRACKPOOL: Well, I have two questions  
16 for -- for Richard. First, Commissioner Choper.

17 COMMISSIONER CHOPER: You saw the track a year ago, I  
18 mean, obviously.

19 MR. TEDESCO: Yes.

20 COMMISSIONER CHOPER: You see it better than anybody  
21 else, I take it.

22 MR. TEDESCO: Right.

23 COMMISSIONER CHOPER: Do you notice major  
24 differences, significant differences, some differences  
25 between --

1 MR. TEDESCO: There's -- there are less polymers than  
2 we had a year ago. That was put on by Pro-Ride. And they  
3 have -- we have not replenished the polymers. That is the  
4 difference.

5 COMMISSIONER CHOPER: Has that contributing to  
6 unevenness?

7 MR. TEDESCO: No. Because I control it with water.  
8 And -- and I learned to control that. And if you've been to  
9 the races here you see I put more water here too. These tracks  
10 do need water.

11 COMMISSIONER CHOPER: So I just ask that because, you  
12 know, Commissioner Israel made, you know, a very strong point.  
13 He said, "Well, how does this compare to previous looks at the  
14 track," were his words. But he -- the -- Dr. Peterson said he  
15 didn't know, didn't have the data. But you've got, at least,  
16 visual data --

17 MR. TEDESCO: Right.

18 COMMISSIONER CHOPER: -- from all kinds -- you don't  
19 think that there's any significance difference?

20 MR. TEDESCO: No. Not at this point. No.

21 COMMISSIONER CHOPER: Okay.

22 CHAIRMAN BRACKPOOL: Commissioner Israel.

23 MR. TEDESCO: We haven't worked it in two months. If  
24 you go see if now it's dusty. It's terrible.

25 VICE CHAIRMAN ISRAEL: Richard, you were addressing

1 the issue of the rocks, and I understand that. And I know that  
2 the rocks and anything that has some sort of dirt component to  
3 it were -- have an asphalt component that breaks up. But  
4 Peterson -- Dr. Peterson seems to indicate that there's a  
5 larger issue of the way the sand is reacting, and that's where  
6 the unevenness is occurring, and that's what concerns him even  
7 more than the rocks.

8           So how -- how can you deal with that and remediate  
9 that?

10           MR. TEDESCO: Let me address the sands. From the day  
11 one when they put that track in, the cushion track, we had a  
12 problem. We didn't know that until the first rains. At that  
13 time the -- everyone came into the picture, including Mick  
14 Peterson. He flew out. We had engineers. We got University  
15 of SC, their engineering department. We've had everyone out  
16 there. Everyone added particular particle to that racetrack.  
17 That race track can not be duplicated because we don't even  
18 know what's in it anymore. It's -- we had different sizes.  
19 They were trying to go with larger particles to expand the  
20 track for percolation. That didn't work. Nothing worked  
21 because we have an abundance of sand. There's certainly clay  
22 in that racetrack which should not have been there. The  
23 racetrack here doesn't have it. It's silica sand. All of  
24 these synthetics have a silica sand base. We don't. We have a  
25 certain surface.

1           VICE CHAIRMAN ISRAEL: So this is a race surface  
2 designed by a committee. And they're -- you know, the old  
3 saying that a camel is a horse designed by a committee.

4           MR. TEDESCO: And we have a camel.

5           VICE CHAIRMAN ISRAEL: And you've got a camel.

6           MR. TEDESCO: Yes.

7           MR. CHILLINGWORTH: But it works.

8           MR. TEDESCO: So I'm dealing with that, and I've  
9 learned how to deal with it. The membrane formed because fine  
10 particles go to the bottom. When you're a kid and you shake  
11 them up with sand you saw large rocks come up and everything  
12 goes down. That's exactly what happens when you work the  
13 racetrack. That's why we do our maintenance once a week to get  
14 the mixtures back.

15           VICE CHAIRMAN ISRAEL: Okay. Thank you.

16           CHAIRMAN BRACKPOOL: Stay there for a moment. Arnie,  
17 if you would stand up. And either you've got one or we can  
18 have you come sit at one of these --

19           No problem.

20           Okay. And then I'm going to ask John to -- to speak  
21 after you. That -- what we're trying to get up here is -- is a  
22 sense of where everybody is on this issue. And Chillie has  
23 been very open as to where, you know, Oak Tree is, if they'd  
24 like to stay. You now have had a chance to -- you've heard the  
25 report and talk with your people. What -- what -- what is --

1 what is the TOC's view?

2 MR. ZETCHER: Yeah. The -- the --

3 CHAIRMAN BRACKPOOL: And please state your name for  
4 the record?

5 MR. ZETCHER: Arnold Zetcher. I'm chairman of the  
6 TOC. I'm up here representing TOC and the leadership of the  
7 CTT. And when I conclude my comments John Sadler is ready to  
8 also make or any comments or answer any of the questions that  
9 you have.

10 Let me -- let me just start off by saying that we --  
11 we welcomed last night Frank Stronach making his comments to --  
12 to the horsemen. The fact that we are finally going to get  
13 some kind of resolution to the -- the -- the whole situation  
14 with -- in the long term, you know, we're going to have the  
15 corrected track in place, we all look forward to the day that  
16 we can come to the races and not the first thing you ask is  
17 what's the track like today and what's it going to be like  
18 tomorrow. So we're happy that that's -- that is going to be  
19 resolved.

20 For the record, Mr. Stronach also said that -- that  
21 he's worked with the horsemen's group. We would like to  
22 formalize that, have a trainer's advisory committee that would  
23 work with them on looking at that surface that's being brought  
24 in and make sure everybody's comfortable. That -- that's  
25 the -- the long term issue.

1           The short term issue is one we're now -- we're now  
2 talking about. There clearly are -- the fact that we've been  
3 talking about this for months now, there clearly are issues and  
4 questions about whether or not the track surface at Santa Anita  
5 is going to be safe. And let me just quickly walk -- walk  
6 through what -- what we have done, what the trainers  
7 organization has done.

8           It started maybe a month ago where we had heard  
9 concerns about what's going on at Santa Anita Race Track. We  
10 put together a trainers group and members from the TOC to go  
11 out and visit Santa Anita race course with the Santa Anita  
12 management group. And they spent time walking through and  
13 walking the track and listening to what people had to say.  
14 They came back from that visit very uncomfortable and very  
15 concerned about the condition of the racetrack and whether or  
16 not it could, in fact, be corrected enough that it could be  
17 running the meet.

18           Right after that Chairman Brackpool said he wanted to  
19 bring in an expert to take a look at it and we welcomed that.  
20 We thought that was a great idea of somebody who's not closely  
21 associated with it. And we also had a trainer representative  
22 with him when he did go through the process up there. We  
23 wanted to wait until we heard his -- the report today, and we  
24 did -- we did hear the report before we came to any -- any  
25 seriously conclusion.

1           I have to say that -- that where we are ending up is  
2 that it -- it appears just too chancy for us to say that over  
3 the next three weeks, three or four weeks that they'll be able  
4 to try to go in, correct the situation and be ready to run  
5 in -- in five weeks. And that -- that troubles us.

6           And the question from a -- you know, the owners are  
7 not experts. All we can do is rely on -- on the trainers and  
8 experts and listen to the other comments that are being made,  
9 and then come to a conclusion. We -- we feel it's just not  
10 worth taking the chance.

11           And so our -- our conclusion is that the meet should  
12 move over to Hollywood. We know all the history. We're -- we  
13 worry about, you know, all the things that have taken place.  
14 And -- and we know how desirous it is on everybody's part to  
15 run at Santa Anita. But none of that -- none of that makes any  
16 difference.

17           The only thing that makes a difference is whether or  
18 not we think the track is going to be safe for the horses and  
19 for the jockeys. And the fact that we're spending so much time  
20 talking about it everybody would have to say there are  
21 questions whether or not that meet will take place.

22           So our -- our conclusion at this point is that we can  
23 be -- we need -- should move over. I know there are various  
24 serious points of view that people have. And -- and, you know,  
25 we all have our own points of view. I think it's time to put

1 these points of view aside and just answer the question: Is it  
2 worth taking the chance for us to be operating at -- at Santa  
3 Anita?

4           Now let me just add one more comment here. We know  
5 what's going to happen with the new track coming in. And  
6 we've -- we've heard the -- the group say that they can put the  
7 new track in in a short period of time, that seven weeks or --  
8 or whatever it is. Yeah. We're -- we're hoping that they can  
9 do that. However, I think we all would agree that if they have  
10 four months to -- to handle the permanent solution as opposed  
11 to two -- two months of trying to get it in, that would be a  
12 benefit to everyone also. And I think we'd all have a higher  
13 comfort level that we weren't trying to do something very, very  
14 quickly over a two month period if, in fact, we could have four  
15 months.

16           When we combine that -- that's secondary -- but we  
17 combine that with the concerns we have about safety and the  
18 chances we'd be taking at -- at the current -- of the Santa  
19 Anita Race Track, and we have concluded that we think it -- it  
20 should be moved.

21           CHAIRMAN BRACKPOOL: I think as to your second point,  
22 I think I respectfully disagree. Because I think what the  
23 paramount issue as to the replacement of the track is the  
24 timing that goes into it, not the physical construction. And  
25 what we have to set up over the course of the next couple of

1 days is the very working group that you just talked about.

2 MR. ZETCHER: Uh-huh.

3 CHAIRMAN BRACKPOOL: You know, I want to talk to  
4 people from -- that are in your position, obviously CTT. We,  
5 the Board, will go out and hire our own expert again. We'll  
6 then put that working group together with the people of Santa  
7 Anita and -- and we'll work through this. It's -- it's there,  
8 you know, it's their track and they're going to put it in, they  
9 don't want to put in something that's not agreeable to  
10 everybody. When you see how this process works month in, month  
11 out, the idea that we're going to have one meeting and we're  
12 all going to say, yeah, that's the new surface, let's go buy it  
13 and let's start digging it up next week, is -- is in my view  
14 fanciful.

15 So I don't think that the second issue you raised  
16 should be one on the table because I think our issue is going  
17 to be can we get it in in time, given the research we have to  
18 do, the paramount issue of safety, all of the issues we're  
19 going to have to work through with MID as to licensing and  
20 track and mandate change, etcetera. But I do hear what you  
21 said on the first issue.

22 MR. ZETCHER: Well, one last thing. I think four  
23 months is better than two months.

24 CHAIRMAN BRACKPOOL: Okay. Well, could you take a  
25 seat there for a moment.

1 MR. ZETCHER: Certainly.

2 CHAIRMAN BRACKPOOL: I see John is standing behind  
3 you.

4 So, John, what would -- and please, for the record  
5 state your name and organization.

6 MR. SADLER: Yes. John Sadler, President of the CTT.  
7 We've been working on this for quite awhile. We've been  
8 meeting with the TOC regularly and, you know, our position is  
9 the same as them. We'd like to see that meet run at Hollywood  
10 Park. We have some -- there's a lot of uncertainty in -- in  
11 the reporting today with the comments of Mick Peterson. And we  
12 have a lot of the same concerns.

13 It came up upstairs that somebody asked Mick Peterson  
14 if -- if he had been testing Hollywood Park regularly. He said  
15 he had and he wouldn't have the same concerns about that track  
16 that he had at Santa Anita. I believe he said that here.

17 So we're with the TOC. We're together. And -- and  
18 hopefully we can get this done.

19 CHAIRMAN BRACKPOOL: Before you go, Commissioner, do  
20 I have any -- Commissioners Rosenberg.

21 COMMISSIONER ROSENBERG: Just the one question. Does  
22 it concern you at all, or Mr. Zetcher that the statistics show  
23 that the Santa Anita meeting was safer than the Hollywood Park  
24 meeting?

25 And, secondly, the trainers -- there are a number of

1 trainers that I've heard from who train at Santa Anita all the  
2 way through the end of the meeting who did not feel the track  
3 was unsafe. And if it doesn't -- there is no explanation about  
4 the fact that the track was examined after it's been sitting  
5 there for some time unused why do you think that they are not  
6 going to be able to make it better than it is as to date  
7 between now and the time the track opens?

8 MR. SADLER: Well, we think that the track that's  
9 there now is not that -- you know, it's changed since last  
10 winter. They did a lot of things to it last year to -- to make  
11 it drain, you know, with the impression that they we're going  
12 to get a new track. So we feel some of the core issues can't  
13 be resolved in a short period of time.

14 As far as the statistics, you know, the numbers are  
15 the numbers. But we feel that, you know, we'd be better served  
16 to be at Hollywood Park.

17 CHAIRMAN BRACKPOOL: Commissioner Moss.

18 COMMISSIONER MOSS: I just wanted to -- I've listened  
19 to everybody, heard what everybody had to say and considered  
20 the logistics of everything there. I think we've elected  
21 people like TOC and the CTT to see what they have to say and to  
22 understand that they're experts in this situation and express  
23 the -- the views of the majority. So I would go along with  
24 them.

25 CHAIRMAN BRACKPOOL: Commissioner Harris.

1           COMMISSIONER HARRIS: Yes. This is a very difficult  
2 decision. Is there any quantifiable data that -- that Mick  
3 Peterson has on Hollywood Park that we can actually overlay on  
4 Santa Anita to see where the differences are?

5           CHAIRMAN BRACKPOOL: Well, I see Dr. Peterson  
6 standing at the back. Could I ask you, sir, to -- to come down  
7 again and just address that question.

8           DR. PETERSON: I hope it's okay to just stand at the  
9 microphone. I -- I don't -- I'm not prepared today to show --  
10 show this data because I don't -- I don't have things prepared.

11           The primary difference between Santa Anita and  
12 Hollywood Park is Hollywood Park, the design of the track is  
13 more of a standard synthetic track. And the layering, the  
14 hardpan there doesn't exist. So on a normal maintenance  
15 protocol that's used at Hollywood Park that layer, that is the  
16 hardpan layer, is opened up every week or -- or actually every  
17 morning with the power harrow to set a pad, like the old -- old  
18 dirt tracks in California were done, with the pad, cushion pad,  
19 and then -- then -- then hard base underneath that.

20           What -- what I can tell you is that there is not the  
21 inconsistency in depth and cushion. And the ground data, the  
22 radar data, is -- is quite consistent from -- from Hollywood  
23 Park. There's -- there's the typical issues with a couple  
24 locations that Dennis is aware of that he takes care of.

25           And as far as the shear strength and the sensitivity

1 of moisture, there is not the same sensitivity to moisture.  
2 It's been re-waxed multiple times. So it's -- I know that's --  
3 I know moisture isn't the -- isn't an issue with Oak Tree,  
4 but -- but we have that in the data.

5 COMMISSIONER HARRIS: Is there a rock issue or is  
6 there an issue at Hollywood Park or -- or is that more of --

7 DR. PETERSON: I have never seen a rock at Hollywood  
8 Park. There -- there -- it's just the -- the -- the geotextile  
9 there has -- has been in tact because that track, Dennis did  
10 flip it, flip a portion of the track. But I -- I'm not aware  
11 of -- I've -- I've never seen a rock there.

12 VICE CHAIRMAN ISRAEL: Is it -- is it plausible to  
13 you that the condition of the racetrack at Santa Anita  
14 deteriorated significantly since April 20th? Is that -- is  
15 that plausible, possible? Have you seen it in other research  
16 where such deterioration has occurred?

17 DR. PETERSON: Where -- what I don't know about Santa  
18 Anita is they've done -- done -- done quite a bit of work here  
19 over that period. And I really have to defer to -- to defer to  
20 Richard on that because he knows the amount of work that's been  
21 done to it over that time period, and -- and since I wasn't  
22 there over that time period to know what has changed.

23 And, Richard -- I'll defer to Richard on that one.

24 VICE CHAIRMAN ISRAEL: Well, the issue I'm trying to  
25 grapple with here is we had an exemplary racetrack. You know,

1 whether people liked running over it or not is a second  
2 consideration from whether it was safe or not. And  
3 statistically race days from December 26th to April 20th it was  
4 exceedingly safe. Breeders Cups for two years, it was  
5 exceedingly safe.

6 But now there seems to be some question as to whether  
7 the use of it, the treatment of it and -- and the expiration  
8 of -- of all these various attempts to remediate it over the  
9 years have resulted in it being less safe than it was six  
10 months ago. And I'm trying to grapple with that and get some  
11 understanding of that.

12 DR. PETERSON: And I'm sorry, I really can't -- I  
13 don't have data from before and after. This is the problem,  
14 you have everything in front of you. I mean, I'm -- I'm not --  
15 I'm not a great salesman to tell you that -- that -- that I  
16 know things that I don't know.

17 And -- and what I can tell you is that I don't have  
18 data before. I have definite concerns now. And, frankly, it's  
19 going to be up to the people who -- who -- who know the  
20 surfaces and know the surface and -- and -- and have been out  
21 there to -- to -- to define information to --

22 CHAIRMAN BRACKPOOL: Pause there for a second, if you  
23 may, and let's ask Richard that question really quite directly.

24 Has there been such -- going to Vice Chair Israel's  
25 comment -- has there been such a quantity, magnitude of work,

1 maintenance work, over the last two months that would have  
2 changed this track?

3 MR. TEDESCO: No. I -- I'm a very good stickler on  
4 consistency. I've proved it here and I proved it there. I do  
5 my maintenance on Monday. I do I almost like clockwork. I  
6 inform all the trainers by the boards of what I do. And  
7 there's nothing been changed in my mode of operation in the  
8 last two years.

9 CHAIRMAN BRACKPOOL: So if you go to the -- if you go  
10 to the -- the chart that Dr. Peterson had that showed the  
11 differential -- the -- the different coloration, the yellow,  
12 the green, the red, where you had what he would consider the  
13 potential problem areas between the chute and the finish, in  
14 your mind they were the same as the winter meet?

15 MR. TEDESCO: The chutes out at Santa Anita do not  
16 get the wear and tear as the main track. The chute here is the  
17 same way. If you look at these chutes here they're -- they're  
18 not exactly the same color as the main track. The main track  
19 gets an enormous amount of horses, enormous amount of wear and  
20 tear. We water. We harrow. We do most of our work on Mondays  
21 on the main track. So over a period of time there will be a  
22 difference in both tracks. But our chute at Santa Anita  
23 drained. For what reason, I don't know, but it did drain.

24 VICE CHAIRMAN ISRAEL: Rich, did you do -- did you --

25 CHAIRMAN BRACKPOOL: Commissioner Rosenberg.

1           COMMISSIONER ROSENBERG: The specific question is and  
2 what I and Commissioner Israel was getting at, the -- the -- as  
3 of April 20th did you continue to maintain the track after  
4 April 20th?

5           MR. TEDESCO: Yes. We had horses there.

6           COMMISSIONER ROSENBERG: Until when?

7           MR. TEDESCO: Until we opened here.

8           VICE CHAIRMAN ISRAEL: Until Del Mar.

9           COMMISSIONER ROSENBERG: Okay.

10          MR. TEDESCO: Yeah.

11          VICE CHAIRMAN ISRAEL: Did you have -- Rich, when  
12 you -- when you were trying to get it to drain over the winter  
13 did you do -- take extraordinary action that may have resulted  
14 in a change of the subterranean construction and composition  
15 that over the following months then caused further erosion,  
16 deterioration and this inconsistency that Dr. Peterson  
17 discovered?

18          MR. TEDESCO: Whenever it was a chance of rain, and  
19 it was a chance of maybe 20 percent or 30 percent, I would  
20 punch holes in the racetrack. That was aiding the drainage.  
21 And that was the only thing I ever did to that track to aid the  
22 drainage.

23          VICE CHAIRMAN ISRAEL: And -- and in what areas did  
24 you do that?

25          MR. TEDESCO: The entire oval.

1 VICE CHAIRMAN ISRAEL: The entire oval?

2 MR. TEDESCO: And very seldom. In fact, I never did  
3 the seven-eighth's chute. It drained.

4 VICE CHAIRMAN ISRAEL: Right.

5 MR. TEDESCO: But the quarter chute, I didn't do that  
6 one. It drained.

7 VICE CHAIRMAN ISRAEL: So is there a possibility that  
8 that activity caused damage that presented itself subsequently  
9 and that was discovered this summer during --

10 MR. TEDESCO: The damage -- the only damage that I  
11 know was at the finish line on the upper side, and I explained  
12 that to the horsemen today, because we had a pond sitting there  
13 that was enormous. And I had tried to get my machines to open  
14 something up. So I had them sit still and just beat the heck  
15 out of this racetrack. We couldn't get it to go through. We  
16 had to finally get pumps and pump the material out. Then we  
17 went to the extreme of covering the racetrack, the tarps.

18 VICE CHAIRMAN ISRAEL: I remember that. Yeah.

19 MR. TEDESCO: Yeah.

20 CHAIRMAN BRACKPOOL: Let me ask John Sadler a  
21 question, if I may -- if I may. I don't think any of us up  
22 here expect that any of your organizations have unanimous views  
23 on -- on -- on everything. But can you just give us a little  
24 flavor as to the way you think trainers are on this issue? I  
25 mean, I know that you're speaking for the executive board of

1 it. But is it 60-40, is it 90-10? Is it -- where are trainers  
2 on this?

3 MR. SADLER: I mean, I think it would be fair to say,  
4 you know, trainers are all over the board. You know, we feel  
5 that the right thing to do is to go Hollywood, and this is what  
6 our board feels who were elected by our membership. We  
7 certainly have a lot of people who will disagree with us.  
8 There's no question. I -- I -- I won't -- I would be hesitant  
9 to put a number on it because that would be unfair.

10 We did do some polling earlier this year on -- on the  
11 numbers of people that wanted to get a new improved track in.  
12 And we were pretty clear, that was about 75 people preferred to  
13 change the surface than what we've been running on.

14 CHAIRMAN BRACKPOOL: Well, we have that issue --

15 MR. SADLER: Yeah. Resolved. But anyway, we haven't  
16 done any real polling on -- for this meet. But, you know, you  
17 have all -- all the people over the board on that.

18 COMMISSIONER ROSENBERG: I have a question for Mr.  
19 Sadler.

20 CHAIRMAN BRACKPOOL: Please.

21 COMMISSIONER ROSENBERG: Mr. Sadler made reference  
22 several times to the fact that the -- the issue of the track at  
23 Santa Anita being unsafe, I've been talking about it for quite  
24 some time, and I've talked about it as if that's some kind of  
25 evidence that it's unsafe.

1                   How many trainers were complaining about the safety  
2 of the track before they left to come to Del Mar?

3                   MR. SADLER: Well, I mean, you know, we train on  
4 these tracks every day and we see what they're doing -- it's  
5 doing to our horses. And we have a lot of issues. We've had a  
6 lot of problems. These horses are hurting behind. The  
7 trainers have lots of issues. I don't know if you want to  
8 speak to the fatalities. We have a lot of career-ending --  
9 career-ending injuries on these tracks. You know, I don't want  
10 to get into all that in a big public forum. But we have --  
11 we've had a lot of problems, there's no question about that.  
12 Some people that love them, you know, and some people love them  
13 this week and then change their mind next week. But overall we  
14 think we have an issue or we wouldn't be here.

15                  CHAIRMAN BRACKPOOL: Well, that goes more to the  
16 general opinion as to synthetic versus dirt rather than the  
17 specific that I think Commissioner Rosenberg was -- was asking.

18                  Commissioner Moss.

19                  COMMISSIONER MOSS: Well, I -- I'd like to, you know,  
20 just to say I think John is the -- John Sadler is at least get  
21 a free range of -- of trainer opinions, you know? I mean, in  
22 the past we -- we -- we had, you know, perhaps the attention of  
23 the board of directors of the CTT. In this case he's gone out  
24 of his way to get the opinion of all the trainers. And I  
25 think, you know, the only thing I've heard would tend to agree

1 with the findings he's come up with. And, I mean, the more  
2 comments about safety means where there is smoke there is fire.  
3 If there is a perception of a lack of safety it concerns me  
4 specifically, and I'm sure a lot of owners.

5 CHAIRMAN BRACKPOOL: Before I have -- thank you,  
6 John.

7 Before I ask -- I'd like to ask Jack Liebau or  
8 somebody from Hollywood Park to come up and talk about their  
9 track in a second.

10 While Jack's walking up, I see Mr. Siegel has joined  
11 us at the table. Mace, did you have a comment?

12 MR. SIEGEL: I have a lot of comments. We -- we  
13 trained at Hollywood Park. They have very, very good horses  
14 train there. Ron Ellis, if the horse comes off the track with  
15 a filling in the foot he gets a week off. And all I can tell  
16 you is we've been training at Hollywood forever, and just about  
17 every horse we have is living up right there. We are the farms  
18 best customers.

19 And then I want to tell you the joy of attending the  
20 races at Hollywood Park.

21 CHAIRMAN BRACKPOOL: Well, that's -- that's -- that's  
22 not the issue right now. The issue right now we're trying to  
23 get to is where it would be -- sorry -- is where everybody  
24 wants to get to on the -- on -- on the safety issue. So hold  
25 the thoughts on -- on -- on where is --

1 MR. SIEGEL: And -- and I --

2 CHAIRMAN BRACKPOOL: This is a conversation about  
3 safety.

4 MR. SIEGEL: And I will tell you that we ran a lot of  
5 horses at Santa Anita meet. We didn't have any injuries there.  
6 I don't see where all these injuries are coming from. I think  
7 that they have just jumped to conclusions.

8 CHAIRMAN BRACKPOOL: Okay. Before we -- Jack Liebau.

9 MR. LIEBAU: Yes. I --

10 CHAIRMAN BRACKPOOL: Jack, sorry, for the record.

11 MR. LIEBAU: My name is Jack Liebau. I'm the  
12 President of Hollywood Park.

13 And just in response to Mr. Siegel, I think it would  
14 be much better to move his horses than leave them at Hollywood  
15 Park, because we think we have the same track. And I'm sorry  
16 that you've encountered the problems you have, Mace. But be  
17 that as it may it seems that it would be --

18 CHAIRMAN BRACKPOOL: Well, we -- we -- this is not --  
19 this is not under debate right now, Jack. Please. Please.  
20 Please. Please. Please. What -- what I want to try and keep  
21 this discussion to is -- is the issue of where this is going to  
22 be. We are never going to get a unanimity of opinion in this  
23 room, let alone all of horse racing.

24 My question to you, Jack, is: Is the track at  
25 Hollywood Park in -- in -- has it had enough preparation that

1 this is -- a serious consideration could be given to moving Oak  
2 Tree, both the -- the -- the regular course and the turf  
3 course?

4 MR. LIEBAU: Notwithstanding the views of Mr.  
5 Siegel, we feel our track is safe. It's continually being  
6 monitored by Dr. Peterson. We don't seem to have any  
7 complaints, other than the one you just heard that I -- I know  
8 of. I'm told with respect to our turf course that our turf  
9 course probably will be better during the Oak Tree timeframe  
10 than it will be during ours just because of the weather that  
11 then exists. It's warmer. I have -- I have no doubts about  
12 our track. I have no doubts about the ability of our track  
13 crew to maintain it in the manner in which they have in the  
14 past.

15 CHAIRMAN BRACKPOOL: And you would be -- you would be  
16 in a position to hold this meet short notice if that was the --  
17 the request?

18 MR. LIEBAU: We're -- we're willing to do whatever is  
19 in the best interest of racing. We would hope that we've  
20 always had a great relationship with Oak Tree. When they were  
21 homeless we stepped up to the -- to the track and we -- to the  
22 table and we were continuing to do so. We -- we realize that  
23 there's a little bit of difficulty in that we do have a  
24 reluctant tenant, but we'll do the best we can. And whatever  
25 is decided to be in the best interest of racing, Hollywood Park

1 is there. Thank you.

2 CHAIRMAN BRACKPOOL: Thank you.

3 VICE CHAIRMAN ISRAEL: I think a motion is -- I'll  
4 make -- I'll make a motion before we go --

5 CHAIRMAN BRACKPOOL: I mean, I --

6 VICE CHAIRMAN ISRAEL: -- to get an application.

7 CHAIRMAN BRACKPOOL: I think what we're trying to  
8 figure out here is the process of -- of our approval. What we  
9 have in front of us here is an application for Oak Tree to run  
10 at Santa Anita. If the Oak Tree request is still to run at  
11 Santa Anita then we will take a vote up here on whether the  
12 application is to be approved or not. If you wish to withdraw  
13 that application and make a new application to run at Hollywood  
14 Park then we would probably call a special -- Counsel, I guess  
15 it's a special Board meeting that takes ten days notice?

16 MR. MILLER: Yeah.

17 CHAIRMAN BRACKPOOL: So we would notice it for ten  
18 days from today. It would be a one item Board meeting when,  
19 you know, we'd have the package in front of us. Because what  
20 we can't do is sit here now and authorize a race meeting when  
21 there's no application for that race meet.

22 VICE CHAIRMAN ISRAEL: Can't we call an emergency  
23 meeting in extraordinary circumstances?

24 MR. MILLER: Yeah. But this doesn't qualify.

25 VICE CHAIRMAN ISRAEL: Why?

1 COMMISSIONER DEREK: It doesn't?

2 VICE CHAIRMAN ISRAEL: I can't think of --

3 COMMISSIONER DEREK: What does?

4 VICE CHAIRMAN ISRAEL: I can't think of a

5 circumstance more extraordinary.

6 MR. MILLER: I -- I mean, it's -- it has to do with,  
7 you know, a threat to public safety.

8 CHAIRMAN BRACKPOOL: We can do it in ten days.

9 That -- that would be 72 hours and we -- and we could be sued  
10 on it. So it's better to be safe than to be --

11 COMMISSIONER HARRIS: And really, they -- they  
12 need -- I mean, the horsemen's agreement they have is basically  
13 being withdrawn by the TOC, as I understand it, if they don't  
14 want to run here. So, really, they don't have a complete  
15 application.

16 CHAIRMAN BRACKPOOL: They wouldn't have a complete  
17 application. That would be part of the decision making process  
18 that this board will come up with when deciding whether to vote  
19 on it or vote for it or not.

20 So I think rather than us take a vote that you may or  
21 may not want to hear the result of, and -- and we can all have  
22 our debates on -- on -- on the motion, do you still wish to  
23 make the application is my -- is -- is -- is the first question  
24 I would have?

25 MR. CHILLINGWORTH: Well -- Sherwood Chillingworth

1 with Oak Tree. Are you saying that if we say we want to  
2 continue to -- if an application for dates at Santa Anita that  
3 we'll -- you'll take a vote and it will be denied.

4 CHAIRMAN BRACKPOOL: I'm not saying that. I -- I  
5 have one vote. I don't have seven votes.

6 MR. CHILLINGWORTH: I know but --

7 CHAIRMAN BRACKPOOL: So you'll have to -- to see  
8 what -- how everybody else voted. And I haven't told you how I  
9 would vote. So --

10 MR. CHILLINGWORTH: I feel --

11 CHAIRMAN BRACKPOOL: -- you certainly can't say it  
12 would be in favor or a denial.

13 MR. CHILLINGWORTH: Anyway, then within 72 hours we  
14 will have another --

15 CHAIRMAN BRACKPOOL: That will be ten days.

16 MR. CHILLINGWORTH: -- ten days to -- well, we'll  
17 have to rewrite, go to Hollywood, have to redo our horsemen's  
18 agreement, our CTT agreement, and that sort of thing.

19 VICE CHAIRMAN ISRAEL: Well, it seems like you don't  
20 have a horsemen's agreement right now. It's --

21 MS. WAGNER: That's correct.

22 MR. CHILLINGWORTH: That's correct.

23 VICE CHAIRMAN ISRAEL: Yeah. So --

24 MS. WAGNER: No horses agreement. No -- no CTT  
25 agreement, as well.

1 VICE CHAIRMAN ISRAEL: So --

2 CHAIRMAN BRACKPOOL: No. But there weren't any --  
3 there weren't any here. In the application that we're still  
4 leading to, this was under discussion. It's not that they have  
5 one and they're being withdrawn.

6 VICE CHAIRMAN ISRAEL: So you don't have to redo  
7 anything.

8 CHAIRMAN BRACKPOOL: But --

9 MR. CHILLINGWORTH: But we have -- we have an  
10 application which we were in agreement on. We felt we better  
11 wait until we went through this process --

12 CHAIRMAN BRACKPOOL: Right.

13 MR. CHILLINGWORTH: -- before having to do it over  
14 again. So --

15 CHAIRMAN BRACKPOOL: But my -- my question to you  
16 which you thought you knew the answer to our vote, which is --  
17 I didn't, but is: Do you still want to make the motion to run  
18 at Oak Tree given what you've heard? And -- and even if we  
19 were to approve it we could only approve it subject to -- to  
20 you having the agreements at -- at the moment they said they  
21 won't give you.

22 MR. CHILLINGWORTH: Right.

23 CHAIRMAN BRACKPOOL: And now would you like us to --  
24 and I haven't looked at the calendar, but as quickly as we  
25 could within, you know, the ten day legal limit call a meeting,

1 where I can't guarantee that everyone here will be available,  
2 but we'll -- we'll come up with a date that we at least have a  
3 quorum.

4 MR. CHILLINGWORTH: The one thing I -- I would like  
5 to state, and I think from being a former broken down lawyer,  
6 that it would be better if we apply for the dates at -- at  
7 Santa Anita and have you deny it. That way we won't have the  
8 problem with breaking our contract with -- with Santa Anita.

9 CHAIRMAN BRACKPOOL: Well, we've already had on the  
10 record at a public hearing Mr. Stronach saying that whatever  
11 the result is there would be no breach of contract. I don't  
12 believe I'm putting any words in anybody's mouth; right, Scott?  
13 And this was something I asked him yesterday and -- and he  
14 affirmed it again today. So I don't think that that's -- that  
15 that --

16 COMMISSIONER ROSENBERG: Could you clarify the  
17 comment that the -- just the end of what you said before, you  
18 said that the -- that the TOC, the horsemen and the trainers  
19 would not agree to race at Santa Anita?

20 CHAIRMAN BRACKPOOL: Well, what I said was the  
21 application -- the application at the moment does not have the  
22 TOC or CTT. And --

23 COMMISSIONER ROSENBERG: But that's not the same if  
24 we approve --

25 CHAIRMAN BRACKPOOL: I'm sorry. What -- what I said

1 was if we approved --

2 COMMISSIONER ROSENBERG: Yeah.

3 CHAIRMAN BRACKPOOL: -- his request to go to Santa  
4 Anita --

5 COMMISSIONER ROSENBERG: Right.

6 CHAIRMAN BRACKPOOL: -- it's subject to getting a TOC  
7 and --

8 COMMISSIONER ROSENBERG: Right.

9 CHAIRMAN BRACKPOOL: -- CTT agreement, which they  
10 have just said they are unlikely to give them.

11 COMMISSIONER ROSENBERG: Well, I'm not clear on that.  
12 I mean, what would they do, not race?

13 CHAIRMAN BRACKPOOL: I guess that would be the --  
14 that would be the alternative then, they don't race. But I  
15 think that is a good -- that is a good question.

16 Arnold, could you address that for us?

17 MR. ZETCHER: This is important as to the process as  
18 to how we do this.

19 MR. ZETCHER: Yeah. This -- I think this question  
20 kind of crosses the line. You know, we -- we can represent our  
21 organization and give opinion on the organization. Whether  
22 some owners would choose to run, they might choose to run,  
23 other owners may not choose to run. All it does is it -- it --  
24 it's -- if they know that a risk is still associated with it  
25 then you will have some owners, probably, that would not run

1 that meet.

2 CHAIRMAN BRACKPOOL: But you wouldn't have a TOC  
3 agreement, is the -- is -- is -- is the point; right? You can  
4 not run without an agreement, horsemen's agreement.

5 VICE CHAIRMAN ISRAEL: You can't?

6 MR. ZETCHER: Well, I -- I don't know, I guess you  
7 can't, but --

8 COMMISSIONER HARRIS: Before you can waive the  
9 agreement --

10 MR. ZETCHER: Right.

11 MR. CHILLINGWORTH: I'd like to engage Mr. Miller.

12 MR. MILLER: Yeah.

13 MR. CHILLINGWORTH: My belief is that if a horsemen's  
14 agreement is not arrived at you fall back on the previous  
15 year's horsemen's agreement; is that correct?

16 MR. MILLER: Well, actually, the statute provides  
17 that if there is no agreement then the -- the Board makes the  
18 ultimate determination.

19 MR. CHILLINGWORTH: That's what I was saying, yeah.

20 MR. MILLER: Yeah. Also, and, Mr. Chairman, I might  
21 point out that a licensing application falls under a criteria  
22 that allows for a 48 special meeting, not an emergency meeting  
23 because it doesn't -- it's not a matter of disrupting public  
24 facilities. But a 48 hour notice --

25 CHAIRMAN BRACKPOOL: So you're saying that --

1 MR. MILLER: -- special meeting.

2 CHAIRMAN BRACKPOOL: -- Commissioner Israel's request  
3 for 72 hour emergency meeting is denied because we can have a  
4 48 hour meeting?

5 MR. MILLER: That's correct. But it's not an  
6 emergency meeting, it's a special meeting.

7 COMMISSIONER DEREK: Special.

8 CHAIRMAN BRACKPOOL: Okay. Special meeting.

9 VICE CHAIRMAN ISRAEL: This is why America hates  
10 lawyers.

11 CHAIRMAN BRACKPOOL: Right.

12 VICE CHAIRMAN ISRAEL: Because you parse.

13 CHAIRMAN BRACKPOOL: Jack. State your name --  
14 sorry -- for the record.

15 MR. LIEBAU: Jack Liebau from Hollywood Park. I also  
16 find myself in a -- probably not the most -- the best position  
17 of maybe being an historian of the Horse Racing Board, so I can  
18 give you a couple -- a little bit of information.

19 I've been in this situation before. And what the  
20 commission did was have a telephonic meeting at such time as  
21 the new application had been submitted. I really think that's  
22 what we should do here, if -- if Hollywood was going to host  
23 the -- the meet, if you need a new application, which I would  
24 suspect that you will need, then Oak Tree will need some  
25 information to be supplied by Hollywood, which we would be

1 happy to cooperate.

2 CHAIRMAN BRACKPOOL: I am advised by counsel that the  
3 telephonic requirements are very complicated.

4 COMMISSIONER HARRIS: It's been done before.

5 MR. LIEBAU: Well, we've -- we've had -- we've done  
6 it before without any problems.

7 MR. MILLER: Well, wherever the Commissioners are has  
8 to be open to the public.

9 MR. CHILLINGWORTH: You know, I -- I was just going  
10 to suggest, I think 72 hours, I mean, it's going to be  
11 difficult for us to --

12 CHAIRMAN BRACKPOOL: No. You're not going to get  
13 there anywhere. The point is if we can have a meeting within  
14 48 hours, whether it's by phone, we'll work out the details of  
15 that, Jack.

16 MR. LIEBAU: Right.

17 CHAIRMAN BRACKPOOL: You're not going to be ready in  
18 48 hours to --

19 MR. LIEBAU: No.

20 CHAIRMAN BRACKPOOL: -- to do something like this.

21 So I don't know. We could do one thing if you'd  
22 like, Chillie. I've got three more items to go through here.  
23 If you would like to have me again hold the item open while you  
24 discuss with your board whether you'd like to make the  
25 application or whether you'd like to withdraw the application

1 and come back with a new one --

2 MR. CHILLINGWORTH: Yeah. That's very acceptable.

3 CHAIRMAN BRACKPOOL: Okay. So why don't you take the  
4 time to do that for a moment. And then -- but just -- just  
5 before you do, Commissioner Choper?

6 COMMISSIONER CHOPER: Well -- no. Look maybe this is  
7 stating the obvious all right. A lot of people up here really  
8 wanted to see this take place at Santa Anita. I certainly did  
9 and I think I'm, you know, speaking for a bunch of people. I  
10 can't give you the numbers.

11 On the other hand the -- I -- I guess I would say the  
12 two most important participant groups, although no unanimous,  
13 are doing so in the way that, you know, our -- our -- our  
14 general electoral system works, you -- they've elected boards  
15 of directors. These issues were certainly, you know, in  
16 people's minds. I know that we've heard Mr. Sadler, you know,  
17 before talking about this. They made him the head of their  
18 group.

19 I just think that -- that -- that it's inevitable  
20 that his is going to happen unless in the -- in the few hours,  
21 in the few -- half hour or whatever it is that you have you can  
22 change people's minds.

23 And I've heard Richard Tedesco, right, you said the  
24 same thing to them this morning, that you could -- in your  
25 judgment it can be fixed up. Well, they -- they -- they -- you

1 know, we're -- we're outvoted on that point. What are you  
2 going to do? On the other hand, you know, you've got a lot  
3 of -- sunk interest into this thing, and I think everyone feels  
4 for you in respect to that.

5 But I just think that it's one of these difficult  
6 decision, but they have to be made. So --

7 CHAIRMAN BRACKPOOL: Commissioner Harris.

8 COMMISSIONER CHOPER: -- that's it.

9 COMMISSIONER HARRIS: Yeah. I do think that it's  
10 important that there be a horsemen's agreement that we approve,  
11 this application, that's an important tenant of the whole --

12 CHAIRMAN BRACKPOOL: Right.

13 COMMISSIONER HARRIS: -- thing. And I'm not sure if  
14 that can really be done in just a half an hour. I think it  
15 would be better to come back next week.

16 CHAIRMAN BRACKPOOL: Oh, no. I'm saying they come  
17 back. The only reason I'm asking them to -- to -- to go and  
18 talk now is I'm offering them the choice of withdrawing the  
19 current application and come back or asking us to vote on the  
20 current application.

21 COMMISSIONER HARRIS: Right. Maybe come back and  
22 conceivably it could be Santa Anita or it could be Hollywood  
23 Park, but --

24 CHAIRMAN BRACKPOOL: No. They can't come back and --  
25 and say it's Hollywood Park.

1           VICE CHAIRMAN ISRAEL:  It's either yes or no to Santa  
2 Anita.

3           CHAIRMAN BRACKPOOL:  It's yes or no to Santa Anita.  
4 They have to come back with a completed application on  
5 Hollywood Park if it's going to that venue.

6           COMMISSIONER HARRIS:  Well, to do that -- I mean,  
7 it's sort of sounds like the horsemen are adamantly not willing  
8 to enter into any new agreement.

9           CHAIRMAN BRACKPOOL:  No.  I -- I think I understand.  
10 Okay.  So --

11          MR. CHILLINGWORTH:  Well, let me ask you one thing  
12 for clarification.  If we come back and say we want to continue  
13 our application to run at Santa Anita and you say no, then --  
14 then in a period of 48, 72, next week some time when we get a  
15 meeting we can reapply for Hollywood Park for us now?

16          CHAIRMAN BRACKPOOL:  You can reapply.

17          MR. CHILLINGWORTH:  Yeah.  So we're not foreclosing  
18 ourselves from an alternate site?

19          VICE CHAIRMAN ISRAEL:  No.

20          MR. CHILLINGWORTH:  Okay.

21          CHAIRMAN BRACKPOOL:  Correct.  Okay.  So, yeah, take  
22 your leave for -- for a moment.  Thank you, gentlemen.

23                 I move on.  We've only got a couple of other things  
24 to do here.  Item number ten, discussion and action by the  
25 Board for an application for a license to conduct a horse race

1 meeting of the Pacific Racing Association at Golden Gate Fields  
2 commencing October the 20th, 2010 through December 19th, 2010,  
3 inclusive.

4 MS. WAGNER: Jackie Wagner, CHRB staff. Before I  
5 present this application --

6 CHAIRMAN BRACKPOOL: And once again, for all the  
7 conversations that are taking place in the back we can not hear  
8 up here. So please have them outside.

9 MS. WAGNER: Jackie Wagner, CHRB staff. At the  
10 Board's July regular meeting the Board approved a motion  
11 extending the current license of LATC and the Pacific Racing  
12 Association, as well as XpressBet entities, until December the  
13 26th. Concurrently, the existing waiver of -- of -- this is in  
14 Profession Code Section 19583 and 19584, prohibiting the common  
15 racetrack and wagering operation ownership was extended until  
16 September the 16th.

17 Given that the Board approved extending the license  
18 of PRA to operate through December 26th at the July meeting no  
19 action really needs to be taken on this application. And we  
20 are presenting this application to highlight and inform the  
21 board of the specifics of the October 20th meet through  
22 December 19th race meeting. The PR --

23 CHAIRMAN BRACKPOOL: Excuse me. Can you explain that  
24 to me?

25 MS. WAGNER: Absolutely. My understanding, at the

1 last Board meeting the -- the -- the motion was made to extend  
2 PRA's licenses through December 26th. Given as that -- that  
3 December 26th period incorporates this particular license  
4 application, which is October the 20th through December 19th,  
5 the Board has already extended the application to operate.

6 CHAIRMAN BRACKPOOL: Right. But they're subject to  
7 the waiver.

8 MS. WAGNER: Subject to the waiver.

9 CHAIRMAN BRACKPOOL: To the waiver, yeah.

10 MS. WAGNER: We still have to come up with  
11 determination on that.

12 CHAIRMAN BRACKPOOL: So it's a conditional approval  
13 dependent upon the -- the -- the -- the waiver.

14 MS. WAGNER: The waiver issues.

15 COMMISSIONER HARRIS: Is our horsemen's agreement in  
16 place for this?

17 MS. WAGNER: Yes. But --

18 COMMISSIONER HARRIS: Because as I understood it,  
19 there wasn't.

20 MS. WAGNER: It's my understanding that there is a  
21 horsemen's agreement for this particular race meeting. The  
22 only item that was outstanding at the time of the package was  
23 the CTT agreement. And we did receive a CTT agreement on  
24 August the 16th.

25 COMMISSIONER HARRIS: Yeah. I've raised some issues

1 on the stake's program. And she told me that they had not  
2 agreed to the stake's program.

3 MR. HARTMAN: Robert Hartman, Golden Gate Fields. We  
4 do have a contract with the -- with both the TOC and the CTT.  
5 However, we do still need to work out the first categories and  
6 the stake's program with the -- with the TOC. We have 60 days  
7 before the start of the meet. I don't anticipate any problems  
8 doing that. The only fact that we had is I think -- I believe  
9 we're the first application that's being held two months before  
10 the start of our race meet, per the direction of -- of the  
11 Chairman. And I talked to Guy about this issue. I think we'll  
12 be able to resolve it in the next -- in -- in the next couple  
13 of weeks.

14 COMMISSIONER HARRIS: Yeah. Because I was concerned,  
15 just on the overall future of Northern California racing,  
16 that -- that there be some level of stake's up there. And it  
17 seems like the stake's program had been changed substantially  
18 from what historically it had been as far as numbers of  
19 stake's, like get down to five stakes in a two month period.  
20 And it -- although they were a couple hundred thousand dollar  
21 stakes. But personally I think that the needs of the state are  
22 better served with more -- more -- more valued stakes that give  
23 a lot more people stake's, even if you don't have \$100,000  
24 stake.

25 MR. HARTMAN: Yeah. Commissioner Harris, I hear

1 exactly what you're saying. We are offering more in stakes  
2 money. It's \$400,000 this meet, compared to what we offered  
3 last meet which was less than that. So the total amount of  
4 money we're offering in stakes has increased.

5 We went into the issue of whether we offer a smaller  
6 amount of -- of purse money to a larger amount of trainers  
7 through \$50,000 stakes, or do we have our graded stakes which  
8 would go away and would become ungraded if we didn't run them  
9 at -- at -- at this particular meet. So it's -- it's a  
10 challenge. And I think we'll work with the TOC to -- to  
11 resolve that issue.

12 COMMISSIONER HARRIS: Well, that's the thing, I think  
13 it's just TOC and you just have to agree. I mean, I don't have  
14 a personal opinion on -- on the best way to go. But I'm  
15 concerned it not just be imposed.

16 MR. HARTMAN: Yeah. And -- and Golden Gate Fields  
17 has had a great working relationship with the Thoroughbred  
18 Owners of California. I don't foresee any issue with us  
19 resolving that issue.

20 CHAIRMAN BRACKPOOL: We're just trying to check.  
21 The -- the licenses were extended through --

22 MS. WAGNER: December 26th.

23 CHAIRMAN BRACKPOOL: -- through December 26th. Now  
24 the existing waiver, only until September the 16th, 2010?

25 MS. WAGNER: That's correct.

1           CHAIRMAN BRACKPOOL: Sorry. I was just having a side  
2 bet with Commissioner Israel.

3           VICE CHAIRMAN ISRAEL: Right.

4           MS. WAGNER: That's correct. There -- there --  
5 there -- there are two issues that --

6           VICE CHAIRMAN ISRAEL: Okay.

7           CHAIRMAN BRACKPOOL: Exactly.

8           MS. WAGNER: -- that were taking place --

9           VICE CHAIRMAN ISRAEL: All right.

10          CHAIRMAN BRACKPOOL: Exactly.

11          MS. WAGNER: -- last month.

12          VICE CHAIRMAN ISRAEL: Oh. Okay.

13          COMMISSIONER HARRIS: On the financial aspect of it,  
14 I guess Ms. Wagner, did -- who is the deep pocket here? Is  
15 somebody -- is there a corporate guarantee from MID on Pacific  
16 Racing? Because Pacific Racing doesn't really have a very deep  
17 financial statement.

18          CHAIRMAN BRACKPOOL: The -- the -- the answer to that  
19 is that part of the analysis we have to go through at the  
20 September Board meeting is that we have to come up with what we  
21 would believe, as a Board, would be necessary to ensure the  
22 issues you've just talked about if a waiver was to be granted.  
23 It's not appropriate now to go through what those might be, but  
24 there would have to be a resolution --

25          COMMISSIONER HARRIS: But are you running --

1           CHAIRMAN BRACKPOOL:  -- for those types of issues.

2           COMMISSIONER HARRIS:  And they're going to be  
3 running, you know, continually to -- until December this year.  
4 I think --

5           CHAIRMAN BRACKPOOL:  Right.

6           COMMISSIONER HARRIS:  -- the Board just needs some  
7 assurance that -- that there's financial stability there.

8           CHAIRMAN BRACKPOOL:  Right.  Right.  And that  
9 would -- it might -- I'm saying that has to come up in the --  
10 in the -- in -- in the overall waiver discussion; right, Kirk?

11          MR. BREED:  It can.  Yes, it can.

12          CHAIRMAN BRACKPOOL:  Okay.

13          MR. BREED:  We could also tack it onto this, but that  
14 would be ideal.

15          CHAIRMAN BRACKPOOL:  Okay.  Commissioner Choper?

16          COMMISSIONER CHOPER:  I noticed, if -- if read it  
17 right, that you have more days than you had the last time and a  
18 higher average daily purse.  How -- how did you calculate that?  
19 That is to say, how come?

20          MR. HARTMAN:  We are going into this -- this  
21 particular meet -- well, let me back up for a second.

22                 We are running another meet starting next Wednesday,  
23 this coming Wednesday.  So this is a little awkward for me.  
24 When I say the upcoming meet, we have a meet coming up on  
25 Wednesday, and then this meet is -- is -- is in mid-October.

1 We are entering this August meet with an overpayment -- oh, I'm  
2 sorry, with an underpayment of \$300,000 or so, give or -- give  
3 or take some. So we are able to apply some of that  
4 underpayment to increase the -- the average purses for -- for  
5 the upcoming meet.

6 COMMISSIONER CHOPER: Thank you.

7 MR. HARTMAN: But I should state, depending on how  
8 this upcoming meet goes, the one that starts this coming  
9 Wednesday, we may have to adjust the -- the purses, whether we  
10 have both -- if we have a very good meet then we could adjust  
11 them up. If we have a poor meet than we could -- we may have  
12 to adjust them down.

13 CHAIRMAN BRACKPOOL: Yes.

14 COMMISSIONER HARRIS: Well, the further out meet,  
15 though, you're saying supposedly they're going to run five days  
16 a week or four days a week?

17 MR. HARTMAN: Five days a week.

18 COMMISSIONER HARRIS: Because, I don't know, just  
19 looking at the total California picture right now it seems like  
20 we're always starting these meets running five days and it  
21 doesn't work, then we go to four days. I -- I'd like to see us  
22 plan ahead a little better and run, you know, four good days,  
23 rather than trying to stretch it into five that's just not  
24 going to work.

25 MR. HARTMAN: Yeah. We always state in our

1 application that -- that we try to -- to correspond with what  
2 they do in Southern California. However, Northern California,  
3 the fairs have been -- been very successful. You just heard  
4 the -- the application from Fresno where they said they're  
5 going to run a six day week.

6 COMMISSIONER HARRIS: Well, they've got one four day  
7 and one six, so the average is five, but --

8 MR. HARTMAN: Okay. So the -- they're averaging  
9 five.

10 COMMISSIONER HARRIS: They've got mules and things  
11 like that.

12 VICE CHAIRMAN ISRAEL: Don't argue with John about  
13 Fresno.

14 MR. HARTMAN: We -- we -- we try --

15 CHAIRMAN BRACKPOOL: Tractors. We got all sorts to  
16 things going on.

17 MR. HARTMAN: We -- we do get -- and -- and horses  
18 come in from the Northwest. When Emerald Downs and Hastings  
19 Park closes we do get an influx of horses. So we do expect  
20 that again this year. Our racing secretary has gone up there  
21 and visited and we're expecting a good number. And I think  
22 we'll -- we'll have no problem going five days a week. If we  
23 do have a problem then -- then we would reduce. But we want to  
24 give our owners and trainers the maximum amount of -- of  
25 opportunity, given the current economic times.

1           COMMISSIONER HARRIS: Yeah. And I'd like to run five  
2 days if everyone can. It's just we need to realistic.

3           MR. HARTMAN: Yeah. I agree. And I think this is  
4 the one meet of -- of the year that we can run five days. If  
5 you notice on -- on the current -- well, the current meet that  
6 we're talking about, we are running four days. This is the  
7 September meet. But in this October meet we think we can fill  
8 it because of that influx of horses.

9           COMMISSIONER CHOPER: Has -- has your survey of the  
10 Northwest and Arizona shown better potential results than last  
11 year?

12          MR. HARTMAN: Yeah. We're hearing very good things  
13 from the Northwest this year.

14          COMMISSIONER CHOPER: Good.

15          COMMISSIONER HARRIS: Yeah. Sometimes I've heard  
16 that the Golden Gate Fields racing circuit that's been going on  
17 for ages strongly discourages people from running at Fresno in  
18 light of at Golden Gate Fields. So I hope you don't do that,  
19 that that's just a myth.

20          CHAIRMAN BRACKPOOL: One thing in the application,  
21 and I know we've talked with MID about some of the -- the  
22 management changes. On 10-2 of our Board packet, Jackie, you  
23 have, "The officers and directors are listed as follows."

24          MS. WAGNER: Uh-huh.

25          CHAIRMAN BRACKPOOL: Are they the correct officers

1 and directors?

2 MS. WAGNER: Those are what is represented on the  
3 application. Because I know --

4 CHAIRMAN BRACKPOOL: I understand. That's why that  
5 wasn't the question I just asked. Are they correct as of --

6 MS. WAGNER: To my knowledge, yes, they're all  
7 correct.

8 CHAIRMAN BRACKPOOL: Yes? Okay. All right. Good.  
9 Okay. All right. Good.

10 Well, I think since there's no action item here  
11 we'll -- we'll move on; right?

12 VICE CHAIRMAN ISRAEL: Oh, no. We have to vote to  
13 approve them.

14 CHAIRMAN BRACKPOOL: No. You said there's no action  
15 item.

16 MS. WAGNER: There is -- it's not an action item  
17 because the Board approved the application for PRA ending  
18 through December 26th on this particular application.

19 CHAIRMAN BRACKPOOL: Right. This is an informational  
20 item --

21 MS. WAGNER: It's information only.

22 CHAIRMAN BRACKPOOL: -- we're going through --

23 MS. WAGNER: The Board still has to make their --  
24 their determination on the waiver --

25 CHAIRMAN BRACKPOOL: Right.

1 MS. WAGNER: -- at next month's meeting --

2 CHAIRMAN BRACKPOOL: Right.

3 MS. WAGNER: -- which will directly reflect whether  
4 or not this meet --

5 CHAIRMAN BRACKPOOL: Exactly.

6 MS. WAGNER: -- takes place.

7 CHAIRMAN BRACKPOOL: Now just to really bore  
8 everybody to tears we, on the waiver issue, we had approved it  
9 through the date of what we thought was the next Board meeting,  
10 and we've now changed the date of the next Board meeting,  
11 Jackie.

12 MS. WAGNER: Yes. We are working to changing the  
13 date of the next Board meeting to September the 23rd --

14 CHAIRMAN BRACKPOOL: Right.

15 MS. WAGNER: -- with a race dates meeting taking  
16 place --

17 CHAIRMAN BRACKPOOL: Right.

18 MS. WAGNER: -- on September the 22nd.

19 CHAIRMAN BRACKPOOL: So, Counsel, what do we do about  
20 that issue?

21 MR. MILLER: When is our September --

22 CHAIRMAN BRACKPOOL: Well, we've moved it back a week  
23 and -- and we had timed the waiver to there. Are we allowed  
24 today to extend the waiver as -- as --

25 MR. MILLER: Yes.

1 CHAIRMAN BRACKPOOL: -- part of this?

2 MR. MILLER: Yes.

3 CHAIRMAN BRACKPOOL: Okay. So --

4 COMMISSIONER CHOPER: So moved. So moved.

5 CHAIRMAN BRACKPOOL: So -- so

6 Commissioner Choper moves.

7 VICE CHAIRMAN ISRAEL: Second.

8 COMMISSIONER DEREK: Second.

9 CHAIRMAN BRACKPOOL: Can I read the motion before  
10 we --

11 COMMISSIONER DEREK: No.

12 VICE CHAIRMAN ISRAEL: We know what it is.

13 CHAIRMAN BRACKPOOL: Okay. Good. We're extending  
14 the waiver from September 16th to the date of the next Board  
15 meeting.

16 VICE CHAIRMAN ISRAEL: Before Robert changes his  
17 mind.

18 CHAIRMAN BRACKPOOL: Okay.

19 MR. HARTMAN: Mr. Chair, there's just one item I  
20 would like to add. We were very impressed by Mr. Peterson's  
21 presentation. And we have not had him come up to Golden Gate  
22 Fields over the past couple of years. I would like to start a  
23 yearly inspection while things are good with the track so we  
24 have some baseline. If anything were to go wrong we would have  
25 years of data to then compare it to.

1 CHAIRMAN BRACKPOOL: Excellent idea.

2 MR. HARTMAN: I just wanted to offer that up to the  
3 Board.

4 CHAIRMAN BRACKPOOL: Excellent idea.

5 MR. BREED: Mr. Chairman, Kirk Breed. We already  
6 have that data. But, you know, that data we are collecting as  
7 of like three months ago on --

8 CHAIRMAN BRACKPOOL: We aren't talking about absolute  
9 data. He's talking about them performing an inspection on the  
10 track.

11 MR. HARTMAN: By Mr. Peterson particularly.

12 MR. BREED: Independent. Right.

13 CHAIRMAN BRACKPOOL: Right.

14 MR. HARTMAN: Yeah.

15 CHAIRMAN BRACKPOOL: Yeah.

16 MR. BREED: But I'm saying the data is available.

17 CHAIRMAN BRACKPOOL: Okay. Right. Right. Right.

18 And that's something, Bo, that we might try to figure out how  
19 we get into a more -- rather than do it on a sporadic basis  
20 that we figure out how we actually get that --

21 COMMISSIONER DEREK: That's a good idea.

22 CHAIRMAN BRACKPOOL: -- done.

23 VICE CHAIRMAN ISRAEL: Well, we can write -- we can  
24 write a regulation.

25 CHAIRMAN BRACKPOOL: That's what I'm saying.

1 VICE CHAIRMAN ISRAEL: Yeah.

2 CHAIRMAN BRACKPOOL: So maybe that's something, at  
3 your next Committee you can come up with a regulation that it  
4 has to be done every period of time. I'll let you old guys --

5 COMMISSIONER DEREK: I like it.

6 CHAIRMAN BRACKPOOL: -- work out when it is. Okay.  
7 Thank you, Robert. Thank you.

8 VICE CHAIRMAN ISRAEL: Well, he wants to say  
9 something.

10 MR. HARTMAN: No. I'm here for the next item, as  
11 well, if we're going to continuing on.

12 CHAIRMAN BRACKPOOL: Okay. We are.

13 Item number 11, discussion and action by the Board on  
14 the application for a license to operate a minisatellite  
15 wagering facility at Farrington's Bar in Pleasant Hill,  
16 California, for a period up to two years.

17 Is this also one that Commissioner Moss can drive by?

18 COMMISSIONER DEREK: Hopefully.

19 VICE CHAIRMAN ISRAEL: Can I ask, when -- when you --  
20 in the future when you have these, and I hope we have many of  
21 them, can you include a map?

22 MS. WAGNER: Oh, absolutely.

23 COMMISSIONER DEREK: Good idea.

24 VICE CHAIRMAN ISRAEL: Thanks.

25 CHAIRMAN BRACKPOOL: Okay. Please. Jackie, are you

1 going to present?

2 MS. WAGNER: Yes. Jackie Wagner, CHRB staff.  
3 Farrington's Bar, in collaboration with PRA and NOTWINC, is  
4 presenting their application to operate a minisatellite  
5 wagering site. They are proposing to begin operations on  
6 August the 25th and run through August the 25th, 2010 for a  
7 two-year term.

8 Farrington's is located in Pleasant Hill and they are  
9 a bar. They are located in the northern zone. The racetrack  
10 that's located within 20 miles of this particular establishment  
11 is the Solano County Fair Racing Association. And we have  
12 received a waiver from Solano County Fair Racing Association to  
13 allow Farrington's to begin operations.

14 The Farrington's Bar has contracts and agreements  
15 with the following racing associations. In fact, they have all  
16 of their agreements in. So they have their agreements with Cal  
17 Expo, Del Mar, La Salle, Los Angeles Turf Club, Oak Tree Racing  
18 Association, Pacific Racing Association. Your analysis  
19 indicates that they had three outstanding agreements, and we  
20 are pleased to report that we received those agreements on  
21 August the 16th. So they also have an agreement with Hollywood  
22 Park, CARF and LATC.

23 They are proposing to operate the minisatellite  
24 wagering Wednesday through Sundays and holiday Mondays, opening  
25 at 10:00 a.m. in the morning and running through 10:00 p.m. in

1 the -- in the evening.

2 CHAIRMAN BRACKPOOL: Thank you. Can you tell us a  
3 little about your facility?

4 MR. MCCANN: Most certainly. I'm Doug McCann  
5 representing Farrington's Bar. And our facility, a little  
6 background, we have 30 years of history, over 30 years of  
7 history of being a bar. The current owner has over ten years  
8 of history of owning the -- the establishment. We created a --  
9 we spent about 350,000 a year ago to renovate the bar. We have  
10 at this point 25 flat screen TVs. The environment that we're  
11 basically trying to create is a true sport's -- sport's bar in  
12 the environment of something that you would see in Nevada or,  
13 actually, what they have in Arizona. And so we've done some  
14 research in Arizona and looked at the successful bars that run  
15 the pari-mutuel there and pretty much came up with the idea of  
16 modeling our efforts in that environment. So --

17 CHAIRMAN BRACKPOOL: Excellent.

18 VICE CHAIRMAN ISRAEL: How many square feet is your  
19 facility?

20 MR. MCCANN: I don't think I know. I believe it's  
21 9,000 square feet if I'm --

22 MR. HARTMAN: It's 6,630 square feet.

23 MR. MCCANN: The intent in just -- in doing this is  
24 to create an environment. Like I said, we're not trying to  
25 create a place where people just come to bet on horse racing.

1 But basically, we're looking at people that are coming to this  
2 environment and saying, oh, I can bet on horse racing, it's  
3 that easy.

4 CHAIRMAN BRACKPOOL: That's what I want to see.

5 MR. MCCANN: So we're actually looking to expand the  
6 market beyond the normal horse racing person to the general  
7 market.

8 CHAIRMAN BRACKPOOL: Yeah.

9 VICE CHAIRMAN ISRAEL: Excellent.

10 CHAIRMAN BRACKPOOL: Commissioner Moss.

11 COMMISSIONER MOSS: Direct question. Sorry. But are  
12 you having to pay any compensation to the Solano Fair for the  
13 waiver?

14 MR. MCCANN: No.

15 MR. HARTMAN: And I would just like to publicly thank  
16 Mike Paluszak of the Solano County Fair. And I also had lunch  
17 with the fair board of directors for -- for taking this action  
18 for the good of this Board of horse racing. You know, we've  
19 had some problems with other fairs in the past. And -- and  
20 these guys have really stepped up and showed their leadership  
21 and -- and -- and -- and I just wanted to thank them.

22 COMMISSIONER HARRIS: That's good. And there is a  
23 pretty substantial bridge you have to go over to get to Vallejo  
24 the loyalty here anyway, so it's not -- not that big a  
25 sacrifice for them to give them the waiver.

1           CHAIRMAN BRACKPOOL: No. But others haven't taken  
2 the same commercial view of -- of the thing. So I echo  
3 Commissioner Moss's gratitude of -- of Solano on that.

4           COMMISSIONER HARRIS: People coming to this, can you  
5 get in free, or do you have to pay to get into this outlet?

6           MR. MCCANN: Our -- again, our whole idea would be  
7 that people would come in and be able to do it for free. You  
8 know, we're basically, like I said, we're looking to expand our  
9 business by attracting -- offering something that other people  
10 do not offer, and at the same time providing them with an  
11 experience they can't get elsewhere.

12          COMMISSIONER HARRIS: Okay.

13          COMMISSIONER CHOPER: Is -- is there any promotion  
14 that you're doing this announcement or are you just --

15          MR. MCCANN: So --

16          COMMISSIONER CHOPER: -- hoping that people come in  
17 and start betting?

18          MR. MCCANN: So we would -- we would promote it in a  
19 variety of different ways. One, right now, we obviously have a  
20 web presence. We -- we are on Facebook. We actually are in a  
21 place called Barspace.tv which actually provides live feeds  
22 into bars. Right now we do it late at night. We also  
23 advertise. We pay Google to be on the top of any search when  
24 someone's looking for a bar in -- in our area. So, again, we  
25 actually have an electronic presence in a number of different

1 ways. If we got this approved we would go to print add and we  
2 would look at advertising somewhat on TV -- on TV, as well.

3 MR. HARTMAN: We could also use the existing Golden  
4 Gate Fields advertising, our print, radio, electronic, to -- to  
5 make sure fans are aware of. And, you know, we have -- also  
6 have a 60,000 person direct mail list, as well.

7 VICE CHAIRMAN ISRAEL: So -- so there will be  
8 reference made --

9 MR. HARTMAN: Absolutely.

10 VICE CHAIRMAN ISRAEL: -- in your program every  
11 day --

12 MR. HARTMAN: Absolutely.

13 VICE CHAIRMAN ISRAEL: -- and all that? Great.

14 CHAIRMAN BRACKPOOL: How far is it from your  
15 facility?

16 MR. MCCANN: Yeah. It's a little over -- a little  
17 over 20 miles. So the best part of it, there is no satellite  
18 in Contra Costa County. This would be the first one. Contra  
19 Costa County has a million residents in it and there is not one  
20 satellite in the entire county. So it's -- it's definitely  
21 going to serve a need out there.

22 VICE CHAIRMAN ISRAEL: Okay.

23 COMMISSIONER CHOPER: Yeah. A little over 20 miles,  
24 though, that's -- boy, that's deceptive. It's a long ride --

25 MR. MCCANN: Well, through a tunnel.

1 COMMISSIONER CHOPER: -- to go from Pleasanton.

2 MR. MCCANN: I mean, it's the same time.

3 VICE CHAIRMAN ISRAEL: In California --

4 MR. MCCANN: But it's --

5 VICE CHAIRMAN ISRAEL: -- 20 miles is a long ride  
6 anywhere.

7 MR. MCCANN: -- through a tunnel and --

8 CHAIRMAN BRACKPOOL: Exactly. Try doing --

9 MS. WAGNER: And if I --

10 CHAIRMAN BRACKPOOL: -- 20 miles in L.A.

11 VICE CHAIRMAN ISRAEL: Yeah.

12 MS. WAGNER: If I may, just for the -- for the  
13 record, I want to make it known that the analysis indicates  
14 they are missing items from this application. I want the Board  
15 to be aware that we have received all of the items that are  
16 noted --

17 CHAIRMAN BRACKPOOL: You said that.

18 MS. WAGNER: -- as missing. The TOC agreement, we  
19 received that. We received the contracts agreement with  
20 Hollywood Park, CARF, L.A. -- Los Angeles County Fair, and we  
21 also received the agreement from NOTWINC. So their  
22 application --

23 CHAIRMAN BRACKPOOL: Thank you.

24 MS. WAGNER: -- is complete.

25 VICE CHAIRMAN ISRAEL: I'd like to move that we

1 approve this application.

2 COMMISSIONER MOSS: I second.

3 CHAIRMAN BRACKPOOL: Okay. Seconded by Commissioner  
4 Moss, motion by Vice Chair Israel. All in favor?

5 ALL COMMISSIONERS: Aye.

6 CHAIRMAN BRACKPOOL: Congratulations.

7 MR. MCCANN: Thank you very much.

8 VICE CHAIRMAN ISRAEL: Good luck.

9 CHAIRMAN BRACKPOOL: And enjoy. And this is the type  
10 of thing we want to see.

11 MR. HARTMAN: Thank you very much.

12 MR. MCCANN: Thank you.

13 VICE CHAIRMAN ISRAEL: Do you realize --

14 CHAIRMAN BRACKPOOL: Thank you.

15 VICE CHAIRMAN ISRAEL: -- if you were operating your  
16 name would be Doug Farrington's and you'd be representing  
17 McCann's, because there are about 50 McCann's in Manhattan.

18 CHAIRMAN BRACKPOOL: Thank you. Okay.

19 VICE CHAIRMAN ISRAEL: On every corner in Manhattan  
20 there's a bar named McCann's.

21 CHAIRMAN BRACKPOOL: Are you ready? Okay. So let's  
22 wrap up the Oak Tree. But before you do, I'm reopening item  
23 number eight. And I have four people wishing to speak on item  
24 number eight.

25 The first one, I don't know if it's a real request or

1 not because I can't read what you said at the top, Jack. Jack,  
2 you wanted to talk on item number eight, but only if Oak Tree  
3 intends to run --

4 MR. LIEBAU: I pass. I just wanted to know how many  
5 days they were going to run.

6 CHAIRMAN BRACKPOOL: Oh. Okay. All right. Next  
7 one, Peter Miller.

8 MR. P. MILLER: How are you? My name is Peter  
9 Miller. I'm a horse trainer. In the past year, within six  
10 months I've started well over 100 horses, probably in the top  
11 ten numbers of starts on the meet on this circuit. And Santa  
12 Anita was every bit as safe as Hollywood all meet. Okay. And  
13 I didn't start hearing anything about Santa Anita until well  
14 after the meet had closed, a month, month-and-a-half after the  
15 meet, which I found very interesting.

16 Richard Tedesco is a wonderful track man. If Richard  
17 says this track is safe and he can get it safe, I believe him.  
18 And I think we have gone from being at Santa Anita to being at  
19 Hollywood to being at Santa Anita, now to being again at  
20 Hollywood. We really look to the public like we really don't  
21 know what we're doing.

22 And, you know, to shoot ourselves in the foot  
23 again -- look, I -- Hollywood is a great facility. Santa Anita  
24 is a great facility. I need stalls from both of them. I'm not  
25 trying to upset anyone. But, yet, all the horses are going to

1 have to be, the majority, at Hollywood Park for the next four  
2 months while they do this renovation if we do not run at Oak  
3 Tree. That track can not handle 2,000, 2,500 horses over it  
4 every day. So the safety at Hollywood Park will end up being  
5 far, far inferior, in my opinion, than we would have at Santa  
6 Anita with the horses -- horse population split evenly. And  
7 it's a known fact, when you get an overabundance of horses on a  
8 racetrack the track becomes far less safe. It just is.

9 COMMISSIONER CHOPER: Can I make a comment on that?

10 CHAIRMAN BRACKPOOL: Please, Commissioner Choper.

11 COMMISSIONER CHOPER: You're talking to the wrong  
12 audience.

13 MR. P. MILLER: I just wanted --

14 COMMISSIONER CHOPER: That is to say --

15 COMMISSIONER DEREK: Yeah.

16 COMMISSIONER CHOPER: -- you should talk to your  
17 trainers' organization. It's very difficult. I'm not  
18 questioning the truth or falsity of what you're saying. But  
19 it's very difficult for this group to say, well, the designated  
20 group running the CTT has come to an opposite conclusion. It's  
21 like if you voted for McCain you're stuck with the -- the  
22 winner.

23 MR. P. MILLER: Well, the facts bear out, the track  
24 is safe, it's been safe. It was one of the safest tracks in  
25 the country. Our track man says it's safe. I say it's safe.

1 Some of us say it is, some say it isn't. I don't know. I just  
2 think we're shooting ourselves in the foot again.

3 CHAIRMAN BRACKPOOL: Thank you, Peter.

4 COMMISSIONER ROSENBERG: Could I ask a question?

5 CHAIRMAN BRACKPOOL: Yes. Commissioner Rosenberg.

6 COMMISSIONER ROSENBERG: Were you surveyed by the --  
7 the CTT on this subject or were you just surveyed by dirt  
8 versus synthetic?

9 MR. P. MILLER: I was never surveyed.

10 COMMISSIONER ROSENBERG: Okay.

11 CHAIRMAN BRACKPOOL: Okay. Thank you.

12 Next speaker -- sorry, John, wants the first one.

13 MR. SADLER: Just real quick, is that --

14 CHAIRMAN BRACKPOOL: John, name for the record.

15 MR. SADLER: John Sadler, CTT. When this new board  
16 came in at the CTT we adopted a policy of -- of all our  
17 membership is welcome at every meeting that we have. We have  
18 no closed meetings. They are -- all the trainers are welcome  
19 to attend.

20 CHAIRMAN BRACKPOOL: Thank you. Next speaker, Howard  
21 Zucker.

22 MR. ZUCKER: I spoke before you. Howard Zucker. I'm  
23 the former chair of the Track Safety Committee for the CTT for  
24 probably 12 years. I think I've spoken before several of you  
25 that are still on the Board.

1           Back in the heyday before synthetics I brought a  
2 group of trainers before the CHRB Board. And it was probably  
3 the first time that a group of trainers came in public to talk  
4 about racetracks. We were killing horses daily. Our fields  
5 were down to fives and fours. At the first CHRB meeting that I  
6 spoke at there were two four horse fields to kick off the card  
7 at Hollywood Park.

8           I'm not going to argue synthetic versus dirt. But I  
9 will tell you this, I -- I helped fund some of Mick Peterson's  
10 research. I raised money for a lot of his research. I  
11 followed Mick around. I know that he's come a long way, and I  
12 know some of his limitations, and he's very frank about those.  
13 What I found following him around and talking to very  
14 experienced track men over the years, some that MAGNA had  
15 brought out here, some from Keeneland, I've learned that it's  
16 the track man that makes the track. It's not synthetic and  
17 it's not dirt. That's the one conclusion I can come to.

18           And if Rich Tedesco tells you -- and, I mean, I have  
19 a good feel for the pulse of horse -- of horse deaths, his  
20 track has been so safe in the last two years -- you had two  
21 Breeder's Cups that went without a hitch -- if he tells you the  
22 track is safe don't use that track as an excuse to change this  
23 meet. Because I didn't go to the meeting where they decided  
24 that this was going to be the CTT position. I've been off the  
25 board for years. But I know I've tried to talk to some of the

1 officers and they're not hearing it. They've got their  
2 agendas. I think there's -- I just want to let you know  
3 there's a lot of trainers out there that feel the way I do,  
4 that that's a safe track if Richard is taking care of it.

5 Thank you, you guys.

6 CHAIRMAN BRACKPOOL: Thank you. Thank you very much.

7 Last speaker on the issue, Matthew Chu.

8 MR. CHEW: Matthew Chew, licensed trainer. I agree  
9 with the last few gentlemen that spoke. I think that Santa  
10 Anita has -- has proven itself. I think Santa Anita and  
11 Richard Tedesco have proven that is a safe surface, that you  
12 can run a race meet there with very few injuries. And I was  
13 very surprised to hear that there was any opposition at all to  
14 Oak Tree running its meet there based off its safety. It's  
15 insane. We are having fewer -- fewer fatalities than ever  
16 before. And I don't -- and that's a statistic that stands on  
17 its own.

18 And I think in all of our -- they'll agree that the  
19 safety of the horses is paramount. And the record has proven  
20 that Santa Anita is a safe surface.

21 CHAIRMAN BRACKPOOL: Thank you.

22 MR. CHEW: Thank you.

23 CHAIRMAN BRACKPOOL: That's it for the public  
24 speakers on the issue.

25 Chillie, would you come back up, please?

1 MR. CHILLINGWORTH: Sherwood Chillingworth, Oak Tree.  
2 We've discussed the issue of whether we should withdraw our  
3 application or submit it as is. And our feeling that Frank  
4 Stronach went out of his way to give us this extra year. And  
5 in recognition of his willingness to do that I think we're --  
6 we would be very unresponsive if we didn't say that we would  
7 like to stay there this year. And if you want to vote that  
8 down, obviously, that's your discretion. But our position is  
9 we would like to leave our application in place.

10 EQUINE MEDICAL DIRECTOR ARTHUR: Dr. Art --

11 CHAIRMAN BRACKPOOL: Please. Please. Please.

12 Please. Please. Please.

13 EQUINE MEDICAL DIRECTOR ARTHUR: Dr. Arthur. I  
14 usually don't address Oak Tree matters because of my role as  
15 Equine Medical Director. I -- I will tell you, however, I'm  
16 going to make an exception here. Because some of the  
17 statements that have been said I think are very unfortunate.  
18 This is one of the most safest racetracks in America, one of  
19 the safest racetracks in America. The fatality rate at Santa  
20 Anita is one-fourth of the national average. I know that track  
21 very well. I have confidence in Richard Shapiro. By the time  
22 that -- that this Board --

23 MR. CHILLINGWORTH: Tedesco.

24 EQUINE MEDICAL DIRECTOR ARTHUR: I mean, Richard --  
25 Richard Tedesco -- that was a slip, wasn't it? Anyway, Richard

1 Tedesco.

2 VICE CHAIRMAN ISRAEL: Paging Dr. Freud.

3 EQUINE MEDICAL DIRECTOR ARTHUR: Yeah. Right.

4 Richard Tedesco knows how to handle this racetrack. This track  
5 has not had the work that it's had previously. We're very  
6 confident that Richard can make this track safe. We think that  
7 we -- the people at Santa Anita have promised us that they will  
8 work full time to remedy the issues that Mick identified. And  
9 I'm actually on Mick's board. I know what he's done. I know  
10 exactly what he's talking about. And I think it's something  
11 that we can have a very safe meet.

12 And, certainly, we will spend time in the interim,  
13 you know, if necessary, looking at options for Hollywood Park  
14 with both the CTT, TOC and Jack Liebau's group to see what the  
15 options are. But are very confident that a safe and successful  
16 meet can be run at Santa Anita this October. And I will also  
17 tell you, by that time we will have data from Equibase that I  
18 am confident will dispel this myth of the undocumented injury  
19 rate differences. It's just like Del Mar has data from  
20 Equibase that refutes this urban legend, I think that data will  
21 be readily available within the next ten days.

22 CHAIRMAN BRACKPOOL: Richard, would you like to say  
23 something?

24 MR. MANDELLA: Is it okay if I --

25 CHAIRMAN BRACKPOOL: Please.

1 MR. MANDELLA: Sure. I've been reluctant to speak.  
2 I'm Richard Mandella, Horse Trainer, and happen to be a member  
3 of the Oak Tree Board. Reluctant because I --

4 CHAIRMAN BRACKPOOL: Richard, plug it back in. It's  
5 slipping at the bottom there.

6 VICE CHAIRMAN ISRAEL: No. You're in that once you  
7 have the --

8 MR. MANDELLA: Hello?

9 CHAIRMAN BRACKPOOL: Yeah. That's good. Don't touch  
10 it.

11 MR. MANDELLA: Oh, you are strong, aren't you?

12 Reluctant because I am a trainer and on the board  
13 and, I'm sure, perceived as prejudice. But I train 38 horses  
14 at Santa Anita every year, all year for the last 35 years. As  
15 Rick says, when you're at Santa Anita, I challenge anybody in  
16 this room to remember when they saw the ambulance out last to  
17 pick up a horse. We train there and have had thousands and  
18 thousands of workouts since the meet was over. We had our  
19 meeting at Santa Anita. It was uneventful with injury.

20 I have to point out that the board of directors of  
21 the CTT ran on the form of replacing synthetics with dirt,  
22 which as you all know is -- is a popular item at this moment.  
23 So why didn't this come up? I'm a board of director trainer on  
24 the Oak Tree Board. Why didn't this -- this -- this concern  
25 come up two months ago?

1 I was just asked to go a week ago to Santa Anita to  
2 look at the track. I walked the track. I didn't see anything  
3 different about it that I've seen in all the times I've walked.  
4 Now there are those small pebbles on the track that came up  
5 from the blacktop, but we all know how big blacktop pebbles  
6 are. They're maybe the size of a small fingertip. With three  
7 inches of cushion track, with the material and the -- and the  
8 polymers, those are fairly insignificant.

9 Now there are incidents that Richard accepted, that  
10 they touched the bottom, brought -- brought a few big rocks up.  
11 That's not a big problem. We could form an army of the  
12 backside to walk that track and pick rocks out.

13 EQUINE MEDICAL DIRECTOR ARTHUR: That has already  
14 been done, by the way. And this issue with these rocks came  
15 about from the end of 2007, the month of January in 2008, less  
16 than three months after this track was established.

17 CHAIRMAN BRACKPOOL: Okay. Well, let Richard -- let  
18 Richard finish, please.

19 EQUINE MEDICAL DIRECTOR ARTHUR: I'm sorry.

20 MR. MANDELLA: So consequently we're -- you know,  
21 we're trying to mix a little bit of rocket science with -- with  
22 racetracks and horses, and that -- maybe we've getting a little  
23 bit too sophisticated in trying to work common sense and  
24 practicality together too fast. And that could be the  
25 combination we have here to do this.

1 I've -- I've trained 38 horses on there all winter,  
2 all year. I thought it was as good a track as we had anywhere  
3 in California. I'd ask you to take that into consideration.

4 CHAIRMAN BRACKPOOL: Let me say, if we're done with  
5 that, let me say a couple of things.

6 COMMISSIONER MOSS: I have something to say, as well,  
7 but go ahead.

8 CHAIRMAN BRACKPOOL: Well, why don't you go first,  
9 Jerry.

10 COMMISSIONER MOSS: I -- I don't get it, to tell you  
11 the truth. You know, we're in this situation because you tell  
12 me yesterday that Mr. Stronach said he was going to put in a  
13 dirt track, which it seemed like the majority of us celebrated.

14 We rushed headlong into synthetics based on one  
15 season at Turfway, you know? Synthetics never did what they  
16 promised to do. They take more maintenance, clearly, than a  
17 good dirt track. There needs to be some time to get a great  
18 base going in Santa Anita. Maybe, you know, I know our  
19 Chairman didn't think that the difference between two months  
20 and four months meant a great deal, and he's entitled to his  
21 opinion. I think -- I think they do need four months to get a  
22 good base and make sure that that dirt track is operating  
23 really well.

24 I don't get -- what's the big deal about transferring  
25 Oak Tree from -- for one year from Santa Anita to Hollywood

1 Park if that's what the majority of the people want to do?  
2 It's -- it's not -- you know, everybody respects everybody.  
3 Everybody's had a good shot at this game. The Oak Tree has  
4 meant so much to us over the last 40 years. Times are  
5 different now. The majority have spoken. Why is it -- why is  
6 it such a big thing to just transfer this thing to Hollywood  
7 Park, which is going to stay open now during 2011? This could  
8 provide a spark for Hollywood Park that the prestigious Oak  
9 Tree meet will be held there.

10           For the good of the game, if you give Santa Anita  
11 four months to reinvent itself they'll open on December 26th  
12 with great excitement and enthusiasm from the racing fans, and  
13 that would promise to be just the greatest meet we've had there  
14 in years and years and years with the promise, perhaps, of East  
15 Coast participation at the meet, I just don't -- you know, I  
16 mean, I know you have contracts and you have promises and  
17 you -- you want to finish what you started. Mr. Stronach was  
18 very casual about his invitation. He said you can stay or you  
19 can leave. You know, it didn't seem like it was -- you would  
20 be hurting his feelings by -- by -- by leaving, to tell you the  
21 truth.

22           I -- I just don't get why every aspect of this, from  
23 my point of view, is such -- such a big deal, you know, that  
24 we're taking this kind of time when we rushed through the  
25 synthetic process so quickly.

1           CHAIRMAN BRACKPOOL: Okay. Commissioner Choper, then  
2 Commissioner Rosenberg.

3           MR. MANDELLA: Can I respond to that for just one  
4 moment?

5           CHAIRMAN BRACKPOOL: Please.

6           MR. MANDELLA: As a horseman I have to respond that  
7 Peter Miller spoke very accurately saying that there's going to  
8 be over 3,000 horses trying to fit into Hollywood Park. Santa  
9 Anita will close and the horses will be as full as Hollywood  
10 Park will be able to be, which is 2,000 plus corrals. So it  
11 could end up 2,400. The rest of them will probably be at  
12 Pomona, but they won't be at Santa Anita. So there's going to  
13 be --

14           CHAIRMAN BRACKPOOL: That's sort of a single issue.  
15 But we're going to have --

16           MR. MANDELLA: That's going to -- we're going to have  
17 dangers in itself.

18           CHAIRMAN BRACKPOOL: We --

19           MR. MANDELLA: It's a legitimate point.

20           CHAIRMAN BRACKPOOL: We have that issue, though,  
21 whenever they do -- do the track. So that -- that issue,  
22 Richard, exists whether Oak Tree runs or -- or doesn't run.

23           COMMISSIONER MOSS: Yeah. Hollywood -- Hollywood was  
24 closed last year at Del Mar -- when Del Mar was running.

25           CHAIRMAN BRACKPOOL: Right. Right. Commissioner

1 Choper.

2 VICE CHAIRMAN ISRAEL: Santa Anita is closed now.

3 COMMISSIONER CHOPER: I just want to say this, we  
4 can't hold a hearing here on the safety of the track. I mean,  
5 it -- it -- it's just not an issue. If I were on a committee  
6 that was designated to hear all of the testimony on that,  
7 that's one thing. But it's not.

8 You know, I think everybody here is sympathetic to  
9 what you've got to say. And you and Miller and Chew, they  
10 obviously feel very strongly about this. But your organization  
11 has, you know, made a decision on your behalf. I know you  
12 don't want to hear that, but that's -- that's the reality. And  
13 we can't overturn that simply by beginning to hear new  
14 testimony about it. It -- it -- it wouldn't be right.

15 VICE CHAIRMAN ISRAEL: Yeah.

16 CHAIRMAN BRACKPOOL: Commissioner Rosenberg.

17 COMMISSIONER ROSENBERG: Well, I was going to comment  
18 on the same subject as Commissioner Choper over -- in terms of  
19 the -- the reliance that the board has to place on these  
20 organizations. And I'm very disappointed that the TOC,  
21 particularly, is correctly saying that the owners shouldn't be  
22 experts on the track. They go to their trainers. But it's  
23 clear to me that the trainers didn't take any kind of detailed  
24 votes of the trainers. There are just too many trainers who  
25 had no problems there.

1           So unless there's some underlying hidden motive here  
2 I don't quite get the motive for this switching this historical  
3 meeting to a place that may not do as well as it would do at  
4 Santa Anita.

5           EQUINE MEDICAL DIRECTOR ARTHUR: I think Commissioner  
6 Rosenberg has kind of hit the frustration. And -- and -- and  
7 let me respond to what Commissioner Moss said.

8           This Board was ready to sign a contract that we had  
9 worked out with Hollywood Park the first week in June. It was  
10 this Board that asked us not to complete that contract with the  
11 hopes that Mr. Stronach would change his mind, and with the  
12 help of Mace Siegel we were able to do that.

13           We are now, what, six weeks away from the beginning  
14 of the meet and we're asked to change where we're going to go,  
15 and now we're going to have to come ten weeks later. We're  
16 talking about three-quarters of a million dollars worth of  
17 sales. You have all these other problems. You just don't  
18 change course meets, race meets like you change pants. I mean,  
19 it takes some preparation to do this.

20           We'd be happy to take a look at this. We would  
21 have -- if we would have made this change back in June we would  
22 be fine doing it.

23           CHAIRMAN BRACKPOOL: Okay.

24           EQUINE MEDICAL DIRECTOR ARTHUR: It's just the last  
25 minute.

1           CHAIRMAN BRACKPOOL:  Let's --

2           EQUINE MEDICAL DIRECTOR ARTHUR:  But the point -- the  
3 point here is the safety issue is nonsense.  This is the --

4           CHAIRMAN BRACKPOOL:  Well --

5           EQUINE MEDICAL DIRECTOR ARTHUR:  -- safest track in  
6 the U.S.

7           CHAIRMAN BRACKPOOL:  And these are opinions, and I go  
8 to what Commissioner Choper said --

9           EQUINE MEDICAL DIRECTOR ARTHUR:  But they're based on  
10 facts, Mr. Chairman.

11          CHAIRMAN BRACKPOOL:  One second.  Vice Chair Israel.

12          VICE CHAIRMAN ISRAEL:  Well, the safety issues is the  
13 only thing that's important to me.  And as a board we hired Dr.  
14 Peterson to provide us with an objective analysis of the  
15 situation.  And from his presentation I don't think it's unfair  
16 to characterize that he has some misgivings and he found some  
17 significant flaws that caused him uneasiness in his analysis.

18                 I'm no expert on these things.  I have to accept his  
19 findings.  And I believe his findings have to direct us in how  
20 we make a decision here.  And that's the only thing -- I  
21 understand the hardships of moving the meet.  And I understand  
22 the -- that it might not perform as well as it would have  
23 performed at Santa Anita.  But if we have been given a report  
24 that says there are concerns about the surface of the track and  
25 then something happens, that's on our head.

1           CHAIRMAN BRACKPOOL: Commissioner Harris.

2           COMMISSIONER HARRIS: Well, the safety issue is  
3 obviously very important and that's the prime thing. But it  
4 seems like we're getting good efforts on both sides of that.

5           But setting that aside, I think we do need to look at  
6 the economics, as well, how racing is in trouble in general as  
7 far as purses and handle and attendance and everything. I  
8 think it would be good if we could see some comparable numbers  
9 of how Oak Tree may do it, Hollywood Park versus how Oak Tree  
10 may do it at -- at Santa Anita just to -- to not have that  
11 necessarily trump safety, but for us to see what those numbers  
12 might be.

13          CHAIRMAN BRACKPOOL: Well, let me -- let me say,  
14 because we've got to bring this to -- to a closing, I --

15          EQUINE MEDICAL DIRECTOR ARTHUR: The most important  
16 issue, I think we should have some opportunity to respond to  
17 some of the comments. And I'd like to respond to -- to one  
18 Mr. Israel -- Commissioner Israel said here.

19          CHAIRMAN BRACKPOOL: Well, go ahead.

20          EQUINE MEDICAL DIRECTOR ARTHUR: I was asked by  
21 Commissioner Israel not to get in the middle of this debate,  
22 and I tried to stay away from it in terms of the fatality data.  
23 If you listen to what Dr. Peterson said, and I worked with him  
24 on a number of issues, he is not an epidemiologist. All he can  
25 look at is object parameters in the racetrack. And, yes, he

1 did identify points of concern.

2           If, however, you look at what his measurement  
3 criteria is and what the results are from the respective  
4 racetracks we'd have to question whether he's measuring the  
5 right thing, quite honestly. And -- and if you looked at it  
6 in -- in a dispassionate way that would be the first question  
7 you'd look at.

8           I will tell you, Oak Tree has no interest, no  
9 interest at all in going to anything but a safe racetrack. And  
10 all I'm saying is, number one, we -- we have a proposal here.  
11 We think the track will be safe. We will spend our time seeing  
12 if we can work out those issues with Hollywood Park, the CTT  
13 and the TOC. But at the same time we are going to be trying to  
14 remedy the issues that Mick Peterson identified on this  
15 racetrack.

16           CHAIRMAN BRACKPOOL: That -- that, I don't think, is  
17 particularly responsive to where we're -- where we're heading.

18           Where we're heading sitting here is we're being  
19 asked -- and Chillie, I need to clarify something with you  
20 here.

21           MR. CHILLINGWORTH: Yes.

22           CHAIRMAN BRACKPOOL: Okay. Was your request that you  
23 wished us to take a vote so that you could send a message to  
24 Frank Stronach as to how hard you've tried? That was what I  
25 heard you say.

1 MR. CHILLINGWORTH: No. I really wasn't trying to  
2 butter up Frank Stronach. I'm just saying that our position  
3 was he gave us a chance to come to his track. And in  
4 recognition of that we can't say, okay, we're willing to move,  
5 you know?

6 CHAIRMAN BRACKPOOL: Okay. I perceived you --

7 MR. CHILLINGWORTH: We -- we -- you and I may --

8 CHAIRMAN BRACKPOOL: Differ.

9 MR. CHILLINGWORTH: -- yeah, differ, but --

10 CHAIRMAN BRACKPOOL: Okay. I think, frankly, for --  
11 for me the issue is -- is -- is the issue that Commissioner  
12 Choper raises, which is that what this appears to be is a  
13 disagreement about who should represent people in these  
14 discussions. I don't think that this was ever an issue that  
15 this Board was being asked to make a subject determination as  
16 to the safety of this track. What we have in front of us is an  
17 association saying we would like to race somewhere where the  
18 TOC and CTT, at least the elected representatives of those  
19 parties are the people that we have to listen to are saying we  
20 don't want to race there.

21 So when we look at an application, be a fair  
22 application, be it a regular -- a meet down here application or  
23 whatever, we get to the end and there is a staff recommendation  
24 every time that says we don't have the following agreements.  
25 And if you don't have the following agreements you can't

1 authorize it and you shouldn't authorize it.

2 Well, we're sitting here with an association saying  
3 we would like you to make -- to approve our application, even  
4 though the TOC and CTT have said they won't run there. Right.  
5 That -- that's -- that's how I see it and I find that very  
6 troubling for me in -- in being able to make that -- that vote.

7 What I would suggest is that if you are going to  
8 spend the next X number of days trying to work this out with  
9 Hollywood Park you're effectively going to spend the next few  
10 days talking to, again, the CTT, the TOC, etcetera.

11 MR. CHILLINGWORTH: That's correct.

12 CHAIRMAN BRACKPOOL: So to me you're going to be  
13 going through this in parallel. So if you want us to take a  
14 vote on whether we would approve this application today then  
15 I'm happy for us to take the vote on that. But the real action  
16 is in ten days time when you're -- or whatever day you're ready  
17 to come back and give us the 48 hours notice. Because what  
18 you're really going to do is carry on these discussions.

19 MR. CHILLINGWORTH: Well --

20 CHAIRMAN BRACKPOOL: I don't see today that -- I  
21 personally, I can't speak for anyone else, I personally could  
22 not vote to approve this meet today given that the TOC and CTT  
23 are standing in front me saying I won't race there.

24 Now if over the next 48 -- whatever period of time  
25 you reach agreement with them then that would be a different

1 issue for me, because I have not made a determination on the  
2 safety issue. For me it's far more an issue the way that  
3 Commissioner Choper had said, which is we have elected  
4 representatives from these entities and they've said this is  
5 our position.

6 MR. CHILLINGWORTH: Well, I understand from a  
7 procedural aspect you're absolutely correct.

8 COMMISSIONER HARRIS: I'm not sure if those --

9 MR. CHILLINGWORTH: And so --

10 COMMISSIONER HARRIS: -- negotiations have exhausted  
11 themselves. I mean --

12 CHAIRMAN BRACKPOOL: That's what I'm saying, though,  
13 that's what I'm saying is that -- is that I think they're going  
14 to go on anyway, those negotiations. But if you're asking us  
15 to take a vote today on would we approve the -- the application  
16 as presented with the information we've heard then we'll take a  
17 vote on it.

18 EQUINE MEDICAL DIRECTOR ARTHUR: Mr. Chairman, you  
19 routinely approve applications pending the approval --

20 CHAIRMAN BRACKPOOL: Not when I've been --

21 EQUINE MEDICAL DIRECTOR ARTHUR: -- of a --

22 CHAIRMAN BRACKPOOL: -- told by the --

23 EQUINE MEDICAL DIRECTOR ARTHUR: -- horsemen's  
24 agreement.

25 CHAIRMAN BRACKPOOL: -- elected representatives --

1 COMMISSIONER DEREK: Yeah.

2 CHAIRMAN BRACKPOOL: -- that they will not run there.  
3 I've never, ever had that put in front of us.

4 MR. CHILLINGWORTH: Let me say this, are you  
5 suggesting that instead of asking for a vote today we postpone  
6 that until we've had a time to talk to the TOC and get an  
7 idea --

8 CHAIRMAN BRACKPOOL: I would -- my advice to you  
9 would be to withdraw your application and come back to us with  
10 an application. If you really want us to take a vote on it,  
11 take a vote on it. I -- I -- I -- I think you can probably  
12 count where it's going from having --

13 MR. CHILLINGWORTH: Well I --

14 CHAIRMAN BRACKPOOL: But we'll -- we'll take a vote  
15 on it.

16 MR. CHILLINGWORTH: I'm sensing where that action is  
17 going, so --

18 MR. LIEBAU: Mr. Chairman?

19 CHAIRMAN BRACKPOOL: Please, Jack.

20 MR. LIEBAU: My name is Jack Liebau. I'm the  
21 President of Hollywood Park. Hollywood Park I think has gone  
22 the extra mile in this. We got left at the alter in June. We  
23 have a certain price as far as the management of Hollywood Park  
24 is concerned that if we open our meet -- our facility and have  
25 a meet we want to do the best that we can possibly do. And

1 every day makes the chances of having a successful meet less  
2 and less.

3 I really think that in fairness to Hollywood Park,  
4 I've said this to Mr. Chillingworth and I've said it over and  
5 over again, we're here to help. But, god, don't take advantage  
6 of us. I mean, give us a shot. But this thing, you know, I  
7 don't think that you're going to change anybody's mind. But  
8 we're always willing to help. We're always there. We're just  
9 asking that we be treated fairly. And I'm not --

10 CHAIRMAN BRACKPOOL: Appreciate that, Jack.

11 MR. LIEBAU: -- I'm not sure that that's happening  
12 here by dragging it on and jeopardizing what little chance we  
13 have of putting on this meet at Hollywood Park.

14 CHAIRMAN BRACKPOOL: Well, I don't think we're  
15 dragging it out necessarily.

16 MR. LIEBAU: Well, no. I --

17 CHAIRMAN BRACKPOOL: This is a procedural issue as to  
18 whether they want to withdraw their application to negotiate  
19 with you or whether they want to -- or they want us to --

20 MR. LIEBAU: Well --

21 CHAIRMAN BRACKPOOL: -- take a vote on the  
22 application and --

23 MR. LIEBAU: But if they withdraw their application  
24 then there's no decision that has been made and nothing's going  
25 to happen until they go talk to people and they try to change

1 their mind. And then you've got to have another meeting at  
2 some point in time.

3 CHAIRMAN BRACKPOOL: And we all realize we're all  
4 running out of time. Give them a deadline.

5 MR. CHILLINGWORTH: Let me give my commitment on  
6 this. We will start immediately to try to work out something  
7 with -- with CTT, TOC and Hollywood Park. We're not going to  
8 dillydally around about that. The meet is September 29th. We  
9 can't afford to drag this out. So in our own best interest  
10 we're -- we're better off trying to do something very shortly,  
11 and we're not dragging our feet on it. We've just been waiting  
12 for this hearing to determine whether our application is going  
13 to be turned down or accepted.

14 CHAIRMAN BRACKPOOL: And you've asked for it to be  
15 withdrawn; correct?

16 COMMISSIONER ROSENBERG: Just to clarify, if he  
17 withdraws the application and he has these discussions with  
18 Hollywood Park, then he may have discussions with the TOC and  
19 the CTT about Santa Anita; is that correct?

20 MR. CHILLINGWORTH: Yeah. As -- as a mere procedural  
21 issue I would like you, the Board, to turn down our  
22 application, and then with the understanding that we'll proceed  
23 immediately to move -- to talk with Hollywood Park. I just  
24 think it's cleaner that way. You know, we've said we -- we'd  
25 run, we'd like to run there. It's not going to happen. And we

1 would just -- that breaks the -- the chain of command there and  
2 we go on and start working with Hollywood Park.

3 COMMISSIONER HARRIS: I think the procedure there  
4 would be we'd -- we'd turn it down because you don't have a  
5 horsemen's agreement, but you'd continue to work on that and --  
6 and set a day Monday or some time that we'd --

7 CHAIRMAN BRACKPOOL: Well, that's their agreement. I  
8 think what -- what Jack Liebau just said is a very, very  
9 important and fair point --

10 COMMISSIONER CHOPER: That's right.

11 CHAIRMAN BRACKPOOL: -- which is that you can't  
12 continue to have a backstop date for much longer. This prom is  
13 about to happen; right?

14 MR. CHILLINGWORTH: Right. But that's why --

15 CHAIRMAN BRACKPOOL: So I'm not going to draw that  
16 line in the sand. You two can -- you two can figure that out.  
17 My suggestion --

18 COMMISSIONER CHOPER: I think this is --

19 CHAIRMAN BRACKPOOL: My suggestion to you was to  
20 withdraw the application, arrange your drop-dead, you know,  
21 date with -- with Jack and -- and then come back to us so that  
22 you're not prejudice at all. But that's -- Commissioner Derek.

23 COMMISSIONER DEREK: Yes. Chillie, you mentioned  
24 earlier about the -- the -- the situation with contracts you've  
25 already signed.

1 MR. CHILLINGWORTH: Right.

2 COMMISSIONER DEREK: So if the Board -- if the Board  
3 does turn you down, your application down, does this help you  
4 renegotiate contracts and --

5 MR. CHILLINGWORTH: That's -- that's precisely my  
6 point.

7 COMMISSIONER DEREK: Okay.

8 MR. CHILLINGWORTH: I mean, if you turn down our  
9 application we have the right to go back to our people we've  
10 contracted with --

11 VICE CHAIRMAN ISRAEL: Okay.

12 MR. CHILLINGWORTH: -- and say --

13 VICE CHAIRMAN ISRAEL: That's fair.

14 MR. CHILLINGWORTH: -- you know, it's not within our  
15 power to --

16 VICE CHAIRMAN ISRAEL: That's --

17 MR. CHILLINGWORTH: -- continue that contract.

18 VICE CHAIRMAN ISRAEL: That's completely fair.

19 COMMISSIONER DEREK: That makes sense.

20 MR. CHILLINGWORTH: So that's why I'm asking for it  
21 because --

22 CHAIRMAN BRACKPOOL: Okay.

23 VICE CHAIRMAN ISRAEL: Okay.

24 CHAIRMAN BRACKPOOL: Well, then --

25 VICE CHAIRMAN ISRAEL: But there is -- I mean, to

1 reiterate a point that's been made, there's not too much  
2 elasticity here time wise.

3 COMMISSIONER CHOPER: That's for sure.

4 VICE CHAIRMAN ISRAEL: You've got --

5 MR. CHILLINGWORTH: We recognize it probably better  
6 than anybody else.

7 VICE CHAIRMAN ISRAEL: Okay. Good.

8 MR. CHILLINGWORTH: When you're running at a  
9 racetrack, all the things we have to redo now are marketing,  
10 all the letters we sent out to people who -- who have the box  
11 seat reservations and people who have -- we've got a hell of a  
12 problem.

13 EQUINE MEDICAL DIRECTOR ARTHUR: And let's face it,  
14 we wanted on this agenda long before now. But anyway --

15 COMMISSIONER DEREK: Anyway --

16 VICE CHAIRMAN ISRAEL: Wanted what on the agenda?

17 EQUINE MEDICAL DIRECTOR ARTHUR: The -- the Oak Tree.  
18 Yes. The Oak Tree dates application.

19 CHAIRMAN BRACKPOOL: The Oak Tree application --

20 EQUINE MEDICAL DIRECTOR ARTHUR: The Oak Tree --

21 CHAIRMAN BRACKPOOL: -- was removed in the last  
22 agenda -- at the last --

23 EQUINE MEDICAL DIRECTOR ARTHUR: I understand that.

24 CHAIRMAN BRACKPOOL: -- at the last Board meeting --

25 EQUINE MEDICAL DIRECTOR ARTHUR: I understand that.

1 CHAIRMAN BRACKPOOL: -- at the request of Oak Tree.

2 Thank you. Okay.

3 Then I will make a motion, as I -- I get up and go  
4 along, I will make a motion that we should deny the application  
5 due to the fact that we do not have a TOC horsemen's agreement,  
6 and we have been told here in a public hearing that the TOC and  
7 CTT would not be prepared to sign a horsemen's agreement. And  
8 based on that I would make a motion to deny the application.

9 COMMISSIONER MOSS: Second.

10 CHAIRMAN BRACKPOOL: I have -- Commissioner Moss  
11 seconds the application. And who would be -- who is in favor  
12 of that motion?

13 COMMISSIONERS: Aye.

14 COMMISSIONER ROSENBERG: I abstain.

15 CHAIRMAN BRACKPOOL: So Commissioner Rosenberg  
16 abstains. Commissioner Israel, Choper, Derek, Moss, Brackpool  
17 in favor.

18 Commissioner Harris?

19 COMMISSIONER HARRIS: In favor.

20 CHAIRMAN BRACKPOOL: In favor. So --

21 MR. CHILLINGWORTH: I'd like to make one comment, if  
22 I may. If Commissioner Bo Derek opens up a legal office I want  
23 to talk to her immediately. She got the essence of that --

24 COMMISSIONER DEREK: I've been sued a lot.

25 MR. CHILLINGWORTH: -- very quickly. Thank you.

1 EQUINE MEDICAL DIRECTOR ARTHUR: Commissioners,  
2 Chairman --

3 CHAIRMAN BRACKPOOL: Thank you.

4 EQUINE MEDICAL DIRECTOR ARTHUR: -- could -- could  
5 Richard say one comment --

6 CHAIRMAN BRACKPOOL: Sure.

7 EQUINE MEDICAL DIRECTOR ARTHUR: -- on the hardpan.

8 CHAIRMAN BRACKPOOL: Sure.

9 MR. TEDESCO: I just called down to Santa Anita to  
10 find out how everything was going. And they told me that they  
11 poured water on it and it just opened up. They can put their  
12 foot right through it. The hardpan is not as hard as people  
13 think it is.

14 CHAIRMAN BRACKPOOL: Richard, it is not us you have  
15 to convince.

16 COMMISSIONER DEREK: Yeah.

17 CHAIRMAN BRACKPOOL: We just took a motion --

18 MR. TEDESCO: I just wanted to --

19 CHAIRMAN BRACKPOOL: -- based upon a set of  
20 procedures. There's another two groups you have to go  
21 convince.

22 MR. TEDESCO: Okay. Thank you.

23 CHAIRMAN BRACKPOOL: Thank you. Thank you.

24 MR. TEDESCO: Thank you.

25 MR. CHILLINGWORTH: Thanks.

1           CHAIRMAN BRACKPOOL:  Item number 12, Jackie, race  
2 dates' procedure.

3           MS. WAGNER:  Item number 12 -- Jackie Wagner, CHRB  
4 staff.  Item number 12 is a discussion and action by the Board  
5 regarding the 2011 race date allocation procedures.  At the  
6 direction of the Chairman this item was placed on the agenda in  
7 order to notify the industry of the procedures going forth for  
8 the allocation of our 2011 race dates.

9           With that I'll turn it over to our Executive  
10 Director.

11           MR. BREED:  As -- excuse me.  Kirk Breed, California  
12 Horse Racing Board.  The procedure that we are anticipating  
13 following this year for 2011 race dates is -- is that the  
14 associations will present their proposed dates at the next  
15 Board meeting.  Hopefully you'll have these in writing, sent to  
16 us ten days before the Board meeting.  And those will be put  
17 into a package for the Board.  And then you will have a chance  
18 to defend your -- and testify your race dates for the year  
19 2011.  That is the -- that's the proposal that we have before  
20 us here today.

21           The -- the -- this has been done in the past,  
22 apparently, on -- on a couple of occasions when there is a  
23 duplication of race date requests, and that is basically when  
24 the Board discusses it.

25           VICE CHAIRMAN ISRAEL:  Does anybody have any comment?

1 MR. BREED: Does anybody have any comments on that?

2 The date of the meeting is the 22nd of September.

3 VICE CHAIRMAN ISRAEL: The day before the next Board  
4 meeting.

5 UNIDENTIFIED MALE: And you want submissions by?

6 MR. BREED: By the 12th.

7 MS. WAGNER: No later than -- no later than the 12th.  
8 We would need to receive the -- it's really important that we  
9 receive the industry's wish list, so to speak, in terms of what  
10 they would like to have allocated to their specific  
11 associations. It's real important that we get this. If we can  
12 get them before the -- the 12th that would be great. The  
13 sooner the better. That will allow us to put the package  
14 together.

15 VICE CHAIRMAN ISRAEL: All right. Then if there's  
16 nothing else to be said then we'll move on to item number 13,  
17 the report from the Chairman of the Board, who is incoming,  
18 regarding legislative industry developments.

19 CHAIRMAN BRACKPOOL: I think at the meeting I talked  
20 about the progress that had been made. That progress has --  
21 has continued substantially. We have less than ten days left  
22 in the legislative session. There are a couple of pieces of  
23 legislation that the industry appears to have tossed around.  
24 There are still a couple of groups who have issues with that.  
25 Whether or not we resolve those issues, whether or not it goes

1 to a vote, it will be difficult to -- to tell. It would be  
2 like describing a game that's tied with a few minutes left at  
3 this date. So I don't know that I would -- it's good to be in  
4 the prediction business.

5           But I think that it's been a very, very useful  
6 process as we've gone through this. I think that if the  
7 legislation could pass I personally believe it would be an  
8 enormous boom to our sport, but there are a lot of issues that  
9 we're still working through. And I think it would be  
10 inappropriate to go through everybody's position of where they  
11 are in -- in detail. And, hopefully, we will -- we'll have  
12 something out. And if the legislation does pass I'm sure there  
13 will be, you know, some -- some good -- we'll put out a  
14 detailed release, along with others, as to -- as to where we --  
15 as to where we've gotten to.

16           But this has been a really very, very healthy process  
17 as we've gone through this. And I'm confident it bodes well  
18 for the future of our -- of our industry as we -- as we  
19 continue.

20           I think with that, that is the --

21           MR. MILLER: Mr. Chairman?

22           CHAIRMAN BRACKPOOL: Yes.

23           MR. MILLER: Could we have a motion with regards to  
24 item number 12 that sets forth those dates? There was no  
25 motion at the end of that discussion, but there was a request

1 that -- by staff that the wish list of the associations be in  
2 by the 12th.

3 CHAIRMAN BRACKPOOL: I got your card here, John.

4 MR. MILLER: And the meeting --

5 CHAIRMAN BRACKPOOL: Right. Could you read that.  
6 That's the race dates meeting and the Board meeting date?

7 MR. MILLER: Yes.

8 CHAIRMAN BRACKPOOL: Yes. So --

9 COMMISSIONER HARRIS: In that race dates meeting I'm  
10 not sure if -- if Pomona is the best place to have that.

11 CHAIRMAN BRACKPOOL: We're -- we're -- we're  
12 currently deciding that. Mike, have you come up with a  
13 recommendation yet? I made the same point. Right. Right.  
14 Right. I don't think we need to be out there for two straight  
15 days because it would mean too many people traveling.

16 MR. MARTIN: Well, Hollywood Park has agreed to -- to  
17 host that meeting on the -- on the 22nd if we feel that's  
18 appropriate.

19 CHAIRMAN BRACKPOOL: Okay. We will get a notice out  
20 of exactly where. Let's not have that debate now. Because  
21 Commissioner Israel has got a good suggestion, as well. So  
22 we're going to make the motion that there will be a race dates'  
23 meeting on Wednesday, September the --

24 MS. WAGNER: 22nd.

25 CHAIRMAN BRACKPOOL: -- 22nd. And we will move the

1 September regularly scheduled Board meeting to Thursday,  
2 September the 23rd.

3 MS. WAGNER: Correct.

4 MR. BUCALO: The -- the -- the details of those  
5 meetings will be sent out --

6 MS. WAGNER: As soon as we finalize the location.  
7 We're -- we're still trying to determine the location of the  
8 race dates' meeting. The Board meeting will be held in Pomona,  
9 as of this date.

10 CHAIRMAN BRACKPOOL: Right.

11 MS. WAGNER: We do have a couple of locations that  
12 we're looking at --

13 CHAIRMAN BRACKPOOL: Okay.

14 MS. WAGNER: -- for the race dates.

15 CHAIRMAN BRACKPOOL: The subject of location, then  
16 Counsel wanted me to make a motion that those were the dates  
17 for the two meetings. So --

18 MR. MILLER: And -- and that the wish list of the  
19 associations be submitted to staff by September the 12th.

20 MS. WAGNER: No later than September 12th.

21 CHAIRMAN BRACKPOOL: No later than September the  
22 12th.

23 MS. WAGNER: No later. If we get them beforehand it  
24 will help us.

25 CHAIRMAN BRACKPOOL: Right. So race date requests

1 are in by Wednesday, September 1the 12th. The meeting will be  
2 Wednesday, September the 22nd, and the Board meeting, Thursday,  
3 September the 23rd.

4 MS. WAGNER: Yes.

5 CHAIRMAN BRACKPOOL: All in favor? Oh, I need a  
6 second for the motion.

7 COMMISSIONER ROSENBERG: Second.

8 CHAIRMAN BRACKPOOL: Seconded by Commissioner  
9 Rosenberg. All in favor?

10 ALL COMMISSIONERS: Aye.

11 CHAIRMAN BRACKPOOL: Approved.

12 Item 13, before I close --

13 VICE CHAIRMAN ISRAEL: Just for the record, Jess  
14 voted yes. I saw him raise his hand.

15 CHAIRMAN BRACKPOOL: Okay. Item 13, before I close,  
16 John Bucalo wanted to speak to item 13.

17 MR. BUCALO: Yeah. As I understand, one of the  
18 issues that are being presented to the legislation is the  
19 Exchange Wagering Act. And if that does go through I would  
20 just like to let the Board know that we -- we -- we hope that  
21 we're going to be part of it, that this will not be something  
22 that will be issued or offered to ADW companies and -- and not  
23 satellite facilities or racetracks, as well. You know, we hope  
24 that will happen.

25 Currently there's, in the California Horse Racing

1 Board law book, 19604, item J specifies that no ADW will accept  
2 wagering at any satellite facility in California can accept  
3 from the California residents. And currently that's done with  
4 full card wagering by ADW. So I know we have addressed this in  
5 the past.

6 CHAIRMAN BRACKPOOL: Okay.

7 MR. BUCALO: But we hope we'll be included on this

8 if --

9 CHAIRMAN BRACKPOOL: Thank you.

10 MR. BUCALO: -- if it is.

11 CHAIRMAN BRACKPOOL: Thank you, John.

12 MR. BUCALO: Yeah.

13 CHAIRMAN BRACKPOOL: Thank you. Okay. So this  
14 concludes the open part of the meeting. We're going to go into  
15 closed session and we'll come back and close the meeting.  
16 Thank you.

17 (Thereupon the California Horse Racing Board Regular Meeting  
18 went into a Closed Session, then was adjourned.)

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TRANSCRIBER'S CERTIFICATE

I, Martha L. Nelson, attest that the foregoing proceedings were transcribed to the best of my ability.

I further certify that I am not a relative or employee of any attorney of the parties, nor financially interested in the action.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated this 25th day of August, 2010.

          /s/ Martha L. Nelson          

Martha L Nelson, CERT\*\*00367